

divisions (A) and (B) of this section to pay the nonfederal share 29715
of the medicaid expenditures for the habilitation center services 29716
the county board is required by division (D) of section 5111.041 29717
of the Revised Code to pay. 29718

Sec. 5123.049. The director of mental retardation and 29719
developmental disabilities shall adopt rules in accordance with 29720
Chapter 119. of the Revised Code governing the authorization and 29721
payment of home or community-based services, medicaid case 29722
management services, and habilitation center services. The rules 29723
shall provide for private providers of the services to receive one 29724
hundred per cent of the medicaid allowable payment amount and for 29725
government providers of the services to receive the federal share 29726
of the medicaid allowable payment, less the amount withheld as a 29727
fee under section 5123.0412 of the Revised Code and any amount 29728
that may be required to be deposited into a county MR/DD medicaid 29729
reserve fund under section 5705.091 of the Revised Code. The rules 29730
shall establish the process by which county boards of mental 29731
retardation and developmental disabilities shall certify and 29732
provide the nonfederal share of medicaid expenditures that the 29733
county board is required by division (A) of section 5126.056 of 29734
the Revised Code to pay. 29735

Sec. 5123.0410. (A) An individual with mental retardation or 29736
other developmental disability who moves from one county in this 29737
state to another county in this state shall receive home or 29738
community-based services in the new county that are comparable in 29739
scope to the home or community-based services the individual 29740
receives in the prior county at the time the individual moves. If 29741
the county board serving the county to which the individual moves 29742
determines under section 5126.041 of the Revised Code that the 29743
individual is eligible for county board services, the county board 29744
shall ensure that the individual receives the comparable services. 29745

If the county board does not make that determination, the 29746
department of mental retardation and developmental disabilities 29747
shall ensure that the individual receives the comparable services. 29748

If the home or community-based services that the individual 29749
receives at the time the individual moves includes residential 29750
services, the department shall reduce the amount the department 29751
allocates to the county board serving the county the individual 29752
left for those residential services by an amount that equals the 29753
payment the department authorizes or projects, or both, for those 29754
services from the last day the individual resides in the county to 29755
the last day of the state fiscal year in which the individual 29756
moves. The department shall increase the amount the department 29757
allocates to the county board serving the county the individual 29758
moves to by the same amount. The department shall make the 29759
reduction and increase effective the day the department determines 29760
the individual has residence in the new county. The department 29761
shall determine the amount that is to be reduced and increased in 29762
accordance with the department's rules for authorizing payments 29763
for home or community-based services established adopted under 29764
section 5123.049 of the Revised Code. The department shall 29765
annualize the reduction and increase for the subsequent state 29766
fiscal year as necessary. 29767

Sec. 5123.0411. The department of mental retardation and 29768
developmental disabilities may bring a mandamus action against a 29769
county board of mental retardation and developmental disabilities 29770
that fails to pay the nonfederal share of medicaid expenditures 29771
that the county board is required by division (A) of section 29772
5126.056 of the Revised Code to pay. The department may bring the 29773
mandamus action in the court of common pleas of the county served 29774
by the county board or in the Franklin county court of common 29775
pleas. 29776

Sec. 5123.0412. (A) At times the department of mental retardation and developmental disabilities determines, the department shall charge each county board of mental retardation and developmental disabilities a fee equal to one per cent of the total value of all medicaid paid claims for habilitation center services, medicaid case management services, and home or community-based services for which the county board contracts or provides itself. No county board shall pass the cost of a fee charged to the county board under this section on to a person or government entity with which the county board contracts to provide the services.

(B) Two-thirds of the fees collected under this section shall be deposited into ODMR/DD administration and oversight fund, which is hereby created in the state treasury. One-third of the fees collected under this section shall be deposited into the ODJFS administration and oversight fund, which is hereby created in the state treasury. The department of mental retardation and developmental disabilities shall use the money in the ODMR/DD administration and oversight fund and the department of job and family services shall use the money in the ODJFS administration and oversight fund for both of the following purposes:

(1) The administrative and oversight costs of habilitation center services, medicaid case management services, and home or community-based services that a county board develops and monitors and the county board or a person or government entity under contract with the county board provides. The administrative and oversight costs shall include costs for staff, systems, and other resources the departments need and dedicate solely to the following duties associated with the services:

(a) Eligibility determinations;

(b) Training;

<u>(c) Fiscal management;</u>	29808
<u>(d) Claims processing;</u>	29809
<u>(e) Quality assurance oversight;</u>	29810
<u>(f) Other duties the departments identify.</u>	29811
<u>(2) Providing technical support to county boards' local administrative authority under section 5126.055 of the Revised Code for the services.</u>	29812
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<u>(C) The departments of mental retardation and developmental disabilities and job and family services shall enter into an interagency agreement to provide for the departments to coordinate the staff whose costs are paid for with money in the ODMR/DD administration and oversight fund and the ODJFS administration and oversight fund.</u>	29815
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<u>(D) The departments shall submit an annual report to the director of budget and management certifying how the departments spent the money in the ODMR/DD administration and oversight fund and the ODJFS administration and oversight fund for the purposes specified in division (B) of this section.</u>	29821
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<u>Sec. 5123.0413. The department of mental retardation and developmental disabilities, in consultation with the department of job and family services and county boards of mental retardation and developmental disabilities, shall plan for the establishment, funding, and management of one or more of the following to pay for extraordinary costs, including extraordinary costs for services to individuals with mental retardation or other developmental disability, and ensure the availability of adequate funds in the event a county property tax levy for services for individuals with mental retardation or other developmental disability fails:</u>	29826
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<u>(A) County MR/DD medicaid reserve funds;</u>	29836

(B) A state MR/DD risk fund; 29837

(C) A state insurance against MR/DD risk fund. 29838

Sec. 5123.195. No residential facility shall terminate its 29839
status as a provider under the medicaid program under Chapter 29840
5111. of the Revised Code unless it has, at least ninety days 29841
prior to such termination, provided written notice to the 29842
department of job and family services of such action. This 29843
requirement does not apply in cases where the department of job 29844
and family services terminates a residential facility's provider 29845
agreement or provider status. 29846

Sec. 5123.60. (A) A legal rights service is hereby created 29847
and established to protect and advocate the rights of mentally ill 29848
persons, mentally retarded persons, developmentally disabled 29849
persons, and other disabled persons who may be represented by the 29850
service pursuant to division (L) of this section; to receive and 29851
act upon complaints concerning institutional and hospital 29852
practices and conditions of institutions for mentally retarded or 29853
developmentally disabled persons and hospitals for the mentally 29854
ill; and to assure that all persons detained, hospitalized, 29855
discharged, or institutionalized, and all persons whose detention, 29856
hospitalization, discharge, or institutionalization is sought or 29857
has been sought under this chapter or Chapter 5122. of the Revised 29858
Code are fully informed of their rights and adequately represented 29859
by counsel in proceedings under this chapter or Chapter 5122. of 29860
the Revised Code and in any proceedings to secure the rights of 29861
~~such~~ those persons. Notwithstanding the definitions of "mentally 29862
retarded person" and "developmentally disabled person" in section 29863
5123.01 of the Revised Code, the legal rights service shall 29864
determine who is a mentally retarded or developmentally disabled 29865
person for purposes of this section and sections 5123.601 to 29866
5123.604 of the Revised Code. 29867

(B) In regard to those persons detained, hospitalized, or institutionalized under Chapter 5122. of the Revised Code, the legal rights service shall undertake formal representation only of those persons who are involuntarily detained, hospitalized, or institutionalized pursuant to sections 5122.10 to 5122.15 of the Revised Code, and those voluntarily detained, hospitalized, or institutionalized who are minors, who have been adjudicated incompetent, who have been detained, hospitalized, or institutionalized in a public hospital, or who have requested representation by the legal rights service. If a person referred to in division (A) of this section voluntarily requests in writing that the legal rights service terminate participation in the person's case, such involvement shall cease.

(C) Any person voluntarily hospitalized or institutionalized in a public hospital under division (A) of section 5122.02 of the Revised Code, after being fully informed of the person's rights ~~pursuant to~~ under division (A) of this section, may, by written request, waive assistance by the legal rights service if the waiver is knowingly and intelligently made, without duress or coercion.

The waiver may be rescinded at any time by the voluntary patient or resident, or by the voluntary patient's or resident's legal guardian.

(D)(1) The legal rights service commission is hereby created for the purposes of appointing an administrator of the legal rights service, advising the administrator, assisting the administrator in developing a budget, and establishing general policy guidelines for the legal rights service. The commission may receive and act upon appeals of personnel decisions by the administrator.

(2) The commission shall consist of seven members. One member, who shall serve as chairperson, shall be appointed by the

As Reported by the House Finance and Appropriations Committee

chief justice of the supreme court, three members shall be 29900
 appointed by the speaker of the house of representatives, and 29901
 three members shall be appointed by the president of the senate. 29902
 At least two members shall have experience in the field of 29903
 developmental disabilities, and at least two members shall have 29904
 experience in the field of mental health. No member shall be a 29905
 provider or related to a provider of services to mentally 29906
 retarded, developmentally disabled, or mentally ill persons. ~~Terms~~ 29907

(3) Terms of office of the members of the commission shall be 29908
 for three years, each term ending on the same day of the month of 29909
 the year as did the term which it succeeds. Each member shall 29910
 serve subsequent to the expiration of the member's term until a 29911
 successor is appointed and qualifies, or until sixty days has 29912
 elapsed, whichever occurs first. ~~All~~ No member shall serve more 29913
than two consecutive terms. 29914

All vacancies in the membership of the commission shall be 29915
 filled in the manner prescribed for the regular appointments to 29916
 the commission and shall be limited to the unexpired terms. ~~No 29917~~
~~member shall serve more than two consecutive terms.~~ The 29918
administrator shall not pursue any legal action under division (G) 29919
or (H) of this section until any vacancies existing in the 29920
membership of the commission have been filled. 29921

(4) The commission shall meet at least four times each year. 29922
 Members shall be reimbursed for their necessary and actual 29923
 expenses incurred in the performance of their official duties. 29924

(5) The administrator of the legal rights service shall be 29925
 appointed for a five-year term, subject to removal for mental or 29926
 physical incapacity to perform the duties of the office, 29927
 conviction of violation of any law relating to the administrator's 29928
 powers and duties, or other good cause shown. 29929

The administrator shall be a person who has had special 29930
 training and experience in the type of work with which the legal 29931

rights service is charged. If the administrator is not an attorney, the administrator shall seek legal counsel when appropriate. The salary of the administrator shall be established in accordance with section 124.14 of the Revised Code.

(E) The legal rights service shall be completely independent of the department of mental health and the department of mental retardation and developmental disabilities and, notwithstanding section 109.02 of the Revised Code, shall also be independent of the office of the attorney general. The administrator of the legal rights service, staff, and attorneys designated by the administrator to represent persons detained, hospitalized, or institutionalized under this chapter or Chapter 5122. of the Revised Code shall have ready access to the following:

(1) During normal business hours and at other reasonable times, ~~to~~ all records relating to expenditures of state and federal funds or to the commitment, care, treatment, and habilitation of all persons represented by the legal rights service, including those who may be represented pursuant to division (L) of this section, or persons detained, hospitalized, institutionalized, or receiving services under this chapter or Chapter 340., 5119., 5122., or 5126. of the Revised Code that are records maintained by the following entities providing services for those persons: departments; institutions; hospitals; community residential facilities; boards of alcohol, drug addiction, and mental health services; county boards of mental retardation and developmental disabilities; contract agencies of those boards; and any other entity providing services to persons who may be represented by the service pursuant to division (L) of this section;

(2) ~~To any~~ Any records maintained in computerized data banks of the departments or boards or, in the case of persons who may be represented by the service pursuant to division (L) of this

section, any other entity that provides services to those persons; 29964

(3) During their normal working hours, ~~to~~ personnel of the 29965
departments, facilities, boards, agencies, institutions, 29966
hospitals, and other service-providing entities; 29967

(4) At any time, ~~to~~ all persons detained, hospitalized, or 29968
institutionalized; persons receiving services under this chapter 29969
or Chapter 340., 5119., 5122., or 5126. of the Revised Code; and 29970
persons who may be represented by the service pursuant to division 29971
(L) of this section. 29972

(F) The administrator of the legal rights service shall do 29973
the following: 29974

(1) Administer and organize the work of the legal rights 29975
service and establish administrative or geographic divisions as 29976
the administrator considers necessary, proper, and expedient; 29977

(2) Adopt and promulgate rules and prescribe duties for the 29978
efficient conduct of the business and general administration of 29979
the legal rights service; 29980

(3) Appoint and discharge employees, and hire ~~such~~ experts, 29981
consultants, advisors, or other professionally qualified persons 29982
as the administrator considers necessary to carry out the duties 29983
of the legal rights service; 29984

(4) Apply for and accept grants of funds, and accept 29985
charitable gifts and bequests; 29986

(5) Prepare and submit a budget to the general assembly for 29987
the operation of the legal rights service; 29988

(6) Enter into contracts and make ~~such~~ expenditures ~~as are~~ 29989
necessary for the efficient operation of the legal rights service; 29990

(7) Annually prepare a report of activities and submit copies 29991
of the report to the governor, the chief justice of the supreme 29992
court, the president of the senate, the speaker of the house of 29993

representatives, the director of mental health, and the director
of mental retardation and developmental disabilities, and make the
report available to the public.

(G) The legal rights service may act directly or contract
with other organizations or individuals for the provision of the
services envisioned under this section. Whenever possible, the
administrator shall attempt to facilitate the resolution of
complaints through administrative channels. If Subject to division
(D)(3) of this section, if attempts at administrative resolution
prove unsatisfactory, the administrator may pursue any legal,
administrative, and other appropriate remedies or approaches that
may be necessary to accomplish the purposes of this section.
Relationships between personnel and the agents of the legal rights
service and its clients shall be fiduciary relationships, and all
communications shall be confidential, as if between attorney and
client.

(H) The Subject to division (D)(3) of this section, the legal
rights service, on the order of the administrator, with the
approval of the commission, may compel by subpoena the appearance
and sworn testimony of any person the administrator reasonably
believes may be able to provide information or to produce any
documents, books, records, papers, or other information necessary
to carry out its duties.

(I) The legal rights service may conduct public hearings.

(J) The legal rights service may request from any
governmental agency any cooperation, assistance, services, or data
that will enable it to perform its duties.

(K) In any malpractice action filed against the administrator
of the legal rights service, a member of the staff of the legal
rights service, or an attorney designated by the administrator to
perform legal services under division (E) of this section, the

state shall, when the administrator, member, or attorney has acted 30025
in good faith and in the scope of employment, indemnify the 30026
administrator, member, or attorney for any judgment awarded or 30027
amount negotiated in settlement, and for any court costs or legal 30028
fees incurred in defense of the claim. 30029

This division does not limit or waive, and shall not be 30030
construed to limit or waive, any defense that is available to the 30031
legal rights service, its administrator or employees, persons 30032
under a personal services contract with it, or persons designated 30033
under division (E) of this section, including, but not limited to, 30034
any defense available under section 9.86 of the Revised Code. 30035

(L) In addition to providing services to mentally ill, 30036
mentally retarded, or developmentally disabled persons, when a 30037
grant authorizing the provision of services to other individuals 30038
is accepted pursuant to division (F)(4) of this section, the legal 30039
rights service and its ombudsperson section may provide advocacy 30040
or ombudsperson services to those other individuals and exercise 30041
any other authority granted by this section or sections 5123.601 30042
to 5123.604 of the Revised Code on behalf of those individuals. 30043
Determinations of whether an individual is eligible for services 30044
under this division shall be made by the legal rights service. 30045

Sec. 5123.71. (A)(1) Proceedings for the involuntary 30046
institutionalization of a person pursuant to sections 5123.71 to 30047
5123.76 of the Revised Code shall be commenced by the filing of an 30048
affidavit with the probate division of the court of common pleas 30049
of the county where the person ~~person's is located~~ resides or 30050
where the person is institutionalized, in the manner and form 30051
prescribed by the department of mental retardation and 30052
developmental disabilities either on information or actual 30053
knowledge, whichever is determined to be proper by the court. The 30054
affidavit may be filed only by a person who has custody of the 30055

individual as a parent, guardian, or service provider or by a 30056
person acting on behalf of the department or a county board of 30057
mental retardation and developmental disabilities. This section 30058
does not apply regarding the institutionalization of a person 30059
pursuant to section 2945.39, 2945.40, 2945.401, or 2945.402 of the 30060
Revised Code. 30061

The affidavit shall contain an allegation setting forth the 30062
specific category or categories under division ~~(H)~~(P) of section 30063
5123.01 of the Revised Code upon which the commencement of 30064
proceedings is based and a statement of the factual ground for the 30065
belief that the person is a mentally retarded person subject to 30066
institutionalization by court order. Except as provided in 30067
division (A)(2) of this section, the affidavit shall be 30068
accompanied by both of the following: 30069

(a) A comprehensive evaluation report prepared by the 30070
person's evaluation team that includes a statement by the members 30071
of the team certifying that they have performed a comprehensive 30072
evaluation of the person and that they are of the opinion that the 30073
person is a mentally retarded person subject to 30074
institutionalization by court order; 30075

(b) An assessment report prepared by the county board of 30076
mental retardation and developmental disabilities under section 30077
5123.711 of the Revised Code specifying that the individual is in 30078
need of services on an emergency or priority basis. 30079

(2) ~~A~~ In lieu of the comprehensive evaluation report, the 30080
affidavit may be accompanied by a written and sworn statement that 30081
the person or the guardian of a person adjudicated incompetent has 30082
refused to allow a comprehensive evaluation and county board 30083
assessment and assessment reports. Immediately after accepting an 30084
affidavit that is not accompanied by the reports of a 30085
comprehensive evaluation and county board assessment, the court 30086
shall cause a comprehensive evaluation and county board assessment 30087

of the person named in the affidavit to be performed. The 30088
evaluation shall be conducted in the least restrictive environment 30089
possible and the assessment shall be conducted in the same manner 30090
as assessments conducted under section 5123.711 of the Revised 30091
Code. The evaluation and assessment must be completed before a 30092
probable cause hearing or full hearing may be held under section 30093
5123.75 or 5123.76 of the Revised Code. 30094

A written report of the evaluation team's findings and the 30095
county board's assessment shall be filed with the court. The 30096
reports shall, consistent with the rules of evidence, be accepted 30097
as probative evidence in any proceeding under section 5123.75 or 30098
5123.76 of the Revised Code. If the counsel for the person who is 30099
evaluated or assessed is known, the court shall send to the 30100
counsel a copy of the reports as soon as possible after they are 30101
filed and prior to any proceedings under section 5123.75 or 30102
5123.76 of the Revised Code. 30103

(B) ~~, if the division may the,,~~ Any person who is 30104
involuntarily detained in an institution or otherwise is in 30105
custody under this chapter shall be informed ~~the person~~ of the 30106
right to do the following: 30107

(1) Immediately make a reasonable number of telephone calls 30108
or use other reasonable means to contact an attorney, a physician, 30109
or both, to contact any other person or persons to secure 30110
representation by counsel, or to obtain medical assistance, and be 30111
provided assistance in making calls if the assistance is needed 30112
and requested; 30113

(2) Retain counsel and have independent expert evaluation 30114
and, if the person is an indigent person, be represented by 30115
court-appointed counsel and have independent expert evaluation at 30116
court expense; 30117

(3) Upon request, have a hearing to determine whether there 30118
is probable cause to believe that the person is a mentally 30119

retarded person subject to institutionalization by court order. 30120

(C) No person who is being treated by spiritual means through 30121
prayer alone in accordance with a recognized religious method of 30122
healing may be ordered detained or involuntarily committed unless 30123
the court has determined that the person represents a very 30124
substantial risk of self-impairment, self-injury, or impairment or 30125
injury to ~~self to~~ others. 30126

Sec. 5123.76. (A) The full hearing shall be conducted in a 30127
manner consistent with the procedures outlined in this chapter and 30128
with due process of law. The hearing shall be held by a judge of 30129
the probate division or, upon transfer by the judge of the probate 30130
division, by another judge of the court of common pleas, or a 30131
referee designated by the judge of the probate division. Any 30132
referee designated by the judge of the probate division must be an 30133
attorney. 30134

(1) The following shall be made available to counsel for the 30135
respondent: 30136

(a) All relevant documents, information, and evidence in the 30137
custody or control of the state or prosecutor; 30138

(b) All relevant documents, information, and evidence in the 30139
custody or control of the institution, facility, or program in 30140
which the respondent currently is held or in which the respondent 30141
has been held pursuant to these proceedings; 30142

(c) With the consent of the respondent, all relevant 30143
documents, information, and evidence in the custody or control of 30144
any institution or person other than the state. 30145

(2) The respondent has the right to be represented by counsel 30146
of the respondent's choice and has the right to attend the hearing 30147
except if unusual circumstances of compelling medical necessity 30148
exist that render the respondent unable to attend and the 30149

respondent has not expressed a desire to attend. 30150

(3) If the respondent is not represented by counsel and the 30151
court determines that the conditions specified in division (A)(2) 30152
of this section justify the respondent's absence and the right to 30153
counsel has not been validly waived, the court shall appoint 30154
counsel forthwith to represent the respondent at the hearing, 30155
reserving the right to tax costs of appointed counsel to the 30156
respondent unless it is shown that the respondent is indigent. If 30157
the court appoints counsel, or if the court determines that the 30158
evidence relevant to the respondent's absence does not justify the 30159
absence, the court shall continue the case. 30160

(4) The respondent shall be informed of the right to retain 30161
counsel, to have independent expert evaluation, and, if an 30162
indigent person, to be represented by court appointed counsel and 30163
have expert independent evaluation at court expense. 30164

(5) The hearing may be closed to the public unless counsel 30165
for the respondent requests that the hearing be open to the 30166
public. 30167

(6) Unless objected to by the respondent, the respondent's 30168
counsel, or the designee of the director of mental retardation and 30169
developmental disabilities, the court, for good cause shown, may 30170
admit persons having a legitimate interest in the proceedings. 30171

(7) The affiant under section 5123.71 of the Revised Code 30172
shall be subject to subpoena by either party. 30173

(8) The court shall examine the sufficiency of all documents 30174
filed and shall inform the respondent, if present, and the 30175
respondent's counsel of the nature of the content of the documents 30176
and the reason for which the respondent is being held or for which 30177
the respondent's placement is being sought. 30178

(9) The court shall receive only relevant, competent, and 30179
material evidence. 30180

(10) The designee of the director shall present the evidence 30181
for the state. In proceedings under this chapter, the attorney 30182
general shall present the comprehensive evaluation, assessment, 30183
diagnosis, prognosis, record of habilitation and care, if any, and 30184
less restrictive habilitation plans, if any. The attorney general 30185
does not have a similar presentation responsibility in connection 30186
with a person who has been found not guilty by reason of insanity 30187
and who is the subject of a hearing under section 2945.40 of the 30188
Revised Code to determine whether the person is a mentally 30189
retarded person subject to institutionalization by court order. 30190

(11) The respondent has the right to testify and the 30191
respondent or the respondent's counsel has the right to subpoena 30192
witnesses and documents and to present and cross-examine 30193
witnesses. 30194

(12) The respondent shall not be compelled to testify and 30195
shall be so advised by the court. 30196

(13) On motion of the respondent or the respondent's counsel 30197
for good cause shown, or upon the court's own motion, the court 30198
may order a continuance of the hearing. 30199

(14) To an extent not inconsistent with this chapter, the 30200
Rules of Civil Procedure shall be applicable. 30201

(B) Unless, upon completion of the hearing, the court finds 30202
by clear and convincing evidence that the respondent named in the 30203
affidavit is a mentally retarded person subject to 30204
institutionalization by court order, it shall order the 30205
respondent's discharge forthwith. 30206

(C) If, upon completion of the hearing, the court finds by 30207
clear and convincing evidence that the respondent is a mentally 30208
retarded person subject to institutionalization by court order, 30209
the court may order the respondent's discharge or order the 30210
respondent, for a period not to exceed ninety days, to any of the 30211

following: 30212

(1) A public institution, provided that commitment of the 30213
respondent to the institution will not cause the institution to 30214
exceed its licensed capacity determined in accordance with section 30215
5123.19 of the Revised Code and provided that such a placement is 30216
indicated by the comprehensive evaluation report filed pursuant to 30217
section 5123.71 of the Revised Code; 30218

(2) A private institution; 30219

(3) A county mental retardation program; 30220

(4) Receive private habilitation and care; 30221

(5) Any other suitable facility, program, or the care of any 30222
person consistent with the comprehensive evaluation, assessment, 30223
diagnosis, prognosis, and habilitation needs of the respondent. 30224

(D) Any order made pursuant to division (C)(2), (4), or (5) 30225
of this section shall be conditional upon the receipt by the court 30226
of consent by the facility, program, or person to accept the 30227
respondent. 30228

(E) In determining the place to which, or the person with 30229
whom, the respondent is to be committed, the court shall consider 30230
the comprehensive evaluation, assessment, diagnosis, and projected 30231
habilitation plan for the respondent, and shall order the 30232
implementation of the least restrictive alternative available and 30233
consistent with habilitation goals. 30234

(F) If, at any time it is determined by the director of the 30235
facility or program to which, or the person to whom, the 30236
respondent is committed that the respondent could be equally well 30237
habilitated in a less restrictive environment that is available, 30238
the following shall occur: 30239

(1) The respondent shall be released by the director of the 30240
facility or program or by the person forthwith and referred to the 30241

court together with a report of the findings and recommendations 30242
of the facility, program, or person. 30243

(2) The director of the facility or program or the person 30244
shall notify the respondent's counsel and the designee of the 30245
director of mental retardation and developmental disabilities. 30246

(3) The court shall dismiss the case or order placement in 30247
the less restrictive environment. 30248

(G)(1) Except as provided in divisions (G)(2) and (3) of this 30249
section, any person who has been committed under this section may 30250
apply at any time during the ninety-day period for voluntary 30251
admission to an institution under section 5123.69 of the Revised 30252
Code. Upon admission of a voluntary resident, the managing officer 30253
immediately shall notify the court, the respondent's counsel, and 30254
the designee of the director in writing of that fact by mail or 30255
otherwise, and, upon receipt of the notice, the court shall 30256
dismiss the case. ~~is admitted~~ 30257

(2) ~~admitted~~ A person who is found incompetent to stand trial 30258
or not guilty by reason of insanity and who is committed pursuant 30259
to section 2945.39, 2945.40, 2945.401, or 2945.402 of the Revised 30260
Code shall not be voluntarily admitted to an institution pursuant 30261
to division (G)(1) of this section until after the termination of 30262
the commitment, as described in division (J) of section 2945.401 30263
of the Revised Code. 30264

(H) If, at the end of any commitment period, the respondent 30265
has not already been discharged or has not requested voluntary 30266
admission status, the director of the facility or program, or the 30267
person to whose care the respondent has been committed, shall 30268
discharge the respondent forthwith, unless at least ten days 30269
before the expiration of that period the designee of the director 30270
of mental retardation and developmental disabilities or the 30271
prosecutor files an application with the court requesting 30272

continued commitment. 30273

(1) An application for continued commitment shall include a 30274
written report containing a current comprehensive evaluation and 30275
assessment, a diagnosis, a prognosis, an account of progress and 30276
past habilitation, and a description of alternative habilitation 30277
settings and plans, including a habilitation setting that is the 30278
least restrictive setting consistent with the need for 30279
habilitation. A copy of the application shall be provided to 30280
respondent's counsel. The requirements for notice under section 30281
5123.73 of the Revised Code and the provisions of divisions (A) to 30282
(E) of this section apply to all hearings on such applications. 30283

(2) A hearing on the first application for continued 30284
commitment shall be held at the expiration of the first ninety-day 30285
period. The hearing shall be mandatory and may not be waived. 30286

(3) Subsequent periods of commitment not to exceed one 30287
hundred eighty days each may be ordered by the court if the 30288
designee of the director of mental retardation and developmental 30289
disabilities files an application for continued commitment, after 30290
a hearing is held on the application or without a hearing if no 30291
hearing is requested and no hearing required under division (H)(4) 30292
of this section is waived. Upon the application of a person 30293
involuntarily committed under this section, supported by an 30294
affidavit of a licensed physician alleging that the person is no 30295
longer a mentally retarded person subject to institutionalization 30296
by court order, the court for good cause shown may hold a full 30297
hearing on the person's continued commitment prior to the 30298
expiration of any subsequent period of commitment set by the 30299
court. 30300

(4) A mandatory hearing shall be held at least every two 30301
years after the initial commitment. 30302

(5) If the court, after a hearing upon a request to continue 30303

commitment, finds that the respondent is a mentally retarded 30304
person subject to institutionalization by court order, the court 30305
may make an order pursuant to divisions (C), (D), and (E) of this 30306
section. 30307

(I) Notwithstanding the provisions of division (H) of this 30308
section, no person who is found to be a mentally retarded person 30309
subject to institutionalization by court order pursuant to 30310
division ~~(H)~~(P)(2) of section 5123.01 of the Revised Code shall be 30311
held under involuntary commitment for more than five years. 30312

(J) The managing officer admitting a person pursuant to a 30313
judicial proceeding, within ten working days of the admission, 30314
shall make a report of the admission to the department. 30315

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Sec. 5126.01. As used in this chapter: 30317

(A) "Adult services" means a range of habilitation services 30318
designed to meet the individual needs of persons who are eighteen 30319
years of age or over and are not enrolled in a program or service 30320
under Chapter 3323. of the Revised Code, and of persons sixteen 30321
and seventeen years of age who are eligible under rules adopted by 30322
the director of mental retardation and developmental disabilities 30323
pursuant to Chapter 119. of the Revised Code. Such services may 30324
include habilitation programs and services, sheltered employment 30325
providing a structured work environment, job training, job 30326
placement, supported employment, competitive employment, and 30327
planned therapeutic and work activities providing meaningful tasks 30328
designed to improve the effectiveness or degree with which an 30329
individual meets the standards of personal independence and social 30330
responsibility expected of the individual's age and cultural 30331
group. 30332

(B) As used in this division, "substantial functional 30333

limitation," "developmental delay," and "established risk" have 30334
the meanings established pursuant to section 5123.011 of the 30335
Revised Code. 30336

"Developmental disability" means a severe, chronic disability 30337
that is characterized by all of the following: 30338

(1) It is attributable to a mental or physical impairment or 30339
a combination of mental and physical impairments, other than a 30340
mental or physical impairment solely caused by mental illness as 30341
defined in division (A) of section 5122.01 of the Revised Code; 30342

(2) It is manifested before age twenty-two; 30343

(3) It is likely to continue indefinitely; 30344

(4) It results in one of the following: 30345

(a) In the case of a person under age three, at least one 30346
developmental delay or an established risk; 30347

(b) In the case of a person at least age three but under age 30348
six, at least two developmental delays or an established risk; 30349

(c) In the case of a person age six or older, a substantial 30350
functional limitation in at least three of the following areas of 30351
major life activity, as appropriate for the person's age: 30352
self-care, receptive and expressive language, learning, mobility, 30353
self-direction, capacity for independent living, and, if the 30354
person is at least age sixteen, capacity for economic 30355
self-sufficiency. 30356

(5) It causes the person to need a combination and sequence 30357
of special, interdisciplinary, or other type of care, treatment, 30358
or provision of services for an extended period of time that is 30359
individually planned and coordinated for the person. 30360

(C) "Early childhood services" means a planned program of 30361
habilitation designed to meet the needs of individuals with mental 30362
retardation or other developmental disabilities who have not 30363

attained compulsory school age.

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(D) "Habilitation" means the process by which the staff of the facility or agency assists an individual with mental retardation or other developmental disability in acquiring and maintaining those life skills that enable the individual to cope more effectively with the demands of the individual's own person and environment, and in raising the level of the individual's personal, physical, mental, social, and vocational efficiency. Habilitation includes, but is not limited to, programs of formal, structured education and training.

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(E) "Habilitation center services" means services provided by a habilitation center certified by the department of mental retardation and developmental disabilities under section 5123.041 of the Revised Code and covered by the medicaid program pursuant to rules adopted under section 5111.041 of the Revised Code.

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(F) "Home or community-based services" means medicaid-funded home or community-based services provided under a medicaid component the department of mental retardation and developmental disabilities administers pursuant to section 5111.871 of the Revised Code.

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(G) "Medicaid" has the same meaning as in section 5111.01 of the Revised Code.

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(H) "Medicaid case management services" means case management services provided to an individual with mental retardation or other developmental disability that the state medicaid plan requires.

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(I) "Mental retardation" means a mental impairment manifested during the developmental period characterized by significantly subaverage general intellectual functioning existing concurrently with deficiencies in the effectiveness or degree with which an individual meets the standards of personal independence and social

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responsibility expected of the individual's age and cultural 30395
group. 30396

~~(F)~~(J) "Residential services" means services to individuals 30397
with mental retardation or other developmental disabilities to 30398
provide housing, food, clothing, habilitation, staff support, and 30399
related support services necessary for the health, safety, and 30400
welfare of the individuals and the advancement of their quality of 30401
life. 30402

~~(G)~~(K) "Resources" means available capital and other assets, 30403
including moneys received from the federal, state, and local 30404
governments, private grants, and donations; appropriately 30405
qualified personnel; and appropriate capital facilities and 30406
equipment. 30407

~~(H)~~(L) "Supportive home services" means a range of services 30408
to families of individuals with mental retardation or other 30409
developmental disabilities to develop and maintain increased 30410
acceptance and understanding of such persons, increased ability of 30411
family members to teach the person, better coordination between 30412
school and home, skills in performing specific therapeutic and 30413
management techniques, and ability to cope with specific 30414
situations. 30415

~~(I)~~(M) "Supported living" means services provided to an 30416
individual with mental retardation or other developmental 30417
disability through any public or private resources, including 30418
moneys from the individual, that enhance the individual's 30419
reputation in community life and advance the individual's quality 30420
of life by doing the following: 30421

(1) Providing the support necessary to enable an individual 30422
to live in a residence of the individual's choice and to choose to 30423
live alone, with any number of individuals who are not disabled, 30424
or with not more than three individuals with mental retardation 30425
and developmental disabilities unless the individuals are related 30426

by blood or marriage;	30427
(2) Encouraging the individual's participation in the community;	30428 30429
(3) Promoting the individual's rights and autonomy;	30430
(4) Encouraging the increase of the individual's skills and competence.	30431 30432
"Supported living" includes the provision of housing, food, clothing, habilitation, staff support, professional services, and any related support services necessary for the health, safety, and welfare of the individual receiving the services.	30433 30434 30435 30436
Sec. 5126.042. (A) As used in this section:	30437
(1) "Emergency" means any situation that creates for an individual with mental retardation or developmental disabilities a risk of substantial self-harm or substantial harm to others if action is not taken within thirty days. An "emergency" may include one or more of the following situations:	30438 30439 30440 30441 30442
(a) Loss of present residence for any reason, including legal action;	30443 30444
(b) Loss of present caretaker for any reason, including serious illness of the caretaker, change in the caretaker's status, or inability of the caretaker to perform effectively for the individual;	30445 30446 30447 30448
(c) Abuse, neglect, or exploitation of the individual;	30449
(d) Health and safety conditions that pose a serious risk to the individual or others of immediate harm or death;	30450 30451
(e) Change in the emotional or physical condition of the individual that necessitates substantial accommodation that cannot be reasonably provided by the individual's existing caretaker.	30452 30453 30454

(2) "Medicaid" has the same meaning as in section 5111.01 of the Revised Code. 30455
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~~(3) "Priority" means any situation that would constitute an emergency except that action to resolve the situation may be taken in more than thirty but less than ninety days without creating a risk of substantial harm to self or others.~~ 30457
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(B) If a county board of mental retardation and developmental disabilities determines that available resources are not sufficient to meet the needs of all individuals who request programs and services and may be offered the programs and services, it shall establish waiting lists for services. The board may establish priorities for making placements on its waiting lists according to an individual's emergency ~~or priority~~ status and shall establish priorities in accordance with division (D) of this section. 30461
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The individuals who may be placed on a waiting list include individuals with a need for services on an emergency ~~or priority~~ basis and individuals who have requested services for which resources are not available. 30470
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~~An~~ Except for an individual who is to receive priority for services pursuant to division (D)(1)(d) of this section, an individual who currently receives a service but would like to change to another service shall not be placed on a waiting list but shall be placed on a service substitution waiting list. The board shall work with the individual, service providers, and all appropriate entities to facilitate the change in service as expeditiously as possible. The board may establish priorities for making placements on its service substitution waiting lists according to an individual's emergency ~~or priority~~ status. 30474
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In addition to maintaining waiting lists and service substitution waiting lists, a board shall maintain a long-term 30484
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service planning registry for individuals who wish to record their 30486
intention to request in the future a service they are not 30487
currently receiving. The purpose of the registry is to enable the 30488
board to document requests and to plan appropriately. The board 30489
may not place an individual on the registry who meets the 30490
conditions for receipt of services on an emergency ~~or priority~~ 30491
basis. 30492

(C) A county board shall establish a separate waiting list 30493
for each of the following categories of services, and may 30494
establish separate waiting lists within the waiting lists: 30495

(1) Early childhood services; 30496

(2) Educational programs for preschool and school age 30497
children; 30498

(3) Adult services; 30499

(4) Case management services; 30500

(5) Residential services and supported living; 30501

(6) Transportation services; 30502

(7) Other services determined necessary and appropriate for 30503
persons with mental retardation or a developmental disability 30504
according to their individual habilitation or service plans; 30505

(8) Family support services provided under section 5126.11 of 30506
the Revised Code. 30507

(D)(1) In accordance with the county board's plan approved 30508
under section 5123.046 of the Revised Code and except as provided 30509
in division (D)(2) of this section, a county board shall give an 30510
individual who is eligible for home or community-based services 30511
and meets any of the following requirements priority over any 30512
other individual on a waiting list established under division (C) 30513
of this section other than an individual placed on the waiting 30514
list on an emergency status: 30515

<u>(a) Does not receive residential services or supported living, either needs services in the individual's current living arrangement or will need services in a new living arrangement, and has a primary caretaker who is sixty years of age or older;</u>	30516
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<u>(b) Is less than twenty-two years of age, does not receive residential services or supported living, resides in the home of the individual's family, and has at least one of the following:</u>	30520
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<u>(i) Service needs that the county board determines are unusual in scope or intensity due to severe behavior problems for which a behavior support plan is needed;</u>	30523
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<u>(ii) An emotional disorder for which anti-psychotic medication is needed;</u>	30526
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<u>(iii) A medical condition that leaves the individual dependent on life-support medical technology;</u>	30528
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<u>(iv) A condition affecting multiple body systems for which a combination of specialized medical, psychological, educational, or habilitation services are needed;</u>	30530
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<u>(v) A condition the county board determines to be comparable in severity to any condition described in division (D)(1)(b)(i) to (iv) of this section and places the individual at significant risk of institutionalization.</u>	30533
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<u>(c) Is twenty-two years of age or older and is determined by the county board to have intensive needs for residential services on an in-home or out-of-home basis;</u>	30537
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<u>(d) Resides in an intermediate care facility for the mentally retarded or nursing facility and chooses to move to another setting.</u>	30540
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<u>(2) No more than two hundred individuals in the state may receive priority for services during state fiscal years 2002 and 2003 pursuant to division (D)(1)(b) of this section. No more than</u>	30543
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seventy-five individuals in the state may receive priority for 30546
services during state fiscal years 2002 and 2003 pursuant to 30547
division (D)(1)(d) of this section. 30548

(E) Prior to establishing any waiting list under this 30549
section, a county board shall develop and implement a policy for 30550
waiting lists that complies with this section and rules that the 30551
department of mental retardation and developmental disabilities 30552
shall adopt in accordance with Chapter 119. of the Revised Code. 30553
The department's rules shall include procedures to be followed to 30554
ensure that the due process rights of individuals placed on 30555
waiting lists are not violated. 30556

Prior to placing an individual on a waiting list, the county 30557
board shall assess the service needs of the individual in 30558
accordance with all applicable state and federal laws. The county 30559
board shall place the individual on the appropriate waiting list 30560
and may place the individual on more than one waiting list. 30561

At least annually, the county board shall reassess the 30562
service needs of each individual on a waiting list. If it 30563
determines that an individual no longer needs a program or 30564
service, the county board shall remove the individual from the 30565
waiting list. If it determines that an individual needs a program 30566
or service other than the one for which the individual is on the 30567
waiting list, the county board shall provide the program or 30568
service to the individual or place the individual on a waiting 30569
list for the program or service in accordance with the board's 30570
policy for waiting lists. 30571

When a program or service for which there is a waiting list 30572
becomes available, the county board shall reassess the service 30573
needs of the individual next scheduled on the waiting list to 30574
receive that program or service. If the reassessment demonstrates 30575
that the individual continues to need the program or service, the 30576
board shall offer the program or service to the individual. If it 30577

determines that an individual no longer needs a program or
service, the county board shall remove the individual from the
waiting list. If it determines that an individual needs a program
or service other than the one for which the individual is on the
waiting list, the county board shall provide the program or
service to the individual or place the individual on a waiting
list for the program or service in accordance with the board's
policy for waiting lists.

~~(E)~~(F) A child subject to a determination made pursuant to
section 121.38 of the Revised Code who requires the home ~~and or~~
community-based services provided through the ~~medical assistance~~
~~waiver programs operated~~ medicaid component that the department of
mental retardation and developmental disabilities administers
under ~~sections 5111.87 and 5111.88~~ section 5111.871 of the Revised
Code shall receive services through the ~~waiver programs adopted~~
~~under Chapters 5111., 5123., and 5126. of the Revised Code~~ that
medicaid component. For all other services, a child subject to a
determination made pursuant to section 121.38 of the Revised Code
shall be treated as an emergency by the county boards and shall
not be subject to a waiting list.

~~(F)~~(G) Not later than the fifteenth day of March of each
even-numbered year, each county board shall prepare and submit to
the director of mental retardation and developmental disabilities
its recommendations for the funding of services for individuals
with mental retardation and developmental disabilities and its
proposals for reducing the waiting lists for services.

~~(G)~~(H) The following shall take precedence over the
applicable provisions of this section:

(1) Medicaid rules and regulations;

(2) Any specific requirements that may be contained within a
medicaid state plan amendment or waiver program that a county

board has authority to administer or with respect to which it has 30609
authority to provide services, programs, or supports. 30610

Sec. 5126.046. For the purpose of obtaining additional 30611
federal medicaid funds for home or community-based services, 30612
medicaid case management services, and habilitation center 30613
services, a county board of mental retardation and developmental 30614
disabilities may do both of the following: 30615

(A) Transfer an individual with mental retardation or other 30616
developmental disability who meets all of the following 30617
requirements to home or community-based services that include 30618
supported living or family support services: 30619

(1) Is twenty-two years of age or older; 30620

(2) Receives supported living or family support services; 30621

(3) Is eligible for the home or community-based services. 30622

(B) Transfer an individual with mental retardation or other 30623
developmental disability who meets all of the following 30624
requirements to home or community-based services that include 30625
adult services: 30626

(1) Receives adult services; 30627

(2) Resides in the individual's own home or the home of the 30628
individual's family and will continue to reside in that home after 30629
the transfer; 30630

(3) Is eligible for the home or community-based services. 30631

Sec. 5126.047. (A) Each county board of mental retardation 30632
and developmental disabilities that has local administrative 30633
authority under division (A) of section 5126.055 of the Revised 30634
Code for habilitation, vocational, or community employment 30635
services provided as part of home or community-based services 30636

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shall create a list of all persons and government entities 30637
eligible to provide such habilitation, vocational, or community 30638
employment services. If the county board chooses and is eligible 30639
to provide such habilitation, vocational, or community employment 30640
services, the county board shall include itself on the list. The 30641
county board shall make the list available to each individual with 30642
mental retardation or other developmental disability who resides 30643
in the county and is eligible for such habilitation, vocational, 30644
or community employment services. The county board shall also make 30645
the list available to such individuals' families. 30646

An individual with mental retardation or other developmental 30647
disability who is eligible for habilitation, vocational, or 30648
community employment services may choose the provider of the 30649
services. 30650

If a county board has local administrative authority under 30651
division (A) of section 5126.055 of the Revised Code for 30652
habilitation, vocational, and community employment services 30653
provided as part of home or community-based services, the county 30654
board shall pay the nonfederal share of the habilitation, 30655
vocational, and community employment services when required by 30656
section 5126.056 of the Revised Code. The department of mental 30657
retardation and developmental disabilities shall pay the 30658
nonfederal share of such habilitation, vocational, and community 30659
employment services when required by section 5123.047 of the 30660
Revised Code. 30661

(B) Each month, the department of mental retardation and 30662
developmental disabilities shall create a list of all persons and 30663
government entities eligible to provide residential services and 30664
supported living. The department shall include on the list all 30665
residential facilities licensed under section 5123.19 of the 30666
Revised Code and all supported living providers certified under 30667
section 5126.431 of the Revised Code. The department shall 30668

As Reported by the House Finance and Appropriations Committee

distribute the monthly lists to county boards that have local administrative authority under division (A) of section 5126.055 of the Revised Code for residential services and supported living provided as part of home or community-based services. A county board that receives a list shall make it available to each individual with mental retardation or other developmental disability who resides in the county and is eligible for such residential services or supported living. The county board shall also make the list available to the families of those individuals.

An individual who is eligible for residential services or supported living may choose the provider of the residential services or supported living.

If a county board has local administrative authority under division (A) of section 5126.055 of the Revised Code for residential services and supported living provided as part of home or community-based services, the county board shall pay the nonfederal share of the residential services and supported living when required by section 5126.056 of the Revised Code. The department shall pay the nonfederal share of the residential services and supported living when required by section 5123.047 of the Revised Code.

(C) If a county board that has local administrative authority under division (A) of section 5126.055 of the Revised Code for home or community-based services violates the right established by this section of an individual to choose a provider that is qualified and willing to provide services to the individual, the individual shall receive timely notice that the individual may request a hearing under section 5101.35 of the Revised Code.

(D) The departments of mental retardation and developmental disabilities and job and family services shall adopt rules in accordance with Chapter 119. of the Revised Code governing the

implementation of this section. The rules shall include procedures 30701
for individuals to choose their service providers. The rules shall 30702
not be limited by a provider selection system established under 30703
section 5126.42 of the Revised Code, including any pool of 30704
providers created pursuant to a provider selection system. 30705
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Sec. 5126.05. (A) Subject to the rules established by the 30707
director of mental retardation and developmental disabilities 30708
pursuant to Chapter 119. of the Revised Code for programs and 30709
services offered pursuant to this chapter, and subject to the 30710
rules established by the state board of education pursuant to 30711
Chapter 119. of the Revised Code for programs and services offered 30712
pursuant to Chapter 3323. of the Revised Code, the county board of 30713
mental retardation and developmental disabilities shall: 30714

(1) Administer and operate facilities, programs, and services 30715
as provided by this chapter and Chapter 3323. of the Revised Code 30716
and establish policies for their administration and operation; 30717
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(2) Coordinate, monitor, and evaluate existing services and 30719
facilities available to individuals with mental retardation and 30720
developmental disabilities; 30721

(3) Provide early childhood services, supportive home 30722
services, and adult services, according to the plan and priorities 30723
developed under section 5126.04 of the Revised Code; 30724

(4) Provide or contract for special education services 30725
pursuant to Chapters 3317. and 3323. of the Revised Code and 30726
ensure that related services, as defined in section 3323.01 of the 30727
Revised Code, are available according to the plan and priorities 30728
developed under section 5126.04 of the Revised Code; 30729

(5) Adopt a budget, authorize expenditures for the purposes 30730
specified in this chapter and do so in accordance with section 30731

319.16 of the Revised Code, approve attendance of board members 30732
and employees at professional meetings and approve expenditures 30733
for attendance, and exercise such powers and duties as are 30734
prescribed by the director; 30735

(6) Submit annual reports of its work and expenditures, 30736
pursuant to sections 3323.09 and 5126.12 of the Revised Code, to 30737
the director, the superintendent of public instruction, and the 30738
board of county commissioners at the close of the fiscal year and 30739
at such other times as may reasonably be requested; 30740

(7) Authorize all positions of employment, establish 30741
compensation, including but not limited to salary schedules and 30742
fringe benefits for all board employees, approve contracts of 30743
employment for management employees that are for a term of more 30744
than one year, employ legal counsel under section 309.10 of the 30745
Revised Code, and contract for employee benefits; 30746

(8) Provide case management services, as defined in rules 30747
adopted by the director of mental retardation and developmental 30748
disabilities, in accordance with section 5126.15 of the Revised 30749
Code; 30750

(9) Certify respite care homes pursuant to rules adopted 30751
under section 5123.171 of the Revised Code by the director of 30752
mental retardation and developmental disabilities. 30753

(B) To the extent that rules adopted under this section apply 30754
to the identification and placement of handicapped children under 30755
Chapter 3323. of the Revised Code, they shall be consistent with 30756
the standards and procedures established under sections 3323.03 to 30757
3323.05 of the Revised Code. 30758

(C) Any county board may enter into contracts with other such 30759
boards and with public or private, nonprofit, or profit-making 30760
agencies or organizations of the same or another county, to 30761
provide the facilities, programs, and services authorized or 30762

required, upon such terms as may be agreeable, and in accordance 30763
with this chapter and Chapter 3323. of the Revised Code and rules 30764
adopted thereunder and in accordance with sections 307.86 and 30765
5126.071 of the Revised Code. 30766

(D) A county board may combine transportation for children 30767
and adults enrolled in programs and services offered under section 30768
5126.12 with transportation for children enrolled in classes 30769
funded under section 3317.20 or units approved under section 30770
3317.05 of the Revised Code. 30771

(E) A county board may purchase all necessary insurance 30772
policies, may purchase equipment and supplies through the 30773
department of administrative services or from other sources, and 30774
may enter into agreements with public agencies or nonprofit 30775
organizations for cooperative purchasing arrangements. 30776

(F) A county board may receive by gift, grant, devise, or 30777
bequest any moneys, lands, or property for the benefit of the 30778
purposes for which the board is established and hold, apply, and 30779
dispose of the moneys, lands, and property according to the terms 30780
of the gift, grant, devise, or bequest. All money received by 30781
gift, grant, bequest, or disposition of lands or property received 30782
by gift, grant, devise, or bequest shall be deposited in the 30783
county treasury to the credit of such board and shall be available 30784
for use by the board for purposes determined or stated by the 30785
donor or grantor, but may not be used for personal expenses of the 30786
board members. Any interest or earnings accruing from such gift, 30787
grant, devise, or bequest shall be treated in the same manner and 30788
subject to the same provisions as such gift, grant, devise, or 30789
bequest. 30790

(G) The board of county commissioners shall levy taxes and 30791
make appropriations sufficient to enable the county board of 30792
mental retardation and developmental disabilities to perform its 30793
functions and duties, and may utilize any available local, state, 30794

and federal funds for such purpose.

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Sec. 5126.051. (A) To the extent that resources are available, a county board of mental retardation and developmental disabilities ~~may~~ shall provide for or arrange residential services and supported living for individuals with mental retardation and developmental disabilities.

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A county board may acquire, convey, lease, or sell property for residential services and supported living and enter into loan agreements, including mortgages, for the acquisition of such property. A county board is not required to comply with provisions of Chapter 307. of the Revised Code providing for competitive bidding or sheriff sales in the acquisition, lease, conveyance, or sale of property under this division, but the acquisition, lease, conveyance, or sale must be at fair market value determined by appraisal of one or more disinterested persons appointed by the board.

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Any action taken by a county board under this division that will incur debt on the part of the county shall be taken in accordance with Chapter 133. of the Revised Code. A county board shall not incur any debt on the part of the county without the prior approval of the board of county commissioners.

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(B)(1) To the extent that resources are available, in addition to sheltered employment and work activities provided as adult services pursuant to division (A)(3) of section 5126.05 of the Revised Code, a county board of mental retardation and developmental disabilities may provide or arrange for job training, vocational evaluation, and community employment services to mentally retarded and developmentally disabled individuals who are age eighteen and older and not enrolled in a program or service under Chapter 3323. of the Revised Code or age sixteen or seventeen and eligible for adult services under rules adopted by

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the director of mental retardation and developmental disabilities 30826
under Chapter 119. of the Revised Code. These services shall be 30827
provided in accordance with the individual's individual service or 30828
habilitation plan and shall include support services specified in 30829
the plan. 30830

(2) A county board may, in cooperation with the Ohio 30831
rehabilitation services commission, seek federal funds for job 30832
training and community employment. 30833

(3) A county board may contract with any agency, board, or 30834
other entity that is accredited by the commission on accreditation 30835
of rehabilitation facilities to provide services. A county board 30836
that is accredited by the commission on accreditation of 30837
rehabilitation facilities may provide services for which it is 30838
certified by the commission. 30839

(C) To the extent that resources are available, a county 30840
board may provide services to an individual with mental 30841
retardation or other developmental disability in addition to those 30842
provided pursuant to this section, section 5126.05 of the Revised 30843
Code, or any other section of this chapter. The services shall be 30844
provided in accordance with the individual's habilitation or 30845
service plan and may be provided in collaboration with other 30846
entities of state or local government. 30847

Sec. 5126.054. (A) Each county board of mental retardation 30848
and developmental disabilities shall, by resolution, develop a 30849
three-calendar year plan that includes all of the following 30850
components: 30851

(1) An assessment component that includes all of the 30852
following: 30853

(a) The number of individuals with mental retardation or 30854
other developmental disability residing in the county who need 30855

medicaid case management services and habilitation center 30856
services; 30857

(b) The number of individuals with mental retardation or 30858
other developmental disability residing in the county who need the 30859
level of care provided by an intermediate care facility for the 30860
mentally retarded and may seek home or community-based services, 30861
the service needs of those individuals, and the projected 30862
annualized cost for services; 30863

(c) The source of funds available to the county board to pay 30864
the nonfederal share of medicaid expenditures that the county 30865
board is required by division (A) of section 5126.056 of the 30866
Revised Code to pay; 30867

(d) Any other applicable information or conditions that the 30868
department of mental retardation and developmental disabilities 30869
requires as a condition of approving the plan under section 30870
5123.046 of the Revised Code. 30871

(2) A component that provides for the recruitment, training, 30872
and retention of the direct care staff necessary to implement 30873
services included in individualized service plans, including 30874
behavior management services and health management services such 30875
as delegated nursing and other habilitation services, and protect 30876
the health and welfare of individuals receiving services included 30877
in the individual's individualized service plan by complying with 30878
safeguards for unusual and major unusual incidents, day-to-day 30879
program management, and other requirements the department shall 30880
identify. A county board shall develop this component in 30881
collaboration with providers of medicaid-funded services with 30882
which the county board contracts. A county board shall include all 30883
of the following in the component: 30884

(a) The source and amount of funds available for the 30885
component; 30886

<u>(b) A plan and timeline for implementing the component with the medicaid providers under contract with the county board;</u>	30887
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<u>(c) The mechanisms the county board shall use to ensure the financial and program accountability of the medicaid provider's implementation of the component.</u>	30889
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<u>(3) A component that provides for the implementation of habilitation center services, medicaid case management services, and home or community-based services. A county board shall include all of the following in the component:</u>	30892
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<u>(a) If the department of mental retardation and developmental disabilities or department of job and family services requires, an agreement to pay the nonfederal share of medicaid expenditures that the county board is required by division (A) of section 5126.056 of the Revised Code to pay;</u>	30896
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<u>(b) How the services are to be phased in over the period the plan covers, including how the county board will make transfers under section 5126.046 of the Revised Code and serve individuals on a waiting list established under division (C) of section 5126.042 who are given priority status under division (D) of that section;</u>	30901
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<u>(c) Any agreement or commitment regarding the county board's funding of home or community-based services that the county board has with the department at the time the county board develops the component;</u>	30907
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<u>(d) Assurances adequate to the department that the county board will comply with all of the following requirements:</u>	30911
	30912
<u>(i) To use any additional funds the county board receives for the services to improve the county board's resource capabilities for supporting such services available in the county at the time the component is developed and to expand the services to accommodate the unmet need for those services in the county;</u>	30913
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(ii) To employ a business manager who is either a new employee who has earned at least a bachelor's degree in business administration or a current employee who has the equivalent experience of a bachelor's degree in business administration. If the county board will employ a new employee, the county board shall include in the component a timeline for employing the employee. 30918
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(iii) To employ a medicaid services manager who is either a new employee who has earned at least a bachelor's degree or a current employee who has the equivalent experience of a bachelor's degree. If the county board will employ a new employee, the county board shall include in the component a timeline for employing the employee. 30925
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(e) An agreement to comply with the method, developed under section 5123.0413 of the Revised Code in consultation with the department and the department of job and family services, of paying for extraordinary costs, including extraordinary costs for services to individuals with mental retardation or other developmental disability, and ensuring the availability of adequate funds in the event a county property tax levy for services for individuals with mental retardation or other developmental disability fails; 30931
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(f) Programmatic and financial outcomes expected from the implementation of the plan; 30940
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(g) Any other applicable information or conditions that the department requires as a condition of approving the plan under section 5123.046 of the Revised Code. 30942
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(B) For the purpose of obtaining the department's approval under section 5123.046 of the Revised Code of the plan the county board develops under division (A) of this section, a county board shall do both of the following: 30945
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<u>(1) Submit the components required by divisions (A)(1) and</u>	30949
<u>(2) of this section to the department not later than July 15,</u>	30950
<u>2001;</u>	30951
<u>(2) Submit the component required by division (A)(3) of this</u>	30952
<u>section to the department not later than October 1, 2001.</u>	30953
<u>(C) A county board whose plan developed under division (A) of</u>	30954
<u>this section is approved by the department under section 5123.046</u>	30955
<u>of the Revised Code shall update and renew the plan in accordance</u>	30956
<u>with a schedule the department shall develop.</u>	30957
<u>Sec. 5126.055. (A) Except as provided in division (G) of this</u>	30958
<u>section, a county board of mental retardation and developmental</u>	30959
<u>disabilities with an approved plan under section 5123.046 of the</u>	30960
<u>Revised Code has local administrative authority to do all of the</u>	30961
<u>following for an individual with mental retardation or other</u>	30962
<u>developmental disability who resides in the county that the county</u>	30963
<u>board serves and seeks or receives home or community-based</u>	30964
<u>services:</u>	30965
<u>(1) Perform assessments and evaluations of the individual. As</u>	30966
<u>part of the assessment and evaluation process, the county board</u>	30967
<u>shall do all of the following:</u>	30968
<u>(a) Make a recommendation to the department of mental</u>	30969
<u>retardation and developmental disabilities on whether the</u>	30970
<u>department should approve or deny the individual's application for</u>	30971
<u>the services, including on the basis of whether the individual</u>	30972
<u>needs the level of care an intermediate care facility for the</u>	30973
<u>mentally retarded provides;</u>	30974
<u>(b) If the individual's application is denied because of the</u>	30975
<u>county board's recommendation and the individual requests a</u>	30976
<u>hearing under section 5101.35 of the Revised Code, present, with</u>	30977
<u>the department of mental retardation and developmental</u>	30978

disabilities or department of job and family services, whichever 30979
denies the application, the reasons for the recommendation and 30980
denial at the hearing; 30981

(c) If the individual's application is approved, recommend to 30982
the departments of mental retardation and developmental 30983
disabilities and job and family services the services that should 30984
be included in the individual's individualized service plan and, 30985
if either department reduces, denies, or terminates a service 30986
included in the individual's individualized service plan under 30987
section 5111.871 of the Revised Code because of the county board's 30988
recommendation, present, with the department that made the 30989
reduction, denial, or termination, the reasons for the 30990
recommendation and reduction, denial, or termination at a hearing 30991
under section 5101.35 of the Revised Code. 30992

(2) In accordance with the rules adopted under section 30993
5126.047 of the Revised Code, perform the county board's duties 30994
under that section regarding assisting the individual's right to 30995
choose a qualified and willing provider of the services and, at a 30996
hearing under section 5101.35 of the Revised Code, present 30997
evidence of the process for appropriate assistance in choosing 30998
providers; 30999

(3) Unless the county board provides the services under 31000
division (A)(4) of this section, contract with the person or 31001
government entity the individual chooses in accordance with 31002
section 5126.047 of the Revised Code to provide the services if 31003
the person or government entity is qualified and agrees to provide 31004
the services. The contract shall require the provider to agree to 31005
furnish, in accordance with the provider's medicaid provider 31006
agreement and for the authorized reimbursement rate, the services 31007
the individual requires. 31008

(4) If the county board is accredited under section 5126.081 31009
of the Revised Code to provide the services and agrees to provide 31010

the services to the individual and the individual chooses the 31011
county board to provide the services, furnish, in accordance with 31012
the county board's medicaid provider agreement and for the 31013
authorized reimbursement rate, the services the individual 31014
requires; 31015

(5) Monitor the services provided to the individual and 31016
ensure the individual's health, safety, and welfare. The 31017
monitoring shall include quality assurance activities. If the 31018
county board provides the services, the department of mental 31019
retardation and developmental disabilities shall also monitor the 31020
services. 31021

(B) Except as provided in division (G) of this section, a 31022
county board with an approved plan under section 5123.046 of the 31023
Revised Code has local administrative authority to do all of the 31024
following for an individual with mental retardation or other 31025
developmental disability who resides in the county that the county 31026
board serves and seeks or receives medicaid case management 31027
services or habilitation center services, other than habilitation 31028
center services for which a school district is required by 31029
division (E) of section 5111.041 of the Revised Code to pay the 31030
nonfederal share: 31031

(1) Perform assessments and evaluations of the individual for 31032
the purpose of recommending to the departments of mental 31033
retardation and developmental disabilities and job and family 31034
services the services that should be included in the individual's 31035
individualized service plan; 31036

(2) If the department of mental retardation and developmental 31037
disabilities or department of job and family services reduces, 31038
denies, or terminates a service included in the individual's 31039
individualized service plan under section 5111.041 or 5111.042 of 31040
the Revised Code because of the county board's recommendation 31041
under division (B)(1) of this section, present, with the 31042

department that made the reduction, denial, or termination, the 31043
reasons for the recommendation and reduction, denial, or 31044
termination at a hearing under section 5101.35 of the Revised Code 31045
and inform the individual that the individual may file a complaint 31046
with the county board under section 5126.06 of the Revised Code at 31047
the same time the individual pursues an appeal under section 31048
5101.35 of the Revised Code; 31049

(3) In accordance with rules the departments of mental 31050
retardation and developmental disabilities and job and family 31051
services shall adopt in accordance with Chapter 119. of the 31052
Revised Code governing the process for individuals to choose 31053
providers of medicaid case management services and habilitation 31054
center services, assist the individual in choosing the provider of 31055
the services. The rules shall provide for both of the following: 31056

(a) The county board providing the individual up-to-date 31057
information about qualified providers that the department of 31058
mental retardation and developmental disabilities shall make 31059
available to the county board; 31060

(b) If the individual chooses a provider who is qualified and 31061
willing to provide the services but is denied that provider, the 31062
individual receiving timely notice that the individual may request 31063
a hearing under section 5101.35 of the Revised Code and, at the 31064
hearing, the county board presenting evidence of the process for 31065
appropriate assistance in choosing providers. 31066

(4) Unless the county board provides the services under 31067
division (B)(5) of this section, contract with the person or 31068
government entity that the individual chooses in accordance with 31069
the rules adopted under division (B)(3) of this section to provide 31070
the services if the person or government entity is qualified and 31071
agrees to provide the services. The contract shall require the 31072
provider to agree to furnish, in accordance with the provider's 31073
medicaid provider agreement and for the authorized reimbursement 31074

rate, the services the individual requires. 31075

(5) If the county board is accredited under section 5126.081 of the Revised Code to provide the services and agrees to provide the services to the individual and the individual chooses the county board to provide the services, furnish, in accordance with the county board's medicaid provider agreement and for the authorized reimbursement rate, the services the individual requires; 31076
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(6) Monitor the services provided to the individual. The monitoring shall include quality assurance activities. If the county board provides the services, the department of mental retardation and developmental disabilities shall also monitor the services. 31083
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(C) A county board shall perform its local administrative authority under this section in accordance with all of the following: 31088
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(1) The county board's plan that the department of mental retardation and developmental disabilities approves under section 5123.046 of the Revised Code; 31091
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(2) All applicable federal and state laws; 31094

(3) All applicable policies of the departments of mental retardation and developmental disabilities and job and family services and the United States department of health and human services; 31095
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(4) The department of job and family services' supervision under its authority under section 5111.01 of the Revised Code to act as the single state medicaid agency; 31099
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(5) The department of mental retardation and developmental disabilities' oversight. 31102
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(D) The departments of mental retardation and developmental 31104

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disabilities and job and family services shall communicate with 31105
and provide training to county boards regarding local 31106
administrative authority granted by this section. The 31107
communication and training shall include issues regarding audit 31108
protocols and other standards established by the United States 31109
department of health and human services that the departments 31110
determine appropriate for communication and training. County 31111
boards shall participate in the training. The departments shall 31112
assess the county board's compliance against uniform standards 31113
that the departments shall establish. 31114

(E) A county board may not delegate its local administrative 31115
authority granted under this section but may contract with a 31116
person or government entity, including a council of governments, 31117
for assistance with its local administrative authority. A county 31118
board that enters into such a contract shall notify the director 31119
of mental retardation and developmental disabilities. The notice 31120
shall include the tasks and responsibilities that the contract 31121
gives to the person or government entity. The person or government 31122
entity shall comply in full with all requirements to which the 31123
county board is subject regarding the person or government 31124
entity's tasks and responsibilities under the contract. The county 31125
remains ultimately responsible for the tasks and responsibilities. 31126
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(F) A county board that has local administrative authority 31128
under this section shall, through the departments of mental 31129
retardation and developmental disabilities and job and family 31130
services, reply to, and cooperate in arranging compliance with, a 31131
program or fiscal audit or program violation exception that a 31132
state or federal audit or review discovers. The department of job 31133
and family services shall timely notify the department of mental 31134
retardation and developmental disabilities and the county board of 31135
any adverse findings. After receiving the notice, the county 31136

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board, in conjunction with the department of mental retardation 31137
and developmental disabilities, shall cooperate fully with the 31138
department of job and family services and timely prepare and send 31139
to the department a written plan of correction or response to the 31140
adverse findings. The county board is liable for any adverse 31141
findings that result from an action it takes or fails to take in 31142
its implementation of local administrative authority. 31143

(G)(1) If the department of mental retardation and 31144
developmental disabilities or department of job and family 31145
services determines that a county board's implementation of its 31146
local administrative authority under this section is deficient, 31147
the department that makes the determination shall require that 31148
county board do the following: 31149

(a) If the deficiency affects the health, safety, or welfare 31150
of an individual with mental retardation or other developmental 31151
disability, correct the deficiency within twenty-four hours; 31152
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(b) If the deficiency does not affect the health, safety, or 31154
welfare of an individual with mental retardation or other 31155
developmental disability, submit a plan of correction to the 31156
department that is acceptable to the department within sixty days 31157
and correct the deficiency within the time required by the plan of 31158
correction. 31159

(2) If the county board fails to correct a deficiency within 31160
the time required by division (G)(1) of this section to the 31161
satisfaction of the department, or submit an acceptable plan of 31162
correction within the time required by division (G)(1)(b) of this 31163
section, the department shall do one of the following until the 31164
county board's local administrative authority is restored under 31165
division (G)(3) of this section: 31166

(a) Assign the county board's local administrative authority 31167
to one or more other county boards or a regional council 31168

<u>established under section 5126.13 of the Revised Code;</u>	31169
<u>(b) Contract with a person or government entity that provides</u>	31170
<u>management services but not medicaid-funded services to perform</u>	31171
<u>the local administrative authority.</u>	31172
<u>(3) If the department takes action under division (G)(2) of</u>	31173
<u>this section, the department of mental retardation and</u>	31174
<u>developmental disabilities shall closely monitor all aspects of</u>	31175
<u>the county board's implementation of a plan of correction. The</u>	31176
<u>department shall restore the county board's local administrative</u>	31177
<u>authority when the department is satisfied that the county board</u>	31178
<u>has successfully implemented all parts of the plan of correction</u>	31179
<u>and is capable of adhering to medicaid standards.</u>	31180
<u>Sec. 5126.056. (A) A county board of mental retardation and</u>	31181
<u>developmental disabilities that has local administrative authority</u>	31182
<u>under division (A) of section 5126.055 of the Revised Code for</u>	31183
<u>home or community-based services shall pay the nonfederal share of</u>	31184
<u>medicaid expenditures for such services provided to an individual</u>	31185
<u>with mental retardation or other developmental disability who the</u>	31186
<u>county board determines under section 5126.041 of the Revised Code</u>	31187
<u>is eligible for county board services.</u>	31188
<u>A county board that has local administrative authority under</u>	31189
<u>division (B) of section 5126.055 of the Revised Code for medicaid</u>	31190
<u>case management services shall pay the nonfederal share of</u>	31191
<u>medicaid expenditures for such services provided to an individual</u>	31192
<u>with mental retardation or other developmental disability who the</u>	31193
<u>county board determines under section 5126.041 of the Revised Code</u>	31194
<u>is eligible for county board services unless division (B)(2) of</u>	31195
<u>section 5123.047 of the Revised Code requires the department of</u>	31196
<u>mental retardation and developmental disabilities to pay the</u>	31197
<u>nonfederal share.</u>	31198
<u>A county board shall pay the nonfederal share of medicaid</u>	31199

<u>expenditures for habilitation center services when required to do</u>	31200
<u>so by division (D) of section 5111.041 of the Revised Code.</u>	31201
<u>(B) A county board may use the following funds to pay the</u>	31202
<u>nonfederal share of the services that the county board is required</u>	31203
<u>by division (A) of this section to pay:</u>	31204
<u>(1) To the extent consistent with the levy that generated the</u>	31205
<u>taxes, the following taxes:</u>	31206
<u>(a) Taxes levied pursuant to division (L) of section 5705.19</u>	31207
<u>of the Revised Code and section 5705.222 of the Revised Code;</u>	31208
<u>(b) Taxes levied under section 5705.191 of the Revised Code</u>	31209
<u>that the board of county commissioners allocates to the county</u>	31210
<u>board to pay the nonfederal share of the services.</u>	31211
<u>(2) Funds that the department of mental retardation and</u>	31212
<u>developmental disabilities distributes to the county board under</u>	31213
<u>sections 5126.11, 5126.12, 5126.15, 5126.18, and 5126.44 of the</u>	31214
<u>Revised Code;</u>	31215
<u>(3) Funds that the department allocates to the county board</u>	31216
<u>for habilitation center services provided under section 5111.041</u>	31217
<u>of the Revised Code;</u>	31218
<u>(4) Earned federal revenue funds the county board receives</u>	31219
<u>for medicaid services the county board provides pursuant to the</u>	31220
<u>county board's valid medicaid provider agreement.</u>	31221
<u>(C) If by December 31, 2001, the United States secretary of</u>	31222
<u>health and human services allows for at least five hundred</u>	31223
<u>additional individuals to receive home or community-based</u>	31224
<u>services, each county board shall provide, by the last day of each</u>	31225
<u>calendar year, assurances to the department of mental retardation</u>	31226
<u>and developmental disabilities that the county board will have the</u>	31227
<u>following amount available to pay the nonfederal share of the</u>	31228
<u>services that the county board is required by division (A) of this</u>	31229

<u>section to pay:</u>	31230
<u>(1) For calendar year 2003, at least one-third of the value</u>	31231
<u>of one-half, effective mill levied in the county the preceding</u>	31232
<u>year;</u>	31233
<u>(2) For calendar year 2004, at least two-thirds of the value</u>	31234
<u>of one-half, effective mill levied in the county the preceding</u>	31235
<u>year;</u>	31236
<u>(3) For calendar year 2005 and each calendar year thereafter,</u>	31237
<u>at least the value of one-half, effective mill levied in the</u>	31238
<u>county the preceding year.</u>	31239
<u>(D) Each year, each county board shall adopt a resolution</u>	31240
<u>specifying the amount of funds it will use in the next year to pay</u>	31241
<u>the nonfederal share of the services that the county board is</u>	31242
<u>required by division (A) of this section to pay. The amount</u>	31243
<u>specified shall be adequate to assure that the services will be</u>	31244
<u>available in the county in a manner that conforms to all</u>	31245
<u>applicable state and federal laws. A county board shall state in</u>	31246
<u>its resolution that the payment of the nonfederal share represents</u>	31247
<u>an ongoing financial commitment of the county board. A county</u>	31248
<u>board shall adopt the resolution in time for the county auditor to</u>	31249
<u>make the determination required by division (E) of this section.</u>	31250
<u>(E) Each year, a county auditor shall determine whether the</u>	31251
<u>amount of funds a county board specifies in the resolution it</u>	31252
<u>adopts under division (D) of this section will be available in the</u>	31253
<u>following year for the county board to pay the nonfederal share of</u>	31254
<u>the services that the county board is required by division (A) of</u>	31255
<u>this section to pay. The county auditor shall make the</u>	31256
<u>determination not later than the last day of the year before the</u>	31257
<u>year in which the funds are to be used.</u>	31258
Sec. 5126.12. (A) As used in this section:	31259

(1) "Approved school age unit class" means a class ~~or unit~~ operated by a county board of mental retardation and developmental disabilities and ~~approved~~ funded by the ~~state board~~ department of education under ~~division (D)~~ of section ~~3317.05~~ 3317.20 of the Revised Code.

(2) "Approved preschool unit" means a class or unit operated by a county board of mental retardation and developmental disabilities and approved by the state board of education under division (B) of section 3317.05 of the Revised Code.

(3) "Active treatment" means a continuous treatment program, which includes aggressive, consistent implementation of a program of specialized and generic training, treatment, health services, and related services, that is directed toward the acquisition of behaviors necessary for an individual with mental retardation or other developmental disability to function with as much self-determination and independence as possible and toward the prevention of deceleration, regression, or loss of current optimal functional status.

(4) "Eligible for active treatment" means that an individual with mental retardation or other developmental disability resides in an intermediate care facility for the mentally retarded certified under Title XIX of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as amended; resides in a state institution operated by the department of mental retardation and developmental disabilities; or is enrolled in a home and community-based services waiver program administered by the department of mental retardation and developmental disabilities as part of the medical assistance program established under section 5111.01 of the Revised Code.

(5) "Community alternative funding system" means the program under which habilitation center services are reimbursed under the ~~medical assistance~~ medicaid program pursuant to section 5111.041

of the Revised Code and rules adopted under that section.	31292
(6) "Community employment program" means community employment	31293
services provided outside of a sheltered workshop setting under	31294
which the person earns competitive wages for the performance of	31295
work.	31296
(7) "Traditional adult services" means vocational and	31297
nonvocational activities conducted within a sheltered workshop or	31298
adult activity center or supportive home services.	31299
(B) Each county board of mental retardation and developmental	31300
disabilities shall certify to the director of mental retardation	31301
and developmental disabilities all of the following:	31302
(1) On or before the fifteenth day of October, the average	31303
daily membership for the first full week of programs and services	31304
during October receiving:	31305
(a) Early childhood services provided pursuant to section	31306
5126.05 of the Revised Code for children who are less than three	31307
years of age on the thirtieth day of September of the academic	31308
year;	31309
(b) Special education for handicapped children in approved	31310
school age units <u>classes</u> ;	31311
(c) Adult services for persons sixteen years of age and older	31312
operated pursuant to section 5126.05 and division (B) of section	31313
5126.051 of the Revised Code. Separate counts shall be made for	31314
the following:	31315
(i) Persons enrolled in traditional adult services who are	31316
eligible for but not enrolled in active treatment under the	31317
community alternative funding system;	31318
(ii) Persons enrolled in traditional adult services who are	31319
eligible for and enrolled in active treatment under the community	31320
alternative funding system;	31321

(iii) Persons enrolled in traditional adult services but who 31322
are not eligible for active treatment under the community 31323
alternative funding system; 31324

(iv) Persons participating in community employment services. 31325
To be counted as participating in community employment services, a 31326
person must have spent an average of no less than ten hours per 31327
week in that employment during the preceding six months. 31328

(d) Other programs in the county for individuals with mental 31329
retardation and developmental disabilities that have been approved 31330
for payment of subsidy by the department of mental retardation and 31331
developmental disabilities. 31332

The membership in each such program and service in the county 31333
shall be reported on forms prescribed by the department of mental 31334
retardation and developmental disabilities. 31335

The department of mental retardation and developmental 31336
disabilities shall adopt rules defining full-time equivalent 31337
enrollees and for determining the average daily membership 31338
therefrom, except that certification of average daily membership 31339
in approved school age ~~units~~ classes shall be in accordance with 31340
rules adopted by the state board of education. The average daily 31341
membership figure shall be determined by dividing the amount 31342
representing the sum of the number of enrollees in each program or 31343
service in the week for which the certification is made by the 31344
number of days the program or service was offered in that week. No 31345
enrollee may be counted in average daily membership for more than 31346
one program or service. 31347

(2) By the fifteenth day of December, the number of children 31348
enrolled in approved preschool units on the first day of December; 31349

(3) On or before the thirtieth day of March, an itemized 31350
report of all income and operating expenditures for the 31351
immediately preceding calendar year, in the format specified by 31352

the department of mental retardation and developmental 31353
disabilities; 31354

(4) By the fifteenth day of February, a report of the total 31355
annual cost per enrollee for operation of programs and services in 31356
the preceding calendar year. The report shall include a grand 31357
total of all programs operated, the cost of the individual 31358
programs, and the sources of funds applied to each program. 31359

(5) That each required certification and report is in 31360
accordance with rules established by the department of mental 31361
retardation and developmental disabilities and the state board of 31362
education for the operation and subsidization of the programs and 31363
services. 31364

(C) To compute payments under this section to the board for 31365
the fiscal year, the department of mental retardation and 31366
developmental disabilities shall use the certification of average 31367
daily membership required by division (B)(1) of this section 31368
exclusive of the average daily membership in any approved school 31369
age ~~unit~~ class and the number in any approved preschool unit. 31370

(D) The department shall pay each county board for each 31371
fiscal year an amount equal to nine hundred fifty dollars times 31372
the certified number of persons who on the first day of December 31373
of the academic year are under three years of age and are not in 31374
an approved preschool unit. For persons who are at least age 31375
sixteen and are not in an approved school age ~~unit~~ class, the 31376
department shall pay each county board for each fiscal year the 31377
following amounts: 31378

(1) One thousand dollars times the certified average daily 31379
membership of persons enrolled in traditional adult services who 31380
are eligible for but not enrolled in active treatment under the 31381
community alternative funding system; 31382

(2) One thousand two hundred dollars times the certified 31383

average daily membership of persons enrolled in traditional adult 31384
services who are eligible for and enrolled in active treatment 31385
under the community alternative funding system; 31386

(3) No less than one thousand five hundred dollars times the 31387
certified average daily membership of persons enrolled in 31388
traditional adult services but who are not eligible for active 31389
treatment under the community alternative funding system; 31390

(4) No less than one thousand five hundred dollars times the 31391
certified average daily membership of persons participating in 31392
community employment services. 31393

(E) The department shall distribute this subsidy to county 31394
boards in semiannual installments of equal amounts. The 31395
installments shall be made not later than the thirty-first day of 31396
August and the thirty-first day of January. 31397

(F) The director of mental retardation and developmental 31398
disabilities shall make efforts to obtain increases in the 31399
subsidies for early childhood services and adult services so that 31400
the amount of the subsidies is equal to at least fifty per cent of 31401
the statewide average cost of those services minus any applicable 31402
federal reimbursements for those services. The director shall 31403
advise the director of budget and management of the need for any 31404
such increases when submitting the biennial appropriations request 31405
for the department. 31406

(G) In determining the reimbursement of a county board for 31407
the provision of case management and family support services and 31408
other services required or approved by the director for which 31409
children three through twenty-one years of age are eligible, the 31410
department shall include the average daily membership in approved 31411
school age or preschool units. The department, in accordance with 31412
this section and upon receipt and approval of the certification 31413
required by this section and any other information it requires to 31414

enable it to determine a board's payments, shall pay the agency 31415
providing the specialized training the amounts payable under this 31416
section. 31417

Sec. 5126.18. (A) The department of mental retardation and 31418
developmental disabilities may pay to each county board of mental 31419
retardation and developmental disabilities whose hypothetical 31420
local revenue per enrollee is less than the hypothetical statewide 31421
average revenue per enrollee the amount computed under division 31422
(B) of this section. The department may make the payment to a 31423
county board only if the plan the county board develops under 31424
section 5126.054 of the Revised Code is approved under section 31425
5123.046 of the Revised Code. If this section is implemented in 31426
any year, payments shall be made on or before the thirtieth day of 31427
September. 31428

(B) Except as provided in division (C) of this section, the 31429
amount to be paid to a county board shall be equal to the 31430
following: 31431

(1) If the county board's effective tax rate is equal to or 31432
greater than one mill, the product obtained by multiplying the 31433
following two quantities: 31434

(a) The amount by which the hypothetical statewide average 31435
revenue per enrollee exceeds the county board's hypothetical local 31436
revenue per enrollee; 31437

(b) The county board's infant and adult enrollment. 31438

(2) If the county board's effective tax rate is less than one 31439
mill, the product obtained by multiplying the following three 31440
quantities: 31441

(a) The amount by which the hypothetical statewide average 31442
revenue per enrollee exceeds the county board's hypothetical local 31443
revenue per enrollee; 31444

(b) The county board's infant and adult enrollment;	31445
(c) The quotient obtained by dividing the county board's effective tax rate by one mill.	31446 31447
(C)(1) For each individual who is enrolled in active treatment under the community alternative funding system as defined in section 5126.12 of the Revised Code, the department may reduce the portion of the payment made under this section for that individual by fifty per cent or less.	31448 31449 31450 31451 31452
(2) If, in any year, an appropriation by the general assembly to the department for purposes of this section is less than the total amount required to make, in full, the payments as determined under and authorized by this section, the department shall pay each county board the same percentage of the board's payment as determined under this section without regard to this division that the amount of the appropriation available for purposes of this section is of the total amount of payments as determined under this section without regard to this division.	31453 31454 31455 31456 31457 31458 31459 31460 31461
(3) Payments made to a county board pursuant to this section shall not exceed thirty per cent of the payments made to that board pursuant to section 5126.12 of the Revised Code.	31462 31463 31464
(D) Payments made under this section are supplemental to all other state or federal funds for which county boards are eligible and shall be made from funds appropriated for purposes of this section. The A county board shall use the payments shall be used solely for the development and implementation of early intervention services for individuals included in the board's infant enrollment and adult services for individuals included in the board's adult enrollment to pay the nonfederal share of <u>medicaid expenditures that division (A) of section 5126.056 of the Revised Code requires the county board to pay.</u>	31465 31466 31467 31468 31469 31470 31471 31472 31473 31474
(E) Each county board that receives a payment under this	31475

section shall, for each year it receives a payment, certify to the 31476
department that it will make a good faith effort to obtain 31477
revenues, including federal funds, for services to individuals 31478
included in its infant and adult enrollment. 31479

Sec. 5126.357. (A) As used in this section: 31480

(1) "In-home care" means the supportive services provided 31481
within the home of an individual who receives funding for the 31482
services as a county board client, including any client who 31483
receives residential services funded through ~~the medical~~ 31484
~~assistance program's~~ home ~~and or~~ community-based services ~~waivers~~ 31485
~~administered by the department of mental retardation and~~ 31486
~~developmental disabilities~~, family support services provided under 31487
section 5126.11 of the Revised Code, or supported living provided 31488
in accordance with sections 5126.41 to 5126.47 of the Revised 31489
Code. "In-home care" includes care that is provided outside a 31490
client's home in places incidental to the home, and while 31491
traveling to places incidental to the home, except that "in-home 31492
care" does not include care provided in the facilities of a county 31493
board of mental retardation and developmental disabilities or care 31494
provided in schools. 31495

(2) "Parent" means either parent of a child, including an 31496
adoptive parent but not a foster parent. 31497

(3) "Unlicensed in-home care worker" means an individual who 31498
provides in-home care but is not a health care professional. A 31499
county board worker may be an unlicensed in-home care worker. 31500

(4) "Family member" means a parent, sibling, spouse, son, 31501
daughter, grandparent, aunt, uncle, cousin, or guardian of the 31502
individual with mental retardation or a developmental disability 31503
if the individual with mental retardation or developmental 31504
disabilities lives with the person and is dependent on the person 31505
to the extent that, if the supports were withdrawn, another living 31506

arrangement would have to be found. 31507

(B) Except as provided in division (D) of this section, a 31508
family member of an individual with mental retardation or a 31509
developmental disability may authorize an unlicensed in-home care 31510
worker to give or apply prescribed medication or perform other 31511
health care tasks as part of the in-home care provided to the 31512
individual, if the family member is the primary supervisor of the 31513
care and the unlicensed in-home care worker has been selected by 31514
the family member and is under the direct supervision of the 31515
family member. Sections 4723.62 and 5126.351 to 5126.356 of the 31516
Revised Code do not apply to the in-home care authorized by a 31517
family member under this section. Instead, a family member shall 31518
obtain a prescription, if applicable, and written instructions 31519
from a health care professional for the care to be provided to the 31520
individual. The family member shall authorize the unlicensed 31521
in-home care worker to provide the care by preparing a written 31522
document granting the authority. The family member shall provide 31523
the unlicensed in-home care worker with appropriate training and 31524
written instructions in accordance with the instructions obtained 31525
from the health care professional. 31526

(C) A family member who authorizes an unlicensed in-home care 31527
worker to give or apply prescribed medication or perform other 31528
health care tasks retains full responsibility for the health and 31529
safety of the individual receiving the care and for ensuring that 31530
the worker provides the care appropriately and safely. No entity 31531
that funds or monitors the provision of in-home care may be held 31532
liable for the results of the care provided under this section by 31533
an unlicensed in-home care worker, including such entities as the 31534
county board of mental retardation and developmental disabilities, 31535
any other entity that employs an unlicensed in-home care worker, 31536
and the department of mental retardation and developmental 31537
disabilities. 31538

As Reported by the House Finance and Appropriations Committee

An unlicensed in-home care worker who is authorized under 31539
this section by a family member to provide care to an individual 31540
may not be held liable for any injury caused in providing the 31541
care, unless the worker provides the care in a manner that is not 31542
in accordance with the training and instructions received or the 31543
worker acts in a manner that constitutes wanton or reckless 31544
misconduct. 31545

(D) A county board of mental retardation and developmental 31546
disabilities may evaluate the authority granted by a family member 31547
under this section to an unlicensed in-home care worker at any 31548
time it considers necessary and shall evaluate the authority on 31549
receipt of a complaint. If the board determines that a family 31550
member has acted in a manner that is inappropriate for the health 31551
and safety of the individual receiving the services, the 31552
authorization granted by the family member to an unlicensed 31553
in-home care worker is void, and the family member may not 31554
authorize other unlicensed in-home care workers to provide the 31555
care. In making such a determination, the board shall use 31556
appropriately licensed health care professionals and shall provide 31557
the family member an opportunity to file a complaint under section 31558
5126.06 of the Revised Code. 31559

Sec. 5126.431. (A) Pursuant to Chapter 119. of the Revised 31560
Code, the department of mental retardation and developmental 31561
disabilities shall adopt rules establishing standards and 31562
procedures for certification of persons and government entities 31563
that provide or propose to provide, under contract with ~~the~~ 31564
~~department until July 1, 1995, or with~~ a county board of mental 31565
retardation and developmental disabilities, supported living for 31566
individuals with mental retardation or developmental disabilities. 31567
The rules shall allow a person or government entity to 31568
automatically satisfy a standard for certification under this 31569
section if the person holds a current, valid license under section 31570

5123.19 of the Revised Code to operate a residential facility and 31571
had to satisfy the standard to obtain the residential facility 31572
license. 31573

(B) Pursuant to Chapter 119. of the Revised Code, the 31574
department shall adopt rules establishing quality assurance 31575
standards for supported living provided to individuals by 31576
providers certified under this section. 31577

(C) The rules adopted under this section shall include the 31578
following: 31579

(1) Procedures for ensuring that providers comply with 31580
section 5126.281 of the Revised Code; 31581

(2) Methods of evaluating the services provided and 31582
protecting the due process rights of any individual or entity 31583
affected by an evaluation or decision made pursuant to this 31584
section; 31585

(3) Procedures for revoking certification. 31586

(D)(1) Providers shall be evaluated to ensure that services 31587
are provided in a quality manner advantageous to the individual 31588
receiving the services. When evaluations are conducted, the 31589
following shall be considered: 31590

(a) The provider's experience and financial responsibility; 31591

(b) The ability to comply with program standards for 31592
supported living; 31593

(c) The ability to meet the needs of the individuals served; 31594

~~(d) The ability to work cooperatively with the department,~~ 31595
~~county boards, and other providers;~~ 31596

~~(e) Any other factor considered relevant.~~ 31597

(2) The records of evaluations conducted under this section 31598
are public records for purposes of section 149.43 of the Revised 31599

Code and shall be made available on request of any person, 31600
including individuals being served, individuals seeking supported 31601
living, and county boards. 31602

(E) The department shall certify providers in accordance with 31603
the rules adopted under this section. The department may revoke a 31604
provider's certification for good cause, including misfeasance, 31605
malfeasance, nonfeasance, confirmed abuse or neglect, financial 31606
irresponsibility, or other conduct the department determines is 31607
injurious to individuals being served. 31608

Sec. 5139.01. (A) As used in this chapter: 31609

(1) "Commitment" means the transfer of the physical custody 31610
of a child or youth from the court to the department of youth 31611
services. 31612

(2) "Permanent commitment" means a commitment that vests 31613
legal custody of a child in the department of youth services. 31614

(3) "Legal custody," insofar as it pertains to the status 31615
that is created when a child is permanently committed to the 31616
department of youth services, means a legal status in which the 31617
department has the following rights and responsibilities: the 31618
right to have physical possession of the child; the right and duty 31619
to train, protect, and control the child; the responsibility to 31620
provide the child with food, clothing, shelter, education, and 31621
medical care; and the right to determine where and with whom the 31622
child shall live, subject to the minimum periods of, or periods 31623
of, institutional care prescribed in section 2151.355 of the 31624
Revised Code; provided, that these rights and responsibilities are 31625
exercised subject to the powers, rights, duties, and 31626
responsibilities of the guardian of the person of the child, and 31627
subject to any residual parental rights and responsibilities. 31628

(4) Unless the context requires a different meaning, 31629

"institution" means a state facility that is created by the
general assembly and that is under the management and control of
the department of youth services or a private entity with which
the department has contracted for the institutional care and
custody of felony delinquents.

(5) "Full-time care" means care for twenty-four hours a day
for over a period of at least two consecutive weeks.

(6) "Placement" means the conditional release of a child
under the terms and conditions that are specified by the
department of youth services. The department shall retain legal
custody of a child released pursuant to division (C) of section
2151.38 of the Revised Code or division (C) of section 5139.06 of
the Revised Code until the time that it discharges the child or
until the legal custody is terminated as otherwise provided by
law.

(7) "Home placement" means the placement of a child in the
home of the child's parent or parents or in the home of the
guardian of the child's person.

(8) "Discharge" means that the department of youth services'
legal custody of a child is terminated.

(9) "Release" means the termination of a child's stay in an
institution and the subsequent period during which the child
returns to the community under the terms and conditions of
supervised release.

(10) "Delinquent child" has the same meaning as in section
2151.02 of the Revised Code.

(11) "Felony delinquent" means any child who is at least
twelve years of age but less than eighteen years of age and who is
adjudicated a delinquent child for having committed an act that if
committed by an adult would be a felony. "Felony delinquent"
includes any adult who is between the ages of eighteen and

twenty-one and who is in the legal custody of the department of youth services for having committed an act that if committed by an adult would be a felony. 31661
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(12) "Juvenile traffic offender" has the same meaning as in section 2151.021 of the Revised Code. 31664
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(13) "Public safety beds" means all of the following: 31666

(a) Felony delinquents who have been committed to the department of youth services for the commission of an act, other than a violation of section 2911.01 or 2911.11 of the Revised Code, that is a category one offense or a category two offense and who are in the care and custody of an institution or have been diverted from care and custody in an institution and placed in a community corrections facility; 31667
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(b) Felony delinquents who, while committed to the department of youth services and in the care and custody of an institution or a community corrections facility, are adjudicated delinquent children for having committed in that institution or community corrections facility an act that if committed by an adult would be a felony; 31674
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(c) Children who satisfy all of the following: 31680

(i) They are at least twelve years of age but less than eighteen years of age. 31681
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(ii) They are adjudicated delinquent children for having committed acts that if committed by an adult would be a felony. 31683
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(iii) They are committed to the department of youth services by the juvenile court of a county that has had one-tenth of one per cent or less of the statewide adjudications for felony delinquents as averaged for the past four fiscal years. 31685
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(iv) They are in the care and custody of an institution or a community corrections facility. 31689
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(d) Felony delinquents who, while committed to the department of youth services and in the care and custody of an institution, commit in that institution an act that if committed by an adult would be a felony, who are serving disciplinary time for having committed that act, and who have been institutionalized or institutionalized in a secure facility for the minimum period of time specified in division (A)(4) or (5) of section 2151.355 of the Revised Code.

(e) Felony delinquents who are subject to and serving a three-year period of commitment order imposed by a juvenile court pursuant to division (A)(7) of section 2151.355 of the Revised Code for an act, other than a violation of section 2911.11 of the Revised Code, that would be a category one offense or category two offense if committed by an adult.

(f) Felony delinquents who are described in divisions (A)(13)(a) to (e) of this section, who have been granted a judicial release under division (B) of section 2151.38 of the Revised Code or an early release under division (C) of that section from the commitment to the department of youth services for the act described in divisions (A)(13)(a) to (e) of this section, who have violated the terms and conditions of that judicial release or early release, and who, pursuant to an order of the court of the county in which the particular felony delinquent was placed on release that is issued pursuant to division (D) of section 2151.38 of the Revised Code, have been returned to the department for institutionalization or institutionalization in a secure facility.

(g) Felony delinquents who have been committed to the custody of the department of youth services, who have been granted supervised release from the commitment pursuant to section 5139.51 of the Revised Code, who have violated the terms and conditions of that supervised release, and who, pursuant to an order of the

court of the county in which the particular child was placed on supervised release issued pursuant to division (F) of section 5139.52 of the Revised Code, have had the supervised release revoked and have been returned to the department for institutionalization. A felony delinquent described in this division shall be a public safety bed only for the time during which the felony delinquent is institutionalized as a result of the revocation subsequent to the initial thirty-day period of institutionalization required by division (F) of section 5139.52 of the Revised Code.

(14) "State target youth" means twenty-five per cent of the projected total number of felony delinquents for each year of a biennium, factoring in revocations and recommitments.

(15) Unless the context requires a different meaning, "community corrections facility" means a county or multicounty rehabilitation center for felony delinquents who have been committed to the department of youth services and diverted from care and custody in an institution and placed in the rehabilitation center pursuant to division (E) of section 5139.36 of the Revised Code.

(16) "Secure facility" means any facility that is designed and operated to ensure that all of its entrances and exits are under the exclusive control of its staff and to ensure that, because of that exclusive control, no child who has been institutionalized in the facility may leave the facility without permission or supervision.

(17) "Community residential program" means a program that satisfies both of the following:

(a) It is housed in a building or other structure that has no associated major restraining construction, including, but not limited to, a security fence.

(b) It provides twenty-four-hour care, supervision, and programs for felony delinquents who are in residence. 31754
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(18) "Category one offense" and "category two offense" have the same meanings as in section 2151.26 of the Revised Code. 31756
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(19) "Disciplinary time" means additional time that the department of youth services requires a felony delinquent to serve in an institution, that delays the felony delinquent's planned release, and that the department imposes upon the felony delinquent following the conduct of an internal due process hearing for having committed any of the following acts while committed to the department and in the care and custody of an institution: 31758
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(a) An act that if committed by an adult would be a felony; 31766

(b) An act that if committed by an adult would be a misdemeanor; 31767
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(c) An act that is not described in division (A)(19)(a) or (b) of this section and that violates an institutional rule of conduct of the department. 31769
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(20) "Unruly child" has the same meaning as in section 2151.022 of the Revised Code. 31772
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(21) "Revocation" means the act of revoking a child's supervised release for a violation of a term or condition of the child's supervised release in accordance with section 5139.52 of the Revised Code. 31774
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(22) "Release authority" means the release authority of the department of youth services that is established by section 5139.50 of the Revised Code. 31778
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(23) "Supervised release" means the event of the release of a child under this chapter from an institution and the period after that release during which the child is supervised and assisted by 31781
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an employee of the department of youth services under specific 31784
terms and conditions for reintegration of the child into the 31785
community. 31786

(24) "Victim" means the person identified in a police report, 31787
complaint, or information as the victim of an act that would have 31788
been a criminal offense if committed by an adult and that provided 31789
the basis for adjudication proceedings resulting in a child's 31790
commitment to the legal custody of the department of youth 31791
services. 31792

(25) "Victim's representative" means a member of the victim's 31793
family or another person whom the victim or another authorized 31794
person designates in writing, pursuant to section 5139.56 of the 31795
Revised Code, to represent the victim with respect to proceedings 31796
of the release authority of the department of youth services and 31797
with respect to other matters specified in that section. 31798

(26) "Member of the victim's family" means a spouse, child, 31799
stepchild, sibling, parent, stepparent, grandparent, other 31800
relative, or legal guardian of a child but does not include a 31801
person charged with, convicted of, or adjudicated a delinquent 31802
child for committing a criminal or delinquent act against the 31803
victim or another criminal or delinquent act arising out of the 31804
same conduct, criminal or delinquent episode, or plan as the 31805
criminal or delinquent act committed against the victim. 31806

(27) "Judicial release" means a release of a child from 31807
institutional care or institutional care in a secure facility that 31808
is granted by a court pursuant to division (B) of section 2151.38 31809
of the Revised Code during the period specified in that division. 31810

(28) "Early release" means a release of a child from 31811
institutional care or institutional care in a secure facility that 31812
is granted by a court pursuant to division (C) of section 2151.38 31813
of the Revised Code during the period specified in that division. 31814

(29) "Comprehensive plan" means a document that coordinates, evaluates, and otherwise assists, on an annual or multi-year basis, all of the functions of the criminal and juvenile justice systems of the state or a specified area of the state, that conforms to the priorities of the state with respect to criminal and juvenile justice systems, and that conforms with the requirements of all federal criminal justice acts. These functions include, but are not limited to, all of the following:

(a) Crime and delinquency prevention;

(b) Identification, detection, apprehension, and detention of persons charged with criminal offenses or delinquent acts;

(c) Assistance to crime victims or witnesses, except that the comprehensive plan does not include the functions of the attorney general pursuant to sections 109.91 and 109.92 of the Revised Code;

(d) Adjudication or diversion of persons charged with criminal offenses or delinquent acts;

(e) Custodial treatment of criminal offenders and delinquent children;

(f) Institutional and noninstitutional rehabilitation of criminal offenders and delinquent children.

(30) "Administrative planning district," "criminal justice coordinating council," "juvenile justice system," and "metropolitan county criminal justice services agency" have the same meanings as in section 181.51 of the Revised Code.

(B) There is hereby created the department of youth services. The governor shall appoint the director of the department with the advice and consent of the senate. The director shall hold office during the term of the appointing governor but subject to removal at the pleasure of the governor. Except as otherwise authorized in

section 108.05 of the Revised Code, the director shall devote the 31845
director's entire time to the duties of the director's office and 31846
shall hold no other office or position of trust or profit during 31847
the director's term of office. 31848

The director is the chief executive and administrative 31849
officer of the department and has all the powers of a department 31850
head set forth in Chapter 121. of the Revised Code. The director 31851
may adopt rules for the government of the department, the conduct 31852
of its officers and employees, the performance of its business, 31853
and the custody, use, and preservation of the department's 31854
records, papers, books, documents, and property. The director 31855
shall be an appointing authority within the meaning of Chapter 31856
124. of the Revised Code. Whenever this or any other chapter or 31857
section of the Revised Code imposes a duty on or requires an 31858
action of the department, the duty or action shall be performed by 31859
the director or, upon the director's order, in the name of the 31860
department. 31861

Sec. 5139.11. The department of youth services shall do all 31862
of the following: 31863

(A) Through a program of education, promotion, and 31864
organization, form groups of local citizens and assist these 31865
groups in conducting activities aimed at the prevention and 31866
control of juvenile delinquency, making use of local people and 31867
resources for the following purposes: 31868

(1) Combatting local conditions known to contribute to 31869
juvenile delinquency; 31870

(2) Developing recreational and other programs for youth 31871
work; 31872

(3) Providing adult sponsors for delinquent children cases; 31873

(4) Dealing with other related problems of the locality; 31874

(B) Advise local, state, and federal officials, public and private agencies, and lay groups on the needs for and possible methods of the reduction and prevention of juvenile delinquency and the treatment of delinquent children;	31875 31876 31877 31878
(C) Consult with the schools and courts of this state on the development of programs for the reduction and prevention of delinquency and the treatment of delinquents;	31879 31880 31881
(D) Cooperate with other agencies whose services deal with the care and treatment of delinquent children to the end that delinquent children who are state wards may be assisted whenever possible to a successful adjustment outside of institutional care;	31882 31883 31884 31885
(E) Cooperate with other agencies in surveying, developing, and utilizing the recreational resources of a community as a means of combatting the problem of juvenile delinquency and effectuating rehabilitation;	31886 31887 31888 31889
(F) Hold district and state conferences from time to time in order to acquaint the public with current problems of juvenile delinquency and develop a sense of civic responsibility toward the prevention of juvenile delinquency;	31890 31891 31892 31893
(G) Assemble and distribute information relating to juvenile delinquency and report on studies relating to community conditions that affect the problem of juvenile delinquency;	31894 31895 31896
(H) Assist any community within the state by conducting a comprehensive survey of the community's available public and private resources, and recommend methods of establishing a community program for combatting juvenile delinquency and crime, but no survey of that type shall be conducted unless local individuals and groups request it through their local authorities, and no request of that type shall be interpreted as binding the community to following the recommendations made as a result of the request;	31897 31898 31899 31900 31901 31902 31903 31904 31905

(I) Evaluate the rehabilitation of children committed to the department and prepare and submit periodic reports to the committing court for the following purposes:	31906 31907 31908
(1) Evaluating the effectiveness of institutional treatment;	31909
(2) Making recommendations for early release where appropriate and recommending terms and conditions for release;	31910 31911
(3) Reviewing the placement of children and recommending alternative placements where appropriate.	31912 31913
(J) Coordinate dates for hearings to be conducted under section 2151.38 of the Revised Code and assist in the transfer and release of children from institutionalization to the custody of the committing court;	31914 31915 31916 31917
<u>(K)(1) Coordinate and assist juvenile justice systems by doing the following:</u>	31918 31919
<u>(a) Performing juvenile justice system planning in the state, including any planning that is required by any federal law;</u>	31920 31921
<u>(b) Collecting, analyzing, and correlating information and data concerning the juvenile justice system in the state;</u>	31922 31923
<u>(c) Cooperating with and providing technical assistance to state departments, administrative planning districts, metropolitan county criminal justice services agencies, criminal justice coordinating councils, and agencies, offices, and departments of the juvenile justice system in the state, and other appropriate organizations and persons;</u>	31924 31925 31926 31927 31928 31929
<u>(d) Encouraging and assisting agencies, offices, and departments of the juvenile justice system in the state and other appropriate organizations and persons to solve problems that relate to the duties of the department;</u>	31930 31931 31932 31933
<u>(e) Administering within the state any juvenile justice acts that the governor requires the department to administer;</u>	31934 31935

<u>(f) Implementing the state comprehensive plans;</u>	31936
<u>(g) Auditing grant activities of agencies, offices, organizations, and persons that are financed in whole or in part by funds granted through the department;</u>	31937 31938 31939
<u>(h) Monitoring or evaluating the performance of juvenile justice system projects and programs in the state that are financed in whole or in part by funds granted through the department;</u>	31940 31941 31942 31943
<u>(i) Applying for, allocating, disbursing, and accounting for grants that are made available pursuant to federal juvenile justice acts, or made available from other federal, state, or private sources, to improve the criminal and juvenile justice systems in the state. All money from federal juvenile justice act grants shall, if the terms under which the money is received require that the money be deposited into an interest bearing fund or account, be deposited in the state treasury to the credit of the federal juvenile justice program purposes fund, which is hereby created. All investment earnings shall be credited to the fund.</u>	31944 31945 31946 31947 31948 31949 31950 31951 31952 31953 31954
<u>(j) Contracting with federal, state, and local agencies, foundations, corporations, businesses, and persons when necessary to carry out the duties of the department;</u>	31955 31956 31957
<u>(k) Overseeing the activities of metropolitan county criminal justice services agencies, administrative planning districts, and juvenile justice coordinating councils in the state;</u>	31958 31959 31960 31961
<u>(l) Advising the general assembly and governor on legislation and other significant matters that pertain to the improvement and reform of the juvenile justice system in the state;</u>	31962 31963 31964 31965
<u>(m) Preparing and recommending legislation to the general</u>	31966

assembly and governor for the improvement of the juvenile justice system in the state; 31967
31968

(n) Assisting, advising, and making any reports that are required by the governor, attorney general, or general assembly. 31969
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(2) Division (K)(1) of this section does not limit the discretion or authority of the attorney general with respect to crime victim assistance and criminal and juvenile justice programs. 31971
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(3) Nothing in division (K)(1) of this section is intended to diminish or alter the status of the office of the attorney general as a criminal justice services agency. 31975
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Sec. 5139.31. The department of youth services may inspect any school, forestry camp, district detention home, or other facility for which an application for financial assistance has been made to the department under section ~~2151.341~~, 2151.3416, 2151.651, or 2151.652 of the Revised Code or for which financial assistance has been granted by the department under section 5139.27, 5139.271, or 5139.28, ~~or 5139.281~~ of the Revised Code. The inspection may include, but need not be limited to, examination and evaluation of the physical condition of the school, forestry camp, district detention home, or other facility, including any equipment used in connection with it; observation and evaluation of the training and treatment of children admitted to it; examination and analysis and copying of any papers, records, or other documents relating to the qualifications of personnel, the commitment of children to it, and its administration. 31978
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Sec. 5153.165. If a family is encountering an emergency that could lead, or has led, to removal of a child from the family's home pursuant to Chapter 2151. of the Revised Code, the public 31994
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children services agency shall determine whether the child could 31997
remain safely with, or be safely returned to, the family if the 31998
emergency were alleviated by providing ~~assistance~~ benefits and 31999
services under the prevention, retention, and contingency program 32000
established under Chapter 5108. of the Revised Code. If it is 32001
determined that the child could remain safely with, or be safely 32002
returned to, the family, the agency, with the cooperation of the 32003
child's family, shall determine the amount of ~~assistance~~ benefits 32004
and services necessary to prevent the removal of the child from 32005
the home or to permit the child's return to the home and may 32006
provide the ~~assistance~~ benefits and services pursuant to a plan of 32007
cooperation entered into under section 307.983 of the Revised 32008
Code. 32009

Sec. 5153.60. The department of job and family services shall 32010
establish a statewide program that provides the training section 32011
5153.122 of the Revised Code requires public children services 32012
agency caseworkers and supervisors to complete. The program may 32013
also provide the preplacement and continuing training described in 32014
sections 5103.039, 5103.0310, and 5103.0311 of the Revised Code 32015
that foster caregivers are required by sections 5103.031, 32016
5103.032, and 5103.033 of the Revised Code to obtain. The program 32017
shall be called the "Ohio child welfare training program." 32018

Sec. 5153.69. The training program steering committee shall 32020
monitor and evaluate the Ohio child welfare training program to 32021
ensure ~~that~~ the following: 32022

(A) That the Ohio child welfare training program is a 32023
competency-based training system that satisfies the training 32024
requirements for public children services agency caseworkers and 32025
supervisors under section 5153.122 of the Revised Code; 32026

(B) That, if the Ohio child welfare training program provides 32027

preplacement or continuing training for foster caregivers, it 32028
meets the same requirements that preplacement training programs 32029
and continuing training programs must meet pursuant to section 32030
5103.038 of the Revised Code to obtain approval by the department 32031
of job and family services, except that the Ohio child welfare 32032
training program is not required to obtain department approval. 32033
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Sec. 5153.78. (A) As used in this section: 32035

(1) "Title IV-B" means Title IV-B of the "Social Security Act 32036
of 1967," 81 Stat. 821, 42 U.S.C. 620, as amended. 32037

(2) "Title IV-E" means Title IV-E of the "Social Security 32038
Act," 94 Stat. 501, 42 U.S.C. 670(1980). 32039

(3) "Title XX" has the same meaning as in section 5101.46 of 32040
the Revised Code. 32041

(B) For purposes of adequately funding the Ohio child welfare 32042
training program, the department of job and family services ~~shall~~ 32043
may use any of the following to ~~adequately fund the Ohio child~~ 32044
~~welfare training program:~~ 32045

(1) The federal financial participation funds withheld 32046
pursuant to division (D) of section 5101.141 of the Revised Code 32047
in an amount determined by the department; 32048

(2) Funds available under Title XX, Title IV-B, and Title 32049
IV-E to pay for training costs; 32050

(3) ~~Any other~~ Other available state or federal funds. 32051

Sec. 5705.091. The board of county commissioners of each 32052
county shall establish a county mental retardation and 32053
developmental disabilities general fund. Notwithstanding sections 32054
5705.09 and 5705.10 of the Revised Code, proceeds from levies 32055
under section 5705.222 and division (L) of section 5705.19 of the 32056

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Revised Code shall be deposited to the credit of the county mental 32057
retardation and developmental disabilities general fund. Accounts 32058
shall be established within the county mental retardation and 32059
developmental disabilities general fund for each of the several 32060
particular purposes of the levies as specified in the resolutions 32061
under which the levies were approved, and proceeds from different 32062
levies that were approved for the same particular purpose shall be 32063
credited to accounts for that purpose. Other money received by the 32064
county for the purposes of Chapters 3323. and 5126. of the Revised 32065
Code and not required by state or federal law to be deposited to 32066
the credit of a different fund shall also be deposited to the 32067
credit of the county mental retardation and developmental 32068
disabilities general fund, in an account appropriate to the 32069
particular purpose for which the money was received. Unless 32070
otherwise provided by law, an unexpended balance at the end of a 32071
fiscal year in any account in the county mental retardation and 32072
developmental disabilities general fund shall be appropriated the 32073
next fiscal year to the same fund. 32074

A county board of mental retardation and developmental 32075
disabilities may request, by resolution, that the board of county 32076
commissioners establish a county mental retardation and 32077
developmental disabilities capital fund for money to be used for 32078
acquisition, construction, or improvement of capital facilities or 32079
acquisition of capital equipment used in providing services to 32080
mentally retarded and developmentally disabled persons. The county 32081
board of mental retardation and developmental disabilities shall 32082
transmit a certified copy of the resolution to the board of county 32083
commissioners. Upon receiving the resolution, the board of county 32084
commissioners shall establish a county mental retardation and 32085
developmental disabilities capital fund. 32086

A county board shall request, by resolution, that the board 32087
of county commissioners establish a county MR/DD medicaid reserve 32088

fund if such fund must be established for the county board to be 32089
in compliance with the component required by division (A)(3) of 32090
section 5126.054 of the Revised Code of a county board plan 32091
approved by the department of mental retardation and developmental 32092
disabilities under section 5123.046 of the Revised Code. On 32093
receipt of the resolution, the board of county commissioners shall 32094
establish a county MR/DD medicaid reserve fund. The portion of 32095
federal revenue funds that the county board earns for providing 32096
medicaid case management services and home or community-based 32097
services that is needed for the county board to pay for 32098
extraordinary costs, including extraordinary costs for services to 32099
individuals with mental retardation or other developmental 32100
disability, and ensure the availability of adequate funds in the 32101
event a county property tax levy for services for individuals with 32102
mental retardation or other developmental disability fails shall 32103
be deposited into the fund. The county board shall use money in 32104
the fund for those purposes. 32105

Sec. 5705.41. No subdivision or taxing unit shall: 32106

(A) Make any appropriation of money except as provided in 32107
Chapter 5705. of the Revised Code; provided, that the 32108
authorization of a bond issue shall be deemed to be an 32109
appropriation of the proceeds of the bond issue for the purpose 32110
for which such bonds were issued, but no expenditure shall be made 32111
from any bond fund until first authorized by the taxing authority; 32112

(B) Make any expenditure of money unless it has been 32113
appropriated as provided in such chapter; 32114

(C) Make any expenditure of money except by a proper warrant 32115
drawn against an appropriate fund; 32116

(D)(1) Except as otherwise provided in division (D)(2) of 32117
this section and section 5705.44 of the Revised Code, make any 32118
contract or give any order involving the expenditure of money 32119

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unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the obligation or, in the case of a continuing contract to be performed in whole or in part in an ensuing fiscal year, the amount required to meet the obligation in the fiscal year in which the contract is made, has been lawfully appropriated for such purpose and is in the treasury or in process of collection to the credit of an appropriate fund free from any previous encumbrances. This certificate need be signed only by the subdivision's fiscal officer. Every such contract made without such a certificate shall be void, and no warrant shall be issued in payment of any amount due thereon. If no certificate is furnished as required, upon receipt by the taxing authority of the subdivision or taxing unit of a certificate of the fiscal officer stating that there was at the time of the making of such contract or order and at the time of the execution of such certificate a sufficient sum appropriated for the purpose of such contract and in the treasury or in process of collection to the credit of an appropriate fund free from any previous encumbrances, such taxing authority may authorize the drawing of a warrant in payment of amounts due upon such contract, but such resolution or ordinance shall be passed within thirty days from the receipt of such certificate; provided that, if the amount involved is less than one hundred dollars in the case of counties or one thousand dollars in the case of all other subdivisions or taxing units, the fiscal officer may authorize it to be paid without such affirmation of the taxing authority of the subdivision or taxing unit, if such expenditure is otherwise valid.

(2) Annually, the board of county commissioners may adopt a resolution exempting for the current fiscal year county purchases of seven hundred fifty dollars or less from the requirement of division (D)(1) of this section that a certificate be attached to any contract or order involving the expenditure of money. The

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resolution shall state the dollar amount that is exempted from the certificate requirement and whether the exemption applies to all purchases, to one or more specific classes of purchases, or to the purchase of one or more specific items. Prior to the adoption of the resolution, the board shall give written notice to the county auditor that it intends to adopt the resolution. The notice shall state the dollar amount that is proposed to be exempted and whether the exemption would apply to all purchases, to one or more specific classes of purchases, or to the purchase of one or more specific items. The county auditor may review and comment on the proposal, and shall send any comments to the board within fifteen days after receiving the notice. The board shall wait at least fifteen days after giving the notice to the auditor before adopting the resolution. A person authorized to make a county purchase in a county that has adopted such a resolution shall prepare and file with the county auditor, within three business days after incurring an obligation not requiring a certificate, a written document specifying the purpose and amount of the expenditure, the date of the purchase, the name of the vendor, and such additional information as the auditor of state may prescribe.

(3) Upon certification by the auditor or other chief fiscal officer that a certain sum of money, not in excess of five thousand dollars, has been lawfully appropriated, authorized, or directed for a certain purpose and is in the treasury or in the process of collection to the credit of a specific line-item appropriation account in a certain fund free from previous and then outstanding obligations or certifications, then for such purpose and from such line-item appropriation account in such fund, over a period not exceeding three months and not extending beyond the end of the fiscal year, expenditures may be made, orders for payment issued, and contracts or obligations calling for or requiring the payment of money made and assumed; provided,

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that the aggregate sum of money included in and called for by such
expenditures, orders, contracts, and obligations shall not exceed
the sum so certified. Such a certification need be signed only by
the fiscal officer of the subdivision or the taxing district and
may, but need not, be limited to a specific vendor. An itemized
statement of obligations incurred and expenditures made under such
certificate shall be rendered to the auditor or other chief fiscal
officer before another such certificate may be issued, and not
more than one such certificate shall be outstanding at a time.

In addition to providing the certification for expenditures
of five thousand dollars or less as provided in this division, a
subdivision also may make expenditures, issue orders for payment,
and make contracts or obligations calling for or requiring the
payment of money made and assumed for specified permitted purposes
from a specific line-item appropriation account in a specified
fund for a sum of money exceeding five thousand dollars upon the
certification by the fiscal officer of the subdivision that this
sum of money has been lawfully appropriated, authorized, or
directed for a permitted purpose and is in the treasury or in the
process of collection to the credit of the specific line-item
appropriation account in the specified fund free from previous and
then-outstanding obligations or certifications; provided that the
aggregate sum of money included in and called for by the
expenditures, orders, and obligations shall not exceed the
certified sum. The purposes for which a subdivision may lawfully
appropriate, authorize, or issue such a certificate are the
services of an accountant, architect, attorney at law, physician,
professional engineer, construction project manager, consultant,
surveyor, or appraiser by or on behalf of the subdivision or
contracting authority; fuel oil, gasoline, food items, roadway
materials, and utilities; and any purchases exempt from
competitive bidding under section 125.04 of the Revised Code and

any other specific expenditure that is a recurring and reasonably
predictable operating expense. Such a certification shall not
extend beyond the end of the fiscal year or, in the case of a
board of county commissioners that has established a quarterly
spending plan under section 5705.392 of the Revised Code, beyond
the quarter to which the plan applies. Such a certificate shall be
signed by the fiscal officer and may, but need not, be limited to
a specific vendor. An itemized statement of obligations incurred
and expenditures made under such a certificate shall be rendered
to the fiscal officer for each certificate issued. More than one
such certificate may be outstanding at any time.

In any case in which a contract is entered into upon a per
unit basis, the head of the department, board, or commission for
the benefit of which the contract is made shall make an estimate
of the total amount to become due upon such contract, which
estimate shall be certified in writing to the fiscal officer of
the subdivision. Such a contract may be entered into if the
appropriation covers such estimate, or so much thereof as may be
due during the current year. In such a case the certificate of the
fiscal officer based upon the estimate shall be a sufficient
compliance with the law requiring a certificate.

Any certificate of the fiscal officer attached to a contract
shall be binding upon the political subdivision as to the facts
set forth therein. Upon request of any person receiving an order
or entering into a contract with any political subdivision, the
certificate of the fiscal officer shall be attached to such order
or contract. "Contract" as used in this section excludes current
payrolls of regular employees and officers.

Taxes and other revenue in process of collection, or the
proceeds to be derived from authorized bonds, notes, or
certificates of indebtedness sold and in process of delivery,
shall for the purpose of this section be deemed in the treasury or

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in process of collection and in the appropriate fund. This section 32249
applies neither to the investment of sinking funds by the trustees 32250
of such funds, nor to investments made under sections 731.56 to 32251
731.59 of the Revised Code. 32252

No district authority shall, in transacting its own affairs, 32253
do any of the things prohibited to a subdivision by this section, 32254
but the appropriation referred to shall become the appropriation 32255
by the district authority, and the fiscal officer referred to 32256
shall mean the fiscal officer of the district authority. 32257

Sec. 5705.44. When contracts or leases run beyond the 32258
termination of the fiscal year in which they are made, the fiscal 32259
officer of the taxing authority shall make a certification for the 32260
amount required to meet the obligation of such contract or lease 32261
maturing in such fiscal year. The amount of the obligation under 32262
such contract or lease remaining unfulfilled at the end of a 32263
fiscal year, and which will become payable during the next fiscal 32264
year, shall be included in the annual appropriation measure for 32265
the next year as a fixed charge. 32266

The certificate required by section 5705.41 of the Revised 32267
Code as to money in the treasury shall not be required for 32268
contracts on which payments are to be made from the earnings of a 32269
publicly operated water works or public utility, but in the case 32270
of any such contract made without such certification, no payment 32271
shall be made on account thereof, and no claim or demand thereon 32272
shall be recoverable, except out of such earnings. That 32273
certificate also shall not be required if requiring the 32274
certificate makes it impossible for a county board of mental 32275
retardation and developmental disabilities to pay the nonfederal 32276
share of medicaid expenditures that the county board is required 32277
by division (A) of section 5126.056 of the Revised Code to pay. 32278

Sec. 5709.17. (A) Real estate held or occupied by an 32279
association or corporation, organized or incorporated under the 32280
laws of this state relative to soldiers' memorial associations, 32281
monumental building associations, or cemetery associations or 32282
corporations, which in the opinion of the trustees, directors, or 32283
managers thereof is necessary and proper to carry out the object 32284
intended for such association or corporation, shall be exempt from 32285
taxation. 32286

(B) Real estate and tangible personal property held or 32287
occupied by a war veterans' organization, which is organized 32288
exclusively for charitable purposes and incorporated under the 32289
laws of this state or the United States, except real estate held 32290
by such organization for the production of rental income, shall be 32291
exempt from taxation. 32292

(C) Tangible personal property held by a corporation 32293
chartered under 112 Stat. 1335, 36 U.S.C.A. 40701, described in 32294
section 501(c)(3) of the Internal Revenue Code, and exempt from 32295
taxation under section 501(a) of the Internal Revenue Code shall 32296
be exempt from taxation if it is surplus property obtained as 32297
described in 112 Stat. 1340, 36 U.S.C.A. 40730. 32298

Sec. 5721.30. As used in sections 5721.30 to 5721.42 of the 32299
Revised Code: 32300

(A) "Tax certificate," "certificate," or "duplicate 32301
certificate" means a document which may be issued as a physical 32302
certificate, in book-entry form, or through an electronic medium, 32303
at the discretion of the county treasurer. Such document shall 32304
contain the information required by section 5721.31 of the Revised 32305
Code and shall be prepared, transferred, or redeemed in the manner 32306
prescribed by sections 5721.30 to 5721.41 of the Revised Code. As 32307
used in those sections, "tax certificate," "certificate," and 32308
"duplicate certificate" do not refer to the delinquent land tax 32309

certificate or the delinquent vacant land tax certificate issued 32310
under section 5721.13 of the Revised Code. 32311

(B) "Certificate parcel" means the parcel of delinquent land 32312
that is the subject of and is described in a tax certificate. 32313

(C) "Certificate holder" means a person who purchases a tax 32314
certificate under section 5721.32 or 5721.33 of the Revised Code, 32315
or a person to whom a tax certificate has been transferred 32316
pursuant to section 5721.36 of the Revised Code. 32317

(D) "Certificate purchase price" means, with respect to the 32318
sale of tax certificates under sections 5721.32 and 5721.33 of the 32319
Revised Code, the amount equal to delinquent taxes, assessments, 32320
penalties, and interest computed under section 323.121 of the 32321
Revised Code charged against a certificate parcel at the time the 32322
tax certificate respecting that parcel is sold, not including any 32323
delinquent taxes, assessments, penalties, interest, and charges, 32324
the lien for which has been conveyed to a certificate holder 32325
through a prior sale of a tax certificate respecting that parcel; 32326
provided, however, that payment of the certificate purchase price 32327
in a sale under section 5721.33 of the Revised Code may be made 32328
wholly in cash or partially in cash and partially by noncash 32329
consideration acceptable to the county treasurer from the 32330
purchaser. In the event that any such noncash consideration is 32331
delivered to pay a portion of the certificate purchase price, such 32332
noncash consideration may be subordinate to the rights of the 32333
holders of other obligations whose proceeds paid the cash portion 32334
of the certificate purchase price. 32335

"Certificate purchase price" also includes the amount of the 32336
fee charged by the county treasurer to the purchaser of the 32337
certificate under division (H) of section 5721.32 of the Revised 32338
Code. 32339

(E) With respect to a sale of tax certificates under section 32340

5721.32 of the Revised Code and except as provided in division	32341
(E)(3) of this section, "certificate redemption price" means the	32342
amount determined under division (E)(1) or (2) of this section.	32343
(1) During the first year after the date on which a tax	32344
certificate is sold, the sum of the following:	32345
(a) The certificate purchase price;	32346
(b) The greater of the following:	32347
(i) Interest, at the certificate rate of interest, accruing	32348
during the certificate interest period on the certificate purchase	32349
price;	32350
(ii) Six per cent of the certificate purchase price.	32351
(c) The fee charged by the county treasurer to the purchaser	32352
of the certificate under division (H) of section 5721.32 of the	32353
Revised Code.	32354
(2) After the first year after the date on which a tax	32355
certificate is sold, the sum of the following:	32356
(a)(i) If division (E)(1)(b)(i) applied during the first	32357
year, the certificate purchase price;	32358
(ii) If division (E)(1)(b)(ii) applied during the first year,	32359
the sum of the certificate purchase price plus six per cent of the	32360
certificate purchase price.	32361
(b)(i) If division (E)(1)(b)(i) applied during the first	32362
year, interest at the certificate rate of interest accruing during	32363
the certificate interest period on the certificate purchase price;	32364
(ii) If division (E)(1)(b)(ii) applied during the first year,	32365
interest at the certificate rate of interest, accruing during the	32366
part of the certificate interest period that begins one year after	32367
the date of the sale of the certificate, on the sum of the	32368
certificate purchase price plus six per cent of the certificate	32369

purchase price.	32370
(c) The fee charged by the county treasurer to the purchaser of the certificate under division (H) of section 5721.32 of the Revised Code.	32371 32372 32373
(3) If the certificate rate of interest equals zero, the certificate redemption price equals the certificate purchase price plus the fee charged by the county treasurer to the purchaser of the certificate under division (H) of section 5721.32 of the Revised Code.	32374 32375 32376 32377 32378
(F) With respect to a sale of tax certificates under section 5721.33 of the Revised Code, "certificate redemption price" means the amount equal to the sum of the following:	32379 32380 32381
(1) The certificate purchase price;	32382
(2) Interest accrued on the certificate purchase price at the certificate rate of interest from the date on which a tax certificate is delivered through and including the day immediately preceding the day on which the certificate redemption price is paid;	32383 32384 32385 32386 32387
(3) The fee, if any, charged by the county treasurer to the purchaser of the certificate under division (J) of section 5721.33 of the Revised Code;	32388 32389 32390
(4) Any other fees charged by any county office in connection with the recording of tax certificates.	32391 32392
(G) "Certificate rate of interest" means the rate of simple interest per year bid by the winning bidder in an auction of a tax certificate held under section 5721.32 of the Revised Code, or the rate of simple interest per year not to exceed eighteen per cent per year fixed by the county treasurer with respect to any tax certificate sold pursuant to a negotiated sale under section 5721.33 of the Revised Code.	32393 32394 32395 32396 32397 32398 32399

(H) "Cash" means United States currency, certified checks, 32400
money orders, bank drafts, or electronic transfer of funds, and 32401
excludes any other form of payment. 32402

(I) "The date on which a tax certificate is sold," "the date 32403
the certificate was sold," "the date the certificate is 32404
purchased," and any other phrase of similar content mean, with 32405
respect to a sale pursuant to an auction under section 5721.32 of 32406
the Revised Code, the date designated by the county treasurer for 32407
the submission of bids and, with respect to a negotiated sale 32408
under section 5721.33 of the Revised Code, the date of delivery of 32409
the tax certificates to the purchasers thereof pursuant to a tax 32410
certificate sale/purchase agreement. 32411

(J) "Purchaser of a tax certificate pursuant to section 32412
5721.32 of the Revised Code" means the winning bidder in an 32413
auction of a tax certificate held under section 5721.32 of the 32414
Revised Code. 32415

(K) "Certificate interest period" means, with respect to a 32416
tax certificate sold under section 5721.32 of the Revised Code, 32417
the period beginning on the date the certificate is purchased and, 32418
with respect to a tax certificate sold under section 5721.33 of 32419
the Revised Code, the period beginning on the date of delivery of 32420
the tax certificate, and in either case ending on one of the 32421
following dates: 32422

(1) In the case of foreclosure proceedings instituted under 32423
section 5721.37 of the Revised Code, the date the certificate 32424
holder submits a payment to the treasurer under division (B) of 32425
that section; 32426

(2) In the case of a certificate parcel redeemed under 32427
division (A) or (C) of section 5721.38 of the Revised Code, the 32428
date the owner of record of the certificate parcel, or any other 32429
person entitled to redeem that parcel, pays to the county 32430

treasurer or to the certificate holder, as applicable, the full amount determined under that section. 32431
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(L) "County treasurer" means, with respect to the sale of tax certificates under section 5721.32 of the Revised Code, the county treasurer of a county having a population of at least two hundred thousand according to the then most recent federal decennial census and, with respect to the sale of tax certificates under section 5721.33 of the Revised Code, the county treasurer of a county having a population of at least one million ~~four~~ three hundred thousand according to the then most recent federal decennial census. 32433
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(M) "Qualified trustee" means a trust company within the state or a bank having the power of a trust company within the state with a combined capital stock, surplus, and undivided profits of at least one hundred million dollars. 32442
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(N) "Tax certificate sale/purchase agreement" means the purchase and sale agreement described in division (C) of section 5721.33 of the Revised Code setting forth the certificate purchase price, plus any applicable premium or less any applicable discount, including, without limitation, the amount thereof to be paid in cash and the amount and nature of any noncash consideration, the date of delivery of the tax certificates, and the other terms and conditions of the sale, including, without limitation, the rate of interest that the tax certificates shall bear. 32446
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(O) "Noncash consideration" means any form of consideration other than cash, including, but not limited to, promissory notes whether subordinate or otherwise. 32456
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(P) "Private attorney" means for purposes of section 5721.37 of the Revised Code, any attorney licensed to practice law in this state, whether practicing with a firm of attorneys or otherwise, 32459
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whose license has not been revoked or otherwise suspended and who 32462
brings foreclosure proceedings pursuant to section 5721.37 of the 32463
Revised Code on behalf of a certificate holder. 32464

(Q) "Related certificate parcel" means, with respect to a 32465
certificate holder, the certificate parcel with respect to which 32466
the certificate holder has purchased and holds a tax certificate 32467
pursuant to sections 5721.30 to 5721.41 of the Revised Code and, 32468
with respect to a tax certificate, the certificate parcel against 32469
which the tax certificate has been sold pursuant to those 32470
sections. 32471

Sec. 5725.31. (A) As used in this section: 32472

(1) "Eligible employee" and "eligible training costs" have 32473
the same meanings as in section 5733.42 of the Revised Code. 32474

(2) "Tax assessed under this chapter" means, in the case of a 32475
dealer in intangibles, the tax assessed under sections 5725.13 to 32476
5725.17 of the Revised Code and, in the case of a domestic 32477
insurance company, the taxes assessed under sections 5725.18 to 32478
5725.26 of the Revised Code. 32479

(3) "Taxpayer" means a dealer in intangibles or a domestic 32480
insurance company subject to a tax assessed under this chapter. 32481

(4) "Credit period" means, in the case of a dealer in 32482
intangibles, the calendar year ending on the thirty-first day of 32483
December next preceding the day the report is required to be 32484
returned under section 5725.14 of the Revised Code and, in the 32485
case of a domestic insurance company, the calendar year ending on 32486
the thirty-first day of December next preceding the day the annual 32487
statement is required to be returned under section 5725.18 or 32488
5725.181 of the Revised Code. 32489

(B) There is hereby allowed a nonrefundable credit against 32490
the tax imposed under this chapter for a taxpayer for which a tax 32491

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credit certificate is issued under section 5733.42 of the Revised Code. The credit may be claimed for credit periods beginning on or after January 1, ~~2001~~ 2003, and ending on or before December 31, ~~2003~~ 2005. The amount of the credit shall equal one-half of the average of the eligible training costs paid or incurred by the taxpayer during the three calendar years immediately preceding the credit period for which the credit is claimed, not to exceed one thousand dollars for each eligible employee on account of whom eligible training costs were paid or incurred by the taxpayer. The credit claimed by a taxpayer each credit period shall not exceed one hundred thousand dollars.

A taxpayer shall apply to the director of job and family services for a tax credit certificate in the manner prescribed by division (C) of section 5733.42 of the Revised Code. Divisions (C) to (H) of that section govern the tax credit allowed by this section, except that "credit period" shall be substituted for "tax year with respect to a calendar year" wherever that phrase appears in those divisions and that a taxpayer under this section shall be considered a taxpayer for the purposes of that section.

A taxpayer may carry forward the credit allowed under this section to the extent that the credit exceeds the taxpayer's tax due for the credit period. The taxpayer may carry the excess credit forward for three credit periods following the credit period for which the credit is first claimed under this section. The credit allowed by this section is in addition to any credit allowed under section 5729.031 of the Revised Code.

Sec. 5727.81. (A) For the purpose of raising revenue for public education and state and local government operations, an excise tax is hereby levied and imposed on an electric distribution company for all electricity distributed by such company beginning with the measurement period that includes May 1,

2001, at the following rates per kilowatt hour of electricity 32523
distributed in a thirty-day period by the company through a meter 32524
of an end user in this state: 32525

KILOWATT HOURS DISTRIBUTED TO	RATE PER	
AN END USER	KILOWATT HOUR	
For the first 2,000	\$.00465	32528
For the next 2,001 to 15,000	\$.00419	32529
For 15,001 and above	\$.00363	32530

If no meter is used to measure the kilowatt hours of 32531
electricity distributed by the company, the rates shall apply to 32532
the estimated kilowatt hours of electricity distributed to an 32533
unmetered location in this state. 32534

The electric distribution company shall base the monthly tax 32535
on the kilowatt hours of electricity distributed to an end user 32536
through the meter of the end user that is not measured for a 32537
thirty-day period by dividing the days in the measurement period 32538
into the total kilowatt hours measured during the measurement 32539
period to obtain a daily average usage. The tax shall be 32540
determined by obtaining the sum of divisions (A)(1), (2), and (3) 32541
of this section and multiplying that amount by the number of days 32542
in the measurement period: 32543

(1) Multiplying \$0.00465 per kilowatt hour for the first 32544
sixty-seven kilowatt hours distributed using a daily average; 32545

(2) Multiplying \$0.00419 for the next sixty-eight to five 32546
hundred kilowatt hours distributed using a daily average; 32547

(3) Multiplying \$0.00363 for the remaining kilowatt hours 32548
distributed using a daily average. 32549

Except as provided in division (C) of this section, the 32550
electric distribution company shall pay the tax to the treasurer 32551
of state in accordance with section 5727.82 of the Revised Code. 32552

Only the distribution of electricity through a meter of an end user in this state shall be used by the electric distribution company to compute the amount or estimated amount of tax due. In the event a meter is not actually read for a measurement period, the estimated kilowatt hours distributed by an electric distribution company to bill for its distribution charges shall be used.

(B) Except as provided in division (C) of this section, each electric distribution company shall pay the tax imposed by this section in all of the following circumstances:

(1) The electricity is distributed by the company through a meter of an end user in this state;

(2) The company is distributing electricity through a meter located in another state, but the electricity is consumed in this state in the manner prescribed by the tax commissioner;

(3) The company is distributing electricity in this state without the use of a meter, but the electricity is consumed in this state as estimated and in the manner prescribed by the tax commissioner.

(C)(1) As used in division (C) of this section:

(a) "Total price of electricity" means the aggregate value in money of anything paid or transferred, or promised to be paid or transferred, to obtain electricity or electric service, including but not limited to the value paid or promised to be paid for the transmission or distribution of electricity and for transition costs as described in Chapter 4928. of the Revised Code.

(b) "Package" means the provision or the acquisition, at a combined price, of electricity with other services or products, or any combination thereof, such as natural gas or other fuels; energy management products, software, and services; machinery and equipment acquisition; and financing agreements.

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(c) "Single location" means a facility located on contiguous property separated only by a roadway, railway, or waterway.

(2) Division (C) of this section applies to any commercial or industrial purchaser's receipt of electricity through a meter of an end user in this state or through more than one meter at a single location in this state in a quantity that exceeds forty-five million kilowatt hours of electricity over the course of the preceding calendar year, or any commercial or industrial purchaser that will consume more than forty-five million kilowatt hours of electricity over the course of the succeeding twelve months as estimated by the tax commissioner. The tax commissioner shall make such an estimate upon the written request by an applicant for registration as a self-assessing purchaser under this division. Such a purchaser may elect to self-assess the excise tax imposed by this section at the rate of \$.00075 per kilowatt hour on ~~not more than~~ the first five hundred four million kilowatt hours distributed to that meter or location during the registration year, and four per cent of the total price of all electricity distributed to that meter or location. A qualified end user that receives electricity through a meter of an end user in this state or through more than one meter at a single location in this state and that consumes, over the course of the previous calendar year, more than forty-five million kilowatt hours in other than its qualifying manufacturing process, may elect to self-assess the tax as allowed by this division with respect to the electricity used in other than its qualifying manufacturing process. Payment of the tax shall be made directly to the treasurer of state in accordance with divisions (A)(4) and (5) of section 5727.82 of the Revised Code. If the electric distribution company serving the self-assessing purchaser is a municipal electric utility and the purchaser is within the municipal corporation's corporate limits, payment shall be made to such

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municipal corporation's general fund and reports shall be filed in 32616
accordance with divisions (A)(4) and (5) of section 5727.82 of the 32617
Revised Code, except that "municipal corporation" shall be 32618
substituted for "treasurer of state" and "tax commissioner." A 32619
self-assessing purchaser that pays the excise tax as provided in 32620
this division shall not be required to pay the tax to the electric 32621
distribution company from which its electricity is distributed. If 32622
a self-assessing purchaser's receipt of electricity is not subject 32623
to the tax as measured under this division, the tax on the receipt 32624
of such electricity shall be measured and paid as provided in 32625
division (A) of this section. 32626

(3) In the case of the acquisition of a package, unless the 32627
elements of the package are separately stated isolating the total 32628
price of electricity from the price of the remaining elements of 32629
the package, the tax imposed under this section applies to the 32630
entire price of the package. If the elements of the package are 32631
separately stated, the tax imposed under this section applies to 32632
the total price of the electricity. 32633

(4) Any electric supplier that sells electricity as part of a 32634
package shall separately state to the purchaser the total price of 32635
the electricity and, upon request by the tax commissioner, the 32636
total price of each of the other elements of the package. 32637

(5) The tax commissioner may adopt rules relating to the 32638
computation of the total price of electricity with respect to 32639
self-assessing purchasers, which may include rules to establish 32640
the total price of electricity purchased as part of a package. 32641

(6) ~~Application~~ An annual application for registration as a 32642
self-assessing purchaser shall be made for each qualifying meter 32643
or location⁷ on a form prescribed by the tax commissioner. The 32644
registration year begins on the first day of may and ends on the 32645
following thirtieth day of April. Persons may apply after the 32646
first day of May for the remainder of the registration year. In 32647

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the case of an applicant applying on the basis of an estimated 32648
consumption of forty-five million kilowatt hours over the course 32649
of the succeeding twelve months, the applicant shall provide such 32650
information as the tax commissioner considers to be necessary to 32651
estimate such consumption. At the time of making the application 32652
and by the first day of May of each year, excluding May 1, 2000, a 32653
self-assessing purchaser shall pay a fee of five hundred dollars 32654
to the treasurer of state for each qualifying meter or location. 32655
The treasurer of state shall deposit such fees into the kilowatt 32656
hour excise tax administration fund, which is hereby created in 32657
the state treasury. Money in the fund shall be used to defray the 32658
tax commissioner's cost in administering the tax owed under 32659
section 5727.81 of the Revised Code by self-assessing purchasers. 32660
After the application is approved by the tax commissioner, the 32661
registration shall remain in effect for the current registration 32662
year, or until canceled by the registrant upon written 32663
notification to the commissioner of the election to pay the tax in 32664
accordance with division (A) of this section, or until canceled by 32665
the tax commissioner for not paying the tax or fee under division 32666
(C) of this section, or for not meeting the qualifications in 32667
division (C)(2) of this section. The tax commissioner shall give 32668
written notice to the electric distribution company from which 32669
electricity is delivered to a self-assessing purchaser of the 32670
purchaser's self-assessing status, and the electric distribution 32671
company is relieved of the obligation to pay the tax imposed by 32672
division (A) of this section for electricity distributed to that 32673
self-assessing purchaser until it is notified by the tax 32674
commissioner that the self-assessing purchaser's registration is 32675
canceled. Within fifteen days of notification of the canceled 32676
registration, the electric distribution company shall be 32677
responsible for payment of the tax imposed by division (A) of this 32678
section on electricity distributed to a purchaser that is no 32679
longer registered as a self-assessing purchaser. A self-assessing 32680

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purchaser with a canceled registration must file a report and 32681
remit the tax imposed by division (A) of this section on all 32682
electricity it receives for any measurement period prior to the 32683
tax being reported and paid by the electric distribution company. 32684
A self-assessing purchaser whose registration is canceled by the 32685
tax commissioner is not eligible to register as a self-assessing 32686
purchaser for two years after the registration is canceled. 32687

(7) If the tax commissioner cancels the self-assessing 32688
registration of a purchaser registered on the basis of its 32689
estimated consumption because the purchaser does not consume at 32690
least forty-five million kilowatt hours of electricity over the 32691
course of the twelve-month period for which the estimate was made, 32692
the tax commissioner shall assess and collect from the purchaser 32693
the difference between (a) the amount of tax that would have been 32694
payable under division (A) of this section on the electricity 32695
distributed to the purchaser during that period and (b) the amount 32696
of tax paid by the purchaser on such electricity pursuant to 32697
division (C)(2)(a) of this section. The assessment shall be paid 32698
within sixty days after the tax commissioner issues it, regardless 32699
of whether the purchaser files a petition for reassessment under 32700
section 5727.89 of the Revised Code covering that period. If the 32701
purchaser does not pay the assessment within the time prescribed, 32702
the amount assessed is subject to the additional charge and the 32703
interest prescribed by divisions (B) and (C) of section 5727.82 of 32704
the Revised Code, and is subject to assessment under section 32705
5727.89 of the Revised Code. If the purchaser is a qualified end 32706
user, division (C)(7) of this section applies only to electricity 32707
it consumes in other than its qualifying manufacturing process. 32708

(D) The tax imposed by this section does not apply to the 32709
distribution of any kilowatt hours of electricity to the federal 32710
government, to an end user located at a federal facility that uses 32711
electricity for the enrichment of uranium, to a qualified 32712

regeneration meter, or to an end user for any day the end user is 32713
a qualified end user. The exemption under this division for a 32714
qualified end user only applies to the manufacturing location 32715
where the qualified end user uses more than three million kilowatt 32716
hours per day in a qualifying manufacturing process. 32717

Sec. 5727.811. (A) For the purpose of raising revenue for 32718
public education and state and local government operations, an 32719
excise tax is hereby levied on every natural gas distribution 32720
company for all natural gas volumes billed by, or on behalf of, 32721
the company ~~on and after~~ beginning with the measurement period 32722
that includes July 1, 2001. Except as provided in divisions (C) or 32723
(D) of this section, the tax shall be levied at the following 32724
rates per MCF of natural gas distributed by the company through a 32725
meter of an end user in this state: 32726

MCF DISTRIBUTED TO AN END USER	RATE PER MCF	
For the first 100 MCF per month	\$.1593	32728
For the next 101 to 2000 MCF per month	\$.0877	32729
For 2001 and above MCF per month	\$.0411	32730

If no meter is used to measure the MCF of natural gas 32731
distributed by the company, the rates shall apply to the estimated 32732
MCF of natural gas distributed to an unmetered location in this 32733
state. 32734

(B) A natural gas distribution company shall base the tax on 32735
the MCF of natural gas distributed to an end user through the 32736
meter of the end user in this state that is estimated to be 32737
consumed by the end user as reflected on the end user's customer 32738
statement from the natural gas distribution company. The natural 32739
gas distribution company shall pay the tax levied by this section 32740
to the treasurer of state in accordance with section 5727.82 of 32741
the Revised Code. 32742

(C) A natural gas distribution company with fifty thousand 32743

customers or less may elect to apply the rates specified in 32744
division (A) of this section to the aggregate of the natural gas 32745
distributed by the company through the meter of all its customers 32746
in this state, and upon such election, this method shall be used 32747
to determine the amount of tax to be paid by such company. 32748

(D) A natural gas distribution company shall pay the tax 32749
imposed by this section at the rate of \$.02 per MCF of natural gas 32750
distributed by the company through the meter of a flex customer. 32751
The natural gas distribution company correspondingly shall reduce 32752
the per MCF rate that it charges the flex customer for natural gas 32753
distribution services by \$.02 per MCF of natural gas distributed 32754
to the flex customer. 32755

(E) Except as provided in division (F) of this section, each 32756
natural gas distribution company shall pay the tax imposed by this 32757
section in all of the following circumstances: 32758

(1) The natural gas is distributed by the company through a 32759
meter of an end user in this state; 32760

(2) The natural gas distribution company is distributing 32761
natural gas through a meter located in another state, but the 32762
natural gas is consumed in this state in the manner prescribed by 32763
the tax commissioner; 32764

(3) The natural gas distribution company is distributing 32765
natural gas in this state without the use of a meter, but the 32766
natural gas is consumed in this state as estimated and in the 32767
manner prescribed by the tax commissioner. 32768

(F) The tax levied by this section does not apply to the 32769
distribution of natural gas to the federal government, or natural 32770
gas produced by an end user in this state that is consumed by that 32771
end user or its affiliates and is not distributed through the 32772
facilities of a natural gas company. 32773

Sec. 5727.84. (A) As used in this section and sections	32774
5727.85, 5727.86, and 5727.87 of the Revised Code:	32775
(1) "School district" means a city, local, or exempted	32776
village school district.	32777
(2) "Joint vocational school district" means a joint	32778
vocational school district created under section 3311.16 of the	32779
Revised Code, and includes a cooperative education school district	32780
created under section 3311.52 or 3311.521 of the Revised Code and	32781
a county school financing district created under section 3311.50	32782
of the Revised Code.	32783
(3) "Local taxing unit" means a subdivision or taxing unit,	32784
as defined in section 5705.01 of the Revised Code, a park district	32785
created under Chapter 1545. of the Revised Code, or a township	32786
park district established under section 511.23 of the Revised	32787
Code, but excludes school districts and joint vocational school	32788
districts.	32789
(4) "State education aid" means the sum of the state basic	32790
aid and state special education aid amounts computed for a school	32791
district <u>or joint vocational school district</u> under divisions (A)	32792
and (C) of section 3317.022 <u>Chapter 3317.</u> of the Revised Code.	32793
(5) "State education aid offset" means the amount certified	32794
for each school district under division (A)(1) of section 5727.85	32795
of the Revised Code.	32796
(6) " Adjusted total taxable value <u>Recognized valuation</u> " has	32797
the same meaning as in section 3317.02 of the Revised Code.	32798
(7) "Electric company tax value loss" means the amount	32799
determined under division (D) of this section.	32800
(8) "Natural gas company tax value loss" means the amount	32801
determined under division (E) of this section.	32802

(9) "Tax value loss" means the sum of the electric company tax value loss and the natural gas company tax value loss.	32803 32804
(10) "Fixed-rate levy" means any tax levied on property other than a fixed-sum levy.	32805 32806
(11) "Fixed-rate levy loss" means the amount determined under division (G) of this section.	32807 32808
(12) "Fixed-sum levy" means a tax levied on property at whatever rate is required to produce a specified amount of tax money or to pay debt charges, and includes school district emergency levies imposed pursuant to section 5705.194 of the Revised Code.	32809 32810 32811 32812 32813
(13) "Fixed-sum levy loss" means the amount determined under division (H) of this section.	32814 32815
(14) "Consumer price index" means the consumer price index (all items, all urban consumers) prepared by the bureau of labor statistics of the United States department of labor.	32816 32817 32818
(B) All money arising from the tax imposed by section 5727.81 of the Revised Code shall be credited as follows:	32819 32820
(1) Fifty-nine and nine hundred seventy-six one-thousandths per cent, plus an amount equal to seventy per cent of the total state education aid offset, shall be credited to the general revenue fund.	32821 32822 32823 32824
(2) Two and six hundred forty-six one-thousandths per cent shall be credited to the local government fund, for distribution in accordance with section 5747.50 of the Revised Code.	32825 32826 32827
(3) Three hundred seventy-eight one-thousandths per cent shall be credited to the local government revenue assistance fund, for distribution in accordance with section 5747.61 of the Revised Code.	32828 32829 32830 32831
(4) Twenty-five and nine-tenths per cent, less an amount	32832

equal to seventy per cent of the total state education aid offset, 32833
shall be credited to the school district property tax replacement 32834
fund, which is hereby created in the state treasury for the 32835
purpose of making the payments described in section 5727.85 of the 32836
Revised Code. 32837

(5) Eleven and one-tenth per cent shall be credited to the 32838
local government property tax replacement fund, which is hereby 32839
created in the state treasury for the purpose of making the 32840
payments described in section 5727.86 of the Revised Code. 32841

(6) Beginning in the fiscal year in which payments are 32842
required to be made under sections 5727.85 and 5727.86 of the 32843
Revised Code, if the revenue arising from the tax levied by 32844
section 5727.81 of the Revised Code is less than five hundred 32845
fifty-two million dollars, the amount credited to the general 32846
revenue fund under division (B)(1) of this section shall be 32847
reduced by the amount necessary to credit to each of the funds in 32848
divisions (B)(2), (3), (4), and (5) of this section the amount it 32849
would have received if the tax did raise five hundred fifty-two 32850
million dollars for that fiscal year. The tax commissioner shall 32851
certify to the director of budget and management the amounts that 32852
shall be credited under this division. 32853

(C) All money arising from the tax imposed by section 32854
5727.811 of the Revised Code shall be credited as follows: 32855

(1) Seventy per cent, less an amount equal to thirty per cent 32856
of the total state education aid offset, shall be credited to the 32857
school district property tax replacement fund for the purpose of 32858
making the payments described in section 5727.85 of the Revised 32859
Code. 32860

(2) Thirty per cent shall be credited to the local government 32861
property tax replacement fund for the purpose of making the 32862
payments described in section 5727.86 of the Revised Code. 32863

(3) An amount equal to thirty per cent of the total state education aid offset shall be credited to the general revenue fund. 32864
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(4) Beginning in the fiscal year in which payments are required to be made under sections 5727.85 and 5727.86 of the Revised Code, if the revenue arising from the tax levied by section 5727.811 of the Revised Code is less than ninety million dollars, the amount credited to the general revenue fund under division (C)(3) of this section shall be reduced by the amount necessary to credit to each of the funds in divisions (C)(1) and (2) of this section the amount that it would have received if the tax did raise ninety million dollars for that fiscal year. The tax commissioner shall certify to the director of budget and management the amounts that shall be credited under this division. 32867
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(D) Not later than January 1, 2002, the tax commissioner shall determine for each taxing district its electric company tax value loss, which is the sum of the amounts described in divisions (D)(1) and (2) of this section: 32878
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(1) The difference obtained by subtracting the amount described in division (D)(1)(b) from the amount described in division (D)(1)(a) of this section. 32882
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32884

(a) The value of electric company and rural electric company tangible personal property as assessed by the tax commissioner for tax year 1998 on a preliminary assessment, or an amended preliminary assessment if issued prior to March 1, 1999, and as apportioned to the taxing district for tax year 1998; 32885
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(b) The value of electric company and rural electric company tangible personal property as assessed by the tax commissioner for tax year 1998 had the property been apportioned to the taxing district for tax year 2001, and assessed at the rates in effect for tax year 2001. 32890
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(2) The difference obtained by subtracting the amount 32895
described in division (D)(2)(b) from the amount described in 32896
division (D)(2)(a) of this section. 32897

(a) The three-year average for tax years 1996, 1997, and 1998 32898
of the assessed value from nuclear fuel materials and assemblies 32899
assessed against a person under Chapter 5711. of the Revised Code 32900
from the leasing of them to an electric company for those 32901
respective tax years, as reflected in the preliminary assessments; 32902
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(b) The three-year average assessed value from nuclear fuel 32904
materials and assemblies assessed under division (D)(2)(a) of this 32905
section for tax years 1996, 1997, and 1998, as reflected in the 32906
preliminary assessments, using an assessment rate of twenty-five 32907
per cent. 32908

(E) Not later than January 1, 2002, the tax commissioner 32909
shall determine for each taxing district its natural gas company 32910
tax value loss, which is the sum of the amounts described in 32911
divisions (E)(1) and (2) of this section: 32912

(1) The difference obtained by subtracting the amount 32913
described in division (E)(1)(b) from the amount described in 32914
division (E)(1)(a) of this section. 32915

(a) The value of all natural gas company tangible personal 32916
property, other than property described in division (E)(2) of this 32917
section, as assessed by the tax commissioner for tax year 1999 on 32918
a preliminary assessment, or an amended preliminary assessment if 32919
issued prior to March 1, 2000, and apportioned to the taxing 32920
district for tax year 1999; 32921

(b) The value of all natural gas company tangible personal 32922
property, other than property described in division (E)(2) of this 32923
section, as assessed by the tax commissioner for tax year 1999 had 32924
the property been apportioned to the taxing district for tax year 32925

2001, and assessed at the rates in effect for tax year 2001. 32926

(2) The difference in the value of current gas obtained by 32927
subtracting the amount described in division (E)(2)(b) from the 32928
amount described in division (E)(2)(a) of this section. 32929

(a) The three-year average assessed value of current gas as 32930
assessed by the tax commissioner for tax years 1997, 1998, and 32931
1999 on a preliminary assessment, or an amended preliminary 32932
assessment if issued prior to March 1, 2001, and as apportioned in 32933
the taxing district for those respective years; 32934

(b) The three-year average assessed value from current gas 32935
under division (E)(2)(a) of this section for tax years 1997, 1998, 32936
and 1999, as reflected in the preliminary assessment, using an 32937
assessment rate of twenty-five per cent. 32938

(F) The tax commissioner may request that natural gas 32939
companies, electric companies, and rural electric companies file a 32940
report to help determine the tax value loss under divisions (D) 32941
and (E) of this section. The report shall be filed within thirty 32942
days of the commissioner's request. A company that fails to file 32943
the report or does not timely file the report is subject to the 32944
penalty in section 5727.60 of the Revised Code. 32945

(G) Not later than January 1, 2002, the tax commissioner 32946
shall determine for each school district, joint vocational school 32947
district, and local taxing unit its fixed-rate levy loss, which is 32948
the sum of its electric company tax value loss multiplied by the 32949
tax rate in effect in tax year 1998 for fixed-rate levies and its 32950
natural gas company tax value loss multiplied by the tax rate in 32951
effect in tax year 1999 for fixed-rate levies. 32952

(H) Not later than January 1, 2002, the tax commissioner 32953
shall determine for each school district, joint vocational school 32954
district, and local taxing unit its fixed-sum levy loss, which is 32955
the amount obtained by subtracting the amount described in 32956

division (H)(2) of this section from the amount described in 32957
division (H)(1) of this section: 32958

(1) The sum of the electric company tax value loss multiplied 32959
by the tax rate in effect in tax year 1998, and the natural gas 32960
company tax value loss multiplied by the tax rate in effect in tax 32961
year 1999, for fixed-sum levies for all taxing districts within 32962
each school district, joint vocational school district, and local 32963
taxing unit. For the years 2002 through 2006, this computation 32964
shall include school district emergency levies that existed in 32965
1998 in the case of the electric company tax value loss, and 1999 32966
in the case of the natural gas company tax value loss, and all 32967
other fixed-sum levies that existed in 1998 in the case of the 32968
electric company tax value loss and 1999 in the case of the 32969
natural gas company tax value loss and continue to be charged in 32970
the tax year preceding the distribution year. For the years 2007 32971
through 2016 in the case of school district emergency levies, and 32972
for all years after 2006 in the case of all other fixed-sum 32973
levies, this computation shall exclude all fixed-sum levies that 32974
existed in 1998 in the case of the electric company tax value loss 32975
and 1999 in the case of the natural gas company tax value loss, 32976
but are no longer in effect in the tax year preceding the 32977
distribution year. For the purposes of this section, an emergency 32978
levy that existed in 1998 in the case of the electric company tax 32979
value loss, and 1999 in the case of the natural gas company tax 32980
value loss, continues to exist in a year beginning on or after 32981
January 1, 2007, but before January 1, 2017, if, in that year, the 32982
board of education levies a school district emergency levy for an 32983
annual sum at least equal to the annual sum levied by the board in 32984
tax year 1998 or 1999, respectively, less the amount of the 32985
payment certified under this division for 2002. 32986

(2) The total taxable value in tax year 1998 in the case of 32987
the electric company tax value loss and 1999 in the case of the 32988

natural gas company tax value loss in each school district, joint 32989
vocational school district, and local taxing unit multiplied by 32990
one-fourth of one mill. 32991

If the amount computed under division (H) of this section for 32992
any school district, joint vocational school district, or local 32993
taxing unit is greater than zero, that amount shall equal the 32994
fixed-sum levy loss reimbursed pursuant to division (E) of section 32995
5727.85 of the Revised Code or division (A)(2) of section 5727.86 32996
of the Revised Code, and the one-fourth of one mill that is 32997
subtracted under division (H)(2) of this section shall be 32998
apportioned among all contributing fixed-sum levies in the 32999
proportion of each levy to the sum of all fixed-sum levies within 33000
each school district, joint vocational school district, or local 33001
taxing unit. 33002

(I) Notwithstanding divisions (D), (E), (G), and (H) of this 33003
section, in computing the tax value loss, fixed-rate levy loss, 33004
and fixed-sum levy loss, the tax commissioner shall use the 33005
greater of the 1998 tax rate or the 1999 tax rate in the case of 33006
levy losses associated with the electric company tax value loss, 33007
but the 1999 tax rate shall not include for this purpose any tax 33008
levy approved by the voters after June 30, 1999, and the tax 33009
commissioner shall use the greater of the 1999 or the 2000 tax 33010
rate in the case of levy losses associated with the natural gas 33011
company tax value loss, but the 2000 tax rate shall not include 33012
for this purpose any tax levy approved by the voters after 33013
November 7, 2000. 33014

(J) Not later than January 1, 2002, the tax commissioner 33015
shall certify to the department of education the tax value loss 33016
determined under divisions (D) and (E) of this section for each 33017
taxing district. 33018

Sec. 5727.85. (A) By the thirty-first day of July of each 33019

year, beginning in 2002 and ending in 2016, the department of 33020
education shall determine the following for each school district 33021
eligible for payment under division (C) of this section: 33022

(1) The state education aid offset, which is the difference 33023
obtained by subtracting the amount described in division (A)(1)(b) 33024
of this section from the amount described in division (A)(1)(a) of 33025
this section: 33026

(a) The state education aid computed for the school district 33027
for the current fiscal year on the basis of ~~the adjusted total~~ 33028
~~taxable value~~ recognized valuation; 33029

(b) The state education aid that would be computed for the 33030
school district for the current fiscal year if the district's 33031
~~adjusted total taxable value~~ recognized valuation included the tax 33032
value loss for all taxing districts in the school district. 33033

(2) The difference obtained by subtracting the state 33034
education aid offset determined under division (A)(1) of this 33035
section from the fixed-rate levy loss determined under division 33036
(G) of section 5727.84 of the Revised Code for all taxing 33037
districts in each school district. The department of education 33038
shall certify the amount so determined to the director of budget 33039
and management. 33040

(B) Not later than the thirty-first day of October of the 33041
years 2006 through 2016, the department of education shall 33042
determine all of the following for each school district: 33043

(1) The amount obtained by subtracting the district's state 33044
education aid computed for fiscal year 2002 from the district's 33045
state education aid computed for the current fiscal year; 33046

(2) The inflation-adjusted property tax loss. The 33047
inflation-adjusted property tax loss equals the fixed-rate levy 33048
loss determined under division (G) of section 5727.84 of the 33049

Revised Code for all taxing districts in each school district plus 33050
the product obtained by multiplying that loss by the cumulative 33051
percentage increase in the consumer price index from January 1, 33052
2002, to the thirtieth day of June of the current year. 33053

(3) The difference obtained by subtracting the amount 33054
computed under division (B)(1) from the amount of the 33055
inflation-adjusted property tax loss. If this difference is zero 33056
or a negative number, no further payments shall be made under 33057
division (C) of this section to the school district from the 33058
school district property tax replacement fund. If the difference 33059
is greater than zero, the department of education shall certify 33060
the amount calculated in division (A)(2) of this section to the 33061
director of budget and management not later than the thirty-first 33062
day of December of each year, beginning in 2006 and ending in 33063
2016. 33064

(C) For all taxing districts in each school district, the 33065
director of budget and management shall pay from the school 33066
district property tax replacement fund to the county undivided 33067
income tax fund in the proper county treasury all of the 33068
following: 33069

(1) In February 2002, one-half of the fixed-rate levy loss 33070
certified under division (G) of section 5727.84 of the Revised 33071
Code on or before the day prescribed for the settlement under 33072
division (A) of section 321.24 of the Revised Code. 33073

(2) From August 2002 through August 2006, one-half of the 33074
amount certified for that fiscal year under division (A)(2) of 33075
this section on or before each of the days prescribed for the 33076
settlements under divisions (A) and (C) of section 321.24 of the 33077
Revised Code. 33078

(3) From February 2007 through August 2016, one-half of the 33079
amount certified for that calendar year under division (B)(3) of 33080

this section on or before each of the days prescribed for the 33081
settlements under divisions (A) and (C) of section 321.24 of the 33082
Revised Code. 33083

The county treasurer shall distribute amounts paid under 33084
divisions (C)(1), (2), and (3) of this section to the proper 33085
school district as if they had been levied and collected as taxes, 33086
and the school district shall apportion the amounts so received 33087
among its funds in the same proportions as if those amounts had 33088
been levied and collected as taxes. 33089

(D) Not later than January 1, 2002, for all taxing districts 33090
in each joint vocational school district, the tax commissioner 33091
shall certify to the director of budget and management the 33092
fixed-rate levy loss determined under division (G) of section 33093
5727.84 of the Revised Code. From February 2002 to August 2016, 33094
the director shall pay from the school district property tax 33095
replacement fund to the county undivided income tax fund in the 33096
proper county treasury, one-half of the fixed-rate levy loss so 33097
certified for each year on or before each of the days prescribed 33098
for the settlements under divisions (A) and (C) of section 321.24 33099
of the Revised Code. The county treasurer shall distribute such 33100
amounts to the proper joint vocational school district as if they 33101
had been levied and collected as taxes, and the joint vocational 33102
school district shall apportion the amounts so received among its 33103
funds in the same proportions as if those amounts had been levied 33104
and collected as taxes. 33105

(E)(1) Not later than January 1, 2002, for each fixed-sum 33106
levy levied by each school district or joint vocational school 33107
district and for each year for which a determination is made under 33108
division (H) of section 5727.84 of the Revised Code that a 33109
fixed-sum levy loss is to be reimbursed, the tax commissioner 33110
shall certify to the director of budget and management the 33111
fixed-sum levy loss determined under that division. The 33112

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certification shall cover a time period sufficient to include all 33113
fixed-sum levies for which the tax commissioner made such a 33114
determination. The director shall pay from the school district 33115
property tax replacement fund to the county undivided income tax 33116
fund in the proper county treasury one-half of the fixed-sum levy 33117
loss so certified for each year on or before each of the days 33118
prescribed for the settlements under divisions (A) and (C) of 33119
section 321.24 of the Revised Code. The county treasurer shall 33120
distribute the amounts to the proper school district or joint 33121
vocational school district as if they had been levied and 33122
collected as taxes, and the district shall apportion the amounts 33123
so received among its funds in the same proportions as if those 33124
amounts had been levied and collected as taxes. 33125

(2) Beginning in 2003, by the thirty-first day of January of 33126
each year, the tax commissioner shall review the certification 33127
originally made under division (E)(1) of this section. If the 33128
commissioner determines that a fixed-sum levy that had been 33129
scheduled to be reimbursed in the current year has expired, a 33130
revised certification for that and all subsequent years shall be 33131
made to the director of budget and management. 33132

(F) By August 5, 2002, the tax commissioner shall estimate 33133
the amount of money in the school district property tax 33134
replacement fund in excess of the amount necessary to make 33135
payments in that month under divisions (C), (D), and (E) of this 33136
section. Notwithstanding division (C) of this section, the 33137
department of education, in consultation with the tax commissioner 33138
and from those excess funds, may pay any school district four and 33139
one-half times the amount certified under division (A)(2) of this 33140
section. Payments shall be made in order from the smallest annual 33141
loss to the largest annual loss. A payment made under this 33142
division shall be in lieu of the payment to be made in August 2002 33143
under division (C)(2) of this section. No payments shall be made 33144

in the manner established in this division to any school district 33145
with annual losses from permanent improvement fixed-rate levies in 33146
excess of twenty thousand dollars, or annual losses from any other 33147
fixed-rate levies in excess of twenty thousand dollars. A school 33148
district receiving a payment under this division is no longer 33149
entitled to any further payments under division (C) of this 33150
section. 33151

(G) On the thirty-first day of July of 2003, 2004, 2005, and 33152
2006, and on the thirty-first day of January and July of 2007 and 33153
each year thereafter, if the amount credited to the school 33154
district property tax replacement fund exceeds the amount needed 33155
to make payments from the fund under divisions (C), (D), and (E) 33156
of this section in the following month, the director of budget and 33157
management shall distribute the excess among school districts and 33158
joint vocational school districts. The amount distributed to each 33159
district shall bear the same proportion to the excess remaining in 33160
the fund as the ADM of the district bears to the ADM of all of the 33161
districts. For the purpose of this division, "ADM" means the 33162
formula ADM in the case of a school district, and the average 33163
daily membership reported under section 3317.03 of the Revised 33164
Code in the case of a joint vocational school district. 33165

If, in the opinion of the director of budget and management, 33166
the excess remaining in the school district property tax 33167
replacement fund in any year is not sufficient to warrant 33168
distribution under this division, the excess shall remain to the 33169
credit of the fund. 33170

Amounts received by a school district or joint vocational 33171
school district under this division shall be used exclusively for 33172
capital improvements. 33173

(H) If the total amount in the school district property tax 33174
replacement fund is insufficient to make all payments under 33175
divisions (C), (D), and (E) of this section, the payments required 33176

under division (E) of this section shall be made first in their 33177
entirety. After all payments are made under division (E) of this 33178
section, payments under divisions (C) and (D) of this section 33179
shall be made from the balance of money available in the 33180
proportion of each school district's or joint vocational school 33181
district's payment amount to the total amount of payments under 33182
divisions (C) and (D) of this section. 33183

(I) If all or a part of the territory of a school district or 33184
joint vocational school district is merged with or transferred to 33185
another district, the tax commissioner shall adjust the payments 33186
made under this section to each of the districts in proportion to 33187
the tax value loss apportioned to the merged or transferred 33188
territory. 33189

(J) There is hereby created the public utility property tax 33190
study committee, effective January 1, 2011. The committee shall 33191
consist of the following seven members: the tax commissioner, 33192
three members of the senate appointed by the president of the 33193
senate, and three members of the house of representatives 33194
appointed by the speaker of the house of representatives. The 33195
appointments shall be made not later than January 31, 2011. The 33196
tax commissioner shall be the chairperson of the committee. 33197

The committee shall study the extent to which each school 33198
district or joint vocational school district has been compensated, 33199
under sections 5727.84 and 5727.85 of the Revised Code as enacted 33200
by Substitute Senate Bill No. 3 of the 123rd general assembly and 33201
any subsequent acts, for the property tax loss caused by the 33202
reduction in the assessment rates for natural gas, electric, and 33203
rural electric company tangible personal property. Not later than 33204
June 30, 2011, the committee shall issue a report of its findings, 33205
including any recommendations for providing additional 33206
compensation for the property tax loss or regarding remedial 33207
legislation, to the president of the senate and the speaker of the 33208

house of representatives, at which time the committee shall cease 33209
to exist. 33210

The department of taxation and department of education shall 33211
provide such information and assistance as is required for the 33212
committee to carry out its duties. 33213

Sec. 5729.07. As used in this section: 33214

(A) "Eligible employee" and "eligible training costs" have 33215
the same meanings as in section 5733.42 of the Revised Code. 33216

(B) "Credit period" means the calendar year ending on the 33217
thirty-first day of December next preceding the day the annual 33218
statement is required to be returned under section 5729.02 of the 33219
Revised Code. 33220

There is hereby allowed a nonrefundable credit against the 33221
tax imposed under this chapter for a foreign insurance company for 33222
which a tax credit certificate is issued under section 5733.42 of 33223
the Revised Code. The credit may be claimed for credit periods 33224
beginning on or after January 1, ~~2001~~ 2003, and ending on or 33225
before December 31, ~~2003~~ 2005. The amount of the credit shall 33226
equal one-half of the average of the eligible training costs paid 33227
or incurred by the company during the three calendar years 33228
immediately preceding the credit period for which the credit is 33229
claimed, not to exceed one thousand dollars for each eligible 33230
employee on account of whom eligible training costs were paid or 33231
incurred by the company. The credit claimed by a company for each 33232
credit period shall not exceed one hundred thousand dollars. 33233

A foreign insurance company shall apply to the director of 33234
job and family services for a tax credit certificate in the manner 33235
prescribed by division (C) of section 5733.42 of the Revised Code. 33236
Divisions (C) to (H) of that section govern the tax credit allowed 33237
by this section, except that "credit period" shall be substituted 33238

for "tax year with respect to a calendar year" wherever that 33239
phrase appears in those divisions and that the company shall be 33240
considered a taxpayer for the purposes of those divisions. 33241

A foreign insurance company may carry forward the credit 33242
allowed under this section to the extent that the credit exceeds 33243
the company's tax due for the credit period. The company may carry 33244
the excess credit forward for three credit periods following the 33245
credit period for which the credit is first claimed under this 33246
section. The credit allowed by this section is in addition to any 33247
credit allowed under section 5729.031 of the Revised Code. 33248

The reduction in the tax due under this chapter to the extent 33249
of the credit allowed by this section does not increase the amount 33250
of the tax otherwise due under section 5729.06 of the Revised 33251
Code. 33252

Sec. 5733.053. (A) As used in this section: 33253

(1) "Transfer" means a transaction or series of related 33254
transactions in which a corporation directly or indirectly 33255
transfers or distributes substantially all of its assets or equity 33256
to another corporation, if the transfer or distribution qualifies 33257
for nonrecognition of gain or loss under the Internal Revenue 33258
Code. 33259

(2) "Transferor" means a corporation that has made a 33260
transfer. 33261

(3) "Transferee" means a corporation that received 33262
substantially all of the assets or equity of a transferor in a 33263
transfer. 33264

(B) ~~For~~ Except as provided in division (F) of this section, 33265
for purposes of valuing its issued and outstanding shares of stock 33266
under division (B) of section 5733.05 of the Revised Code, a 33267
transferee shall add to its net income allocated or apportioned to 33268

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this state its transferor's net income allocated or apportioned to 33269
this state. The transferee shall add such income in computing its 33270
tax for the same tax year or years that such income would have 33271
been reported by the transferor if the transfer had not been made. 33272
The transferee shall add such income only to the extent the income 33273
is not required to be reported by the transferor for the purposes 33274
of the tax imposed by divisions (A) and (B) of section 5733.06 of 33275
the Revised Code. 33276

(C) The following shall be determined in the same manner as 33277
if the transfer had not been made: 33278

(1) The transferor's net income allocated or apportioned to 33279
this state for the tax year under divisions (B)(1) and (2) of 33280
section 5733.05 of the Revised Code; 33281

(2) The transferor's requirements for the combination of net 33282
income under section 5733.052 of the Revised Code; 33283

(3) Any other determination regarding the transferor that is 33284
necessary to avoid an absurd or unreasonable result in the 33285
application of this chapter. 33286

(D) A transferee shall be allowed the following credits and 33287
shall make the following adjustments in the same manner that they 33288
would have been available to the transferor: 33289

(1) The credits enumerated in section 5733.98 of the Revised 33290
Code; 33291

(2) The deduction under division (I)(1) of section 5733.04 of 33292
the Revised Code for net operating losses incurred by its 33293
transferor, subject to the limitations set forth in sections 381 33294
and 382 of the Internal Revenue Code concerning net operating loss 33295
carryovers; 33296

(3) Any other deduction from or addition to net income under 33297
this chapter involving the transferor, the disallowance of which 33298
would be absurd or unreasonable. Such adjustments to net income 33299

and allowance of credits shall be subject to the limitations set 33300
forth in sections 381 and 382 of the Internal Revenue Code and 33301
regulations prescribed thereunder. 33302

(E) If a transferee subject to this section subsequently 33303
becomes a transferor, any net income that the transferee would 33304
have been required to add under division (B) of this section shall 33305
be included in its income as a transferor and any credits or 33306
adjustments to which the transferee would have been entitled under 33307
division (D) of this section shall be available to it as a 33308
transferor. 33309

(F) The amendments made to this section by Am. Sub. S.B. 287 33310
of the 123rd general assembly do not apply to any transfer for 33311
which negotiations began prior to January 1, 2001, and that was 33312
commenced in and completed during calendar year 2001, unless the 33313
transferee makes an election prior to December 31, 2001, to apply 33314
the section. 33315

Sec. 5733.056. (A) As used in this section: 33316

(1) "Billing address" means the address where any notice, 33317
statement, or bill relating to a customer's account is mailed, as 33318
indicated in the books and records of the taxpayer on the first 33319
day of the taxable year or on such later date in the taxable year 33320
when the customer relationship began. 33321

(2) "Borrower or credit card holder located in this state" 33322
means: 33323

(a) A borrower, other than a credit card holder, that is 33324
engaged in a trade or business and maintains its commercial 33325
domicile in this state; or 33326

(b) A borrower that is not engaged in a trade or business, or 33327
a credit card holder, whose billing address is in this state. 33328

(3) "Branch" means a "domestic branch" as defined in section 33329

3 of the "Federal Deposit Insurance Act," 64 Stat. 873, 12 U.S.C. 33330
1813(o), as amended. 33331

(4) "Compensation" means wages, salaries, commissions, and 33332
any other form of remuneration paid to employees for personal 33333
services that are included in such employee's gross income under 33334
the Internal Revenue Code. In the case of employees not subject to 33335
the Internal Revenue Code, such as those employed in foreign 33336
countries, the determination of whether such payments would 33337
constitute gross income to such employees under the Internal 33338
Revenue Code shall be made as though such employees were subject 33339
to the Internal Revenue Code. 33340

(5) "Credit card" means a credit, travel, or entertainment 33341
card. 33342

(6) "Credit card issuer's reimbursement fee" means the fee a 33343
taxpayer receives from a merchant's bank because one of the 33344
persons to whom the taxpayer has issued a credit card has charged 33345
merchandise or services to the credit card. 33346

(7) "Deposits" has the meaning given in section 3 of the 33347
"Federal Deposit Insurance Act," 64 Stat. 873, 12 U.S.C. 1813(1), 33348
as amended. 33349

(8) "Employee" means, with respect to a particular taxpayer, 33350
any individual who under the usual common law rules applicable in 33351
determining the employer-employee relationship, has the status of 33352
an employee of that taxpayer. 33353

(9) "Gross rents" means the actual sum of money or other 33354
consideration payable for the use or possession of property. 33355
"Gross rents" includes: 33356

(a) Any amount payable for the use or possession of real 33357
property or tangible personal property whether designated as a 33358
fixed sum of money or as a percentage of receipts, profits, or 33359
otherwise; 33360

(b) Any amount payable as additional rent or in lieu of rent, 33361
such as interest, taxes, insurance, repairs, or any other amount 33362
required to be paid by the terms of a lease or other arrangement; 33363
and 33364

(c) A proportionate part of the cost of any improvement to 33365
real property made by or on behalf of the taxpayer which reverts 33366
to the owner or lessor upon termination of a lease or other 33367
arrangement. The amount to be included in gross rents is the 33368
amount of amortization or depreciation allowed in computing the 33369
taxable income base for the taxable year. However, where a 33370
building is erected on leased land, by or on behalf of the 33371
taxpayer, the value of the land is determined by multiplying the 33372
gross rent by eight, and the value of the building is determined 33373
in the same manner as if owned by the taxpayer. 33374

(d) The following are not included in the term "gross rents": 33375
33376

(i) Reasonable amounts payable as separate charges for water 33377
and electric service furnished by the lessor; 33378

(ii) Reasonable amounts payable as service charges for 33379
janitorial services furnished by the lessor; 33380

(iii) Reasonable amounts payable for storage, provided such 33381
amounts are payable for space not designated and not under the 33382
control of the taxpayer; and 33383

(iv) That portion of any rental payment which is applicable 33384
to the space subleased from the taxpayer and not used by it. 33385

(10) "Loan" means any extension of credit resulting from 33386
direct negotiations between the taxpayer and its customer, or the 33387
purchase, in whole or in part, of such extension of credit from 33388
another. Loans include debt obligations of subsidiaries, 33389
participations, syndications, and leases treated as loans for 33390
federal income tax purposes. "Loan" does not include: properties 33391

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treated as loans under section 595 of the Internal Revenue Code; 33392
 futures or forward contracts; options; notional principal 33393
 contracts such as swaps; credit card receivables, including 33394
 purchased credit card relationships; non-interest bearing balances 33395
 due from depositor institutions; cash items in the process of 33396
 collection; federal funds sold; securities purchased under 33397
 agreements to resell; assets held in a trading account; 33398
 securities; interests in a real estate mortgage investment conduit 33399
 or other mortgage-backed or asset-backed security; and other 33400
 similar items. 33401

(11) "Loan secured by real property" means that fifty per 33402
 cent or more of the aggregate value of the collateral used to 33403
 secure a loan or other obligation, when valued at fair market 33404
 value as of the time the original loan or obligation was incurred, 33405
 was real property. 33406

(12) "Merchant discount" means the fee, or negotiated 33407
 discount, charged to a merchant by the taxpayer for the privilege 33408
 of participating in a program whereby a credit card is accepted in 33409
 payment for merchandise or services sold to the card holder. 33410

(13) "Participation" means an extension of credit in which an 33411
 undivided ownership interest is held on a pro rata basis in a 33412
 single loan or pool of loans and related collateral. In a loan 33413
 participation, the credit originator initially makes the loan and 33414
 then subsequently resells all or a portion of it to other lenders. 33415
 The participation may or may not be known to the borrower. 33416

(14) "Principal base of operations" with respect to 33417
 transportation property means the place of more or less permanent 33418
 nature from which the property is regularly directed or 33419
 controlled. With respect to an employee, the "principal base of 33420
 operations" means the place of more or less permanent nature from 33421
 which the employee regularly (a) starts work and to which the 33422
 employee customarily returns in order to receive instructions from 33423

the employer or (b) communicates with the employee's customers or 33424
other persons or (c) performs any other functions necessary to the 33425
exercise of the trade or profession at some other point or points. 33426

(15) "Qualified institution" means a financial institution 33427
that on or after June 1, 1997: 33428

(a)(i) Has consummated one or more approved transactions with 33429
insured banks with different home states that would qualify under 33430
section 102 of the "Riegle-Neal Interstate Banking and Branching 33431
Efficiency Act of 1994," Public Law 103-328, 108 ~~stat.~~ Stat. 2338; 33432
33433

(ii) Is a federal savings association or federal savings bank 33434
that has consummated one or more interstate acquisitions that 33435
result in a financial institution that has branches in more than 33436
one state; or 33437

(iii) Has consummated one or more approved interstate 33438
acquisitions under authority of Title XI of the Revised Code that 33439
result in a financial institution that has branches in more than 33440
one state; and 33441

(b) Has at least ten per cent of its deposits in this state 33442
as of the last day of June prior to the beginning of the tax year. 33443

(16) "Real property owned" and "tangible personal property 33444
owned" mean real and tangible personal property, respectively, on 33445
which the taxpayer may claim depreciation for federal income tax 33446
purposes, or to which the taxpayer holds legal title and on which 33447
no other person may claim depreciation for federal income tax 33448
purposes, or could claim depreciation if subject to federal income 33449
tax. Real and tangible personal property do not include coin, 33450
currency, or property acquired in lieu of or pursuant to a 33451
foreclosure. 33452

(17) "Regular place of business" means an office at which the 33453
taxpayer carries on its business in a regular and systematic 33454

manner and which is continuously maintained, occupied, and used by employees of the taxpayer. 33455
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(18) "State" means a state of the United States, the District of Columbia, the commonwealth of Puerto Rico, or any territory or possession of the United States. 33457
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(19) "Syndication" means an extension of credit in which two or more persons fund and each person is at risk only up to a specified percentage of the total extension of credit or up to a specified dollar amount. 33460
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(20) "Transportation property" means vehicles and vessels capable of moving under their own power, such as aircraft, trains, water vessels and motor vehicles, as well as any equipment or containers attached to such property, such as rolling stock, barges, trailers, or the like. 33464
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(B) The annual financial institution report determines the value of the issued and outstanding shares of stock of the taxpayer, and is the base or measure of the franchise tax liability. Such determination shall be made as of the date shown by the report to have been the beginning of the financial institution's annual accounting period that includes the first day of January of the tax year. For purposes of this section, division (A) of section 5733.05, and division (D) of section 5733.06 of the Revised Code, the value of the issued and outstanding shares of stock of the financial institution shall include the total value, as shown by the books of the financial institution, of its capital, surplus, whether earned or unearned, undivided profits, and reserves, but exclusive of: 33469
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(1) Reserves for accounts receivable, depreciation, depletion, and any other valuation reserves with respect to specific assets; 33482
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33484

(2) Taxes due and payable during the year for which such 33485

report was made; 33486

(3) Voting stock and participation certificates in 33487
corporations chartered pursuant to the "Farm Credit Act of 1971," 33488
85 Stat. 597, 12 U.S.C. 2091, as amended; 33489

(4) Good will, appreciation, and abandoned property as set up 33490
in the annual report of the financial institution, provided a 33491
certified balance sheet of the company is made available upon the 33492
request of the tax commissioner. Such balance sheet shall not be a 33493
part of the public records, but shall be a confidential report for 33494
use of the tax commissioner only. 33495

(5) A portion of the value of the issued and outstanding 33496
shares of stock of such financial institution equal to the amount 33497
obtained by multiplying such value by the quotient obtained by: 33498

(a) Dividing (1) the amount of the financial institution's 33499
assets, as shown on its books, represented by investments in the 33500
capital stock and indebtedness of public utilities of which at 33501
least eighty per cent of the utility's issued and outstanding 33502
common stock is owned by the financial institution by (2) the 33503
total assets of such financial institution as shown on its books; 33504

(b) Dividing (1) the amount of the financial institution's 33505
assets, as shown on its books, represented by investments in the 33506
capital stock and indebtedness of insurance companies of which at 33507
least eighty per cent of the insurance company's issued and 33508
outstanding common stock is owned by the financial institution by 33509
(2) the total assets of such financial institution as shown on its 33510
books; 33511

(c) Dividing (1) the amount of the financial institution's 33512
assets, as shown on its books, represented by investments in the 33513
capital stock and indebtedness of other financial institutions of 33514
which at least twenty-five per cent of the other financial 33515
institution's issued and outstanding common stock is owned by the 33516

financial institution by (2) the total assets of the financial 33517
institution as shown on its books. Division (B)(5)(c) of this 33518
section applies only with respect to such other financial 33519
institutions that for the tax year immediately following the 33520
taxpayer's taxable year will pay the tax imposed by division (D) 33521
of section 5733.06 of the Revised Code. 33522

(6) Land that has been determined pursuant to section 5713.31 33523
of the Revised Code by the county auditor of the county in which 33524
the land is located to be devoted exclusively to agricultural use 33525
as of the first Monday of June in the financial institution's 33526
taxable year. 33527

(7) Property within this state used exclusively during the 33528
taxable year for qualified research as defined in section 5733.05 33529
of the Revised Code. 33530

(C) The base upon which the tax levied under division (D) of 33531
section 5733.06 of the Revised Code shall be computed by 33532
multiplying the value of a financial institution's issued and 33533
outstanding shares of stock as determined in division (B) of this 33534
section by a fraction. The numerator of the fraction is the sum of 33535
the following: the property factor multiplied by fifteen, the 33536
payroll factor multiplied by fifteen, and the sales factor 33537
multiplied by seventy. The denominator of the fraction is one 33538
hundred, provided that the denominator shall be reduced by fifteen 33539
if the property factor has a denominator of zero, by fifteen if 33540
the payroll factor has a denominator of zero, and by seventy if 33541
the sales factor has a denominator of zero. 33542

(D) A financial institution shall calculate the property 33543
factor as follows: 33544

(1) The property factor is a fraction, the numerator of which 33545
is the average value of real property and tangible personal 33546
property rented to the taxpayer that is located or used within 33547

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this state during the taxable year, the average value of real and tangible personal property owned by the taxpayer that is located or used within this state during the taxable year, and the average value of the taxpayer's loans and credit card receivables that are located within this state during the taxable year; and the denominator of which is the average value of all such property located or used within and without this state during the taxable year.

(2)(a) The value of real property and tangible personal property owned by the taxpayer is the original cost or other basis of such property for federal income tax purposes without regard to depletion, depreciation, or amortization.

(b) Loans are valued at their outstanding principal balance, without regard to any reserve for bad debts. If a loan is charged-off in whole or in part for federal income tax purposes, the portion of the loan charged-off is not outstanding. A specifically allocated reserve established pursuant to financial accounting guidelines which is treated as charged-off for federal income tax purposes shall be treated as charged-off for purposes of this section.

(c) Credit card receivables are valued at their outstanding principal balance, without regard to any reserve for bad debts. If a credit card receivable is charged-off in whole or in part for federal income tax purposes, the portion of the receivable charged-off is not outstanding.

(3) The average value of property owned by the taxpayer is computed on an annual basis by adding the value of the property on the first day of the taxable year and the value on the last day of the taxable year and dividing the sum by two. If averaging on this basis does not properly reflect average value, the tax commissioner may require averaging on a more frequent basis. The taxpayer may elect to average on a more frequent basis. When

averaging on a more frequent basis is required by the tax 33580
commissioner or is elected by the taxpayer, the same method of 33581
valuation must be used consistently by the taxpayer with respect 33582
to property within and without this state and on all subsequent 33583
returns unless the taxpayer receives prior permission from the tax 33584
commissioner or the tax commissioner requires a different method 33585
of determining value. 33586

(4)(a) The average value of real property and tangible 33587
personal property that the taxpayer has rented from another and is 33588
not treated as property owned by the taxpayer for federal income 33589
tax purposes, shall be determined annually by multiplying the 33590
gross rents payable during the taxable year by eight. 33591

(b) Where the use of the general method described in division 33592
(D)(4)(a) of this section results in inaccurate valuations of 33593
rented property, any other method which properly reflects the 33594
value may be adopted by the tax commissioner or by the taxpayer 33595
when approved in writing by the tax commissioner. Once approved, 33596
such other method of valuation must be used on all subsequent 33597
returns unless the taxpayer receives prior approval from the tax 33598
commissioner or the tax commissioner requires a different method 33599
of valuation. 33600

(5)(a) Except as described in division (D)(5)(b) of this 33601
section, real property and tangible personal property owned by or 33602
rented to the taxpayer is considered to be located within this 33603
state if it is physically located, situated, or used within this 33604
state. 33605

(b) Transportation property is included in the numerator of 33606
the property factor to the extent that the property is used in 33607
this state. The extent an aircraft will be deemed to be used in 33608
this state and the amount of value that is to be included in the 33609
numerator of this state's property factor is determined by 33610
multiplying the average value of the aircraft by a fraction, the 33611

numerator of which is the number of landings of the aircraft in 33612
this state and the denominator of which is the total number of 33613
landings of the aircraft everywhere. If the extent of the use of 33614
any transportation property within this state cannot be 33615
determined, then the property will be deemed to be used wholly in 33616
the state in which the property has its principal base of 33617
operations. A motor vehicle will be deemed to be used wholly in 33618
the state in which it is registered. 33619

(6)(a)(i) A loan, other than a loan or advance described in 33620
division (D)(6)(d) of this section, is considered to be located 33621
within this state if it is properly assigned to a regular place of 33622
business of the taxpayer within this state. 33623

(ii) A loan is properly assigned to the regular place of 33624
business with which it has a preponderance of substantive 33625
contacts. A loan assigned by the taxpayer to a regular place of 33626
business without the state shall be presumed to have been properly 33627
assigned if: 33628

(I) The taxpayer has assigned, in the regular course of its 33629
business, such loan on its records to a regular place of business 33630
consistent with federal or state regulatory requirements; 33631

(II) Such assignment on its records is based upon substantive 33632
contacts of the load to such regular place of business; and 33633
33634

(III) The taxpayer uses the records reflecting assignment of 33635
loans for the filing of all state and local tax returns for which 33636
an assignment of loans to a regular place of business is required. 33637

(iii) The presumption of proper assignment of a loan provided 33638
in division (D)(6)(a)(ii) of this section may be rebutted upon a 33639
showing by the tax commissioner, supported by a preponderance of 33640
the evidence, that the preponderance of substantive contacts 33641
regarding such loan did not occur at the regular place of business 33642

to which it was assigned on the taxpayer's records. When such 33643
presumption has been rebutted, the loan shall then be located 33644
within this state if (1) the taxpayer had a regular place of 33645
business within this state at the time the loan was made; and (2) 33646
the taxpayer fails to show, by a preponderance of the evidence, 33647
that the preponderance of substantive contacts regarding such load 33648
did not occur within this state. 33649

33650
(b) In the case of a loan which is assigned by the taxpayer 33651
to a place without this state which is not a regular place of 33652
business, it shall be presumed, subject to rebuttal by the 33653
taxpayer on a showing supported by the preponderance of evidence, 33654
that the preponderance of substantive contacts regarding the loan 33655
occurred within this state if, at the time the loan was made the 33656
taxpayer's commercial domicile was within this state. 33657

(c) To determine the state in which the preponderance of 33658
substantive contacts relating to a loan have occurred, the facts 33659
and circumstances regarding the loan at issue shall be reviewed on 33660
a case-by-case basis and consideration shall be given to such 33661
activities as the solicitation, investigation, negotiation, 33662
approval, and administration of the loan. The terms 33663
"solicitation," "investigation," "negotiation," "approval," and 33664
"administration" are defined as follows: 33665

(i) "Solicitation" is either active or passive. Active 33666
solicitation occurs when an employee of the taxpayer initiates the 33667
contact with the customer. Such activity is located at the regular 33668
place of business which the taxpayer's employee is regularly 33669
connected with or working out of, regardless of where the services 33670
of such employee were actually performed. Passive solicitation 33671
occurs when the customer initiates the contact with the taxpayer. 33672
If the customer's initial contact was not at a regular place of 33673
business of the taxpayer, the regular place of business, if any, 33674

where the passive solicitation occurred is determined by the facts 33675
in each case. 33676

(ii) "Investigation" is the procedure whereby employees of 33677
the taxpayer determine the creditworthiness of the customer as 33678
well as the degree of risk involved in making a particular 33679
agreement. Such activity is located at the regular place of 33680
business which the taxpayer's employees are regularly connected 33681
with or working out of, regardless of where the services of such 33682
employees were actually performed. 33683

(iii) Negotiation is the procedure whereby employees of the 33684
taxpayer and its customer determine the terms of the agreement, 33685
such as the amount, duration, interest rate, frequency of 33686
repayment, currency denomination, and security required. Such 33687
activity is located at the regular place of business to which the 33688
taxpayer's employees are regularly connected or working from, 33689
regardless of where the services of such employees were actually 33690
performed. 33691

(iv) "Approval" is the procedure whereby employees or the 33692
board of directors of the taxpayer make the final determination 33693
whether to enter into the agreement. Such activity is located at 33694
the regular place of business to which the taxpayer's employees 33695
are regularly connected or working from, regardless of where the 33696
services of such employees were actually performed. If the board 33697
of directors makes the final determination, such activity is 33698
located at the commercial domicile of the taxpayer. 33699

(v) "Administration" is the process of managing the account. 33700
This process includes bookkeeping, collecting the payments, 33701
corresponding with the customer, reporting to management regarding 33702
the status of the agreement, and proceeding against the borrower 33703
or the security interest if the borrower is in default. Such 33704
activity is located at the regular place of business that oversees 33705
this activity. 33706

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(d) A loan or advance to a subsidiary corporation at least 33707
fifty-one per cent of whose common stock is owned by the financial 33708
institution shall be allocated in and out of the state by the 33709
application of a ratio whose numerator is the sum of the net book 33710
value of the subsidiary's real property owned in this state and 33711
the subsidiary's tangible personal property owned in this state 33712
and whose denominator is the sum of the subsidiary's real property 33713
owned wherever located and the subsidiary's tangible personal 33714
property owned wherever located. For purposes of calculating this 33715
ratio, the taxpayer shall determine net book value in accordance 33716
with generally accepted accounting principles. If the subsidiary 33717
corporation owns at least fifty-one per cent of the common stock 33718
of another corporation, the ratio shall be calculated by including 33719
the other corporation's real property and tangible personal 33720
property. The calculation of the ratio applies with respect to all 33721
lower-tiered subsidiaries, provided that the immediate parent 33722
corporation of the subsidiary owns at least fifty-one per cent of 33723
the common stock of that subsidiary. 33724

(7) For purposes of determining the location of credit card 33725
receivables, credit card receivables shall be treated as loans and 33726
shall be subject to division (D)(6) of this section. 33727

(8) A loan that has been properly assigned to a state shall, 33728
absent any change of material fact, remain assigned to that state 33729
for the length of the original term of the loan. Thereafter, the 33730
loan may be properly assigned to another state if the loan has a 33731
preponderance of substantive contact to a regular place of 33732
business there. 33733

(E) A financial institution shall calculate the payroll 33734
factor as follows: 33735

(1) The payroll factor is a fraction, the numerator of which 33736
is the total amount paid in this state during the taxable year by 33737
the taxpayer for compensation, and the denominator of which is the 33738

total compensation paid both within and without this state during
the taxable year. 33739
33740

(2) Compensation is paid in this state if any one of the 33741
following tests, applied consecutively, is met: 33742

(a) The employee's services are performed entirely within 33743
this state. 33744

(b) The employee's services are performed both within and 33745
without this state, but the service performed without this state 33746
is incidental to the employee's service within this state. The 33747
term "incidental" means any service which is temporary or 33748
transitory in nature, or which is rendered in connection with an 33749
isolated transaction. 33750

(c) The employee's services are performed both within and 33751
without this state, and: 33752

(i) The employee's principal base of operations is within 33753
this state; or 33754

(ii) There is no principal base of operations in any state in 33755
which some part of the services are performed, but the place from 33756
which the services are directed or controlled is in this state; or 33757
33758

(iii) The principal base of operations and the place from 33759
which the services are directed or controlled are not in any state 33760
in which some part of the service is performed but the employee's 33761
residence is in this state. 33762

(F) A financial institution shall calculate the sales factor 33763
as follows: 33764

(1) The sales factor is a fraction, the numerator of which is 33765
the receipts of the taxpayer in this state during the taxable year 33766
and the denominator of which is the receipts of the taxpayer 33767
within and without this state during the taxable year. The method 33768

of calculating receipts for purposes of the denominator is the 33769
same as the method used in determining receipts for purposes of 33770
the numerator. 33771

(2) The numerator of the sales factor includes receipts from 33772
the lease or rental of real property owned by the taxpayer if the 33773
property is located within this state, or receipts from the 33774
sublease of real property if the property is located within this 33775
state. 33776

(3)(a) Except as described in division (F)(3)(b) of this 33777
section the numerator of the sales factor includes receipts from 33778
the lease or rental of tangible personal property owned by the 33779
taxpayer if the property is located within this state when it is 33780
first placed in service by the lessee. 33781

(b) Receipts from the lease or rental of transportation 33782
property owned by the taxpayer are included in the numerator of 33783
the sales factor to the extent that the property is used in this 33784
state. The extent an aircraft will be deemed to be used in this 33785
state and the amount of receipts that is to be included in the 33786
numerator of this state's sales factor is determined by 33787
multiplying all the receipts from the lease or rental of the 33788
aircraft by a fraction, the numerator of which is the number of 33789
landings of the aircraft in this state and the denominator of 33790
which is the total number of landings of the aircraft. If the 33791
extent of the use of any transportation property within this state 33792
cannot be determined, then the property will be deemed to be used 33793
wholly in the state in which the property has its principal base 33794
of operations. A motor vehicle will be deemed to be used wholly in 33795
the state in which it is registered. 33796

(4)(a) The numerator of the sales factor includes interest 33797
and fees or penalties in the nature of interest from loans secured 33798
by real property if the property is located within this state. If 33799
the property is located both within this state and one or more 33800

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other states, the receipts described in this paragraph are 33801
included in the numerator of the sales factor if more than fifty 33802
per cent of the fair market value of the real property is located 33803
within this state. If more than fifty per cent of the fair market 33804
value of the real property is not located within any one state, 33805
then the receipts described in this paragraph shall be included in 33806
the numerator of the sales factor if the borrower is located in 33807
this state. 33808

(b) The determination of whether the real property securing a 33809
loan is located within this state shall be made as of the time the 33810
original agreement was made and any and all subsequent 33811
substitutions of collateral shall be disregarded. 33812

(5) The numerator of the sales factor includes interest and 33813
fees or penalties in the nature of interest from loans not secured 33814
by real property if the borrower is located in this state. 33815

(6) The numerator of the sales factor includes net gains from 33816
the sale of loans. Net gains from the sale of loans includes 33817
income recorded under the coupon stripping rules of section 1286 33818
of the Internal Revenue Code. 33819

(a) The amount of net gains, but not less than zero, from the 33820
sale of loans secured by real property included in the numerator 33821
is determined by multiplying such net gains by a fraction the 33822
numerator of which is the amount included in the numerator of the 33823
sales factor pursuant to division (F)(4) of this section and the 33824
denominator of which is the total amount of interest and fees or 33825
penalties in the nature of interest from loans secured by real 33826
property. 33827

(b) The amount of net gains, but not less than zero, from the 33828
sale of loans not secured by real property included in the 33829
numerator is determined by multiplying such net gains by a 33830
fraction the numerator of which is the amount included in the 33831

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numerator of the sales factor pursuant to division (F)(5) of this 33832
section and the denominator of which is the total amount of 33833
interest and fees or penalties in the nature of interest from 33834
loans not secured by real property. 33835

(7) The numerator of the sales factor includes interest and 33836
fees or penalties in the nature of interest from credit card 33837
receivables and receipts from fees charged to card holders, such 33838
as annual fees, if the billing address of the card holder is in 33839
this state. 33840

(8) The numerator of the sales factor includes net gains, but 33841
not less than zero, from the sale of credit card receivables 33842
multiplied by a fraction, the numerator of which is the amount 33843
included in the numerator of the sales factor pursuant to division 33844
(F)(7) of this section and the denominator of which is the 33845
taxpayer's total amount of interest and fees or penalties in the 33846
nature of interest from credit card receivables and fees charged 33847
to card holders. 33848

(9) The numerator of the sales factor includes all credit 33849
card issuer's reimbursement fees multiplied by a fraction, the 33850
numerator of which is the amount included in the numerator of the 33851
sales factor pursuant to division (F)(7) of this section and the 33852
denominator of which is the taxpayer's total amount of interest 33853
and fees or penalties in the nature of interest from credit card 33854
receivables and fees charged to card holders. 33855

(10) The numerator of the sales factor includes receipts from 33856
merchant discount if the commercial domicile of the merchant is in 33857
this state. Such receipts shall be computed net of any card holder 33858
charge backs, but shall not be reduced by any interchange 33859
transaction fees or by any issuer's reimbursement fees paid to 33860
another for charges made by its card holders. 33861

(11)(a)(i) The numerator of the sales factor includes loan 33862

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servicing fees derived from loans secured by real property 33863
multiplied by a fraction the numerator of which is the amount 33864
included in the numerator of the sales factor pursuant to division 33865
(F)(4) of this section and the denominator of which is the total 33866
amount of interest and fees or penalties in the nature of interest 33867
from loans secured by real property. 33868

(ii) The numerator of the sales factor includes loan 33869
servicing fees derived from loans not secured by real property 33870
multiplied by a fraction the numerator of which is the amount 33871
included in the numerator of the sales factor pursuant to division 33872
(F)(5) of this section and the denominator of which is the total 33873
amount of interest and fees or penalties in the nature of interest 33874
from loans not secured by real property. 33875

(b) In circumstances in which the taxpayer receives loan 33876
servicing fees for servicing either the secured or the unsecured 33877
loans of another, the numerator of the sales factor shall include 33878
such fees if the borrower is located in this state. 33879

(12) The numerator of the sales factor includes receipts from 33880
services not otherwise apportioned under this section if the 33881
service is performed in this state. If the service is performed 33882
both within and without this state, the numerator of the sales 33883
factor includes receipts from services not otherwise apportioned 33884
under this section, if a greater proportion of the income 33885
producing activity is performed in this state based on cost of 33886
performance. 33887

(13)(a) Interest, dividends, net gains, but not less than 33888
zero, and other income from investment assets and activities and 33889
from trading assets and activities shall be included in the sales 33890
factor. Investment assets and activities and trading assets and 33891
activities include but are not limited to: investment securities; 33892
trading account assets; federal funds; securities purchased and 33893
sold under agreements to resell or repurchase; options; futures 33894

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contracts; forward contracts; notional principal contracts such as 33895
swaps; equities; and foreign currency transactions. With respect 33896
to the investment and trading assets and activities described in 33897
divisions (F)(13)(a)(i) and (ii) of this section, the sales factor 33898
shall include the amounts described in such divisions. 33899

(i) The sales factor shall include the amount by which 33900
interest from federal funds sold and securities purchased under 33901
resale agreements exceeds interest expense on federal funds 33902
purchased and securities sold under repurchase agreements. 33903

(ii) The sales factor shall include the amount by which 33904
interest, dividends, gains, and other income from trading assets 33905
and activities, including, but not limited to, assets and 33906
activities in the matched book, in the arbitrage book, and foreign 33907
currency transactions, exceed amounts paid in lieu of interest, 33908
amounts paid in lieu of dividends, and losses from such assets and 33909
activities. 33910

(b) The numerator of the sales factor includes interest, 33911
dividends, net gains, but not less than zero, and other income 33912
from investment assets and activities and from trading assets and 33913
activities described in division (F)(13)(a) of this section that 33914
are attributable to this state. 33915

(i) The amount of interest, other than interest described in 33916
division (F)(13)(b)(iv) of this section, dividends, other than 33917
dividends described in that division, net gains, but not less than 33918
zero, and other income from investment assets and activities in 33919
the investment account to be attributed to this state and included 33920
in the numerator is determined by multiplying all such income from 33921
such assets and activities by a fraction, the numerator of which 33922
is the average value of such assets which are properly assigned to 33923
a regular place of business of the taxpayer within this state and 33924
the denominator of which is the average value of all such assets. 33925

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(ii) The amount of interest from federal funds sold and 33926
purchased and from securities purchased under resale agreements 33927
and securities sold under repurchase agreements attributable to 33928
this state and included in the numerator is determined by 33929
multiplying the amount described in division (F)(13)(a)(i) of this 33930
section from such funds and such securities by a fraction, the 33931
numerator of which is the average value of federal funds sold and 33932
securities purchased under agreements to resell which are properly 33933
assigned to a regular place of business of the taxpayer within 33934
this state and the denominator of which is the average value of 33935
all such funds and such securities. 33936

(iii) The amount of interest, dividends, gains, and other 33937
income from trading assets and activities, including but not 33938
limited to assets and activities in the matched book, in the 33939
arbitrage book, and foreign currency transaction, but excluding 33940
amounts described in division (F)(13)(b)(i) or (ii) of this 33941
section, attributable to this state and included in the numerator 33942
is determined by multiplying the amount described in division 33943
(F)(13)(a)(ii) of this section by a fraction, the numerator of 33944
which is the average value of such trading assets which are 33945
properly assigned to a regular place of business of the taxpayer 33946
within this state and the denominator of which is the average 33947
value of all such assets. 33948

(iv) The amount of dividends received on the capital stock 33949
of, and the amount of interest received from loans and advances 33950
to, subsidiary corporations at least fifty-one per cent of whose 33951
common stock is owned by the reporting financial institution shall 33952
be allocated in and out of this state by the application of a 33953
ratio whose numerator is the sum of the net book value of the 33954
payor's real property owned in this state and the payor's tangible 33955
personal property owned in this state and whose denominator is the 33956
sum of the net book value of the payor's real property owned 33957

wherever located and the payor's tangible personal property owned 33958
wherever located. For purposes of calculating this ratio, the 33959
taxpayer shall determine net book value in accordance with 33960
generally accepted accounting principles. 33961

(v) For purposes of this division, average value shall be 33962
determined using the rules for determining the average value of 33963
tangible personal property set forth in division (D)(2) and (3) of 33964
this section. 33965

(c) In lieu of using the method set forth in division 33966
(F)(13)(b) of this section, the taxpayer may elect, or the tax 33967
commissioner may require in order to fairly represent the business 33968
activity of the taxpayer in this state, the use of the method set 33969
forth in division (F)(13)(c) of this section. 33970

(i) The amount of interest, other than interest described in 33971
division (F)(13)(b)(iv) of this section, dividends, other than 33972
dividends described in that division, net gains, but not less than 33973
zero, and other income from investment assets and activities in 33974
the investment account to be attributed to this state and included 33975
in the numerator is determined by multiplying all such income from 33976
such assets and activities by a fraction, the numerator of which 33977
is the gross income from such assets and activities which are 33978
properly assigned to a regular place of business of the taxpayer 33979
within this state, and the denominator of which is the gross 33980
income from all such assets and activities. 33981

(ii) The amount of interest from federal funds sold and 33982
purchased and from securities purchased under resale agreements 33983
and securities sold under repurchase agreements attributable to 33984
this state and included in the numerator is determined by 33985
multiplying the amount described in division (F)(13)(a)(i) of this 33986
section from such funds and such securities by a fraction, the 33987
numerator of which is the gross income from such funds and such 33988
securities which are properly assigned to a regular place of 33989

business of the taxpayer within this state and the denominator of 33990
which is the gross income from all such funds and such securities. 33991

(iii) The amount of interest, dividends, gains, and other 33992
income from trading assets and activities, including, but not 33993
limited to, assets and activities in the matched book, in the 33994
arbitrage book, and foreign currency transactions, but excluding 33995
amounts described in division (F)(13)(a)(i) or (ii) of this 33996
section, attributable to this state and included in the numerator, 33997
is determined by multiplying the amount described in division 33998
(F)(13)(a)(ii) of this section by a fraction, the numerator of 33999
which is the gross income from such trading assets and activities 34000
which are properly assigned to a regular place of business of the 34001
taxpayer within this state and the denominator of which is the 34002
gross income from all such assets and activities. 34003

(iv) The amount of dividends received on the capital stock 34004
of, and the amount of interest received from loans and advances 34005
to, subsidiary corporations at least fifty-one per cent of whose 34006
common stock is owned by the reporting financial institution shall 34007
be allocated in and out of this state by the application of a 34008
ratio whose numerator is the sum of the net book value of the 34009
payor's real property owned in this state and the payor's tangible 34010
personal property owned in this state and whose denominator is the 34011
sum of the payor's real property owned wherever located and the 34012
payor's tangible personal property owned wherever located. For 34013
purposes of calculating this ratio, the taxpayer shall determine 34014
net book value in accordance with generally accepted accounting 34015
principles. 34016

(d) If the taxpayer elects or is required by the tax 34017
commissioner to use the method set forth in division (F)(13)(c) of 34018
this section, it shall use this method on all subsequent returns 34019
unless the taxpayer receives prior permission from the tax 34020
commissioner to use or the tax commissioner requires a different 34021

method. 34022

(e) The taxpayer shall have the burden of proving that an 34023
investment asset or activity or trading asset or activity was 34024
properly assigned to a regular place of business outside of this 34025
state by demonstrating that the day-to-day decisions regarding the 34026
asset or activity occurred at a regular place of business outside 34027
this state. Where the day-to-day decisions regarding an investment 34028
asset or activity or trading asset or activity occur at more than 34029
one regular place of business and one such regular place of 34030
business is in this state and one such regular place of business 34031
is outside this state such asset or activity shall be considered 34032
to be located at the regular place of business of the taxpayer 34033
where the investment or trading policies or guidelines with 34034
respect to the asset or activity are established. Unless the 34035
taxpayer demonstrates to the contrary, such policies and 34036
guidelines shall be presumed to be established at the commercial 34037
domicile of the taxpayer. 34038

(14) The numerator of the sales factor includes all other 34039
receipts if either: 34040

(a) The income-producing activity is performed solely in this 34041
state; or 34042

(b) The income-producing activity is performed both within 34043
and without this state and a greater proportion of the 34044
income-producing activity is performed within this state than in 34045
any other state, based on costs of performance. 34046

(G) A qualified institution may calculate the base upon which 34047
the fee provided for in division (D) of section 5733.06 ~~(D)~~ of the 34048
~~revised code~~ Revised Code is determined for each of the tax years 34049
1998, 1999, 2000, ~~and~~ 2001, 2002, and 2003 by multiplying the 34050
value of its issued and outstanding shares of stock determined 34051
under division (B) of this section by a single deposits fraction 34052

whose numerator is the deposits assigned to branches in this state 34053
and whose denominator is the deposits assigned to branches 34054
everywhere. Deposits shall be assigned to branches in the same 34055
manner in which the assignment is made for regulatory purposes. If 34056
the base calculated under this division is less than the base 34057
calculated under division (C) of this section, then the qualifying 34058
institution may elect to substitute the base calculated under this 34059
division for the base calculated under division (C) of this 34060
section. Such election may be made annually for each of the tax 34061
years 1998, 1999, 2000, ~~and 2001, 2002, and 2003~~ on the corporate 34062
report. The election need not accompany the report; rather, the 34063
election may accompany a subsequently filed but timely application 34064
for refund, a subsequently filed but timely amended report, or a 34065
subsequently filed but timely petition for reassessment. The 34066
election is not irrevocable and it applies only to the specified 34067
tax year. Nothing in this division shall be construed to extend 34068
any statute of limitations set forth in this chapter 34069

(H) If the apportionment provisions of this section do not 34070
fairly represent the extent of the taxpayer's business activity in 34071
this state, the taxpayer may petition for or the tax commissioner 34072
may require, in respect to all or any part of the taxpayer's 34073
business activity, if reasonable: 34074

(1) Separate accounting; 34075

(2) The exclusion of any one or more of the factors; 34076

(3) The inclusion of one or more additional factors which 34077
will fairly represent the taxpayer's business activity in this 34078
state; or 34079

(4) The employment of any other method to effectuate an 34080
equitable allocation and apportionment of the taxpayer's value. 34081

Sec. 5733.06. The tax hereby charged each corporation subject 34082
to this chapter shall be the greater of the sum of divisions (A) 34083

and (B) of this section, after the reduction, if any, provided by 34084
division (J) of this section, or division (C) of this section, 34085
after the reduction, if any, provided by division (J) of this 34086
section, except that the tax hereby charged each financial 34087
institution subject to this chapter shall be the amount computed 34088
under division (D) of this section: 34089

(A) Except as set forth in division (F) of this section, five 34090
and one-tenth per cent upon the first fifty thousand dollars of 34091
the value of the taxpayer's issued and outstanding shares of stock 34092
as determined under division (B) of section 5733.05 of the Revised 34093
Code; 34094

(B) Except as set forth in division (F) of this section, 34095
eight and one-half per cent upon the value so determined in excess 34096
of fifty thousand dollars; or 34097

(C) Except as otherwise provided under division (G) of this 34098
section, four mills times that portion of the value of the issued 34099
and outstanding shares of stock as determined under division (C) 34100
of section 5733.05 of the Revised Code. For the purposes of 34101
division (C) of this section, division (C)(2) of section 5733.065, 34102
and division (C) of section 5733.066 of the Revised Code, the 34103
value of the issued and outstanding shares of stock of a qualified 34104
holding company is zero. 34105

(D) The tax charged each financial institution subject to 34106
this chapter shall be that portion of the value of the issued and 34107
outstanding shares of stock as determined under division (A) of 34108
section 5733.05 of the Revised Code, multiplied by the following 34109
amounts: 34110

(1) For tax years prior to the 1999 tax year, fifteen mills; 34111

(2) For the 1999 tax year, fourteen mills; 34112

(3) For tax year 2000 and thereafter, thirteen mills. 34113

(E) No tax shall be charged from any corporation that has 34114
been adjudicated bankrupt, or for which a receiver has been 34115
appointed, or that has made a general assignment for the benefit 34116
of creditors, except for the portion of the then current tax year 34117
during which the tax commissioner finds such corporation had the 34118
power to exercise its corporate franchise unimpaired by such 34119
proceedings or act. The minimum payment for all corporations shall 34120
be fifty dollars. 34121

The tax charged to corporations under this chapter for the 34122
privilege of engaging in business in this state, which is an 34123
excise tax levied on the value of the issued and outstanding 34124
shares of stock, shall in no manner be construed as prohibiting or 34125
otherwise limiting the powers of municipal corporations, joint 34126
economic development zones created under section 715.691 of the 34127
Revised Code, and joint economic development districts created 34128
under section 715.70 or 715.71 or sections 715.72 to 715.81 of the 34129
Revised Code in this state to impose an income tax on the income 34130
of such corporations. 34131

(F) If two or more taxpayers satisfy the ownership or control 34132
requirements of division (A) of section 5733.052 of the Revised 34133
Code, each such taxpayer shall substitute "the taxpayer's pro-rata 34134
amount" for "fifty thousand dollars" in divisions (A) and (B) of 34135
this section. For purposes of this division, "the taxpayer's 34136
pro-rata amount" is an amount that, when added to the other such 34137
taxpayers' pro-rata amounts, does not exceed fifty thousand 34138
dollars. For the purpose of making that computation, the 34139
taxpayer's pro-rata amount shall not be less than zero. Nothing in 34140
this division derogates from or eliminates the requirement to make 34141
the alternative computation of tax under division (C) of this 34142
section. 34143

(G) The tax liability of any corporation under division (C) 34144
of this section shall not exceed one hundred fifty thousand 34145

dollars. 34146

(H)(1) For the purposes of division (H) of this section, 34147
"exiting corporation" means a corporation that satisfies all of 34148
the following conditions: 34149

(a) The corporation had nexus with or in this state under the 34150
Constitution of the United States during any portion of a calendar 34151
year; 34152

(b) The corporation was not a corporation described in 34153
division (A) of section 5733.01 of the Revised Code on the first 34154
day of January immediately following that calendar year; 34155

(c) The corporation was not a financial institution on the 34156
first day of January immediately following that calendar year; 34157

(d) If the corporation was a transferor as defined in section 34158
5733.053 of the Revised Code, the corporation's transferee was not 34159
required to add to the transferee's net income the income of the 34160
transferor pursuant to division (B) of that section; 34161

(e) During any portion of that calendar year, or any portion 34162
of the immediately preceding calendar year, the corporation had 34163
net income that was not included in a report filed by the 34164
corporation or its transferee pursuant to section 5733.02, 34165
5733.021, 5733.03, 5733.031, or 5733.053 of the Revised Code; 34166

(f) The corporation would have been subject to the tax 34167
computed under divisions (A), (B), (C), (F), and (G) of this 34168
section if the corporation is assumed to be a corporation 34169
described in division (A) of section 5733.01 of the Revised Code 34170
on the first day of January immediately following the calendar 34171
year to which division (H)(1)(a) of this section refers. 34172

(2) For the purposes of division (H) of this section, 34173
"unreported net income" means net income that was not previously 34174
included in a report filed pursuant to section 5733.02, 5733.021, 34175

5733.03, 5733.031, or 5733.053 of the Revised Code and that was 34176
realized or recognized during the calendar year to which division 34177
(H)(1) of this section refers or the immediately preceding 34178
calendar year. 34179

(3) Each exiting corporation shall pay a tax computed by 34180
first allocating and apportioning the unreported net income 34181
pursuant to division (B) of section 5733.05 and section 5733.051 34182
and, if applicable, section 5733.052 of the Revised Code. The 34183
exiting corporation then shall compute the tax due on its 34184
unreported net income allocated and apportioned to this state by 34185
applying divisions (A), (B), and (F) of this section to that 34186
income. 34187

(4) Divisions (C) and (G) of this section, division (D)(2) of 34188
section 5733.065, and division (C) of section 5733.066 of the 34189
Revised Code do not apply to an exiting corporation, but exiting 34190
corporations are subject to every other provision of this chapter. 34191

(5) Notwithstanding division (B) of section 5733.01 or 34192
sections 5733.02, 5733.021, and 5733.03 of the Revised Code to the 34193
contrary, each exiting corporation shall report and pay the tax 34194
due under division (H) of this section on or before the 34195
thirty-first day of May immediately following the calendar year to 34196
which division (H)(1)(a) of this section refers. The exiting 34197
corporation shall file that report on the form most recently 34198
prescribed by the tax commissioner for the purposes of complying 34199
with sections 5733.02 and 5733.03 of the Revised Code. Upon 34200
request by the corporation, the tax commissioner may extend the 34201
date for filing the report. 34202

(6) If, on account of the application of section 5733.053 of 34203
the Revised Code, net income is subject to the tax imposed by 34204
divisions (A) and (B) of this section, such income shall not be 34205
subject to the tax imposed by division (H)(3) of this section. 34206

(7) The amendments made to division (H) of this section by Am. Sub. S.B. 287 of the 123rd general assembly do not apply to any transfer, as defined in section 5733.053 of the Revised Code, for which negotiations began prior to January 1, 2001, and that was commenced in and completed during calendar year 2001, unless the taxpayer makes an election prior to December 31, 2001, to apply the section.

(8) The tax commissioner may adopt rules governing division (H) of this section.

(I) Any reference in the Revised Code to "the tax imposed by section 5733.06 of the Revised Code" or "the tax due under section 5733.06 of the Revised Code" includes the taxes imposed under sections 5733.065 and 5733.066 of the Revised Code.

(J)(1) Division (J) of this section applies solely to a combined company. Section 5733.057 of the Revised Code shall apply when calculating the adjustments required by division (J) of this section.

(2) Subject to division (J)(4) of this section, the total tax calculated in divisions (A) and (B) of this section shall be reduced by an amount calculated by multiplying such tax by a fraction, the numerator of which is the total taxable gross receipts attributed to providing public utility activity other than as an electric company under section 5727.03 of the Revised Code for the year upon which the taxable gross receipts are measured immediately preceding the tax year, and the denominator of which is the total gross receipts from all sources for the year upon which the taxable gross receipts are measured immediately preceding the tax year. Nothing herein shall be construed to exclude from the denominator any item of income described in section 5733.051 of the Revised Code.

(3) Subject to division (J)(4) of this section, the total tax

calculated in division (C) of this section shall be reduced by an amount calculated by multiplying such tax by the fraction described in division (J)(2) of this section. 34238
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(4) In no event shall the reduction provided by division (J)(2) or (J)(3) of this section exceed the amount of the excise tax paid in accordance with section 5727.38 of the Revised Code, for the year upon which the taxable gross receipts are measured immediately preceding the tax year. 34241
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Sec. 5733.122. Between the first and fifteenth days of July each year, the tax commissioner shall certify to the director of budget and management the total reported liability of the taxes or surcharges levied in the second preceding year under sections 5733.065 and 5733.066 of the Revised Code. Notwithstanding section 5733.12 of the Revised Code, during the period July 1, 1980, to December 31, 1981, four million dollars received by the treasurer of state under this chapter the total amount certified in each year less an amount to be retained by the department of taxation for expenses resulting from the administration of the taxes or surcharges levied under sections 5733.065 and 5733.066 of the Revised Code shall be credited to the recycling and litter prevention fund created by section 1502.02 of the Revised Code. Thereafter, during each of the consecutive six-month periods beginning January 1, 1982, five million dollars from amounts received by the treasurer of state under this chapter shall be credited to that fund. No amount shall be credited to the local government fund from any receipts credited to the recycling and litter prevention fund under this section. 34246
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The office of budget and mangement shall provide the treasurer of state with a monthly schedule in accordance with which the amounts shall be credited. 34265
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Sec. 5733.401. (A) As used in this section: 34268

(1) "Investment pass-through entity" means a pass-through 34269
entity having for its qualifying taxable year at least ninety per 34270
cent of its gross income from transaction fees in connection with 34271
the acquisition, ownership, or disposition of intangible property, 34272
loan fees, financing fees, consent fees, waiver fees, application 34273
fees, net management fees, dividend income, interest income, net 34274
capital gains from the sale or exchange of intangible property, or 34275
distributive shares of income from pass-through entities; and 34276
having for its qualifying taxable year at least ninety per cent of 34277
the net book value of its assets represented by intangible assets. 34278
Such percentages shall be the quarterly average of those 34279
percentages as calculated during the pass-through entity's taxable 34280
year. 34281

(2) "Net management fees" means management fees that a 34282
pass-through entity earns or receives from all sources, reduced by 34283
management fees that the pass-through entity incurs or pays to any 34284
person. 34285

(B) For the purposes of divisions (A) and (C) of this section 34286
only, an investment in a pass-through entity shall be deemed to be 34287
an investment in an intangible asset. 34288

(C) Except as otherwise provided in division (D) of this 34289
section, for the purposes of division (A) of section 5733.40 of 34290
the Revised Code, an investment pass-through entity shall exclude 34291
from the calculation of the adjusted qualifying amount all 34292
transaction fees in connection with the acquisition, ownership, or 34293
disposition of intangible property; loan fees; financing fees; 34294
consent fees; waiver fees; application fees; net management 34295
fees, but if such fees exceed five per cent of the entity's net 34296
income calculated in accordance with generally accepted accounting 34297
principles, all net management fees shall be included in the 34298
calculation of the adjusted qualifying amount; dividend income; 34299

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interest income⁷; net capital gains from the sale or exchange of 34300
intangible property⁷; and all types and classifications of income 34301
attributable to distributive shares of income from other 34302
pass-through entities. Nothing in this division shall be construed 34303
to provide for an exclusion of any item from adjusted qualifying 34304
amount more than once. 34305

(D) Sections 5733.057 and 5747.231 of the Revised Code do not 34306
apply for the purposes of making the determinations required by 34307
division (A) of this section or claiming the exclusion provided by 34308
division (C) of this section. 34309

Sec. 5733.42. (A) As used in this section: 34310

(1) "Eligible training program" means a program to provide 34311
job skills to eligible employees who are unable effectively to 34312
function on the job due to skill deficiencies or who would 34313
otherwise be displaced because of their skill deficiencies or 34314
inability to use new technology, or to provide job skills to 34315
eligible employees that enable them to perform other job duties 34316
for the taxpayer. Eligible training programs do not include 34317
executive, management, or personal enrichment training programs, 34318
or training programs intended exclusively for personal career 34319
development. 34320

(2) "Eligible employee" means an individual who is employed 34321
in this state by a taxpayer and has been so employed by the same 34322
taxpayer for at least one hundred eighty consecutive days before 34323
the day an application for the credit is filed under this section. 34324
"Eligible employee" does not include any employee for which a 34325
credit is claimed pursuant to division (A)(5) of section 5709.65 34326
of the Revised Code for all or any part of the same year, an 34327
employee who is not a full-time employee, or executive or 34328
managerial personnel except for the immediate supervisors of 34329
nonexecutive, nonmanagerial personnel. 34330

(3) "Eligible training costs" means: 34331

(a) Direct instructional costs, such as instructor salaries, 34332
materials and supplies, textbooks and manuals, videotapes, and 34333
other instructional media and training equipment used exclusively 34334
for the purpose of training eligible employees; 34335

(b) Wages paid to eligible employees for time devoted 34336
exclusively to an eligible training program during normal paid 34337
working hours. 34338

(4) "Full-time employee" means an individual who is employed 34339
for consideration for at least thirty-five hours per week, or who 34340
renders any other standard of service generally accepted by custom 34341
or specified by contract as full-time employment. 34342

(5) "Partnership" includes a limited liability company formed 34343
under Chapter 1705. of the Revised Code or under the laws of 34344
another state, provided that the company is not classified for 34345
federal income tax purposes as an association taxable as a 34346
corporation. 34347

(B) There is hereby allowed a nonrefundable credit against 34348
the tax imposed by section 5733.06 of the Revised Code for 34349
taxpayers for which a tax credit certificate is issued under 34350
division (C) of this section. The credit may ~~not~~ be claimed for 34351
~~any tax year after tax year years 2004, except for amounts carried~~ 34352
~~forward to subsequent tax years to the extent allowed under~~ 34353
~~division (J) of this section 2005, and 2006, but may not be~~ 34354
claimed for tax years 2002 and 2003. The amount of the credit for 34355
each tax year shall equal one-half of the average of the eligible 34356
training costs paid or incurred by the taxpayer during the three 34357
calendar years immediately preceding the tax year for which the 34358
credit is claimed, not to exceed one thousand dollars for each 34359
eligible employee on account of whom eligible training costs were 34360
paid or incurred by the taxpayer during those calendar years. The 34361

credit claimed by a taxpayer each tax year shall not exceed one 34362
hundred thousand dollars. 34363

(C) A taxpayer who proposes to conduct an eligible training 34364
program may apply to the director of job and family services for a 34365
tax credit certificate under this section. The taxpayer may apply 34366
for such a certificate for each tax year with respect to a 34367
calendar year in which the taxpayer paid or incurred eligible 34368
training costs, subject to division (L) of this section. The 34369
director shall prescribe the form of the application, which shall 34370
require a detailed description of the proposed training program. 34371
The director may require applicants to remit an application fee 34372
with each application filed with the director. The fee shall not 34373
exceed the reasonable and necessary expenses incurred by the 34374
director in receiving, reviewing, and approving such applications 34375
and issuing tax credit certificates. Proceeds from fees shall be 34376
used solely for the purpose of receiving, reviewing, and approving 34377
such applications and issuing such certificates. 34378

After receipt of an application, the director shall authorize 34379
a credit under this section by issuing a tax credit certificate, 34380
in the form prescribed by the director, if the director determines 34381
all of the following: 34382

(1) The proposed training program is an eligible training 34383
program under this section; 34384

(2) The proposed training program is economically sound and 34385
will benefit the people of this state by improving workforce 34386
skills and strengthening the economy of this state; 34387

(3) Receiving the tax credit is a major factor in the 34388
taxpayer's decision to go forward with the training program; 34389

(4) Authorization of the credit is consistent with division 34390
(H) of this section. 34391

The credit also is allowed for a taxpayer that is a partner 34392

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in a partnership that pays or incurs eligible training costs. Such 34393
a taxpayer shall determine the taxpayer's credit amount in the 34394
manner prescribed by division (K) of this section. 34395

(D) If the director of job and family services denies an 34396
application for a tax credit certificate, the director shall send 34397
notice of the denial and the reason for denial to the applicant by 34398
certified mail, return receipt requested. If the director 34399
determines that an authorized training program, as actually 34400
conducted, fails to meet the requirements of this section or to 34401
comply with any condition set forth in the authorization, the 34402
director may reduce the amount of the tax credit previously 34403
granted. If the director reduces a tax credit, the director shall 34404
send notice of the reduction and the reason for the reduction to 34405
the taxpayer by certified mail, return receipt requested, and 34406
shall certify the reduction to the tax commissioner or, in the 34407
case of the reduction of a credit claimed by an insurance company, 34408
the superintendent of insurance. The tax commissioner or 34409
superintendent of insurance shall reduce the credit that may be 34410
claimed by the taxpayer accordingly. Within sixty days after 34411
receiving a notice of denial or notice of reduction of the tax 34412
credit, an applicant or taxpayer may request, in writing, a 34413
hearing before the director to review the denial or reduction. 34414
Within sixty days after receiving a request that is filed within 34415
the prescribed time, the director shall hold such a hearing at a 34416
location to be determined by the director. Within thirty days 34417
after the hearing is adjourned, the director shall issue a 34418
redetermination affirming, reversing, or modifying the denial or 34419
reduction of the tax credit and send notice of the redetermination 34420
to the applicant or taxpayer by certified mail, return receipt 34421
requested, and shall issue a notice of the redetermination to the 34422
tax commissioner or superintendent of insurance. If an applicant 34423
or taxpayer is aggrieved by the director's redetermination, the 34424

applicant or taxpayer may appeal the redetermination to the board 34425
of tax appeals in the manner prescribed by section 5717.02 of the 34426
Revised Code. 34427

(E) A taxpayer to which a tax credit certificate is issued 34428
shall retain records indicating the eligible training costs it 34429
pays or incurs for the eligible training program for which the 34430
certificate is issued for four years following the end of the tax 34431
year for which the credit is claimed. Such records shall be open 34432
to inspection by the director of job and family services upon the 34433
director's request during business hours. 34434

Financial statements and other information submitted by an 34435
applicant to the director of job and family services for a tax 34436
credit under this section, and any information taken for any 34437
purpose from such statements or information, are not public 34438
records subject to section 149.43 of the Revised Code. However, 34439
the director of job and family services, the tax commissioner, or 34440
superintendent of insurance may make use of the statements and 34441
other information for purposes of issuing public reports or in 34442
connection with court proceedings concerning tax credits allowed 34443
under this section and sections 5725.31, 5729.07, and 5747.39 of 34444
the Revised Code. 34445

(F) The director of job and family services, in accordance 34446
with Chapter 119. of the Revised Code, shall adopt rules necessary 34447
to implement this section and sections 5725.31, 5729.07, and 34448
5747.39 of the Revised Code. The rules shall be adopted after 34449
consultation with the tax commissioner and the superintendent of 34450
insurance. At the time the director gives public notice under 34451
division (A) of section 119.03 of the Revised Code of the adoption 34452
of the rules, the director shall submit copies of the proposed 34453
rules to the chairpersons and ranking minority members of the 34454
standing committees in the senate and the house of representatives 34455
to which legislation on economic development matters are 34456

customarily referred. 34457

(G) On or before the thirtieth day of September of ~~2001,~~ 34458
~~2002,~~ 2003, ~~and~~ 2004, 2005, and 2006, the director of job and 34459
family services shall submit a report to the governor, the 34460
president of the senate, and the speaker of the house of 34461
representatives on the tax credit program under this section and 34462
sections 5725.31, 5729.07, and 5747.39 of the Revised Code. The 34463
report shall include information on the number of training 34464
programs that were authorized under those sections during the 34465
preceding calendar year, a description of each authorized training 34466
program, the dollar amounts of the credits granted, and an 34467
estimate of the impact of the credits on the economy of this 34468
state. 34469

(H) The aggregate amount of credits authorized under this 34470
section and sections 5725.31, 5729.07, and 5747.39 of the Revised 34471
Code shall not exceed twenty million dollars per calendar year. No 34472
more than ten million dollars in credits per calendar year shall 34473
be authorized for persons engaged primarily in manufacturing. No 34474
less than five million dollars in credits per calendar year shall 34475
be set aside for persons engaged primarily in activities other 34476
than manufacturing and having fewer than five hundred employees. 34477
Subject to such limits, credits shall be authorized for applicants 34478
meeting the requirements of this section in the order in which 34479
they submit complete and accurate applications. 34480

(I) A nonrefundable credit allowed under this section shall 34481
be claimed in the order required under section 5733.98 of the 34482
Revised Code. 34483

(J) The taxpayer may carry forward any credit amount in 34484
excess of its tax due after allowing for any other credits that 34485
precede the credit under this section in the order required under 34486
section 5733.98 of the Revised Code. The excess credit may be 34487
carried forward for three years following the tax year for which 34488

it is first claimed under this section. 34489

(K) A taxpayer that is a partner in a partnership on the last 34490
day of the third calendar year of the three-year period during 34491
which the partnership pays or incurs eligible training costs may 34492
claim a credit under this section for the tax year immediately 34493
following that calendar year. The amount of a partner's credit 34494
equals the partner's interest in the partnership on the last day 34495
of such calendar year multiplied by the credit available to the 34496
partnership as computed by the partnership. 34497

(L) The director of job and family services shall not 34498
authorize any credits under this section and sections 5725.31, 34499
5729.07, and 5747.39 of the Revised Code for eligible training 34500
costs paid or incurred after December 31, ~~2003~~ 2005. 34501

Sec. 5739.01. As used in this chapter: 34502

(A) "Person" includes individuals, receivers, assignees, 34503
trustees in bankruptcy, estates, firms, partnerships, 34504
associations, joint-stock companies, joint ventures, clubs, 34505
societies, corporations, the state and its political subdivisions, 34506
and combinations of individuals of any form. 34507

(B) "Sale" and "selling" include all of the following 34508
transactions for a consideration in any manner, whether absolutely 34509
or conditionally, whether for a price or rental, in money or by 34510
exchange, and by any means whatsoever: 34511

(1) All transactions by which title or possession, or both, 34512
of tangible personal property, is or is to be transferred, or a 34513
license to use or consume tangible personal property is or is to 34514
be granted; 34515

(2) All transactions by which lodging by a hotel is or is to 34516
be furnished to transient guests; 34517

(3) All transactions by which: 34518

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(a) An item of tangible personal property is or is to be repaired, except property, the purchase of which would be exempt from the tax imposed by section 5739.02 of the Revised Code;	34519 34520 34521
(b) An item of tangible personal property is or is to be installed, except property, the purchase of which would be exempt from the tax imposed by section 5739.02 of the Revised Code or property that is or is to be incorporated into and will become a part of a production, transmission, transportation, or distribution system for the delivery of a public utility service;	34522 34523 34524 34525 34526 34527
(c) The service of washing, cleaning, waxing, polishing, or painting a motor vehicle is or is to be furnished;	34528 34529
(d) Industrial laundry cleaning services are or are to be provided;	34530 34531
(e) Automatic data processing, computer services, or electronic information services are or are to be provided for use in business when the true object of the transaction is the receipt by the consumer of automatic data processing, computer services, or electronic information services rather than the receipt of personal or professional services to which automatic data processing, computer services, or electronic information services are incidental or supplemental. Notwithstanding any other provision of this chapter, such transactions that occur between members of an affiliated group are not sales. An affiliated group means two or more persons related in such a way that one person owns or controls the business operation of another member of the group. In the case of corporations with stock, one corporation owns or controls another if it owns more than fifty per cent of the other corporation's common stock with voting rights.	34532 34533 34534 34535 34536 34537 34538 34539 34540 34541 34542 34543 34544 34545 34546
(f) Telecommunications service is provided that originates or terminates in this state and is charged in the records of the telecommunications service vendor to the consumer's telephone	34547 34548 34549

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number or account in this state, or that both originates and	34550
terminates in this state; but does not include transactions by	34551
which telecommunications service is paid for by using a prepaid	34552
authorization number or prepaid telephone calling card, <u>or by</u>	34553
<u>which local telecommunications service is obtained from a</u>	34554
<u>coin-operated telephone and paid for by using coin;</u>	34555
(g) Landscaping and lawn care service is or is to be	34556
provided;	34557
(h) Private investigation and security service is or is to be	34558
provided;	34559
(i) Information services or tangible personal property is	34560
provided or ordered by means of a nine hundred telephone call;	34561
(j) Building maintenance and janitorial service is or is to	34562
be provided;	34563
(k) Employment service is or is to be provided;	34564
(l) Employment placement service is or is to be provided;	34565
(m) Exterminating service is or is to be provided;	34566
(n) Physical fitness facility service is or is to be	34567
provided;	34568
(o) Recreation and sports club service is or is to be	34569
provided.	34570
(4) All transactions by which printed, imprinted,	34571
overprinted, lithographic, multilithic, blueprinted, photostatic,	34572
or other productions or reproductions of written or graphic matter	34573
are or are to be furnished or transferred;	34574
(5) The production or fabrication of tangible personal	34575
property for a consideration for consumers who furnish either	34576
directly or indirectly the materials used in the production of	34577
fabrication work; and include the furnishing, preparing, or	34578

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serving for a consideration of any tangible personal property
consumed on the premises of the person furnishing, preparing, or
serving such tangible personal property. Except as provided in
section 5739.03 of the Revised Code, a construction contract
pursuant to which tangible personal property is or is to be
incorporated into a structure or improvement on and becoming a
part of real property is not a sale of such tangible personal
property. The construction contractor is the consumer of such
tangible personal property, provided that the sale and
installation of carpeting, the sale and installation of
agricultural land tile, the sale and erection or installation of
portable grain bins, or the provision of landscaping and lawn care
service and the transfer of property as part of such service is
never a construction contract. The transfer of copyrighted motion
picture films for exhibition purposes is not a sale, except such
films as are used solely for advertising purposes. Other than as
provided in this section, "sale" and "selling" do not include
professional, insurance, or personal service transactions ~~which~~
that involve the transfer of tangible personal property as an
inconsequential element, for which no separate charges are made.

As used in division (B)(5) of this section: 34599

(a) "Agricultural land tile" means fired clay or concrete 34600
tile, or flexible or rigid perforated plastic pipe or tubing, 34601
incorporated or to be incorporated into a subsurface drainage 34602
system appurtenant to land used or to be used directly in 34603
production by farming, agriculture, horticulture, or floriculture. 34604
The term does not include such materials when they are or are to 34605
be incorporated into a drainage system appurtenant to a building 34606
or structure even if the building or structure is used or to be 34607
used in such production. 34608

(b) "Portable grain bin" means a structure that is used or to 34609
be used by a person engaged in farming or agriculture to shelter 34610

the person's grain and that is designed to be disassembled without 34611
significant damage to its component parts. 34612

(6) All transactions in which all of the shares of stock of a 34613
closely held corporation are transferred, if the corporation is 34614
not engaging in business and its entire assets consist of boats, 34615
planes, motor vehicles, or other tangible personal property 34616
operated primarily for the use and enjoyment of the shareholders; 34617

(7) All transactions in which a warranty, maintenance or 34618
service contract, or similar agreement by which the vendor of the 34619
warranty, contract, or agreement agrees to repair or maintain the 34620
tangible personal property of the consumer is or is to be 34621
provided; 34622

(8) All transactions by which a prepaid authorization number 34623
or a prepaid telephone calling card is or is to be transferred. 34624

(C) "Vendor" means the person providing the service or by 34625
whom the transfer effected or license given by a sale is or is to 34626
be made or given and, for sales described in division (B)(3)(i) of 34627
this section, the telecommunications service vendor that provides 34628
the nine hundred telephone service; if two or more persons are 34629
engaged in business at the same place of business under a single 34630
trade name in which all collections on account of sales by each 34631
are made, such persons shall constitute a single vendor. 34632

Physicians, dentists, hospitals, and veterinarians who are 34633
engaged in selling tangible personal property as received from 34634
others, such as eyeglasses, mouthwashes, dentifrices, or similar 34635
articles, are vendors. Veterinarians who are engaged in 34636
transferring to others for a consideration drugs, the dispensing 34637
of which does not require an order of a licensed veterinarian or 34638
physician under federal law, are vendors. 34639

(D)(1) "Consumer" means the person for whom the service is 34640
provided, to whom the transfer effected or license given by a sale 34641

is or is to be made or given, to whom the service described in 34642
division (B)(3)(f) or (i) of this section is charged, or to whom 34643
the admission is granted. 34644

(2) Physicians, dentists, hospitals, and blood banks operated 34645
by nonprofit institutions and persons licensed to practice 34646
veterinary medicine, surgery, and dentistry are consumers of all 34647
tangible personal property and services purchased by them in 34648
connection with the practice of medicine, dentistry, the rendition 34649
of hospital or blood bank service, or the practice of veterinary 34650
medicine, surgery, and dentistry. In addition to being consumers 34651
of drugs administered by them or by their assistants according to 34652
their direction, veterinarians also are consumers of drugs that 34653
under federal law may be dispensed only by or upon the order of a 34654
licensed veterinarian or physician, when transferred by them to 34655
others for a consideration to provide treatment to animals as 34656
directed by the veterinarian. 34657

(3) A person who performs a facility management, or similar 34658
service contract for a contractee is a consumer of all tangible 34659
personal property and services purchased for use in connection 34660
with the performance of such contract, regardless of whether title 34661
to any such property vests in the contractee. The purchase of such 34662
property and services is not subject to the exception for resale 34663
under division (E)(1) of this section. 34664

(4)(a) In the case of a person who purchases printed matter 34665
for the purpose of distributing it or having it distributed to the 34666
public or to a designated segment of the public, free of charge, 34667
that person is the consumer of that printed matter, and the 34668
purchase of that printed matter for that purpose is a sale. 34669

(b) In the case of a person who produces, rather than 34670
purchases, printed matter for the purpose of distributing it or 34671
having it distributed to the public or to a designated segment of 34672
the public, free of charge, that person is the consumer of all 34673

tangible personal property and services purchased for use or 34674
consumption in the production of that printed matter. That person 34675
is not entitled to claim exception under division (E)(8) of this 34676
section for any material incorporated into the printed matter or 34677
any equipment, supplies, or services primarily used to produce the 34678
printed matter. 34679

(c) The distribution of printed matter to the public or to a 34680
designated segment of the public, free of charge, is not a sale to 34681
the members of the public to whom the printed matter is 34682
distributed or to any persons who purchase space in the printed 34683
matter for advertising or other purposes. 34684

(5) A person who makes sales of any of the services listed in 34685
division (B)(3) of this section is the consumer of any tangible 34686
personal property used in performing the service. The purchase of 34687
that property is not subject to the resale exception under 34688
division (E)(1) of this section. 34689

(E) "Retail sale" and "sales at retail" include all sales 34690
except those in which the purpose of the consumer is: 34691

(1) To resell the thing transferred or benefit of the service 34692
provided, by a person engaging in business, in the form in which 34693
the same is, or is to be, received by the person; 34694

(2) To incorporate the thing transferred as a material or a 34695
part, into tangible personal property to be produced for sale by 34696
manufacturing, assembling, processing, or refining, or to use or 34697
consume the thing transferred directly in producing a product for 34698
sale by mining, including without limitation the extraction from 34699
the earth of all substances ~~which~~ that are classed geologically as 34700
minerals, production of crude oil and natural gas, farming, 34701
agriculture, horticulture, or floriculture, and persons engaged in 34702
rendering farming, agricultural, horticultural, or floricultural 34703
services, and services in the exploration for, and production of, 34704

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crude oil and natural gas, for others are deemed engaged directly 34705
in farming, agriculture, horticulture, and floriculture, or 34706
exploration for, and production of, crude oil and natural gas; 34707
directly in the rendition of a public utility service, except that 34708
the sales tax levied by section 5739.02 of the Revised Code shall 34709
be collected upon all meals, drinks, and food for human 34710
consumption sold upon Pullman and railroad coaches. This paragraph 34711
does not exempt or except from "retail sale" or "sales at retail" 34712
the sale of tangible personal property that is to be incorporated 34713
into a structure or improvement to real property. 34714

(3) To hold the thing transferred as security for the 34715
performance of an obligation of the vendor; 34716

(4) To use or consume the thing transferred in the process of 34717
reclamation as required by Chapters 1513. and 1514. of the Revised 34718
Code; 34719

(5) To resell, hold, use, or consume the thing transferred as 34720
evidence of a contract of insurance; 34721

(6) To use or consume the thing directly in commercial 34722
fishing; 34723

(7) To incorporate the thing transferred as a material or a 34724
part into, or to use or consume the thing transferred directly in 34725
the production of, magazines distributed as controlled circulation 34726
publications; 34727

(8) To use or consume the thing transferred in the production 34728
and preparation in suitable condition for market and sale of 34729
printed, imprinted, overprinted, lithographic, multilithic, 34730
blueprinted, photostatic, or other productions or reproductions of 34731
written or graphic matter; 34732

(9) To use the thing transferred, as described in section 34733
5739.011 of the Revised Code, primarily in a manufacturing 34734
operation to produce tangible personal property for sale; 34735

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(10) To use the benefit of a warranty, maintenance or service contract, or similar agreement, as defined in division (B)(7) of this section, to repair or maintain tangible personal property, if all of the property that is the subject of the warranty, contract, or agreement would be exempt on its purchase from the tax imposed by section 5739.02 of the Revised Code;

(11) To use the thing transferred as qualified research and development equipment;

(12) To use or consume the thing transferred primarily in storing, transporting, mailing, or otherwise handling purchased sales inventory in a warehouse, distribution center, or similar facility when the inventory is primarily distributed outside this state to retail stores of the person who owns or controls the warehouse, distribution center, or similar facility, to retail stores of an affiliated group of which that person is a member, or by means of direct marketing. Division (E)(12) of this section does not apply to motor vehicles registered for operation on the public highways. As used in division (E)(12) of this section, "affiliated group" has the same meaning as in division (B)(3)(e) of this section and "direct marketing" has the same meaning as in division (B)(37) of section 5739.02 of the Revised Code.

(13) To use or consume the thing transferred to fulfill a contractual obligation incurred by a warrantor pursuant to a warranty provided as a part of the price of the tangible personal property sold or by a vendor of a warranty, maintenance or service contract, or similar agreement the provision of which is defined as a sale under division (B)(7) of this section;

(14) To use or consume the thing transferred in the production of a newspaper for distribution to the public;

(15) To use tangible personal property to perform a service listed in division (B)(3) of this section, if the property is or

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is to be permanently transferred to the consumer of the service as 34767
an integral part of the performance of the service. 34768

As used in division (E) of this section, "thing" includes all 34769
transactions included in divisions (B)(3)(a), (b), and (e) of this 34770
section. 34771

Sales conducted through a coin-operated device that activates 34772
vacuum equipment or equipment that dispenses water, whether or not 34773
in combination with soap or other cleaning agents or wax, to the 34774
consumer for the consumer's use on the premises in washing, 34775
cleaning, or waxing a motor vehicle, provided no other personal 34776
property or personal service is provided as part of the 34777
transaction, are not retail sales or sales at retail. 34778

(F) "Business" includes any activity engaged in by any person 34779
with the object of gain, benefit, or advantage, either direct or 34780
indirect. "Business" does not include the activity of a person in 34781
managing and investing the person's own funds. 34782

(G) "Engaging in business" means commencing, conducting, or 34783
continuing in business, and liquidating a business when the 34784
liquidator thereof holds ~~self~~ itself out to the public as 34785
conducting such business. Making a casual sale is not engaging in 34786
business. 34787

(H)(1) "Price," except as provided in divisions (H)(2) and 34788
(3) of this section, means the aggregate value in money of 34789
anything paid or delivered, or promised to be paid or delivered, 34790
in the complete performance of a retail sale, without any 34791
deduction on account of the cost of the property sold, cost of 34792
materials used, labor or service cost, interest, discount paid or 34793
allowed after the sale is consummated, or any other expense. If 34794
the retail sale consists of the rental or lease of tangible 34795
personal property, "price" means the aggregate value in money of 34796
anything paid or delivered, or promised to be paid or delivered, 34797

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in the complete performance of the rental or lease, without any 34798
deduction for tax, interest, labor or service charge, damage 34799
liability waiver, termination or damage charge, discount paid or 34800
allowed after the lease is consummated, or any other expense. The 34801
sales tax shall be calculated and collected by the lessor on each 34802
payment made by the lessee. Price does not include the 34803
consideration received as a deposit refundable to the consumer 34804
upon return of a beverage container, the consideration received as 34805
a deposit on a carton or case that is used for such returnable 34806
containers, or the consideration received as a refundable security 34807
deposit for the use of tangible personal property to the extent 34808
that it actually is refunded, if the consideration for such 34809
refundable deposit is separately stated from the consideration 34810
received or to be received for the tangible personal property 34811
transferred in the retail sale. Such separation must appear in the 34812
sales agreement or on the initial invoice or initial billing 34813
rendered by the vendor to the consumer. Price is the amount 34814
received inclusive of the tax, provided the vendor establishes to 34815
the satisfaction of the tax commissioner that the tax was added to 34816
the price. When the price includes both a charge for tangible 34817
personal property and a charge for providing a service and the 34818
sale of the property and the charge for the service are separately 34819
taxable, or have a separately determinable tax status, the price 34820
shall be separately stated for each such charge so the tax can be 34821
correctly computed and charged. 34822

The tax collected by the vendor from the consumer under this 34823
chapter is not part of the price, but is a tax collection for the 34824
benefit of the state and of counties levying an additional sales 34825
tax pursuant to section 5739.021 or 5739.026 of the Revised Code 34826
and of transit authorities levying an additional sales tax 34827
pursuant to section 5739.023 of the Revised Code. Except for the 34828
discount authorized in section 5739.12 of the Revised Code, no 34829

person other than the state or such a county or transit authority 34830
shall derive any benefit from the collection or payment of such 34831
tax. 34832

(2) In the case of a sale of any new motor vehicle by a new 34833
motor vehicle dealer, as defined in section 4517.01 of the Revised 34834
Code, in which another motor vehicle is accepted by the dealer as 34835
part of the consideration received, "price" has the same meaning 34836
as in division (H)(1) of this section, reduced by the credit 34837
afforded the consumer by the dealer for the motor vehicle received 34838
in trade. 34839

(3) In the case of a sale of any watercraft or outboard motor 34840
by a watercraft dealer licensed in accordance with section 34841
1547.543 of the Revised Code, in which another watercraft, 34842
watercraft and trailer, or outboard motor is accepted by the 34843
dealer as part of the consideration received, "price" has the same 34844
meaning as in division (H)(1) of this section, reduced by the 34845
credit afforded the consumer by the dealer for the watercraft, 34846
watercraft and trailer, or outboard motor received in trade. As 34847
used in division (H)(3) of this section, "watercraft" includes an 34848
outdrive unit attached to the watercraft. 34849

(I) "Receipts" means the total amount of the prices of the 34850
sales of vendors, provided that cash discounts allowed and taken 34851
on sales at the time they are consummated are not included, minus 34852
any amount deducted as a bad debt pursuant to section 5739.121 of 34853
the Revised Code. "Receipts" does not include the sale price of 34854
property returned or services rejected by consumers when the full 34855
sale price and tax are refunded either in cash or by credit. 34856

(J) "Place of business" means any location at which a person 34857
engages in business. 34858

(K) "Premises" includes any real property or portion thereof 34859
upon which any person engages in selling tangible personal 34860

property at retail or making retail sales and also includes any 34861
real property or portion thereof designated for, or devoted to, 34862
use in conjunction with the business engaged in by such person. 34863

(L) "Casual sale" means a sale of an item of tangible 34864
personal property ~~which~~ that was obtained by the person making the 34865
sale, through purchase or otherwise, for the person's own use in 34866
this state and ~~which~~ was previously subject to any state's taxing 34867
jurisdiction on its sale or use, and includes such items acquired 34868
for the seller's use ~~which~~ that are sold by an auctioneer employed 34869
directly by the person for such purpose, provided the location of 34870
such sales is not the auctioneer's permanent place of business. As 34871
used in this division, "permanent place of business" includes any 34872
location where such auctioneer has conducted more than two 34873
auctions during the year. 34874

(M) "Hotel" means every establishment kept, used, maintained, 34875
advertised, or held out to the public to be a place where sleeping 34876
accommodations are offered to guests⁷. "Hotel" includes only those 34877
establishments in which five or more rooms are used for the 34878
accommodation of such guests, whether ~~such~~ the rooms are in one or 34879
several structures, except as specified by a board of county 34880
commissioners, a board of township trustees, or the legislative 34881
authority of a municipal corporation as provided in division (G) 34882
of section 5739.024 of the Revised Code. 34883

(N) "Transient guests" means persons occupying a room or 34884
rooms for sleeping accommodations for less than thirty consecutive 34885
days. 34886

(O) "Making retail sales" means the effecting of transactions 34887
wherein one party is obligated to pay the price and the other 34888
party is obligated to provide a service or to transfer title to or 34889
possession of the item sold. "Making retail sales" does not 34890
include the preliminary acts of promoting or soliciting the retail 34891
sales, other than the distribution of printed matter which 34892

displays or describes and prices the item offered for sale, nor
does it include delivery of a predetermined quantity of tangible
personal property or transportation of property or personnel to or
from a place where a service is performed, regardless of whether
the vendor is a delivery vendor.

(P) "Used directly in the rendition of a public utility
service" means that property which is to be incorporated into and
will become a part of the consumer's production, transmission,
transportation, or distribution system and ~~which~~ that retains its
classification as tangible personal property after such
incorporation; fuel or power used in the production, transmission,
transportation, or distribution system; and tangible personal
property used in the repair and maintenance of the production,
transmission, transportation, or distribution system, including
only such motor vehicles as are specially designed and equipped
for such use. Tangible personal property and services used
primarily in providing highway transportation for hire are not
used in providing a public utility service as defined in this
division.

(Q) "Refining" means removing or separating a desirable
product from raw or contaminated materials by distillation or
physical, mechanical, or chemical processes.

(R) "Assembly" and "assembling" mean attaching or fitting
together parts to form a product, but do not include packaging a
product.

(S) "Manufacturing operation" means a process in which
materials are changed, converted, or transformed into a different
state or form from which they previously existed and includes
refining materials, assembling parts, and preparing raw materials
and parts by mixing, measuring, blending, or otherwise committing
such materials or parts to the manufacturing process.
"Manufacturing operation" does not include packaging.

(T) "Fiscal officer" means, with respect to a regional transit authority, the secretary-treasurer thereof, and with respect to a county ~~which~~ that is a transit authority, the fiscal officer of the county transit board if one is appointed pursuant to section 306.03 of the Revised Code or the county auditor if the board of county commissioners operates the county transit system.

(U) "Transit authority" means a regional transit authority created pursuant to section 306.31 of the Revised Code or a county in which a county transit system is created pursuant to section 306.01 of the Revised Code. For the purposes of this chapter, a transit authority must extend to at least the entire area of a single county. A transit authority ~~which~~ that includes territory in more than one county must include all the area of the most populous county ~~which~~ that is a part of such transit authority. County population shall be measured by the most recent census taken by the United States census bureau.

(V) "Legislative authority" means, with respect to a regional transit authority, the board of trustees thereof, and with respect to a county ~~which~~ that is a transit authority, the board of county commissioners.

(W) "Territory of the transit authority" means all of the area included within the territorial boundaries of a transit authority as they from time to time exist. Such territorial boundaries must at all times include all the area of a single county or all the area of the most populous county ~~which~~ that is a part of such transit authority. County population shall be measured by the most recent census taken by the United States census bureau.

(X) "Providing a service" means providing or furnishing anything described in division (B)(3) of this section for consideration.

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(Y)(1)(a) "Automatic data processing" means processing of others' data, including keypunching or similar data entry services together with verification thereof, or providing access to computer equipment for the purpose of processing data.

(b) "Computer services" means providing services consisting of specifying computer hardware configurations and evaluating technical processing characteristics, computer programming, and training of computer programmers and operators, provided in conjunction with and to support the sale, lease, or operation of taxable computer equipment or systems.

(c) "Electronic information services" means providing access to computer equipment by means of telecommunications equipment for the purpose of either of the following:

(i) Examining or acquiring data stored in or accessible to the computer equipment;

(ii) Placing data into the computer equipment to be retrieved by designated recipients with access to the computer equipment.

(d) "Automatic data processing, computer services, or electronic information services" shall not include personal or professional services.

(2) As used in divisions (B)(3)(e) and (Y)(1) of this section, "personal and professional services" means all services other than automatic data processing, computer services, or electronic information services, including but not limited to:

(a) Accounting and legal services such as advice on tax matters, asset management, budgetary matters, quality control, information security, and auditing and any other situation where the service provider receives data or information and studies, alters, analyzes, interprets, or adjusts such material;

(b) Analyzing business policies and procedures;	34986
(c) Identifying management information needs;	34987
(d) Feasibility studies, including economic and technical analysis of existing or potential computer hardware or software needs and alternatives;	34988 34989 34990
(e) Designing policies, procedures, and custom software for collecting business information, and determining how data should be summarized, sequenced, formatted, processed, controlled, and reported so that it will be meaningful to management;	34991 34992 34993 34994
(f) Developing policies and procedures that document how business events and transactions are to be authorized, executed, and controlled;	34995 34996 34997
(g) Testing of business procedures;	34998
(h) Training personnel in business procedure applications;	34999
(i) Providing credit information to users of such information by a consumer reporting agency, as defined in the "Fair Credit Reporting Act," 84 Stat. 1114, 1129 (1970), 15 U.S.C. 1681a(f), or as hereafter amended, including but not limited to gathering, organizing, analyzing, recording, and furnishing such information by any oral, written, graphic, or electronic medium;	35000 35001 35002 35003 35004 35005
(j) Providing debt collection services by any oral, written, graphic, or electronic means.	35006 35007
The services listed in divisions (Y)(2)(a) to (j) of this section are not automatic data processing or computer services.	35008 35009
(Z) "Highway transportation for hire" means the transportation of personal property belonging to others for consideration by any of the following:	35010 35011 35012
(1) The holder of a permit or certificate issued by this state or the United States authorizing the holder to engage in	35013 35014

transportation of personal property belonging to others for 35015
consideration over or on highways, roadways, streets, or any 35016
similar public thoroughfare; 35017

(2) A person who engages in the transportation of personal 35018
property belonging to others for consideration over or on 35019
highways, roadways, streets, or any similar public thoroughfare 35020
but who could not have engaged in such transportation on December 35021
11, 1985, unless the person was the holder of a permit or 35022
certificate of the types described in division (Z)(1) of this 35023
section; 35024

(3) A person who leases a motor vehicle to and operates it 35025
for a person described by division (Z)(1) or (2) of this section. 35026

(AA) "Telecommunications service" means the transmission of 35027
any interactive, two-way electromagnetic communications, including 35028
voice, image, data, and information, through the use of any medium 35029
such as wires, cables, microwaves, cellular radio, radio waves, 35030
light waves, or any combination of those or similar media. 35031
"Telecommunications service" includes message toll service even 35032
though the vendor provides the message toll service by means of 35033
wide area transmission type service or private communications 35034
service purchased from another telecommunications service 35035
provider, but does not include any of the following: 35036

(1) Sales of incoming or outgoing wide area transmission 35037
service or wide area transmission type service, including eight 35038
hundred or eight-hundred-type service, to the person contracting 35039
for the receipt of that service; 35040

(2) Sales of private communications service to the person 35041
contracting for the receipt of that service that entitles the 35042
purchaser to exclusive or priority use of a communications channel 35043
or group of channels between exchanges; 35044

(3) Sales of telecommunications service by companies subject 35045

to the excise tax imposed by Chapter 5727. of the Revised Code; 35046

(4) Sales of telecommunications service to a provider of 35047
telecommunications service, including access services, for use in 35048
providing telecommunications service; 35049

(5) Value-added nonvoice services in which computer 35050
processing applications are used to act on the form, content, 35051
code, or protocol of the information to be transmitted; 35052

(6) Transmission of interactive video programming by a cable 35053
television system as defined in section 505.90 of the Revised 35054
Code. 35055

(BB) "Industrial laundry cleaning services" means removing 35056
soil or dirt from or supplying towels, linens, or articles of 35057
clothing that belong to others and are used in a trade or 35058
business. 35059

(CC) "Magazines distributed as controlled circulation 35060
publications" means magazines containing at least twenty-four 35061
pages, at least twenty-five per cent editorial content, issued at 35062
regular intervals four or more times a year, and circulated 35063
without charge to the recipient, provided that such magazines are 35064
not owned or controlled by individuals or business concerns which 35065
conduct such publications as an auxiliary to, and essentially for 35066
the advancement of the main business or calling of, those who own 35067
or control them. 35068

(DD) "Landscaping and lawn care service" means the services 35069
of planting, seeding, sodding, removing, cutting, trimming, 35070
pruning, mulching, aerating, applying chemicals, watering, 35071
fertilizing, and providing similar services to establish, promote, 35072
or control the growth of trees, shrubs, flowers, grass, ground 35073
cover, and other flora, or otherwise maintaining a lawn or 35074
landscape grown or maintained by the owner for ornamentation or 35075
other nonagricultural purpose. However, "landscaping and lawn care 35076

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service" does not include the providing of such services by a 35077
person who has less than five thousand dollars in sales of such 35078
services during the calendar year. 35079

(EE) "Private investigation and security service" means the 35080
performance of any activity for which the provider of such service 35081
is required to be licensed pursuant to Chapter 4749. of the 35082
Revised Code, or would be required to be so licensed in performing 35083
such services in this state, and also includes the services of 35084
conducting polygraph examinations and of monitoring or overseeing 35085
the activities on or in, or the condition of, the consumer's home, 35086
business, or other facility by means of electronic or similar 35087
monitoring devices. "Private investigation and security service" 35088
does not include special duty services provided by off-duty police 35089
officers, deputy sheriffs, and other peace officers regularly 35090
employed by the state or a political subdivision. 35091

(FF) "Information services" means providing conversation, 35092
giving consultation or advice, playing or making a voice or other 35093
recording, making or keeping a record of the number of callers, 35094
and any other service provided to a consumer by means of a nine 35095
hundred telephone call, except when the nine hundred telephone 35096
call is the means by which the consumer makes a contribution to a 35097
recognized charity. 35098

(GG) "Research and development" means designing, creating, or 35099
formulating new or enhanced products, equipment, or manufacturing 35100
processes, and conducting scientific or technological inquiry and 35101
experimentation in the physical sciences with the goal of 35102
increasing scientific knowledge which may reveal the bases for new 35103
or enhanced products, equipment, or manufacturing processes. 35104
35105

(HH) "Qualified research and development equipment" means 35106
capitalized tangible personal property, and leased personal 35107
property that would be capitalized if purchased, used by a person 35108

primarily to perform research and development. Tangible personal
property primarily used in testing, as defined in division (A)(4)
of section 5739.011 of the Revised Code, or used for recording or
storing test results, is not qualified research and development
equipment unless such property is primarily used by the consumer
in testing the product, equipment, or manufacturing process being
created, designed, or formulated by the consumer in the research
and development activity or in recording or storing such test
results.

(II) "Building maintenance and janitorial service" means
cleaning the interior or exterior of a building and any tangible
personal property located therein or thereon, including any
services incidental to such cleaning for which no separate charge
is made. However, "building maintenance and janitorial service"
does not include the providing of such service by a person who has
less than five thousand dollars in sales of such service during
the calendar year.

(JJ) "Employment service" means providing or supplying
personnel, on a temporary or long-term basis, to perform work or
labor under the supervision or control of another, when the
personnel so supplied receive their wages, salary, or other
compensation from the provider of the service. "Employment
service" does not include:

(1) Acting as a contractor or subcontractor, where the
personnel performing the work are not under the direct control of
the purchaser.

(2) Medical and health care services.

(3) Supplying personnel to a purchaser pursuant to a contract
of at least one year between the service provider and the
purchaser that specifies that each employee covered under the
contract is assigned to the purchaser on a permanent basis.

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(4) Transactions between members of an affiliated group, as 35140
defined in division (B)(3)(e) of this section. 35141

(KK) "Employment placement service" means locating or finding 35142
employment for a person or finding or locating an employee to fill 35143
an available position. 35144

(LL) "Exterminating service" means eradicating or attempting 35145
to eradicate vermin infestations from a building or structure, or 35146
the area surrounding a building or structure, and includes 35147
activities to inspect, detect, or prevent vermin infestation of a 35148
building or structure. 35149

(MM) "Physical fitness facility service" means all 35150
transactions by which a membership is granted, maintained, or 35151
renewed, including initiation fees, membership dues, renewal fees, 35152
monthly minimum fees, and other similar fees and dues, by a 35153
physical fitness facility such as an athletic club, health spa, or 35154
gymnasium, which entitles the member to use the facility for 35155
physical exercise. 35156

(NN) "Recreation and sports club service" means all 35157
transactions by which a membership is granted, maintained, or 35158
renewed, including initiation fees, membership dues, renewal fees, 35159
monthly minimum fees, and other similar fees and dues, by a 35160
recreation and sports club, which entitles the member to use the 35161
facilities of the organization. "Recreation and sports club" means 35162
an organization that has ownership of, or controls or leases on a 35163
continuing, long-term basis, the facilities used by its members 35164
and includes an aviation club, gun or shooting club, yacht club, 35165
card club, swimming club, tennis club, golf club, country club, 35166
riding club, amateur sports club, or similar organization. 35167

(OO) "Livestock" means farm animals commonly raised for food 35168
or food production, and includes but is not limited to cattle, 35169
sheep, goats, swine, and poultry. "Livestock" does not include 35170

invertebrates, fish, amphibians, reptiles, horses, domestic pets, 35171
animals for use in laboratories or for exhibition, or other 35172
animals not commonly raised for food or food production. 35173

(PP) "Livestock structure" means a building or structure used 35174
exclusively for the housing, raising, feeding, or sheltering of 35175
livestock, and includes feed storage or handling structures and 35176
structures for livestock waste handling. 35177

(QQ) "Horticulture" means the growing, cultivation, and 35178
production of flowers, fruits, herbs, vegetables, sod, mushrooms, 35179
and nursery stock. As used in this division, "nursery stock" has 35180
the same meaning as in section 927.51 of the Revised Code. 35181

(RR) "Horticulture structure" means a building or structure 35182
used exclusively for the commercial growing, raising, or 35183
overwintering of horticultural products, and includes the area 35184
used for stocking, storing, and packing horticultural products 35185
when done in conjunction with the production of those products. 35186

(SS) "Newspaper" means an unbound publication bearing a title 35187
or name that is regularly published, at least as frequently as 35188
biweekly, and distributed from a fixed place of business to the 35189
public in a specific geographic area, and that contains a 35190
substantial amount of news matter of international, national, or 35191
local events of interest to the general public. 35192

(TT) "Professional racing team" means a person that employs 35193
at least twenty full-time employees for the purpose of conducting 35194
a motor vehicle racing business for profit. The person must 35195
conduct the business with the purpose of racing one or more motor 35196
racing vehicles in at least ten competitive professional racing 35197
events each year that comprise all or part of a motor racing 35198
series sanctioned by one or more motor racing sanctioning 35199
organizations. A "motor racing vehicle" means a vehicle for which 35200
the chassis, engine, and parts are designed exclusively for motor 35201

racing, and does not include a stock or production model vehicle 35202
that may be modified for use in racing. For the purposes of this 35203
division: 35204

(1) A "competitive professional racing event" is a motor 35205
vehicle racing event sanctioned by one or more motor racing 35206
sanctioning organizations, at which aggregate cash prizes in 35207
excess of eight hundred thousand dollars are awarded to the 35208
competitors. 35209

(2) "Full-time employee" means an individual who is employed 35210
for consideration for thirty-five or more hours a week, or who 35211
renders any other standard of service generally accepted by custom 35212
or specified by contract as full-time employment. 35213

(UU)(1) "Prepaid authorization number" means a numeric or 35214
alphanumeric combination that represents a prepaid account that 35215
can be used by the account holder solely to obtain 35216
telecommunications service, and includes any renewals or increases 35217
in the prepaid account. 35218

(2) "Prepaid telephone calling card" means a tangible item 35219
that contains a prepaid authorization number that can be used 35220
solely to obtain telecommunications service, and includes any 35221
renewals or increases in the prepaid account. 35222

Sec. 5739.02. For the purpose of providing revenue with which 35223
to meet the needs of the state, for the use of the general revenue 35224
fund of the state, for the purpose of securing a thorough and 35225
efficient system of common schools throughout the state, for the 35226
purpose of affording revenues, in addition to those from general 35227
property taxes, permitted under constitutional limitations, and 35228
from other sources, for the support of local governmental 35229
functions, and for the purpose of reimbursing the state for the 35230
expense of administering this chapter, an excise tax is hereby 35231
levied on each retail sale made in this state. 35232

(A) The tax shall be collected pursuant to the schedules in 35233
section 5739.025 of the Revised Code. 35234

The tax applies and is collectible when the sale is made, 35235
regardless of the time when the price is paid or delivered. 35236

In the case of a sale, the price of which consists in whole 35237
or in part of rentals for the use of the thing transferred, the 35238
tax, as regards such rentals, shall be measured by the 35239
installments thereof. 35240

In the case of a sale of a service defined under division 35241
(MM) or (NN) of section 5739.01 of the Revised Code, the price of 35242
which consists in whole or in part of a membership for the receipt 35243
of the benefit of the service, the tax applicable to the sale 35244
shall be measured by the installments thereof. 35245

(B) The tax does not apply to the following: 35246

(1) Sales to the state or any of its political subdivisions, 35247
or to any other state or its political subdivisions if the laws of 35248
that state exempt from taxation sales made to this state and its 35249
political subdivisions; 35250

(2) Sales of food for human consumption off the premises 35251
where sold; 35252

(3) Sales of food sold to students only in a cafeteria, 35253
dormitory, fraternity, or sorority maintained in a private, 35254
public, or parochial school, college, or university; 35255

(4) Sales of newspapers, and of magazine subscriptions 35256
shipped by second class mail, and sales or transfers of magazines 35257
distributed as controlled circulation publications; 35258

(5) The furnishing, preparing, or serving of meals without 35259
charge by an employer to an employee provided the employer records 35260
the meals as part compensation for services performed or work 35261
done; 35262

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(6) Sales of motor fuel upon receipt, use, distribution, or sale of which in this state a tax is imposed by the law of this state, but this exemption shall not apply to the sale of motor fuel on which a refund of the tax is allowable under section 5735.14 of the Revised Code; and the tax commissioner may deduct the amount of tax levied by this section applicable to the price of motor fuel when granting a refund of motor fuel tax pursuant to section 5735.14 of the Revised Code and shall cause the amount deducted to be paid into the general revenue fund of this state;

(7) Sales of natural gas by a natural gas company, of water by a water-works company, or of steam by a heating company, if in each case the thing sold is delivered to consumers through pipes or conduits, and all sales of communications services by a telephone or telegraph company, all terms as defined in section 5727.01 of the Revised Code;

(8) Casual sales by a person, or auctioneer employed directly by the person to conduct such sales, except as to such sales of motor vehicles, watercraft or outboard motors required to be titled under section 1548.06 of the Revised Code, watercraft documented with the United States coast guard, snowmobiles, and all-purpose vehicles as defined in section 4519.01 of the Revised Code;

(9) Sales of services or tangible personal property, other than motor vehicles, mobile homes, and manufactured homes, by churches, organizations exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986, or nonprofit organizations operated exclusively for charitable purposes as defined in division (B)(12) of this section, provided that the number of days on which such tangible personal property or services, other than items never subject to the tax, are sold does not exceed six in any calendar year. If the number of days on which such sales are made exceeds six in any calendar year, the

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church or organization shall be considered to be engaged in 35295
business and all subsequent sales by it shall be subject to the 35296
tax. In counting the number of days, all sales by groups within a 35297
church or within an organization shall be considered to be sales 35298
of that church or organization, except that sales made by separate 35299
student clubs and other groups of students of a primary or 35300
secondary school, and sales made by a parent-teacher association, 35301
booster group, or similar organization that raises money to 35302
support or fund curricular or extracurricular activities of a 35303
primary or secondary school, shall not be considered to be sales 35304
of such school, and sales by each such club, group, association, 35305
or organization shall be counted separately for purposes of the 35306
six-day limitation. This division does not apply to sales by a 35307
noncommercial educational radio or television broadcasting 35308
station. 35309

(10) Sales not within the taxing power of this state under 35310
the Constitution of the United States; 35311

(11) The transportation of persons or property, unless the 35312
transportation is by a private investigation and security service; 35313

(12) Sales of tangible personal property or services to 35314
churches, to organizations exempt from taxation under section 35315
501(c)(3) of the Internal Revenue Code of 1986, and to any other 35316
nonprofit organizations operated exclusively for charitable 35317
purposes in this state, no part of the net income of which inures 35318
to the benefit of any private shareholder or individual, and no 35319
substantial part of the activities of which consists of carrying 35320
on propaganda or otherwise attempting to influence legislation; 35321
sales to offices administering one or more homes for the aged or 35322
one or more hospital facilities exempt under section 140.08 of the 35323
Revised Code; and sales to organizations described in division (D) 35324
of section 5709.12 of the Revised Code. 35325

"Charitable purposes" means the relief of poverty; the 35326

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improvement of health through the alleviation of illness, disease, 35327
or injury; the operation of an organization exclusively for the 35328
provision of professional, laundry, printing, and purchasing 35329
services to hospitals or charitable institutions; the operation of 35330
a home for the aged, as defined in section 5701.13 of the Revised 35331
Code; the operation of a radio or television broadcasting station 35332
that is licensed by the federal communications commission as a 35333
noncommercial educational radio or television station; the 35334
operation of a nonprofit animal adoption service or a county 35335
humane society; the promotion of education by an institution of 35336
learning that maintains a faculty of qualified instructors, 35337
teaches regular continuous courses of study, and confers a 35338
recognized diploma upon completion of a specific curriculum; the 35339
operation of a parent-teacher association, booster group, or 35340
similar organization primarily engaged in the promotion and 35341
support of the curricular or extracurricular activities of a 35342
primary or secondary school; the operation of a community or area 35343
center in which presentations in music, dramatics, the arts, and 35344
related fields are made in order to foster public interest and 35345
education therein; the production of performances in music, 35346
dramatics, and the arts; or the promotion of education by an 35347
organization engaged in carrying on research in, or the 35348
dissemination of, scientific and technological knowledge and 35349
information primarily for the public. 35350

Nothing in this division shall be deemed to exempt sales to 35351
any organization for use in the operation or carrying on of a 35352
trade or business, or sales to a home for the aged for use in the 35353
operation of independent living facilities as defined in division 35354
(A) of section 5709.12 of the Revised Code. 35355

(13) Building and construction materials and services sold to 35356
construction contractors for incorporation into a structure or 35357
improvement to real property under a construction contract with 35358

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this state or a political subdivision thereof, or with the United States government or any of its agencies; building and construction materials and services sold to construction contractors for incorporation into a structure or improvement to real property that are accepted for ownership by this state or any of its political subdivisions, or by the United States government or any of its agencies at the time of completion of such structures or improvements; building and construction materials sold to construction contractors for incorporation into a horticulture structure or livestock structure for a person engaged in the business of horticulture or producing livestock; building materials and services sold to a construction contractor for incorporation into a house of public worship or religious education, or a building used exclusively for charitable purposes under a construction contract with an organization whose purpose is as described in division (B)(12) of this section; building materials and services sold to a construction contractor for incorporation into a building under a construction contract with an organization exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 when the building is to be used exclusively for the organization's exempt purposes; building and construction materials sold for incorporation into the original construction of a sports facility under section 307.696 of the Revised Code; and building and construction materials and services sold to a construction contractor for incorporation into real property outside this state if such materials and services, when sold to a construction contractor in the state in which the real property is located for incorporation into real property in that state, would be exempt from a tax on sales levied by that state;

(14) Sales of ships or vessels or rail rolling stock used or to be used principally in interstate or foreign commerce, and repairs, alterations, fuel, and lubricants for such ships or

vessels or rail rolling stock; 35391

(15) Sales to persons engaged in any of the activities 35392
mentioned in division (E)(2) or (9) of section 5739.01 of the 35393
Revised Code, to persons engaged in making retail sales, or to 35394
persons who purchase for sale from a manufacturer tangible 35395
personal property that was produced by the manufacturer in 35396
accordance with specific designs provided by the purchaser, of 35397
packages, including material, labels, and parts for packages, and 35398
of machinery, equipment, and material for use primarily in 35399
packaging tangible personal property produced for sale, including 35400
any machinery, equipment, and supplies used to make labels or 35401
packages, to prepare packages or products for labeling, or to 35402
label packages or products, by or on the order of the person doing 35403
the packaging, or sold at retail. "Packages" includes bags, 35404
baskets, cartons, crates, boxes, cans, bottles, bindings, 35405
wrappings, and other similar devices and containers, and 35406
"packaging" means placing therein. 35407

(16) Sales of food to persons using food stamp ~~coupons~~ 35408
benefits to purchase the food. As used in division (B)(16) of this 35409
section, "food" has the same meaning as in the "Food Stamp Act of 35410
1977," 91 Stat. 958, 7 U.S.C. 2012, as amended, and federal 35411
regulations adopted pursuant to that act. 35412

(17) Sales to persons engaged in farming, agriculture, 35413
horticulture, or floriculture, of tangible personal property for 35414
use or consumption directly in the production by farming, 35415
agriculture, horticulture, or floriculture of other tangible 35416
personal property for use or consumption directly in the 35417
production of tangible personal property for sale by farming, 35418
agriculture, horticulture, or floriculture; or material and parts 35419
for incorporation into any such tangible personal property for use 35420
or consumption in production; and of tangible personal property 35421
for such use or consumption in the conditioning or holding of 35422

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products produced by and for such use, consumption, or sale by 35423
persons engaged in farming, agriculture, horticulture, or 35424
floriculture, except where such property is incorporated into real 35425
property; 35426

(18) Sales of drugs dispensed by a licensed pharmacist upon 35427
the order of a licensed health professional authorized to 35428
prescribe drugs to a human being, as the term "licensed health 35429
professional authorized to prescribe drugs" is defined in section 35430
4729.01 of the Revised Code; insulin as recognized in the official 35431
United States pharmacopoeia; urine and blood testing materials 35432
when used by diabetics or persons with hypoglycemia to test for 35433
glucose or acetone; hypodermic syringes and needles when used by 35434
diabetics for insulin injections; epoetin alfa when purchased for 35435
use in the treatment of persons with end-stage renal disease; 35436
hospital beds when purchased for use by persons with medical 35437
problems for medical purposes; and oxygen and oxygen-dispensing 35438
equipment when purchased for use by persons with medical problems 35439
for medical purposes; 35440

(19) Sales of artificial limbs or portion thereof, breast 35441
prostheses, and other prosthetic devices for humans; braces or 35442
other devices for supporting weakened or nonfunctioning parts of 35443
the human body; wheelchairs; devices used to lift wheelchairs into 35444
motor vehicles and parts and accessories to such devices; crutches 35445
or other devices to aid human perambulation; and items of tangible 35446
personal property used to supplement impaired functions of the 35447
human body such as respiration, hearing, or elimination. No 35448
exemption under this division shall be allowed for nonprescription 35449
drugs, medicines, or remedies; items or devices used to supplement 35450
vision; items or devices whose function is solely or primarily 35451
cosmetic; or physical fitness equipment. This division does not 35452
apply to sales to a physician or medical facility for use in the 35453
treatment of a patient. 35454

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(20) Sales of emergency and fire protection vehicles and equipment to nonprofit organizations for use solely in providing fire protection and emergency services, including trauma care and emergency medical services, for political subdivisions of the state;	35455 35456 35457 35458 35459
(21) Sales of tangible personal property manufactured in this state, if sold by the manufacturer in this state to a retailer for use in the retail business of the retailer outside of this state and if possession is taken from the manufacturer by the purchaser within this state for the sole purpose of immediately removing the same from this state in a vehicle owned by the purchaser;	35460 35461 35462 35463 35464 35465 35466
(22) Sales of services provided by the state or any of its political subdivisions, agencies, instrumentalities, institutions, or authorities, or by governmental entities of the state or any of its political subdivisions, agencies, instrumentalities, institutions, or authorities;	35467 35468 35469 35470 35471
(23) Sales of motor vehicles to nonresidents of this state upon the presentation of an affidavit executed in this state by the nonresident purchaser affirming that the purchaser is a nonresident of this state, that possession of the motor vehicle is taken in this state for the sole purpose of immediately removing it from this state, that the motor vehicle will be permanently titled and registered in another state, and that the motor vehicle will not be used in this state;	35472 35473 35474 35475 35476 35477 35478 35479
(24) Sales to persons engaged in the preparation of eggs for sale of tangible personal property used or consumed directly in such preparation, including such tangible personal property used for cleaning, sanitizing, preserving, grading, sorting, and classifying by size; packages, including material and parts for packages, and machinery, equipment, and material for use in packaging eggs for sale; and handling and transportation equipment	35480 35481 35482 35483 35484 35485 35486

and parts therefor, except motor vehicles licensed to operate on 35487
public highways, used in intraplant or interplant transfers or 35488
shipment of eggs in the process of preparation for sale, when the 35489
plant or plants within or between which such transfers or 35490
shipments occur are operated by the same person. "Packages" 35491
includes containers, cases, baskets, flats, fillers, filler flats, 35492
cartons, closure materials, labels, and labeling materials, and 35493
"packaging" means placing therein. 35494

(25)(a) Sales of water to a consumer for residential use, 35495
except the sale of bottled water, distilled water, mineral water, 35496
carbonated water, or ice; 35497

(b) Sales of water by a nonprofit corporation engaged 35498
exclusively in the treatment, distribution, and sale of water to 35499
consumers, if such water is delivered to consumers through pipes 35500
or tubing. 35501

(26) Fees charged for inspection or reinspection of motor 35502
vehicles under section 3704.14 of the Revised Code; 35503

(27) Sales to persons licensed to conduct a food service 35504
operation pursuant to section 3717.43 of the Revised Code, of 35505
tangible personal property primarily used directly for the 35506
following: 35507

(a) To prepare food for human consumption for sale; 35508

(b) To preserve food that has been or will be prepared for 35509
human consumption for sale by the food service operator, not 35510
including tangible personal property used to display food for 35511
selection by the consumer; 35512

(c) To clean tangible personal property used to prepare or 35513
serve food for human consumption for sale. 35514

(28) Sales of animals by nonprofit animal adoption services 35515
or county humane societies; 35516

(29) Sales of services to a corporation described in division	35517
(A) of section 5709.72 of the Revised Code, and sales of tangible	35518
personal property that qualifies for exemption from taxation under	35519
section 5709.72 of the Revised Code;	35520
(30) Sales and installation of agricultural land tile, as	35521
defined in division (B)(5)(a) of section 5739.01 of the Revised	35522
Code;	35523
(31) Sales and erection or installation of portable grain	35524
bins, as defined in division (B)(5)(b) of section 5739.01 of the	35525
Revised Code;	35526
(32) The sale, lease, repair, and maintenance of, parts for,	35527
or items attached to or incorporated in, motor vehicles that are	35528
primarily used for transporting tangible personal property by a	35529
person engaged in highway transportation for hire;	35530
(33) Sales to the state headquarters of any veterans'	35531
organization in Ohio that is either incorporated and issued a	35532
charter by the congress of the United States or is recognized by	35533
the United States veterans administration, for use by the	35534
headquarters;	35535
(34) Sales to a telecommunications service vendor of tangible	35536
personal property and services used directly and primarily in	35537
transmitting, receiving, switching, or recording any interactive,	35538
two-way electromagnetic communications, including voice, image,	35539
data, and information, through the use of any medium, including,	35540
but not limited to, poles, wires, cables, switching equipment,	35541
computers, and record storage devices and media, and component	35542
parts for the tangible personal property. The exemption provided	35543
in division (B)(34) of this section shall be in lieu of all other	35544
exceptions under division (E)(2) of section 5739.01 of the Revised	35545
Code to which a telecommunications service vendor may otherwise be	35546
entitled based upon the use of the thing purchased in providing	35547

the telecommunications service. 35548

(35) Sales of investment metal bullion and investment coins. 35549
"Investment metal bullion" means any elementary precious metal 35550
that has been put through a process of smelting or refining, 35551
including, but not limited to, gold, silver, platinum, and 35552
palladium, and which is in such state or condition that its value 35553
depends upon its content and not upon its form. "Investment metal 35554
bullion" does not include fabricated precious metal that has been 35555
processed or manufactured for one or more specific and customary 35556
industrial, professional, or artistic uses. "Investment coins" 35557
means numismatic coins or other forms of money and legal tender 35558
manufactured of gold, silver, platinum, palladium, or other metal 35559
under the laws of the United States or any foreign nation with a 35560
fair market value greater than any statutory or nominal value of 35561
such coins. 35562

(36)(a) Sales where the purpose of the consumer is to use or 35563
consume the things transferred in making retail sales and 35564
consisting of newspaper inserts, catalogues, coupons, flyers, gift 35565
certificates, or other advertising material that prices and 35566
describes tangible personal property offered for retail sale. 35567

(b) Sales to direct marketing vendors of preliminary 35568
materials such as photographs, artwork, and typesetting that will 35569
be used in printing advertising material; of printed matter that 35570
offers free merchandise or chances to win sweepstake prizes and 35571
that is mailed to potential customers with advertising material 35572
described in division (B)(36)(a) of this section; and of equipment 35573
such as telephones, computers, facsimile machines, and similar 35574
tangible personal property primarily used to accept orders for 35575
direct marketing retail sales. 35576

(c) Sales of automatic food vending machines that preserve 35577
food with a shelf life of forty-five days or less by refrigeration 35578
and dispense it to the consumer. 35579

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For purposes of division (B)(36) of this section, "direct marketing" means the method of selling where consumers order tangible personal property by United States mail, delivery service, or telecommunication and the vendor delivers or ships the tangible personal property sold to the consumer from a warehouse, catalogue distribution center, or similar fulfillment facility by means of the United States mail, delivery service, or common carrier.

(37) Sales to a person engaged in the business of horticulture or producing livestock of materials to be incorporated into a horticulture structure or livestock structure;

(38) The sale of a motor vehicle that is used exclusively for a vanpool ridesharing arrangement to persons participating in the vanpool ridesharing arrangement when the vendor is selling the vehicle pursuant to a contract between the vendor and the department of transportation;

(39) Sales of personal computers, computer monitors, computer keyboards, modems, and other peripheral computer equipment to an individual who is licensed or certified to teach in an elementary or a secondary school in this state for use by that individual in preparation for teaching elementary or secondary school students;

(40) Sales to a professional racing team of any of the following:

(a) Motor racing vehicles;

(b) Repair services for motor racing vehicles;

(c) Items of property that are attached to or incorporated in motor racing vehicles, including engines, chassis, and all other components of the vehicles, and all spare, replacement, and rebuilt parts or components of the vehicles; except not including tires, consumable fluids, paint, and accessories consisting of

instrumentation sensors and related items added to the vehicle to 35611
collect and transmit data by means of telemetry and other forms of 35612
communication. 35613

(41) Sales of used manufactured homes and used mobile homes, 35614
as defined in section 5739.0210 of the Revised Code, made on or 35615
after January 1, 2000; 35616

(42) Sales of tangible personal property and services to a 35617
provider of electricity used or consumed directly and primarily in 35618
generating, transmitting, or distributing electricity for use by 35619
others, including property that is or is to be incorporated into 35620
and will become a part of the consumer's production, transmission, 35621
or distribution system and that retains its classification as 35622
tangible personal property after incorporation; fuel or power used 35623
in the production, transmission, or distribution of electricity; 35624
and tangible personal property and services used in the repair and 35625
maintenance of the production, transmission, or distribution 35626
system, including only those motor vehicles as are specially 35627
designed and equipped for such use. The exemption provided in this 35628
division shall be in lieu of all other exceptions in division 35629
(E)(2) of section 5739.01 of the Revised Code to which a provider 35630
of electricity may otherwise be entitled based on the use of the 35631
tangible personal property or service purchased in generating, 35632
transmitting, or distributing electricity. 35633

For the purpose of the proper administration of this chapter, 35634
and to prevent the evasion of the tax, it is presumed that all 35635
sales made in this state are subject to the tax until the contrary 35636
is established. 35637

As used in this section, except in division (B)(16) of this 35638
section, "food" includes cereals and cereal products, milk and 35639
milk products including ice cream, meat and meat products, fish 35640
and fish products, eggs and egg products, vegetables and vegetable 35641
products, fruits, fruit products, and pure fruit juices, 35642

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condiments, sugar and sugar products, coffee and coffee 35643
substitutes, tea, and cocoa and cocoa products. It does not 35644
include: spirituous or malt liquors; soft drinks; sodas and 35645
beverages that are ordinarily dispensed at bars and soda fountains 35646
or in connection therewith, other than coffee, tea, and cocoa; 35647
root beer and root beer extracts; malt and malt extracts; mineral 35648
oils, cod liver oils, and halibut liver oil; medicines, including 35649
tonics, vitamin preparations, and other products sold primarily 35650
for their medicinal properties; and water, including mineral, 35651
bottled, and carbonated waters, and ice. 35652

(C) The levy of an excise tax on transactions by which 35653
lodging by a hotel is or is to be furnished to transient guests 35654
pursuant to this section and division (B) of section 5739.01 of 35655
the Revised Code does not prevent any of the following: 35656

(1) A municipal corporation or township from levying an 35657
excise tax for any lawful purpose not to exceed three per cent on 35658
transactions by which lodging by a hotel is or is to be furnished 35659
to transient guests in addition to the tax levied by this section. 35660
If a municipal corporation or township repeals a tax imposed under 35661
division (C)(1) of this section and a county in which the 35662
municipal corporation or township has territory has a tax imposed 35663
under division (C) of section 5739.024 of the Revised Code in 35664
effect, the municipal corporation or township may not reimpose its 35665
tax as long as that county tax remains in effect. A municipal 35666
corporation or township in which a tax is levied under division 35667
(B)(2) of section 351.021 of the Revised Code may not increase the 35668
rate of its tax levied under division (C)(1) of this section to 35669
any rate that would cause the total taxes levied under both of 35670
those divisions to exceed three per cent on any lodging 35671
transaction within the municipal corporation or township. 35672

(2) A municipal corporation or a township from levying an 35673
additional excise tax not to exceed three per cent on such 35674

transactions pursuant to division (B) of section 5739.024 of the Revised Code. Such tax is in addition to any tax imposed under division (C)(1) of this section. 35675
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(3) A county from levying an excise tax pursuant to division (A) of section 5739.024 of the Revised Code. 35678
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(4) A county from levying an excise tax not to exceed three per cent of such transactions pursuant to division (C) of section 5739.024 of the Revised Code. Such a tax is in addition to any tax imposed under division (C)(3) of this section. 35680
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(5) A convention facilities authority, as defined in division (A) of section 351.01 of the Revised Code, from levying the excise taxes provided for in division (B) of section 351.021 of the Revised Code. 35684
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(6) A county from levying an excise tax not to exceed one and one-half per cent of such transactions pursuant to division (D) of section 5739.024 of the Revised Code. Such tax is in addition to any tax imposed under division (C)(3) or (4) of this section. 35688
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(7) A county from levying an excise tax not to exceed one and one-half per cent of such transactions pursuant to division (E) of section 5739.024 of the Revised Code. Such a tax is in addition to any tax imposed under division (C)(3), (4), or (6) of this section. 35693
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(D) The levy of this tax on retail sales of recreation and sports club service shall not prevent a municipal corporation from levying any tax on recreation and sports club dues or on any income generated by recreation and sports club dues. 35698
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Sec. 5739.024. (A)(1) A board of county commissioners may, by resolution adopted by a majority of the members of the board, levy an excise tax not to exceed three per cent on transactions by 35702
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which lodging by a hotel is or is to be furnished to transient 35705
guests. The board shall establish all regulations necessary to 35706
provide for the administration and allocation of the tax. The 35707
regulations may prescribe the time for payment of the tax, and may 35708
provide for the imposition of a penalty or interest, or both, for 35709
late payments, provided that the penalty does not exceed ten per 35710
cent of the amount of tax due, and the rate at which interest 35711
accrues does not exceed the rate per annum prescribed pursuant to 35712
section 5703.47 of the Revised Code. Except as ~~otherwise~~ provided 35713
in divisions (A)(2) and (3) of this section, the regulations shall 35714
provide, after deducting the real and actual costs of 35715
administering the tax, for the return to each municipal 35716
corporation or township that does not levy an excise tax on such 35717
transactions, a uniform percentage of the tax collected in the 35718
municipal corporation or in the unincorporated portion of the 35719
township from each such transaction, not to exceed thirty-three 35720
and one-third per cent. The remainder of the revenue arising from 35721
the tax shall be deposited in a separate fund and shall be spent 35722
solely to make contributions to the convention and visitors' 35723
bureau operating within the county, including a pledge and 35724
contribution of any portion of such remainder pursuant to an 35725
agreement authorized by section 307.695 of the Revised Code. 35726
Except as ~~otherwise~~ provided ~~under~~ in division (A)(2) or (3) of 35727
this section, on and after May 10, 1994, a board of county 35728
commissioners may not levy an excise tax pursuant to this division 35729
in any municipal corporation or township located wholly or partly 35730
within the county that has in effect an ordinance or resolution 35731
levying an excise tax pursuant to division (B) of this section. 35732
The board of a county that has levied a tax under division (C) of 35733
this section may, by resolution adopted within ninety days after 35734
July 15, 1985, by a majority of the members of the board, amend 35735
the resolution levying a tax under this division to provide for a 35736

portion of that tax to be pledged and contributed in accordance 35737
with an agreement entered into under section 307.695 of the 35738
Revised Code. A tax, any revenue from which is pledged pursuant to 35739
such an agreement, shall remain in effect at the rate at which it 35740
is imposed for the duration of the period for which the revenue 35741
therefrom has been so pledged. 35742

(2) A board of county commissioners that levies an excise tax 35743
under division (A)(1) of this section on June 30, 1997, at a rate 35744
of three per cent, and that has pledged revenue from the tax to an 35745
agreement entered into under section 307.695 of the Revised Code, 35746
may amend the resolution levying that tax to provide for an 35747
increase in the rate of the tax up to five per cent on each 35748
transaction; to provide that revenue from the increase in the rate 35749
shall be spent solely to make contributions to the convention and 35750
visitors' bureau operating within the county to be used 35751
specifically for promotion, advertising, and marketing of the 35752
region in which the county is located; to provide that the rate in 35753
excess of the three per cent levied under division (A)(1) of this 35754
section shall remain in effect at the rate at which it is imposed 35755
for the duration of the period during which any agreement is in 35756
effect that was entered into under section 307.695 of the Revised 35757
Code by the board of county commissioners levying a tax under 35758
division (A)(1) of this section; and to provide that no portion of 35759
that revenue need be returned to townships or municipal 35760
corporations as would otherwise be required under division (A)(1) 35761
of this section. 35762

(3) A board of county commissioners that levies a tax under 35763
division (A)(1) of this section on March 18, 1999, at a rate of 35764
three per cent may, by resolution adopted not later than 35765
forty-five days after March 18, 1999, amend the resolution levying 35766
the tax to provide for all of the following: 35767

(a) That the rate of the tax shall be increased by not more 35768

than an additional four per cent on each transaction; 35769

(b) That all of the revenue from the increase in rate shall 35770
be pledged and contributed to a convention facilities authority 35771
established by the board of county commissioners under Chapter 35772
351. of the Revised Code on or before November 15, 1998, and used 35773
to pay costs of constructing, maintaining, operating, and 35774
promoting a facility in the county, including paying bonds, or 35775
notes issued in anticipation of bonds, as provided by that 35776
chapter; 35777

(c) That no portion of the revenue arising from the increase 35778
in rate need be returned to municipal corporations or townships as 35779
otherwise required under division (A)(1) of this section; 35780

(d) That the increase in rate shall not be subject to 35781
diminution by initiative or referendum or by law while any bonds, 35782
or notes in anticipation of bonds, issued by the authority under 35783
Chapter 351. of the Revised Code to which the revenue is pledged 35784
remain outstanding in accordance with their terms, unless 35785
provision is made by law or by the board of county commissioners 35786
for an adequate substitute therefor that is satisfactory to the 35787
trustee if a trust agreement secures the bonds. 35788

Division (A)(3) of this section does not apply to the board 35789
of county commissioners of any county in which a convention center 35790
or facility exists or is being constructed on November 15, 1998, 35791
or of any county in which a convention facilities authority levies 35792
a tax pursuant to section 351.021 of the Revised Code on that 35793
date. 35794

As used in division (A)(3) of this section, "costs" and 35795
"facility" have the same meanings as in section 351.01 of the 35796
Revised Code, and "convention center" has the same meaning as in 35797
section 307.695 of the Revised Code. 35798

(B) The legislative authority of a municipal corporation or 35799

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the board of trustees of a township that is not wholly or partly 35800
located in a county that has in effect a resolution levying an 35801
excise tax pursuant to division (A)(1) of this section may by 35802
ordinance or resolution levy an excise tax not to exceed three per 35803
cent on transactions by which lodging by a hotel is or is to be 35804
furnished to transient guests. The legislative authority of the 35805
municipal corporation or township shall deposit at least fifty per 35806
cent of the revenue from the tax levied pursuant to this division 35807
into a separate fund, which shall be spent solely to make 35808
contributions to convention and visitors' bureaus operating within 35809
the county in which the municipal corporation or township is 35810
wholly or partly located, and the balance of such revenue shall be 35811
deposited in the general fund. The municipal corporation or 35812
township shall establish all regulations necessary to provide for 35813
the administration and allocation of the tax. The regulations may 35814
prescribe the time for payment of the tax, and may provide for the 35815
imposition of a penalty or interest, or both, for late payments, 35816
provided that the penalty does not exceed ten per cent of the 35817
amount of tax due, and the rate at which interest accrues does not 35818
exceed the rate per annum prescribed pursuant to section 5703.47 35819
of the Revised Code. The levy of a tax under this division is in 35820
addition to any tax imposed on the same transaction by a municipal 35821
corporation or a township as authorized by division (C)(1) of 35822
section 5739.02 of the Revised Code. 35823

(C) For the purpose of making the payments authorized by 35824
section 307.695 of the Revised Code to construct and equip a 35825
convention center in the county and to cover the costs of 35826
administering the tax, a board of county commissioners of a county 35827
where a tax imposed under division (A)(1) of this section is in 35828
effect may, by resolution adopted within ninety days after July 35829
15, 1985, by a majority of the members of the board, levy an 35830
additional excise tax not to exceed three per cent on transactions 35831

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by which lodging by a hotel is or is to be furnished to transient 35832
guests. The tax authorized by this division shall be in addition 35833
to any tax that is levied pursuant to division (A) of this 35834
section, but it shall not apply to transactions subject to a tax 35835
levied by a municipal corporation or township pursuant to the 35836
authorization granted by division (C)(1) of section 5739.02 of the 35837
Revised Code. The board shall establish all regulations necessary 35838
to provide for the administration and allocation of the tax. The 35839
regulations may prescribe the time for payment of the tax, and may 35840
provide for the imposition of a penalty or interest, or both, for 35841
late payments, provided that the penalty does not exceed ten per 35842
cent of the amount of tax due, and the rate at which interest 35843
accrues does not exceed the rate per annum prescribed pursuant to 35844
section 5703.47 of the Revised Code. All revenues arising from the 35845
tax shall be expended in accordance with section 307.695 of the 35846
Revised Code. A tax imposed under this section shall remain in 35847
effect at the rate at which it is imposed for the duration of the 35848
period for which the revenue therefrom has been pledged pursuant 35849
to such section. 35850

(D) For the purpose of providing contributions under division 35851
(B)(1) of section 307.671 of the Revised Code to enable the 35852
acquisition, construction, and equipping of a port authority 35853
educational and cultural facility in the county and, to the extent 35854
provided for in the cooperative agreement authorized by that 35855
section, for the purpose of paying debt service charges on bonds, 35856
or notes in anticipation thereof, described in division (B)(1)(b) 35857
of that section, a board of county commissioners, by resolution 35858
adopted within ninety days after December 22, 1992, by a majority 35859
of the members of the board, may levy an additional excise tax not 35860
to exceed one and one-half per cent on transactions by which 35861
lodging by a hotel is or is to be furnished to transient guests. 35862
The excise tax authorized by this division shall be in addition to 35863

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any tax that is levied pursuant to divisions (A), (B), and (C) of this section, to any excise tax levied pursuant to division (C) of section 5739.02 of the Revised Code, and to any excise tax levied pursuant to section 351.021 of the Revised Code. The board of county commissioners shall establish all regulations necessary to provide for the administration and allocation of the tax that are not inconsistent with this section or section 307.671 of the Revised Code. The regulations may prescribe the time for payment of the tax, and may provide for the imposition of a penalty or interest, or both, for late payments, provided that the penalty does not exceed ten per cent of the amount of tax due, and the rate at which interest accrues does not exceed the rate per annum prescribed pursuant to section 5703.47 of the Revised Code. All revenues arising from the tax shall be expended in accordance with section 307.671 of the Revised Code and division (D) of this section. The levy of a tax imposed under this section may not commence prior to the first day of the month next following the execution of the cooperative agreement authorized by section 307.671 of the Revised Code by all parties to that agreement. Such tax shall remain in effect at the rate at which it is imposed for the period of time described in division (C) of section 307.671 of the Revised Code for which the revenue from the tax has been pledged by the county to the corporation pursuant to such section, but, to any extent provided for in the cooperative agreement, for no lesser period than the period of time required for payment of the debt service charges on bonds, or notes in anticipation thereof, described in division (B)(1)(b) of that section.

(E) For the purpose of paying the costs of acquiring, constructing, equipping, and improving a municipal educational and cultural facility, including debt service charges on bonds provided for in division (B) of section 307.672 of the Revised Code, and for such additional purposes as are determined by the

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county in the resolution levying the tax or amendments thereto, 35896
including subsequent amendments providing for paying costs of 35897
acquiring, constructing, renovating, rehabilitating, equipping, 35898
and improving a port authority educational and cultural performing 35899
arts facility, as defined in section 307.674 of the Revised Code, 35900
including debt service charges on bonds provided for in division 35901
(B) of section 307.674 of the Revised Code, the legislative 35902
authority of a county, by resolution adopted within ninety days 35903
after June 30, 1993, by a majority of the members of the 35904
legislative authority, may levy an additional excise tax not to 35905
exceed one and one-half per cent on transactions by which lodging 35906
by a hotel is or is to be furnished to transient guests. The 35907
excise tax authorized by this division shall be in addition to any 35908
tax that is levied pursuant to divisions (A), (B), (C), and (D) of 35909
this section, to any excise tax levied pursuant to division (C) of 35910
section 5739.02 of the Revised Code, and to any excise tax levied 35911
pursuant to section 351.021 of the Revised Code. The legislative 35912
authority of the county shall establish all regulations necessary 35913
to provide for the administration and allocation of the tax. The 35914
regulations may prescribe the time for payment of the tax, and may 35915
provide for the imposition of a penalty or interest, or both, for 35916
late payments, provided that the penalty does not exceed ten per 35917
cent of the amount of tax due, and the rate at which interest 35918
accrues does not exceed the rate per annum prescribed pursuant to 35919
section 5703.47 of the Revised Code. All revenues arising from the 35920
tax shall be expended in accordance with section 307.672 of the 35921
Revised Code and division (E) of this section. The levy of a tax 35922
imposed under this division shall not commence prior to the first 35923
day of the month next following the execution of the cooperative 35924
agreement authorized by section 307.672 of the Revised Code by all 35925
parties to that agreement. Such tax shall remain in effect at the 35926
rate at which it is imposed for the period of time determined by 35927
the legislative authority of the county, but not to exceed fifteen 35928

years. 35929

(F) The legislative authority of a county that has levied a 35930
tax under division (E) of this section may, by resolution adopted 35931
within one hundred eighty days after ~~the effective date of this~~ 35932
~~amendment~~ January 4, 2001, by a majority of the members of the 35933
legislative authority, amend the resolution levying a tax under 35934
division (E) of this section to provide for the use of the 35935
proceeds of that tax, to the extent that it is no longer needed 35936
for its original purpose as determined by the parties to a 35937
cooperative agreement amendment pursuant to division (D) of 35938
section 307.672 of the Revised Code, to pay costs of acquiring, 35939
constructing, renovating, rehabilitating, equipping, and improving 35940
a port authority educational and cultural performing arts 35941
facility, including debt service charges on bonds provided for in 35942
division (B) of section 307.674 of the Revised Code, and to pay 35943
all obligations under any guaranty agreements, reimbursement 35944
agreements, or other credit enhancement agreements described in 35945
division (C) of section 307.674 of the Revised Code. The 35946
resolution may also provide for the extension of the tax at the 35947
same rate for the longer of the period of time determined by the 35948
legislative authority of the county, but not to exceed an 35949
additional twenty-five years, or the period of time required to 35950
pay all debt service charges on bonds provided for in division (B) 35951
of section 307.672 of the Revised Code and on port authority 35952
revenue bonds provided for in division (B) of section 307.674 of 35953
the Revised Code. All revenues arising from the amendment and 35954
extension of the tax shall be expended in accordance with section 35955
307.674 of the Revised Code and divisions (E) and (F) of this 35956
section. 35957

(G) A board of county commissioners, board of township 35958
trustees, or the legislative authority of a municipal corporation 35959
may adopt a resolution or ordinance at any time specifying that 35960

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"hotel," as otherwise defined in section 5739.01 of the Revised Code, includes establishments in which fewer than five rooms are used for the accommodation of guests. The resolution or ordinance may apply to a tax imposed pursuant to this section prior to the adoption of the resolution or ordinance if the resolution or ordinance so states, but the tax shall not apply to transactions by which lodging by such an establishment is provided to transient guests prior to the adoption of the resolution or ordinance.

Sec. 5747.122. (A) The tax commissioner, in accordance with section 5101.184 of the Revised Code, shall cooperate with the director of job and family services to collect overpayments of assistance under Chapter 5107., 5111., or 5115., former Chapter 5113., or ~~sections~~ section 5101.54 ~~to 5101.543~~ of the Revised Code from refunds of state income taxes for taxable year 1992 and thereafter that are payable to the recipients of such overpayments.

(B) At the request of the department of job and family services in connection with the collection of an overpayment of assistance from a refund of state income taxes pursuant to this section and section 5101.184 of the Revised Code, the tax commissioner shall release to the department the home address and social security number of any recipient of assistance whose overpayment may be collected from a refund of state income taxes under those sections.

(C) In the case of a joint income tax return for two people who were not married to each other at the time one of them received an overpayment of assistance, only the portion of a refund that is due to the recipient of the overpayment shall be available for collection of the overpayment under this section and section 5101.184 of the Revised Code. The tax commissioner shall determine such portion. A recipient's spouse who objects to the portion as determined by the commissioner may file a complaint

with the commissioner within twenty-one days after receiving 35993
notice of the collection, and the commissioner shall afford the 35994
spouse an opportunity to be heard on the complaint. The 35995
commissioner shall waive or extend the twenty-one-day period if 35996
the recipient's spouse establishes that such action is necessary 35997
to avoid unjust, unfair, or unreasonable results. After the 35998
hearing, the commissioner shall make a final determination of the 35999
portion of the refund available for collection of the overpayment. 36000

(D) The welfare overpayment intercept fund is hereby created 36001
in the state treasury. The tax commissioner shall deposit amounts 36002
collected from income tax refunds under this section to the credit 36003
of the welfare overpayment intercept fund. The director of job and 36004
family services shall distribute money in the fund in accordance 36005
with appropriate federal or state laws and procedures regarding 36006
collection of welfare overpayments. 36007

Sec. 5747.221. For (A) As used in this section, "investment 36008
pass-through entity" has the same meaning as in section 5733.401 36009
of the Revised Code. 36010

(B) Except as provided in division (C) of this section, for 36011
the purposes of sections 5747.20, 5747.21, and 5747.22 of the 36012
Revised Code, no item of income or deduction shall be allocated or 36013
apportioned to this state to the extent that such item represents 36014
~~or relates to~~ the portion of an adjusted qualifying amount for 36015
which the withholding tax is not imposed under section 5747.41 of 36016
the Revised Code by reason of division (C) of section 5733.401 of 36017
the Revised Code. This section shall be applied without regard to 36018
division (I) of section 5733.40 of the Revised Code. 36019

(C) If a taxpayer has a direct or indirect investment in an 36020
investment pass-through entity that has a direct or indirect 36021
investment in any other pass-through entity, division (B) of this 36022
section does not apply to any item of income, gain, deduction, or 36023

loss where, under section 5747.231 of the Revised Code, the item 36024
is directly or indirectly attributable to either of the following: 36025

(1) A distributive share of income or gain from a 36026
pass-through entity that does not qualify as an investment 36027
pass-through entity; 36028

(2) A pass-through entity's income or gain to which division 36029
(C) of section 5733.401 of the Revised Code does not apply. 36030

An indirect investment includes any interest that a person 36032
constructively owns on account of the attribution rules set forth 36033
in section 267, 318, or 1563 of the Internal Revenue Code. 36034

Sec. 5747.39. As used in this section, "eligible employee" 36035
and "eligible training costs" have the same meanings as in section 36036
5733.42 of the Revised Code, and "pass-through entity" includes a 36037
sole proprietorship. 36038

For taxable years beginning after December 31, ~~2000~~ 2002, 36039
there is hereby allowed a nonrefundable credit against the tax 36040
imposed by section 5747.02 of the Revised Code for a taxpayer that 36041
is an investor in a pass-through entity for which a tax credit 36042
certificate is issued under section 5733.42 of the Revised Code. 36043
The amount of eligible training costs for which a credit may be 36044
claimed by all taxpayers that are investors in an entity shall 36045
equal one-half of the average of the eligible training costs 36046
incurred by the entity during the three calendar years that end in 36047
the taxable year for which the credit is claimed, but shall not 36048
exceed one thousand dollars for each eligible employee on account 36049
of whom such costs were paid or incurred by the entity, and the 36050
total amount of credits that may be claimed by all such taxpayers 36051
shall not exceed one hundred thousand dollars each year. Each 36052
taxpayer's credit shall be claimed for the taxpayer's taxable year 36053
that includes the last day of the third calendar year of the 36054

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three-year period during which eligible training costs are paid or 36055
incurred by the entity. The credit may be claimed for eligible 36056
training costs paid or incurred on or before December 31, ~~2003~~ 36057
2005. The amount of a taxpayer's credit shall equal the taxpayer's 36058
interest in the entity on the last day of the third calendar year 36059
of the three-year period ending in or with the last day of the 36060
taxpayer's taxable year, multiplied by the credit available to the 36061
entity as computed by the entity. 36062

The credit shall be claimed in the order prescribed by 36063
section 5747.98 of the Revised Code. A taxpayer may carry forward 36064
the credit to the extent that the taxpayer's credit exceeds the 36065
taxpayer's tax due after allowing for any other credits that 36066
precede the credit allowed by this section in the order prescribed 36067
by section 5747.98 of the Revised Code. The taxpayer may carry the 36068
excess credit forward for three taxable years following the 36069
taxable year for which the taxpayer first claims the credit under 36070
this section. 36071

A pass-through entity shall apply to the director of job and 36072
family services for a tax credit certificate in the manner 36073
prescribed by division (C) of section 5733.42 of the Revised Code. 36074
Divisions (C) to (H) of that section govern the tax credit allowed 36075
by this section, except that "taxable year" shall be substituted 36076
for "tax year" wherever that phrase appears in those divisions, 36077
and that "pass-through entity" shall be substituted for "taxpayer" 36078
wherever "taxpayer" appears in those divisions. 36079

Sec. 6101.25. The board of directors of a conservancy 36080
district may construct, improve, operate, maintain, and protect 36081
parks, parkways, forest preserves, bathing beaches, playgrounds, 36082
and other recreational facilities upon the lands owned or 36083
controlled by the district, or upon lands located within the 36084
district owned or controlled by the United States government or 36085
any department of it, by this state or any department or division 36086

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of it, or by any political subdivision, if authorized by lease, 36087
contract, or other arrangements with the appropriate agency of 36088
government having ownership or control. The board may acquire by 36089
lease, purchase, or appropriation property additional to that 36090
required for the purposes for which the district was incorporated, 36091
in order to provide for the protection, more adequate development, 36092
and fuller public use and enjoyment of the improvements and 36093
facilities. The board may impose and collect charges for the use 36094
of the properties, improvements, and facilities maintained or 36095
operated by the district for recreational purposes. Moneys 36096
collected from these charges may be used to promote the district's 36097
recreational facilities. 36098

In case the revenues derived or to be derived from the 36099
properties, improvements, and facilities maintained, operated, 36100
used, or acquired by the district for recreational purposes are 36101
not sufficient for the purposes of this section, the board, with 36102
the approval of the court, may provide for the payment of 36103
obligations incurred under this section by the levy of special 36104
assessments upon all the taxable property of the district and upon 36105
public corporations having lands within the district. 36106

In no case shall the obligations incurred under this section 36107
be paid from the proceeds of special assessments levied under 36108
section 6101.48 or 6101.53 of the Revised Code, or of bonds or 36109
notes issued in anticipation of them. After special assessments 36110
against the taxable property and public corporations are approved 36111
by the court, the board of appraisers of the conservancy district 36112
shall appraise the benefits to be conferred on each parcel of 36113
taxable property and public corporation by reason of the 36114
acquisition and construction of the properties and improvements 36115
authorized by the board of directors under this section, and shall 36116
appraise the damages accruing to persons and public corporations 36117
from the improvements. The provisions of this chapter that refer 36118

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to the determination of benefits and damages apply to the 36119
appraisals made under this section, but they shall be separate 36120
from other appraisals of benefits and damages made under this 36121
chapter, and separate records of them shall be prepared. After the 36122
appraisal of benefits has been approved by the court, and within 36123
the amount of benefits so determined, the board of directors may 36124
levy assessments on the taxable property and public corporations 36125
benefited to pay the cost of the properties and improvements 36126
acquired and constructed under this section, and may issue bonds 36127
and notes in anticipation of the collection of these assessments. 36128
In addition, the board of directors may annually levy a 36129
maintenance assessment for the purposes of this section on the 36130
taxable property and public corporations upon the basis of total 36131
appraised benefits. The provisions of this chapter that relate to 36132
assessments for district purposes and to bonds and notes issued in 36133
anticipation of the assessments apply to the assessments 36134
authorized under this section and the bonds and notes issued in 36135
anticipation of the assessments. Improvement, bond retirement, and 36136
maintenance funds shall be established for recreational purposes 36137
in conformity with section 6101.44 of the Revised Code, which 36138
shall be separate from one another and from other funds of the 36139
district, and no transfers shall be made to them from the other 36140
funds of the district. The proceeds of all bonds, notes, and 36141
assessments authorized by this section and all receipts derived 36142
from the recreational properties, improvements, and facilities 36143
owned, controlled, operated, or maintained by the district shall 36144
be paid into those funds, and all expenditures in accordance with 36145
this section shall be made from them. 36146

Sec. 6109.13. No official, officer, or employee in charge of 36147
or being employed in the maintenance and operation of a public 36148
water system and no other person, ~~or firm, or corporation~~ shall 36149
establish or permit to be established any connection whereby water 36150

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from a private, auxiliary, or emergency water system may enter the public water system, unless ~~such~~ the private, auxiliary, or emergency water system, and the method of connection and use of ~~such~~ the system, ~~has~~ have been approved by the environmental protection agency. However, a backflow prevention device shall not be required when a physical separation exists between the public water system and the private, auxiliary, or emergency water system.

As used in this section:

(A) "Backflow prevention device" means any device, method, or type of construction that is intended to prevent backflow into a potable water sytem.

(B) "Physical separation" means that there is no direct or indirect connection between a public water system and a private, auxiliary, or emergency water system.

Sec. 6109.21. (A) Except as provided in divisions (D) and (E) of this section, on and after January 1, 1994, no person shall operate or maintain a public water system in this state without a license issued by the director of environmental protection. A person who operates or maintains a public water system on January 1, 1994, shall obtain an initial license under this section in accordance with the following schedule:

(1) If the public water system is a community water system, not later than January 31, 1994;

(2) If the public water system is not a community water system and serves a nontransient population, not later than January 31, 1994;

(3) If the public water system is not a community water system and serves a transient population, not later than January 31, 1995.

A person proposing to operate or maintain a new public water system after January 1, 1994, in addition to complying with section 6109.07 of the Revised Code and rules adopted under it, shall submit an application for an initial license under this section to the director prior to commencing operation of the system.

A license or license renewal issued under this section shall be renewed annually. Such a license or license renewal shall expire on the thirtieth day of January in the year following its issuance. A license holder that proposes to continue operating the public water system for which the license or license renewal was issued shall apply for a license renewal at least thirty days prior to that expiration date.

The director shall adopt, and may amend and rescind, rules in accordance with Chapter 119. of the Revised Code establishing procedures governing and information to be included on applications for licenses and license renewals under this section. Through June 30, ~~2002~~ 2004, each application shall be accompanied by the appropriate fee established under division (M) of section 3745.11 of the Revised Code, provided that an applicant for an initial license who is proposing to operate or maintain a new public water system after January 1, 1994, shall submit a fee that equals a prorated amount of the appropriate fee established under that division for the remainder of the licensing year.

(B) Not later than thirty days after receiving a completed application and the appropriate license fee for an initial license under division (A) of this section, the director shall issue the license for the public water system. Not later than thirty days after receiving a completed application and the appropriate license fee for a license renewal under division (A) of this section, the director shall do one of the following:

- (1) Issue the license renewal for the public water system;

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(2) Issue the license renewal subject to terms and conditions 36213
that the director determines are necessary to ensure compliance 36214
with this chapter and rules adopted under it; 36215

(3) Deny the license renewal if the director finds that the 36216
public water system was not operated in substantial compliance 36217
with this chapter and rules adopted under it. 36218

(C) The director may suspend or revoke a license or license 36219
renewal issued under this section if the director finds that the 36220
public water system was not operated in substantial compliance 36221
with this chapter and rules adopted under it. The director shall 36222
adopt, and may amend and rescind, rules in accordance with Chapter 36223
119. of the Revised Code governing such suspensions and 36224
revocations. 36225

(D)(1) As used in division (D) of this section, "church" 36226
means a fellowship of believers, congregation, society, 36227
corporation, convention, or association that is formed primarily 36228
or exclusively for religious purposes and that is not formed or 36229
operated for the private profit of any person. 36230

(2) This section does not apply to a church that operates or 36231
maintains a public water system solely to provide water for that 36232
church or for a campground that is owned by the church and 36233
operated primarily or exclusively for members of the church and 36234
their families. A church that, on or before March 5, 1996, has 36235
obtained a license under this section for such a public water 36236
system need not obtain a license renewal under this section. 36237

(E) This section does not apply to any public or nonpublic 36238
school that meets minimum standards of the state board of 36239
education that operates or maintains a public water system solely 36240
to provide water for that school. 36241

Sec. 6111.035. (A) The director of environmental protection, 36242

consistent with the Federal Water Pollution Control Act and the 36243
regulations adopted thereunder, without application therefor, may 36244
issue, modify, revoke, or terminate a general permit under this 36245
chapter for both of the following: 36246

(1) Discharge of stormwater; the discharge of liquids, 36247
sediments, solids, or water-borne mining related waste, such as, 36248
but not limited to, acids, metallic cations, or their salts, from 36249
coal mining and reclamation operations as defined in section 36250
1513.01 of the Revised Code; or treatment works whose discharge 36251
would have de minimis impact on the waters of the state receiving 36252
the discharge; 36253

(2) Installation or modification of disposal systems or any 36254
parts thereof, including disposal systems for stormwater or for 36255
coal mining and reclamation operations as defined in section 36256
1513.01 of the Revised Code. 36257

A general permit shall apply to a class or category of 36258
discharges or disposal systems or to persons conducting similar 36259
activities, within any area of the state, including the entire 36260
state. 36261

A general permit shall not be issued unless the director 36262
determines that the discharges authorized by the permit will have 36263
only minimal cumulative adverse effects on the environment when 36264
the discharges are considered collectively and individually and 36265
if, in the opinion of the director, the discharges, installations, 36266
or modifications authorized by the permit are more appropriately 36267
authorized by a general permit than by an individual permit. 36268

A general permit shall be issued subject to applicable 36269
mandatory provisions and may be issued subject to any applicable 36270
permissive provision of the Federal Water Pollution Control Act 36271
and the regulations adopted thereunder. 36272

The director, at the director's discretion, may require any 36273

person authorized to discharge or to install or modify a disposal 36274
system under a general permit to apply for and obtain an 36275
individual permit for the discharge, installation, or 36276
modification. When a particular discharge, installation, or 36277
modification is subject to an individual permit, a general permit 36278
shall not apply to that discharge, installation, or modification 36279
until the individual permit is revoked, terminated, or modified to 36280
exclude the discharge, installation, or modification. 36281

(B) Notwithstanding any requirement under Chapter 119. of the 36282
Revised Code concerning the manner in which notice of a permit 36283
action is provided, the director shall not be required to provide 36284
certified mail notice to persons subject to the issuance, 36285
modification, revocation, or termination of a general permit under 36286
division (A) of this section. 36287

Notwithstanding section 3745.07 of the Revised Code 36288
concerning the location of newspapers in which notices of permit 36289
actions are published, the director shall cause notice of the 36290
issuance, modification, revocation, or termination of a general 36291
permit to be published in the newspapers of general circulation 36292
determined by the director to provide reasonable notice to persons 36293
affected by the permit action in the geographic area covered by 36294
the general permit within the time periods prescribed by section 36295
3745.07 of the Revised Code. Any notice under this section or 36296
section 3745.07 of the Revised Code concerning the issuance, 36297
modification, revocation, or termination of a general permit shall 36298
include a summary of the permit action and instructions on how to 36299
obtain a copy of the full text of the permit action. The director 36300
may take other appropriate measures, such as press releases and 36301
notice to trade journals, associations, and other persons known to 36302
the director to desire notification, in order to provide notice of 36303
the director's actions concerning the issuance, modification, 36304
revocation, or termination of a general permit; however, the 36305

failure to provide such notice shall not invalidate any general permit. 36306
36307

(C) Notwithstanding any other provision of the Revised Code, 36308
a person subject to the proposed issuance, modification, 36309
revocation, or termination of a general permit under division (A) 36310
of this section may request an adjudication hearing pursuant to 36311
section 119.07 of the Revised Code concerning the proposed action 36312
within thirty days after publication of the notice of the proposed 36313
action in newspapers of general circulation pursuant to division 36314
(B) of this section. This division shall not be interpreted to 36315
affect the authority of the director to take actions on general 36316
permits in forms other than proposed general permits. 36317

(D) The director may exercise all incidental powers required 36318
to carry out this section, including, without limitation, the 36319
adoption, amendment, and rescission of rules to implement a 36320
general permit program for classes or categories of dischargers or 36321
disposal systems. 36322

(E) On and after the date on which the United States 36323
environmental protection agency approves the NPDES program 36324
submitted by the director of agriculture under section 903.08 of 36325
the Revised Code, this section does not apply to storm water from 36326
an animal feeding facility, as defined in section 903.01 of the 36327
Revised Code, or to manure, as defined in that section. 36328

(F) As used in this section, "Federal Water Pollution Control 36329
Act" means the "Federal Water Pollution Control Act Amendments of 36330
1972," 86 Stat. 886, 33 U.S.C.A. 1251, as amended by the "Clean 36331
Water Act of 1977," 91 Stat. 1566, 33 U.S.C.A. 1251, the "Act of 36332
October 21, 1980," 94 Stat. 2360, 33 U.S.C.A. 1254, the "Municipal 36333
Wastewater Treatment Construction Grant Amendments of 1981," 95 36334
Stat. 1623, 33 U.S.C.A. 1281, and the "Water Quality Act of 1987," 36335
101 Stat. 7, 33 U.S.C.A. 1251. 36336

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Section 2. That existing sections 9.06, 9.821, 9.822, 102.02, 36337
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5111.341, 5111.88, 5126.054, and 5139.281 of the Revised Code are 36394
hereby repealed. 36395

Section 3. That the versions of sections 2152.43 and 5139.31 36396
of the Revised Code that are scheduled to take effect January 1, 36397
2002, be amended to read as follows: 36398

Sec. 2152.43. (A) ~~A board of county commissioners that~~ 36399

~~provides a detention facility and the board of trustees of a 36400
district detention facility may apply to the department of youth 36401
services under section 5139.281 of the Revised Code for assistance 36402
in defraying the cost of operating and maintaining the facility. 36403
The application shall be made on forms prescribed and furnished by 36404
the department. 36405~~

The board of county commissioners of each county that 36406
participates in a district detention facility may apply to the 36407
department of youth services for assistance in defraying the 36408
county's share of the cost of acquisition or construction of the 36409
facility, as provided in section 5139.271 of the Revised Code. 36410
Application shall be made in accordance with rules adopted by the 36411
department. No county shall be reimbursed for expenses incurred in 36412
the acquisition or construction of a district detention facility 36413
that serves a district having a population of less than one 36414
hundred thousand. 36415

(B)(1) The joint boards of county commissioners of district 36416
detention facilities shall defray all necessary expenses of the 36417
facility ~~not paid from funds made available under section 5139.281 36418
of the Revised Code,~~ through annual assessments of taxes, through 36419
gifts, or through other means. 36420

If any county withdraws from a district under division (D) of 36421
section 2152.41 of the Revised Code, it shall continue to have 36422
levied against its tax duplicate any tax levied by the district 36423
during the period in which the county was a member of the district 36424
for current operating expenses, permanent improvements, or the 36425
retirement of bonded indebtedness. The levy shall continue to be a 36426
levy against the tax duplicate of the county until the time that 36427
it expires or is renewed. 36428

(2) The current expenses of maintaining the facility not paid 36429
from funds made available under ~~section 5139.281 of the Revised 36430
Code~~ or division (C) of this section, and the cost of ordinary 36431

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repairs to the facility, shall be paid by each county in 36432
accordance with one of the following methods as approved by the 36433
joint board of county commissioners: 36434

(a) In proportion to the number of children from that county 36435
who are maintained in the facility during the year; 36436

(b) By a levy submitted by the joint board of county 36437
commissioners under division (A) of section 5705.19 of the Revised 36438
Code and approved by the electors of the district; 36439

(c) In proportion to the taxable property of each county, as 36440
shown by its tax duplicate; 36441

(d) In any combination of the methods for payment described 36442
in division (B)(2)(a), (b), or (c) of this section. 36443

(C) When any person donates or bequeaths any real or personal 36444
property to a county or district detention facility, the juvenile 36445
court or the trustees of the facility may accept and use the gift, 36446
consistent with the best interest of the institution and the 36447
conditions of the gift. 36448

Sec. 5139.31. The department of youth services may inspect 36449
any school, forestry camp, district detention facility, or other 36450
facility for which an application for financial assistance has 36451
been made to the department under section 2152.43, 2151.651, or 36452
2151.652 of the Revised Code or for which financial assistance has 36453
been granted by the department under section 5139.27, 5139.271, or 36454
5139.28, ~~or 5139.281~~ of the Revised Code. The inspection may 36455
include, but need not be limited to, examination and evaluation of 36456
the physical condition of the school, forestry camp, district 36457
detention facility, or other facility, including any equipment 36458
used in connection with it; observation and evaluation of the 36459
training and treatment of children admitted to it; examination and 36460
analysis and copying of any papers, records, or other documents 36461
relating to the qualifications of personnel, the commitment of 36462

children to it, and its administration. 36463

Section 4. That the existing versions of sections 2152.43 and 36464
5139.31 of the Revised Code that are scheduled to take effect 36465
January 1, 2002, are hereby repealed. 36466

Section 5. Sections 3 and 4 of this act shall take effect on 36467
January 1, 2002. 36468

Section 6. That the versions of sections 5139.01 and 5139.11 36469
of the Revised Code that are scheduled to take effect January 1, 36470
2002, be amended to read as follows: 36471

Sec. 5139.01. (A) As used in this chapter: 36472

(1) "Commitment" means the transfer of the physical custody 36473
of a child or youth from the court to the department of youth 36474
services. 36475

(2) "Permanent commitment" means a commitment that vests 36476
legal custody of a child in the department of youth services. 36477

(3) "Legal custody," insofar as it pertains to the status 36478
that is created when a child is permanently committed to the 36479
department of youth services, means a legal status in which the 36480
department has the following rights and responsibilities: the 36481
right to have physical possession of the child; the right and duty 36482
to train, protect, and control the child; the responsibility to 36483
provide the child with food, clothing, shelter, education, and 36484
medical care; and the right to determine where and with whom the 36485
child shall live, subject to the minimum periods of, or periods 36486
of, institutional care prescribed in sections 2152.13 to 2152.18 36487
of the Revised Code; provided, that these rights and 36488
responsibilities are exercised subject to the powers, rights, 36489
duties, and responsibilities of the guardian of the person of the 36490

child, and subject to any residual parental rights and 36491
responsibilities. 36492

(4) Unless the context requires a different meaning, 36493
"institution" means a state facility that is created by the 36494
general assembly and that is under the management and control of 36495
the department of youth services or a private entity with which 36496
the department has contracted for the institutional care and 36497
custody of felony delinquents. 36498

(5) "Full-time care" means care for twenty-four hours a day 36499
for over a period of at least two consecutive weeks. 36500

(6) "Placement" means the conditional release of a child 36501
under the terms and conditions that are specified by the 36502
department of youth services. The department shall retain legal 36503
custody of a child released pursuant to division (C) of section 36504
2152.22 of the Revised Code or division (C) of section 5139.06 of 36505
the Revised Code until the time that it discharges the child or 36506
until the legal custody is terminated as otherwise provided by 36507
law. 36508

(7) "Home placement" means the placement of a child in the 36509
home of the child's parent or parents or in the home of the 36510
guardian of the child's person. 36511

(8) "Discharge" means that the department of youth services' 36512
legal custody of a child is terminated. 36513

(9) "Release" means the termination of a child's stay in an 36514
institution and the subsequent period during which the child 36515
returns to the community under the terms and conditions of 36516
supervised release. 36517

(10) "Delinquent child" has the same meaning as in section 36518
2152.02 of the Revised Code. 36519

(11) "Felony delinquent" means any child who is at least 36520

twelve years of age but less than eighteen years of age and who is 36521
adjudicated a delinquent child for having committed an act that if 36522
committed by an adult would be a felony. "Felony delinquent" 36523
includes any adult who is between the ages of eighteen and 36524
twenty-one and who is in the legal custody of the department of 36525
youth services for having committed an act that if committed by an 36526
adult would be a felony. 36527

(12) "Juvenile traffic offender" has the same meaning as in 36528
section 2152.02 of the Revised Code. 36529

(13) "Public safety beds" means all of the following: 36530

(a) Felony delinquents who have been committed to the 36531
department of youth services for the commission of an act, other 36532
than a violation of section 2911.01 or 2911.11 of the Revised 36533
Code, that is a category one offense or a category two offense and 36534
who are in the care and custody of an institution or have been 36535
diverted from care and custody in an institution and placed in a 36536
community corrections facility; 36537

(b) Felony delinquents who, while committed to the department 36538
of youth services and in the care and custody of an institution or 36539
a community corrections facility, are adjudicated delinquent 36540
children for having committed in that institution or community 36541
corrections facility an act that if committed by an adult would be 36542
a felony; 36543

(c) Children who satisfy all of the following: 36544

(i) They are at least twelve years of age but less than 36545
eighteen years of age. 36546

(ii) They are adjudicated delinquent children for having 36547
committed acts that if committed by an adult would be a felony. 36548

(iii) They are committed to the department of youth services 36549
by the juvenile court of a county that has had one-tenth of one 36550

per cent or less of the statewide adjudications for felony delinquents as averaged for the past four fiscal years. 36551
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(iv) They are in the care and custody of an institution or a community corrections facility. 36553
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(d) Felony delinquents who, while committed to the department of youth services and in the care and custody of an institution, commit in that institution an act that if committed by an adult would be a felony, who are serving disciplinary time for having committed that act, and who have been institutionalized or institutionalized in a secure facility for the minimum period of time specified in divisions (A)(1)(b) to (e) of section 2152.16 of the Revised Code. 36555
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(e) Felony delinquents who are subject to and serving a three-year period of commitment order imposed by a juvenile court pursuant to divisions (A) and (B) of section 2152.17 of the Revised Code for an act, other than a violation of section 2911.11 of the Revised Code, that would be a category one offense or category two offense if committed by an adult. 36563
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(f) Felony delinquents who are described in divisions (A)(13)(a) to (e) of this section, who have been granted a judicial release to court supervision under division (B) of section 2152.22 of the Revised Code or a judicial release to the department of youth services supervision under division (C) of that section from the commitment to the department of youth services for the act described in divisions (A)(13)(a) to (e) of this section, who have violated the terms and conditions of that release, and who, pursuant to an order of the court of the county in which the particular felony delinquent was placed on release that is issued pursuant to division (D) of section 2152.22 of the Revised Code, have been returned to the department for institutionalization or institutionalization in a secure facility. 36569
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(g) Felony delinquents who have been committed to the custody 36582
of the department of youth services, who have been granted 36583
supervised release from the commitment pursuant to section 5139.51 36584
of the Revised Code, who have violated the terms and conditions of 36585
that supervised release, and who, pursuant to an order of the 36586
court of the county in which the particular child was placed on 36587
supervised release issued pursuant to division (F) of section 36588
5139.52 of the Revised Code, have had the supervised release 36589
revoked and have been returned to the department for 36590
institutionalization. A felony delinquent described in this 36591
division shall be a public safety bed only for the time during 36592
which the felony delinquent is institutionalized as a result of 36593
the revocation subsequent to the initial thirty-day period of 36594
institutionalization required by division (F) of section 5139.52 36595
of the Revised Code. 36596

(14) "State target youth" means twenty-five per cent of the 36597
projected total number of felony delinquents for each year of a 36598
biennium, factoring in revocations and recommitments. 36599

(15) Unless the context requires a different meaning, 36600
"community corrections facility" means a county or multicounty 36601
rehabilitation center for felony delinquents who have been 36602
committed to the department of youth services and diverted from 36603
care and custody in an institution and placed in the 36604
rehabilitation center pursuant to division (E) of section 5139.36 36605
of the Revised Code. 36606

(16) "Secure facility" means any facility that is designed 36607
and operated to ensure that all of its entrances and exits are 36608
under the exclusive control of its staff and to ensure that, 36609
because of that exclusive control, no child who has been 36610
institutionalized in the facility may leave the facility without 36611
permission or supervision. 36612

(17) "Community residential program" means a program that 36613

satisfies both of the following: 36614

(a) It is housed in a building or other structure that has no 36615
associated major restraining construction, including, but not 36616
limited to, a security fence. 36617

(b) It provides twenty-four-hour care, supervision, and 36618
programs for felony delinquents who are in residence. 36619

(18) "Category one offense" and "category two offense" have 36620
the same meanings as in section 2151.26 of the Revised Code. 36621

(19) "Disciplinary time" means additional time that the 36622
department of youth services requires a felony delinquent to serve 36623
in an institution, that delays the person's or felony delinquent's 36624
planned release, and that the department imposes upon the person 36625
or felony delinquent following the conduct of an internal due 36626
process hearing for having committed any of the following acts 36627
while committed to the department and in the care and custody of 36628
an institution: 36629

(a) An act that if committed by an adult would be a felony; 36630

(b) An act that if committed by an adult would be a 36631
misdemeanor; 36632

(c) An act that is not described in division (A)(19)(a) or 36633
(b) of this section and that violates an institutional rule of 36634
conduct of the department. 36635

(20) "Unruly child" has the same meaning as in section 36636
2151.022 of the Revised Code. 36637

(21) "Revocation" means the act of revoking a child's 36638
supervised release for a violation of a term or condition of the 36639
child's supervised release in accordance with section 5139.52 of 36640
the Revised Code. 36641

(22) "Release authority" means the release authority of the 36642
department of youth services that is established by section 36643

5139.50 of the Revised Code. 36644

(23) "Supervised release" means the event of the release of a 36645
child under this chapter from an institution and the period after 36646
that release during which the child is supervised and assisted by 36647
an employee of the department of youth services under specific 36648
terms and conditions for reintegration of the child into the 36649
community. 36650

(24) "Victim" means the person identified in a police report, 36651
complaint, or information as the victim of an act that would have 36652
been a criminal offense if committed by an adult and that provided 36653
the basis for adjudication proceedings resulting in a child's 36654
commitment to the legal custody of the department of youth 36655
services. 36656

(25) "Victim's representative" means a member of the victim's 36657
family or another person whom the victim or another authorized 36658
person designates in writing, pursuant to section 5139.56 of the 36659
Revised Code, to represent the victim with respect to proceedings 36660
of the release authority of the department of youth services and 36661
with respect to other matters specified in that section. 36662

(26) "Member of the victim's family" means a spouse, child, 36663
stepchild, sibling, parent, stepparent, grandparent, other 36664
relative, or legal guardian of a child but does not include a 36665
person charged with, convicted of, or adjudicated a delinquent 36666
child for committing a criminal or delinquent act against the 36667
victim or another criminal or delinquent act arising out of the 36668
same conduct, criminal or delinquent episode, or plan as the 36669
criminal or delinquent act committed against the victim. 36670

(27) "Judicial release to court supervision" means a release 36671
of a child from institutional care or institutional care in a 36672
secure facility that is granted by a court pursuant to division 36673
(B) of section 2152.22 of the Revised Code during the period 36674

specified in that division. 36675

(28) "Judicial release to department of youth services 36676
supervision" means a release of a child from institutional care or 36677
institutional care in a secure facility that is granted by a court 36678
pursuant to division (C) of section 2152.22 of the Revised Code 36679
during the period specified in that division. 36680

(29) "Comprehensive plan" means a document that coordinates, 36681
evaluates, and otherwise assists, on an annual or multi-year 36682
basis, all of the functions of the criminal and juvenile justice 36683
systems of the state or a specified area of the state, that 36684
conforms to the priorities of the state with respect to criminal 36685
and juvenile justice systems, and that conforms with the 36686
requirements of all federal criminal justice acts. These functions 36687
include, but are not limited to, all of the following: 36688

(a) Crime and delinquency prevention; 36689

(b) Identification, detection, apprehension, and detention of 36690
persons charged with criminal offenses or delinquent acts; 36691

(c) Assistance to crime victims or witnesses, except that the 36692
comprehensive plan does not include the functions of the attorney 36693
general pursuant to sections 109.91 and 109.92 of the Revised 36694
Code; 36695

(d) Adjudication or diversion of persons charged with 36696
criminal offenses or delinquent acts; 36697

(e) Custodial treatment of criminal offenders and delinquent 36698
children; 36699

(f) Institutional and noninstitutional rehabilitation of 36700
criminal offenders and delinquent children. 36701

(30) "Administrative planning district," "criminal justice 36702
coordinating council," "juvenile justice system," and 36703
"metropolitan county criminal justice services agency" have the 36704

same meanings as in section 181.51 of the Revised Code. 36705

(B) There is hereby created the department of youth services. 36706
The governor shall appoint the director of the department with the 36707
advice and consent of the senate. The director shall hold office 36708
during the term of the appointing governor but subject to removal 36709
at the pleasure of the governor. Except as otherwise authorized in 36710
section 108.05 of the Revised Code, the director shall devote the 36711
director's entire time to the duties of the director's office and 36712
shall hold no other office or position of trust or profit during 36713
the director's term of office. 36714

The director is the chief executive and administrative 36715
officer of the department and has all the powers of a department 36716
head set forth in Chapter 121. of the Revised Code. The director 36717
may adopt rules for the government of the department, the conduct 36718
of its officers and employees, the performance of its business, 36719
and the custody, use, and preservation of the department's 36720
records, papers, books, documents, and property. The director 36721
shall be an appointing authority within the meaning of Chapter 36722
124. of the Revised Code. Whenever this or any other chapter or 36723
section of the Revised Code imposes a duty on or requires an 36724
action of the department, the duty or action shall be performed by 36725
the director or, upon the director's order, in the name of the 36726
department. 36727

Sec. 5139.11. The department of youth services shall do all 36728
of the following: 36729

(A) Through a program of education, promotion, and 36730
organization, form groups of local citizens and assist these 36731
groups in conducting activities aimed at the prevention and 36732
control of juvenile delinquency, making use of local people and 36733
resources for the following purposes: 36734

(1) Combatting local conditions known to contribute to 36735

juvenile delinquency;	36736
(2) Developing recreational and other programs for youth work;	36737 36738
(3) Providing adult sponsors for delinquent children cases;	36739
(4) Dealing with other related problems of the locality.	36740
(B) Advise local, state, and federal officials, public and private agencies, and lay groups on the needs for and possible methods of the reduction and prevention of juvenile delinquency and the treatment of delinquent children;	36741 36742 36743 36744
(C) Consult with the schools and courts of this state on the development of programs for the reduction and prevention of delinquency and the treatment of delinquents;	36745 36746 36747
(D) Cooperate with other agencies whose services deal with the care and treatment of delinquent children to the end that delinquent children who are state wards may be assisted whenever possible to a successful adjustment outside of institutional care;	36748 36749 36750 36751
(E) Cooperate with other agencies in surveying, developing, and utilizing the recreational resources of a community as a means of combatting the problem of juvenile delinquency and effectuating rehabilitation;	36752 36753 36754 36755
(F) Hold district and state conferences from time to time in order to acquaint the public with current problems of juvenile delinquency and develop a sense of civic responsibility toward the prevention of juvenile delinquency;	36756 36757 36758 36759
(G) Assemble and distribute information relating to juvenile delinquency and report on studies relating to community conditions that affect the problem of juvenile delinquency;	36760 36761 36762
(H) Assist any community within the state by conducting a comprehensive survey of the community's available public and private resources, and recommend methods of establishing a	36763 36764 36765

community program for combatting juvenile delinquency and crime, 36766
but no survey of that type shall be conducted unless local 36767
individuals and groups request it through their local authorities, 36768
and no request of that type shall be interpreted as binding the 36769
community to following the recommendations made as a result of the 36770
request; 36771

(I) Evaluate the rehabilitation of children committed to the 36772
department and prepare and submit periodic reports to the 36773
committing court for the following purposes: 36774

(1) Evaluating the effectiveness of institutional treatment; 36775

(2) Making recommendations for judicial release under section 36776
2152.22 of the Revised Code if appropriate and recommending 36777
conditions for judicial release; 36778

(3) Reviewing the placement of children and recommending 36779
alternative placements where appropriate. 36780

(J) Coordinate dates for hearings to be conducted under 36781
section 2152.22 of the Revised Code and assist in the transfer and 36782
release of children from institutionalization to the custody of 36783
the committing court; 36784

(K)(1) Coordinate and assist juvenile justice systems by 36785
doing the following: 36786

(a) Performing juvenile justice system planning in the state, 36787
including any planning that is required by any federal law; 36788

(b) Collecting, analyzing, and correlating information and 36789
data concerning the juvenile justice system in the state; 36790

(c) Cooperating with and providing technical assistance to 36791
state departments, administrative planning districts, metropolitan 36792
county criminal justice services agencies, criminal justice 36793
coordinating councils, and agencies, offices, and departments of 36794
the juvenile justice system in the state, and other appropriate 36795

<u>organizations and persons;</u>	36796
<u>(d) Encouraging and assisting agencies, offices, and departments of the juvenile justice system in the state and other appropriate organizations and persons to solve problems that relate to the duties of the department;</u>	36797 36798 36799 36800
<u>(e) Administering within the state any juvenile justice acts that the governor requires the department to administer;</u>	36801 36802
<u>(f) Implementing the state comprehensive plans;</u>	36803
<u>(g) Auditing grant activities of agencies, offices, organizations, and persons that are financed in whole or in part by funds granted through the department;</u>	36804 36805 36806
<u>(h) Monitoring or evaluating the performance of juvenile justice system projects and programs in the state that are financed in whole or in part by funds granted through the department;</u>	36807 36808 36809 36810
<u>(i) Applying for, allocating, disbursing, and accounting for grants that are made available pursuant to federal juvenile justice acts, or made available from other federal, state, or private sources, to improve the criminal and juvenile justice systems in the state. All money from federal juvenile justice act grants shall, if the terms under which the money is received require that the money be deposited into an interest bearing fund or account, be deposited in the state treasury to the credit of the federal juvenile justice program purposes fund, which is hereby created. All investment earnings shall be credited to the fund.</u>	36811 36812 36813 36814 36815 36816 36817 36818 36819 36820 36821
<u>(j) Contracting with federal, state, and local agencies, foundations, corporations, businesses, and persons when necessary to carry out the duties of the department;</u>	36822 36823 36824
<u>(k) Overseeing the activities of metropolitan county criminal</u>	36825

<u>justice services agencies, administrative planning districts, and</u>	36826
<u>juvenile justice coordinating councils in the state;</u>	36827
	36828
<u>(1) Advising the general assembly and governor on legislation</u>	36829
<u>and other significant matters that pertain to the improvement and</u>	36830
<u>reform of the juvenile justice system in the state;</u>	36831
	36832
<u>(m) Preparing and recommending legislation to the general</u>	36833
<u>assembly and governor for the improvement of the juvenile justice</u>	36834
<u>system in the state;</u>	36835
<u>(n) Assisting, advising, and making any reports that are</u>	36836
<u>required by the governor, attorney general, or general assembly.</u>	36837
<u>(2) Division (K)(1) of this section does not limit the</u>	36838
<u>discretion or authority of the attorney general with respect to</u>	36839
<u>crime victim assistance and criminal and juvenile justice</u>	36840
<u>programs.</u>	36841
<u>(3) Nothing in division (K)(1) of this section is intended to</u>	36842
<u>diminish or alter the status of the office of the attorney general</u>	36843
<u>as a criminal justice services agency.</u>	36844
Section 7. That the existing versions of sections 5139.01 and	36845
5139.11 of the Revised Code that are scheduled to take effect	36846
January 1, 2002, are hereby repealed.	36847
Section 8. Sections 6 and 7 of this act shall take effect on	36848
January 1, 2002.	36849
Section 9. Except as otherwise provided, all appropriation	36850
items (AI) in this act are appropriated out of any moneys in the	36851
state treasury to the credit of the designated fund that are not	36852
otherwise appropriated. For all appropriations made in this act,	36853
the amounts in the first column are for fiscal year 2002 and the	36854

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amounts in the second column are for fiscal year 2003.				36855				
				36856				
FND ALI	AI TITLE		FY 2002	FY 2003	36857			
Section 10. ACC ACCOUNTANCY BOARD OF OHIO				36858				
General Services Fund Group				36859				
4J8	889-601 CPA Education	\$	204,400	\$	209,510	36860		
	Assistance							
4K9	889-609 Operating Expenses	\$	870,318	\$	917,458	36861		
TOTAL GSF General Services Fund				36862				
Group				\$	1,074,718	\$	1,126,968	36863
TOTAL ALL BUDGET FUND GROUPS				\$	1,074,718	\$	1,126,968	36864
Section 11. PAY ACCRUED LEAVE LIABILITY				36866				
Accrued Leave Liability Fund Group				36867				
806	995-666 Accrued Leave Fund	\$	52,083,178	\$	56,760,331	36868		
807	995-667 Disability Fund	\$	42,843,384	\$	47,127,722	36869		
TOTAL ALF Accrued Leave Liability				36870				
Fund Group				\$	94,926,562	\$	103,888,053	36871
Agency Fund Group				36872				
808	995-668 State Employee Health	\$	163,866,236	\$	187,635,594	36873		
	Benefit Fund							
809	995-669 Dependent Care	\$	3,050,554	\$	3,355,609	36874		
	Spending Account							
810	995-670 Life Insurance	\$	2,109,592	\$	2,236,167	36875		
	Investment Fund							
811	995-671 Parental Leave Benefit	\$	4,914,815	\$	6,143,519	36876		
	Fund							
TOTAL AGY Agency Fund Group				\$	173,941,197	\$	199,370,889	36877
TOTAL ALL BUDGET FUND GROUPS				\$	268,867,759	\$	303,258,942	36878
ACCRUED LEAVE LIABILITY FUND				36879				

The foregoing appropriation item 995-666, Accrued Leave Fund, 36880
shall be used to make payments from the Accrued Leave Liability 36881
Fund (Fund 806), pursuant to section 125.211 of the Revised Code. 36882
If it is determined by the Director of Budget and Management that 36883
additional amounts are necessary, the amounts are appropriated. 36884

STATE EMPLOYEE DISABILITY LEAVE BENEFIT FUND 36885

The foregoing appropriation item 995-667, Disability Fund, 36886
shall be used to make payments from the State Employee Disability 36887
Leave Benefit Fund (Fund 807), pursuant to section 124.83 of the 36888
Revised Code. If it is determined by the Director of Budget and 36889
Management that additional amounts are necessary, the amounts are 36890
appropriated. 36891

STATE EMPLOYEE HEALTH BENEFIT FUND 36892

The foregoing appropriation item 995-668, State Employee 36893
Health Benefit Fund, shall be used to make payments from the State 36894
Employee Health Benefit Fund (Fund 808), pursuant to section 36895
124.87 of the Revised Code. If it is determined by the Director of 36896
Budget and Management that additional amounts are necessary, the 36897
amounts are appropriated. 36898

DEPENDENT CARE SPENDING ACCOUNT 36899

The foregoing appropriation item 995-669, Dependent Care 36900
Spending Account, shall be used to make payments from the 36901
Dependent Care Spending Account (Fund 809) to employees eligible 36902
for dependent care expenses. If it is determined by the Director 36903
of Budget and Management that additional amounts are necessary, 36904
the amounts are appropriated. 36905

LIFE INSURANCE INVESTMENT FUND 36906

The foregoing appropriation item 995-670, Life Insurance 36907
Investment Fund, shall be used to make payments from the Life 36908
Insurance Investment Fund (Fund 810) for the costs and expenses of 36909

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the state's life insurance benefit program pursuant to section				36910
125.212 of the Revised Code. If it is determined by the Director				36911
of Budget and Management that additional amounts are necessary,				36912
the amounts are appropriated.				36913
PARENTAL LEAVE BENEFIT FUND				36914
The foregoing appropriation item 995-671, Parental Leave				36915
Benefit Fund, shall be used to make payments from the Parental				36916
Leave Benefit Fund (Fund 811) to employees eligible for parental				36917
leave benefits pursuant to section 124.137 of the Revised Code. If				36918
it is determined by the Director of Budget and Management that				36919
additional amounts are necessary, the amounts are appropriated.				36920
Section 12. ADJ ADJUTANT GENERAL				36921
General Revenue Fund				36922
GRF 745-401 Ohio Military Reserve	\$	14,901	\$ 15,200	36923
GRF 745-403 Armory Deferred	\$	250,000	\$ 250,000	36924
Maintenance				
GRF 745-404 Air National Guard	\$	1,771,706	\$ 1,844,980	36925
GRF 745-409 Central Administration	\$	3,975,185	\$ 4,222,598	36926
GRF 745-499 Army National Guard	\$	3,723,726	\$ 3,828,978	36927
GRF 745-502 Ohio National Guard	\$	106,980	\$ 103,058	36928
Unit Fund				
TOTAL GRF General Revenue Fund	\$	9,842,498	10,264,814	36929
General Services Fund Group				36930
534 745-612 Armory Improvements	\$	529,014	\$ 534,304	36931
536 745-620 Camp Perry Clubhouse	\$	1,054,359	\$ 1,094,970	36932
and Rental				
537 745-604 ONG Maintenance	\$	214,464	\$ 219,826	36933
TOTAL GSF General Services Fund	\$	1,797,837	\$ 1,849,100	36934
Group				
Federal Special Revenue Fund Group				36935

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3E8	745-628	Air National Guard Operations and Maintenance Agreement	\$	11,821,084	\$	12,770,931	36936
3R8	745-603	Counter Drug Operations	\$	25,000	\$	25,000	36937
3S0	745-602	Higher Ground Training	\$	20,000	\$	20,000	36938
341	745-615	Air National Guard Base Security	\$	1,770,744	\$	1,841,573	36939
342	745-616	Army National Guard Service Agreement	\$	6,429,352	\$	6,749,210	36940
TOTAL FED	Federal Special Revenue		\$	20,066,180	\$	21,406,714	36941
Fund Group							
	State Special Revenue	Fund Group					36942
528	745-605	Marksmanship Activities	\$	64,466	\$	66,078	36943
TOTAL SSR	State Special Revenue		\$	64,466	\$	66,078	36944
Fund Group							
TOTAL ALL BUDGET FUND GROUPS			\$	31,770,981	\$	33,586,706	36945
	ARMORY DEFERRED MAINTENANCE						36946
	Of the foregoing appropriation item 745-403, Armory Deferred						36947
	Maintenance, all disbursements shall be made based on a spending						36948
	plan approved by the Director of Budget and Management.						36949
	ARMY NATIONAL GUARD SERVICE AGREEMENT AND ARMY NATIONAL GUARD						36950
	TRAINING SITE AGREEMENT						36951
	On July 1, 2001, or as soon thereafter as possible, the						36952
	Adjutant General shall certify to the Director of Budget and						36953
	Management the cash balance in Fund 343, Army National Guard						36954
	Training Site Agreement. The Director of Budget and Management						36955
	shall transfer the certified amount from Fund 343 to Fund 342,						36956
	Army National Guard Service Agreement. Any existing encumbrances						36957
	in appropriation item 745-619, Army National Guard Training Site						36958
	Agreement (Fund 343), shall be canceled and reestablished against						36959

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appropriation item 745-616, Army National Guard Service Agreement				36960
(Fund 342). The amounts of the reestablished encumbrances are				36961
appropriated, and Fund 343 is abolished.				36962
Section 13. DAS DEPARTMENT OF ADMINISTRATIVE SERVICES				36963
General Revenue Fund				36964
GRF 100-402 Unemployment	\$	107,713	\$ 109,114	36965
Compensation				
GRF 100-405 Agency Audit Expenses	\$	662,147	\$ 614,704	36966
GRF 100-406 County & University	\$	850,133	\$ 838,777	36967
Human Resources				
Services				
GRF 100-409 Departmental	\$	948,332	\$ 975,481	36968
Information Services				
GRF 100-410 Veterans' Records	\$	480,000	\$ 480,000	36969
Conversion				
GRF 100-414 Ohio Geographically	\$	512,410	\$ 510,807	36970
Referenced Information				
Program				
GRF 100-416 Strategic Technology	\$	3,470,440	\$ 5,000,000	36971
Development Programs				
GRF 100-417 MARCS	\$	6,200,000	\$ 7,900,000	36972
GRF 100-419 Ohio SONET	\$	4,527,924	\$ 4,625,879	36973
GRF 100-420 Innovation Ohio	\$	144,000	\$ 144,000	36974
GRF 100-421 ERP Project	\$	600,000	\$ 624,000	36975
Implementation				
GRF 100-433 State of Ohio Computer	\$	5,003,580	\$ 5,027,234	36976
Center				
GRF 100-439 Equal Opportunity	\$	817,894	\$ 861,093	36977
Certification Programs				
GRF 100-447 OBA - Building Rent	\$	100,075,600	\$ 119,923,600	36978
Payments				
GRF 100-448 OBA - Building	\$	26,098,000	\$ 26,098,000	36979

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		Operating Payments				
GRF	100-449	DAS - Building	\$	5,126,955	\$	5,126,968 36980
		Operating Payments				
GRF	100-451	Minority Affairs	\$	119,706	\$	118,043 36981
GRF	100-734	Major Maintenance	\$	70,224	\$	68,376 36982
GRF	102-321	Construction	\$	1,392,590	\$	1,396,506 36983
		Compliance				
GRF	130-321	State Agency Support	\$	3,632,427	\$	3,740,888 36984
		Services				
TOTAL	GRF	General Revenue Fund	\$	160,840,075	\$	184,183,470 36985
		General Services Fund Group				36986
112	100-616	DAS Administration	\$	5,243,105	\$	5,503,547 36987
115	100-632	Central Service Agency	\$	399,438	\$	376,844 36988
117	100-644	General Services	\$	5,790,000	\$	7,091,000 36989
		Division - Operating				
122	100-637	Fleet Management	\$	1,600,913	\$	1,652,189 36990
125	100-622	Human Resources	\$	23,895,125	\$	24,640,311 36991
		Division - Operating				
127	100-627	Vehicle Liability	\$	3,373,835	\$	3,487,366 36992
		Insurance				
128	100-620	Collective Bargaining	\$	3,242,859	\$	3,360,952 36993
130	100-606	Risk Management	\$	185,900	\$	197,904 36994
		Reserve				
131	100-639	State Architect's	\$	7,504,787	\$	7,772,789 36995
		Office				
132	100-631	DAS Building	\$	10,887,913	\$	11,362,872 36996
		Management				
188	100-649	Equal Opportunity	\$	1,214,691	\$	1,253,311 36997
		Programs				
201	100-653	General Services	\$	1,779,000	\$	1,833,000 36998
		Resale Merchandise				
210	100-612	State Printing	\$	6,648,503	\$	6,928,823 36999
4H2	100-604	Governor's Residence	\$	22,628	\$	23,194 37000

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		Gift					
4P3	100-603	Departmental MIS	\$	7,447,713	\$	7,761,365	37001
		Services					
427	100-602	Investment Recovery	\$	4,204,735	\$	4,179,184	37002
5C3	100-608	Skilled Trades	\$	2,237,200	\$	2,332,464	37003
5D7	100-621	Workforce Development	\$	12,000,000	\$	12,000,000	37004
5L7	100-610	Professional	\$	2,700,000	\$	2,700,000	37005
		Development					
		TOTAL GSF General Services Fund					37006
		Group	\$	100,378,345	\$	104,457,115	37007
		Intragovernmental Service Fund Group					37008
133	100-607	Information Technology	\$	104,482,097	\$	111,387,436	37009
		Fund					
4N6	100-617	Major Computer	\$	12,000,000	\$	4,500,000	37010
		Purchases					
		TOTAL ISF Intragovernmental					37011
		Service Fund Group	\$	116,482,097	\$	115,887,436	37012
		Agency Fund Group					37013
113	100-628	Unemployment	\$	3,500,000	\$	3,577,000	37014
		Compensation					
124	100-629	Payroll Deductions	\$	1,877,100,000	\$	1,999,100,000	37015
		TOTAL AGY Agency Fund Group	\$	1,880,600,000	\$	2,002,677,000	37016
		Holding Account Redistribution Fund Group					37017
R08	100-646	General Services	\$	20,000	\$	20,000	37018
		Refunds					
		TOTAL 090 Holding Account					37019
		Redistribution Fund Group	\$	20,000	\$	20,000	37020
		TOTAL ALL BUDGET FUND GROUPS	\$	2,258,320,517	\$	2,407,225,021	37021
		Section 13.01. AGENCY AUDIT EXPENSES					37023
		Of the foregoing appropriation item 100-405, Agency Audit					37024
		Expenses, up to \$145,261 in fiscal year 2002 and up to \$74,447 in					37025

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fiscal year 2003 shall be used to subsidize the operations of the
 Central Service Agency. The Department of Administrative Services
 shall transfer cash from appropriation item 100-405, Agency Audit
 Expenses, to the Central Service Agency Fund (Fund 115) using an
 intrastate transfer voucher.

Of the foregoing appropriation item 100-405, Agency Audit
 Expenses, up to \$30,000 in fiscal year 2002 and \$30,000 in fiscal
 year 2003 shall be used for the Department of Administrative
 Services' GRF appropriation item-related auditing expenses. The
 remainder of the appropriation shall be used for auditing expenses
 designated in division (A)(1) of section 117.13 of the Revised
 Code for those state agencies audited on a biennial basis.

Section 13.02. OHIO BUILDING AUTHORITY

The foregoing appropriation item 100-447, OBA - Building Rent
 Payments, shall be used to meet all payments at the times they are
 required to be made during the period from July 1, 2001, to June
 30, 2003, by the Department of Administrative Services to the Ohio
 Building Authority pursuant to leases and agreements under Chapter
 152. of the Revised Code, but limited to the aggregate amount of
 \$219,999,200. The foregoing appropriation item 100-448, OBA -
 Building Operating Payments, shall be used to meet all payments at
 the times that they are required to be made during the period from
 July 1, 2001, to June 30, 2003, by the Department of
 Administrative Services to the Ohio Building Authority pursuant to
 leases and agreements under Chapter 152. of the Revised Code, but
 limited to the aggregate amount of \$52,196,000. These
 appropriations are the source of funds pledged for bond service
 charges on obligations issued pursuant to Chapter 152. of the
 Revised Code.

The payments to the Ohio Building Authority are for the
 purpose of paying the expenses of agencies that occupy space in

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the various state facilities. The Department of Administrative Services may enter into leases and agreements with the Ohio Building Authority providing for the payment of these expenses. The Ohio Building Authority shall report to the Department of Administrative Services and the Office of Budget and Management not later than five months after the start of a fiscal year the actual expenses incurred by the Ohio Building Authority in operating the facilities and any balances remaining from payments and rentals received in the prior fiscal year. The Department of Administrative Services shall reduce subsequent payments by the amount of the balance reported to it by the Ohio Building Authority.

Section 13.03. DAS - BUILDING OPERATING PAYMENTS 37069

The foregoing appropriation item 100-449, DAS - Building Operating Payments, shall be used to pay the rent expenses of veterans organizations pursuant to section 123.024 of the Revised Code in fiscal years 2002 and 2003.

The foregoing appropriation item, 100-449, DAS - Building Operating Payments, may be used to provide funding for the cost of property appraisals that the Department of Administrative Services may be required to obtain for property that is being sold by the state or property under consideration to be purchased by the state.

Of the foregoing appropriation item 100-449, DAS - Building Operating Payment, \$100,000 shall be used in fiscal year 2002 to fund the renovation of new office space for the State Library and the Ohioana Library Association.

Notwithstanding section 125.28 of the Revised Code, the remaining portion of the appropriation may be used to pay the operating expenses of state facilities maintained by the Department of Administrative Services that are not billed to

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building tenants. These expenses may include, but are not limited to, the costs for vacant space and space undergoing renovation, and the rent expenses of tenants that are relocated due to building renovations. These payments shall be processed by the Department of Administrative Services through intrastate transfer vouchers and placed in the Facilities Management Fund (Fund 132).

Section 13.04. MINORITY AFFAIRS 37094

The foregoing appropriation item 100-451, Minority Affairs, shall be used to establish minority affairs programs within the Equal Opportunity Division. The office shall provide an access point and official representation to multi-cultural communities; research and reports on multi-cultural issues; and educational, governmental, and other services that foster multi-cultural opportunities and understanding in the state of Ohio.

Section 13.05. CENTRAL SERVICE AGENCY FUND 37102

In order to complete the migration of the licensing applications of the professional licensing boards to a local area network, the Director of Budget and Management may, at the request of the Director of Administrative Services, cancel related encumbrances in the Central Service Agency Fund (Fund 115) and reestablish these encumbrances in fiscal year 2002 for the same purpose and to the same vendor. The Director of Budget and Management shall reduce the appropriation balance in fiscal year 2001 by the amount of encumbrances canceled in Fund 115. As determined by the Director of Budget and Management, the amount necessary to reestablish such encumbrances or parts of encumbrances in fiscal year 2002 in the Central Service Agency Fund (Fund 115) is appropriated.

The Director of Budget and Management may transfer up to \$399,000 in fiscal year 2002 and up to \$354,000 in fiscal year

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2003 from the Occupational Licensing and Regulatory Fund (Fund 4K9) to the Central Service Agency Fund (Fund 115). The Director of Budget and Management may transfer up to \$34,000 in fiscal year 2002 and up to \$30,000 in fiscal year 2003 from the State Medical Board Operating Fund (Fund 5C6) to the Central Service Agency Fund (Fund 115). The appropriation item 100-632, Central Service Agency, shall be used to purchase the necessary equipment, products, and services to install and maintain a local area network for the professional licensing boards, and to support their licensing applications. The amount of the cash transfer is appropriated to appropriation item 100-632, Central Service Agency.

Section 13.06. TUITION REIMBURSEMENT

Of the foregoing appropriation item 100-622, Human Resources Division - Operating, \$350,000 in fiscal year 2002 and \$400,000 in fiscal year 2003 shall be set aside for the District 1199 Health Care Employees Tuition Reimbursement Program, per existing collective bargaining agreements. Of the foregoing appropriation item 100-622, Human Resources Division - Operating, \$75,000 in fiscal year 2002 and \$75,000 in fiscal year 2003 shall be set aside for the Ohio Education Association Tuition Reimbursement Program, per existing collective bargaining agreements. The Department of Administrative Services, with the approval of the Director of Budget and Management, shall establish charges for recovering the costs of administering the District 1199 Health Care Employees Tuition Reimbursement Program and the Ohio Education Association Tuition Reimbursement Program. Receipts for these charges shall be deposited into the Human Resources Services Fund (Fund 125).

Section 13.07. COLLECTIVE BARGAINING ARBITRATION EXPENSES

With approval of the Director of Budget and Management, the 37148
Department of Administrative Services may seek reimbursement from 37149
state agencies for the actual costs and expenses the department 37150
incurs in the collective bargaining arbitration process. The 37151
reimbursements shall be processed through intrastate transfer 37152
vouchers and placed in the Collective Bargaining Fund (Fund 128). 37153

Section 13.08. EQUAL OPPORTUNITY PROGRAM 37154

The Department of Administrative Services, with the approval 37155
of the Director of Budget and Management, shall establish charges 37156
for recovering the costs of administering the activities supported 37157
by the Equal Opportunity Programs Fund (Fund 188). These charges 37158
shall be deposited to the credit of the Equal Opportunity Programs 37159
Fund (Fund 188) upon payment made by state agencies, 37160
state-supported or state-assisted institutions of higher 37161
education, and tax-supported agencies, municipal corporations, and 37162
other political subdivisions of the state, for services rendered. 37163

Section 13.09. MERCHANDISE FOR RESALE 37164

The foregoing appropriation item 100-653, General Services 37165
Resale Merchandise, shall be used to account for merchandise for 37166
resale, which is administered by the General Services Division. 37167
Deposits to the fund may comprise the cost of merchandise for 37168
resale and shipping fees. 37169

Section 13.10. GOVERNOR'S RESIDENCE GIFT 37170

The foregoing appropriation item 100-604, Governor's 37171
Residence Gift, shall be used to provide part or all of the 37172
funding related to construction, goods, or services for the 37173
Governor's residence. All receipts for this purpose shall be 37174
deposited into Fund 4H2. 37175

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Section 13.11. DEPARTMENTAL MIS 37176

The foregoing appropriation item 100-603, Departmental MIS 37177
 Services, may be used to pay operating expenses of management 37178
 information systems activities in the Department of Administrative 37179
 Services. The Department of Administrative Services shall 37180
 establish charges for recovering the costs of management 37181
 information systems activities. These charges shall be deposited 37182
 to the credit of the Departmental MIS Fund (Fund 4P3). 37183

Notwithstanding any other language to the contrary, the 37184
 Director of Budget and Management may transfer up to \$3,000,000 of 37185
 fiscal year 2002 appropriations and up to \$3,000,000 of fiscal 37186
 year 2003 appropriations from appropriation item 100-603, 37187
 Departmental MIS Services, to any Department of Administrative 37188
 Services non-General Revenue Fund appropriation item. The 37189
 appropriations transferred shall be used to make payments for 37190
 management information systems services. Notwithstanding any other 37191
 language to the contrary, the Director of Budget and Management 37192
 may transfer up to \$217,313 of fiscal year 2002 appropriations and 37193
 up to \$193,031 of fiscal year 2003 appropriations from 37194
 appropriation item 100-409, Departmental Information Services, to 37195
 any Department of Administrative Services appropriation item in 37196
 the General Revenue Fund. The appropriations transferred shall be 37197
 used to make payments for management information systems services. 37198
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Section 13.12. INVESTMENT RECOVERY FUND 37200

Notwithstanding division (B) of section 125.14 of the Revised 37201
 Code, cash balances in the Investment Recovery Fund may be used to 37202
 support the operating expenses of the Federal Surplus Operating 37203
 Program created in sections 125.84 to 125.90 of the Revised Code. 37204

Notwithstanding division (B) of section 125.14 of the Revised 37205

Code, cash balances in the Investment Recovery Fund may be used to 37206
support the operating expenses of the State Property Inventory and 37207
Fixed Assets Management System Program. 37208

Of the foregoing appropriation item 100-602, Investment 37209
Recovery, up to \$2,045,302 in fiscal year 2002 and up to 37210
\$1,959,192 in fiscal year 2003 shall be used to pay the operating 37211
expenses of the State Surplus Property Program, the Surplus 37212
Federal Property Program, and the State Property Inventory and 37213
Fixed Assets Management System Program pursuant to Chapter 125. of 37214
the Revised Code and this section. If additional appropriations 37215
are necessary for the operations of these programs, the Director 37216
of Administrative Services shall seek increased appropriations 37217
from the Controlling Board under section 131.35 of the Revised 37218
Code. 37219

Of the foregoing appropriation item 100-602, Investment 37220
Recovery, \$2,045,302 in fiscal year 2002 and \$1,959,192 in fiscal 37221
year 2003 shall be used to transfer proceeds from the sale of 37222
surplus property from the Investment Recovery Fund to non-General 37223
Revenue Funds pursuant to division (A)(2) of section 125.14 of the 37224
Revised Code. If it is determined by the Director of 37225
Administrative Services that additional appropriations are 37226
necessary for the transfer of such sale proceeds, the Director of 37227
Administrative Services may request the Director of Budget and 37228
Management to increase the amounts. Such amounts are appropriated. 37229
37230

Notwithstanding division (B) of section 125.14 of the Revised 37231
Code, the Director of Budget and Management, at the request of the 37232
Director of Administrative Services, shall transfer up to 37233
\$2,500,000 of the amounts held for transfer to the General Revenue 37234
Fund from the Investment Recovery Fund (Fund 427) to the General 37235
Services Fund (Fund 117) during the biennium beginning July 1, 37236
2001, and ending June 30, 2003. The cash transferred to the 37237

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General Services Fund shall be used to pay the operating expenses	37238
of the Competitive Sealed Proposal Program.	37239
Section 13.13. MULTI-AGENCY RADIO COMMUNICATIONS SYSTEM	37240
Effective with the implementation of the Multi-Agency Radio	37241
Communications System, the Director of Administrative Services	37242
shall collect user fees from participants in the system. The	37243
Director of Administrative Services, with the advice of the	37244
Multi-Agency Radio Communications System Steering Committee and	37245
the Director of Budget and Management, shall determine the amount	37246
of the fees and the manner by which the fees shall be collected.	37247
Such user charges shall comply with the applicable cost principles	37248
issued by the federal Office of Management and Budget. All moneys	37249
from user charges and fees shall be deposited in the state	37250
treasury to the credit of the Multi-Agency Radio Communications	37251
System Administration Fund (Fund 5C2).	37252
Section 13.14. WORKFORCE DEVELOPMENT FUND	37253
There is hereby established in the state treasury the	37254
Workforce Development Fund (Fund 5D7). The foregoing appropriation	37255
item 100-621, Workforce Development, shall be used to make	37256
payments from the fund. The fund shall be under the supervision of	37257
the Department of Administrative Services, which may adopt rules	37258
with regard to administration of the fund. The fund shall be used	37259
to pay the costs of the Workforce Development Program established	37260
by Article 37 of the contract between the State of Ohio and	37261
OCSEA/AFSCME, Local 11, effective March 1, 2000. The program shall	37262
be administered in accordance with the contract. Revenues shall	37263
accrue to the fund as specified in the contract. The fund may be	37264
used to pay direct and indirect costs of the program that are	37265
attributable to staff, consultants, and service providers. All	37266
income derived from the investment of the fund shall accrue to the	37267

fund. 37268

If it is determined by the Director of Administrative Services that additional appropriation amounts are necessary, the Director of Administrative Services may request that the Director of Budget and Management increase such amounts. Such amounts are appropriated. 37269
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Section 13.15. PROFESSIONAL DEVELOPMENT FUND 37274

The foregoing appropriation item 100-610, Professional Development, shall be used to make payments from the Professional Development Fund (Fund 5L7) pursuant to section 124.182 of the Revised Code. 37275
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Section 13.16. COMPUTER EQUIPMENT PURCHASES 37279

The Director of Administrative Services shall compute the amount of revenue attributable to the amortization of all equipment purchases from appropriation item 100-607, Information Technology Fund; appropriation item 100-617, Major Computer Purchases; and appropriation item CAP-837, Major Equipment Purchases, which is recovered by the Department of Administrative Services as part of the rates charged by the Information Technology Fund (Fund 133) created in section 125.15 of the Revised Code. The Director of Budget and Management may transfer cash in an amount not to exceed the amount of amortization computed from the Information Technology Fund (Fund 133) to Major Computer Purchases (Fund 4N6). 37280
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Section 13.17. INFORMATION TECHNOLOGY ASSESSMENT 37292

The Director of Administrative Services, with the approval of the Director of Budget and Management, may establish an information technology assessment for the purpose of recovering the cost of selected infrastructure development and statewide 37293
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programs. Such assessment shall comply with applicable cost 37297
 principles issued by the federal Office of Management and Budget. 37298
 During the fiscal year 2001-2003 biennium, the information 37299
 technology assessment may be used to partially fund the cost of 37300
 electronic-government infrastructure. The information technology 37301
 assessment shall be charged to all organized bodies, offices, or 37302
 agencies established by the laws of the state for the exercise of 37303
 any function of state government except for the General Assembly, 37304
 any legislative agency, the Supreme Court, the other courts of 37305
 record in Ohio, or any judicial agency, the Adjutant General, the 37306
 Bureau of Workers' Compensation, and institutions administered by 37307
 a board of trustees. Any state-entity exempted by this section my 37308
 utilize the infrastructure or statewide program by participating 37309
 in the information technology assessment. All charges for the 37310
 information technology assessment shall be deposited to the credit 37311
 of the Information Technology Fund (Fund 133) created in section 37312
 125.15 of the Revised Code. 37313

Section 13.18. E-GOVERNMENT DEVELOPMENT FUND 37314

The Director of Budget and Management shall transfer any cash 37315
 balances remaining in the E-Government Development Fund (Fund 5M6) 37316
 after November 30, 2001, from the E-Government Development Fund to 37317
 the Information Technology Fund (Fund 133) created in section 37318
 125.15 of the Revised Code. 37319

Section 13.19. UNEMPLOYMENT COMPENSATION FUND 37320

The foregoing appropriation item 100-628, Unemployment 37321
 Compensation, shall be used to make payments from the Unemployment 37322
 Compensation Fund (Fund 113), pursuant to section 4141.241 of the 37323
 Revised Code. If it is determined that additional amounts are 37324
 necessary, such amounts are appropriated. 37325

Section 13.20. PAYROLL WITHHOLDING FUND 37326

The foregoing appropriation item 100-629, Payroll Deductions, 37327
shall be used to make payments from the Payroll Withholding Fund 37328
(Fund 124). If it is determined by the Director of Budget and 37329
Management that additional appropriation amounts are necessary, 37330
such amounts are appropriated. 37331

Section 13.21. GENERAL SERVICES REFUNDS 37332

The foregoing appropriation item 100-646, General Services 37333
Refunds, shall be used to hold bid guarantee and building plans 37334
and specifications deposits until they are refunded. The Director 37335
of Administrative Services may request that the Director of Budget 37336
and Management transfer cash received for the costs of providing 37337
the building plans and specifications to contractors from the 37338
General Services Refund Fund to Fund 131, State Architect's 37339
Office. Prior to the transfer of cash, the Director of 37340
Administrative Services shall certify that such amounts are in 37341
excess of amounts required for refunding deposits and are directly 37342
related to costs of producing building plans and specifications. 37343
If it is determined that additional appropriations are necessary, 37344
such amounts are appropriated. 37345

Section 13.22. MULTI-AGENCY RADIO COMMUNICATION SYSTEM DEBT 37346
SERVICE PAYMENTS 37347

The Director of Administrative Services, in consultation with 37348
the Multi-Agency Radio Communication System (MARCS) Steering 37349
Committee and the Director of Budget and Management, shall 37350
determine the share of debt service payments attributable to 37351
spending for MARCS components that are not specific to any one 37352
agency and that shall be charged to agencies supported by the 37353
motor fuel tax. Such share of debt service payments shall be 37354

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calculated for MARCS capital disbursements made beginning July 1, 1997. Within thirty days of any payment made from appropriation item 100-447, OBA - Building Rent Payments, the Director of Administrative Services shall certify to the Director of Budget and Management the amount of this share. The Director of Budget and Management shall transfer such amounts to the General Revenue Fund from the Highway Operating Fund (Fund 002) established in section 5735.281 of the Revised Code.

Section 13.23. DIRECTOR'S DECLARATION OF PUBLIC EXIGENCY 37363

Whenever the Director of Administrative Services declares a "Public Exigency," as provided in division (C) of section 123.15 of the Revised Code, the Director shall also notify the members of the Controlling Board.

Section 13.24. GENERAL SERVICE CHARGES 37368

The Department of Administrative Services, with the approval of the Director of Budget and Management, shall establish charges for recovering the costs of administering the programs in the General Services Fund (Fund 117) and the State Printing Fund (Fund 210).

Section 14. AAM COMMISSION ON AFRICAN AMERICAN MALES 37374

General Revenue Fund				37375
GRF 036-100 Personal Services	\$	254,538	\$ 267,265	37376
GRF 036-200 Maintenance	\$	47,500	\$ 47,175	37377
GRF 036-300 Equipment	\$	19,000	\$ 18,870	37378
GRF 036-501 CAAM Awards and Scholarships	\$	15,200	\$ 15,096	37379
GRF 036-502 Community Projects	\$	38,000	\$ 27,750	37380
TOTAL GRF General Revenue Fund	\$	374,238	\$ 376,156	37381
State Special Revenue Fund Group				37382

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4H3 036-601	Commission on African American Males - Gifts/Grants	\$	10,000	\$	10,000	37383
TOTAL SSR	State Special Revenue Fund Group	\$	10,000	\$	10,000	37384
TOTAL ALL BUDGET FUND GROUPS		\$	384,238	\$	386,156	37385
COMMISSION ON AFRICAN AMERICAN MALES PROGRESS REVIEW						37386
No later than December 31, 2001, the Commission on African						37387
American Males shall submit to the chairperson and ranking						37388
minority member of the Human Services Subcommittee of the Finance						37389
and Appropriations Committee of the House of Representatives a						37390
report that demonstrates the progress that has been made toward						37391
meeting the Commission's mission statement.						37392
Section 15. JCR JOINT COMMITTEE ON AGENCY RULE REVIEW						37393
General Revenue Fund						37394
GRF 029-321	Operating Expenses	\$	365,881	\$	365,881	37395
TOTAL GRF	General Revenue Fund	\$	365,881	\$	365,881	37396
TOTAL ALL BUDGET FUND GROUPS		\$	365,881	\$	365,881	37397
OPERATING						37398
The Chief Administrative Officer of the House of						37399
Representatives and the Clerk of the Senate shall determine, by						37400
mutual agreement, which of them shall act as fiscal agent for the						37401
Joint Committee on Agency Rule Review.						37402
Section 16. AGE DEPARTMENT OF AGING						37403
General Revenue Fund						37404
GRF 490-321	Operating Expenses	\$	2,798,946	\$	2,798,946	37405
GRF 490-403	PASSPORT	\$	60,630,444	\$	62,563,924	37406
GRF 490-404	Eldercare	\$	98,000	\$	78,400	37407
GRF 490-405	Golden Buckeye Card	\$	377,560	\$	377,560	37408
GRF 490-406	Senior Olympics	\$	39,862	\$	39,862	37409

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GRF 490-407	Long-Term Care Consumer Guide	\$	622,799	\$	622,799	37410
GRF 490-408	STARS	\$	2,073,752	\$	2,083,552	37411
GRF 490-409	Ohio Community Service Council Operations	\$	311,640	\$	311,640	37412
GRF 490-410	Long-Term Care Ombudsman	\$	1,412,058	\$	1,412,058	37413
GRF 490-411	Senior Community Services	\$	13,684,750	\$	13,684,750	37414
GRF 490-412	Residential State Supplement	\$	12,534,591	\$	12,290,915	37415
GRF 490-414	Alzheimers Respite	\$	4,436,673	\$	4,436,673	37416
GRF 490-416	Transportation For Elderly	\$	183,000	\$	183,000	37417
GRF 490-499	Senior Employment Program	\$	15,574	\$	15,574	37418
GRF 490-504	Senior Facilities	\$	200,000	\$	200,000	37419
GRF 490-506	Senior Volunteers	\$	491,614	\$	496,580	37420
TOTAL GRF	General Revenue Fund	\$	99,911,263	\$	101,596,233	37421
	General Services Fund Group					37422
480 490-606	Senior Citizens Services Special Events	\$	363,587	\$	372,677	37423
TOTAL GSF	General Services Fund Group	\$	363,587	\$	372,677	37424 37425
	Federal Special Revenue Fund Group					37426
3C4 490-607	PASSPORT	\$	129,645,833	\$	144,875,065	37427
3M3 490-611	Federal Aging Nutrition	\$	22,943,588	\$	23,517,178	37428
3M4 490-612	Federal Supportive Services	\$	21,025,940	\$	21,545,338	37429
3R7 490-617	Ohio Community Service	\$	7,350,920	\$	7,350,920	37430

As Reported by the House Finance and Appropriations Committee

Council Programs					
322	490-618	Older Americans	\$ 10,873,661	\$ 11,144,778	37431
Support Services					
TOTAL FED Federal Special Revenue					37432
Fund Group			\$ 191,839,942	\$ 208,433,279	37433
State Special Revenue Fund Group					37434
4C4	490-609	Regional Long-Term	\$ 440,185	\$ 451,190	37435
Care Ombudsman Program					
4J4	490-610	PASSPORT/Residential	\$ 24,000,000	\$ 24,000,000	37436
State Supplement					
4U9	490-602	PASSPORT Fund	\$ 5,000,000	\$ 5,000,000	37437
5K9	490-613	Nursing Home Consumer	\$ 400,000	\$ 400,000	37438
Guide					
624	490-604	OCSC Community Support	\$ 2,500	\$ 2,500	37439
TOTAL SSR State Special Revenue					37440
Fund Group			\$ 29,842,685	\$ 29,853,690	37441
TOTAL ALL BUDGET FUND GROUPS			\$ 321,957,477	\$ 340,255,879	37442

Section 16.01. PRE-ADMISSION REVIEW FOR NURSING FACILITY 37444

ADMISSION 37445

Pursuant to sections 5101.751 and 5101.754 of the Revised Code and an interagency agreement, the Department of Job and Family Services shall designate the Department of Aging to perform assessments under sections 5101.75 and 5111.204 of the Revised Code. Of the foregoing appropriation item 490-403, PASSPORT, the Department of Aging may use not more than \$2,390,300 in fiscal year 2002 and \$2,450,058 in fiscal year 2003 to perform the assessments for persons not eligible for Medicaid in accordance with the department's interagency agreement with the Department of Job and Family Services and to assist individuals in planning for their long-term health care needs.

Section 16.02. PASSPORT 37457

As Reported by the House Finance and Appropriations Committee

Appropriation item 490-403, PASSPORT, and the amounts set 37458
 aside for the PASSPORT Waiver Program in appropriation item 37459
 490-610, PASSPORT/Residential State Supplement, may be used to 37460
 assess clients regardless of Medicaid eligibility. 37461

The Director of Aging shall adopt rules under section 111.15 37462
 of the Revised Code governing the nonwaiver funded PASSPORT 37463
 program, including client eligibility. 37464

The Department of Aging shall administer the Medicaid Waiver 37465
 funded PASSPORT Home Care program as delegated by the Department 37466
 of Job and Family Services in an interagency agreement. The 37467
 foregoing appropriation item 490-403, PASSPORT, and the amounts 37468
 set aside for the PASSPORT Waiver Program in appropriation item 37469
 490-610, PASSPORT/Residential State Supplement, shall be used to 37470
 provide the required state match for federal Medicaid funds 37471
 supporting the Medicaid Waiver funded PASSPORT Home Care program. 37472
 Appropriation item 490-403, PASSPORT, and the amounts set aside 37473
 for the PASSPORT Waiver Program in appropriation item 490-610, 37474
 PASSPORT/Residential State Supplement, may also be used to support 37475
 the Department of Aging's administrative costs associated with 37476
 operating the PASSPORT program. 37477

The foregoing appropriation item 490-607, PASSPORT, shall be 37478
 used to provide the federal matching share for all PASSPORT 37479
 program costs determined by the Department of Job and Family 37480
 Services to be eligible for Medicaid reimbursement. 37481

ELDERCARE PILOT 37482

The foregoing appropriation item 490-404, Eldercare, shall be 37483
 used to fund the existing eldercare service programs and shall be 37484
 limited to providing services to those persons who are enrolled in 37485
 these programs on the effective date of this section. 37486

SENIOR COMMUNITY SERVICES 37487

The foregoing appropriation item 490-411, Senior Community 37488

As Reported by the House Finance and Appropriations Committee

Services, shall be used for services designated by the Department	37489
of Aging, including, but not limited to, home-delivered meals,	37490
transportation services, personal care services, respite services,	37491
home repair, and care coordination. Service priority shall be	37492
given to low income, frail, and cognitively impaired persons 60	37493
years of age and over. The department shall promote cost sharing	37494
by service recipients for those services funded with block grant	37495
funds, including, where possible, sliding-fee scale payment	37496
systems based on the income of service recipients.	37497
 ALZHEIMERS RESPITE	 37498
 The foregoing appropriation item 490-414, Alzheimers Respite,	 37499
shall be used only to fund Alzheimer's disease services under	37500
section 173.04 of the Revised Code.	37501
 TRANSPORTATION FOR ELDERLY	 37502
 The foregoing appropriation item 490-416, Transportation for	 37503
Elderly, shall be used for non-capital expenses related to	37504
transportation services for the elderly that provide access to	37505
such things as healthcare services, congregate meals,	37506
socialization programs, and grocery shopping. The appropriation	37507
shall be allocated to the following agencies:	37508
 (A) \$45,000 per fiscal year to the Cincinnati Jewish	 37509
Vocational Services;	37510
 (B) \$45,000 per fiscal year to the Cleveland Jewish Community	 37511
Center;	37512
 (C) \$45,000 per fiscal year to the Columbus Jewish	 37513
Federation;	37514
 (D) \$20,000 per fiscal year to the Dayton Jewish Family	 37515
Services;	37516
 (E) \$10,000 per fiscal year to the Akron Jewish Community	 37517
Center;	37518

(F) \$5,000 per fiscal year to the Youngstown Jewish Federation;	37519 37520
(G) \$3,000 per fiscal year to the Canton Jewish Federation;	37521
(H) \$10,000 per fiscal year to the Toledo Jewish Federation.	37522
Agencies receiving funding from appropriation item 490-XXX,	37523
Transportation for Elderly, shall coordinate services with other	37524
local service agencies.	37525
RESIDENTIAL STATE SUPPLEMENT	37526
Under the Residential State Supplement Program, the amount	37527
used to determine whether a resident is eligible for payment and	37528
for determining the amount per month the eligible resident will	37529
receive shall be as follows:	37530
(A) \$900 for a residential care facility, as defined in	37531
section 3721.01 of the Revised Code;	37532
(B) \$900 for an adult group home, as defined in Chapter 3722.	37533
of the Revised Code;	37534
(C) \$800 for an adult foster home, as defined in Chapter 173.	37535
of the Revised Code;	37536
(D) \$800 for an adult family home, as defined in Chapter	37537
3722. of the Revised Code;	37538
(E) \$800 for an adult community alternative home, as defined	37539
in Chapter 3724. of the Revised Code;	37540
(F) \$800 for an adult residential facility, as defined in	37541
Chapter 5119. of the Revised Code;	37542
(G) \$600 for adult community mental health housing services,	37543
as defined in division (B)(5) of section 173.35 of the Revised	37544
Code.	37545
The Departments of Aging and Job and Family Services shall	37546
reflect this amount in any applicable rules the departments adopt	37547

under section 173.35 of the Revised Code.	37548
TRANSFER OF RESIDENTIAL STATE SUPPLEMENT APPROPRIATIONS	37549
The Department of Aging may transfer cash by intrastate	37550
transfer vouchers from the foregoing appropriation items 490-412,	37551
Residential State Supplement, and 490-610, PASSPORT/Residential	37552
State Supplement, to the Department of Job and Family Services'	37553
Fund 4J5, Home and Community-Based Services for the Aged Fund. The	37554
funds shall be used to make benefit payments to Residential State	37555
Supplement recipients.	37556
LONG-TERM CARE OMBUDSMAN	37557
The foregoing appropriation item 490-410, Long-Term Care	37558
Ombudsman, shall be used for a program to fund ombudsman program	37559
activities in nursing homes, adult care facilities, boarding	37560
homes, and home and community care services.	37561
REGIONAL LONG-TERM CARE OMBUDSMAN PROGRAMS	37562
The foregoing appropriation item 490-609, Regional Long-Term	37563
Care Ombudsman Programs, shall be used solely to pay the costs of	37564
operating the regional long-term care ombudsman programs.	37565
PASSPORT/RESIDENTIAL STATE SUPPLEMENT	37566
Of the foregoing appropriation item 490-610,	37567
PASSPORT/Residential State Supplement, up to \$2,835,000 each	37568
fiscal year shall be used to fund the Residential State Supplement	37569
Program. The remaining available funds shall be used to fund the	37570
PASSPORT program.	37571
Section 16.03. RESIDENTIAL STATE SUPPLEMENT	37572
If the Department of Aging, in consultation with the Director	37573
of Budget and Management, determines that available funding is	37574
insufficient to make payments to all eligible individuals, the	37575
department may establish priority policies to further limit	37576

eligibility criteria.				37577
TRANSFER OF APPROPRIATIONS - FEDERAL AGING NUTRITION, FEDERAL SUPPORTIVE SERVICES, AND OLDER AMERICANS SUPPORT SERVICES				37578 37579
Upon written request of the Director of Aging, the Director of Budget and Management may transfer appropriation authority among appropriation items 490-611, Federal Aging Nutrition, 490-612, Federal Supportive Services, and 490-618, Older Americans Support Services, in amounts not to exceed 30 per cent of the appropriation from which the transfer is made. The Department of Aging shall report such transfers to the Controlling Board at the next regularly scheduled meeting of the board.				37580 37581 37582 37583 37584 37585 37586 37587
OHIO COMMUNITY SERVICE COUNCIL				37588
The foregoing appropriation items 490-409, Ohio Community Service Council, and 490-617, Ohio Community Service Council Programs, shall be used in accordance with section 121.40 of the Revised Code.				37589 37590 37591 37592
Section 17. AGR DEPARTMENT OF AGRICULTURE				37593
General Revenue Fund				37594
GRF 700-321 Operating Expenses	\$	3,060,884	\$	3,034,073 37595
GRF 700-401 Animal Disease Control	\$	4,340,887	\$	4,385,108 37596
GRF 700-402 Amusement Ride Safety	\$	226,451	\$	230,769 37597
GRF 700-403 Dairy Division	\$	1,569,097	\$	1,707,877 37598
GRF 700-404 Ohio Proud	\$	222,856	\$	228,266 37599
GRF 700-405 Animal Damage Control	\$	86,780	\$	84,358 37600
GRF 700-406 Consumer Analytical	\$	889,058	\$	900,001 37601
Lab				
GRF 700-407 Food Safety	\$	1,422,998	\$	1,377,956 37602
GRF 700-409 Farmland Preservation	\$	176,892	\$	182,668 37603
GRF 700-410 Plant Industry	\$	1,517,969	\$	1,561,620 37604
GRF 700-411 International Trade	\$	989,620	\$	998,062 37605

As Reported by the House Finance and Appropriations Committee

		and Market Development				
GRF 700-412	Weights and Measures	\$	991,136	\$	996,634	37606
GRF 700-413	Gypsy Moth Prevention	\$	633,214	\$	634,279	37607
GRF 700-414	Concentrated Animal	\$	23,275	\$	22,663	37608
		Feeding Facilities				
		Advisory Committee				
GRF 700-415	Poultry Inspection	\$	322,256	\$	320,960	37609
GRF 700-418	Livestock Regulation	\$	1,157,487	\$	1,163,898	37610
		Program				
GRF 700-424	Livestock Testing and	\$	229,996	\$	228,438	37611
		Inspections				
GRF 700-499	Meat Inspection	\$	4,604,566	\$	4,927,168	37612
		Program - State Share				
GRF 700-501	County Agricultural	\$	466,842	\$	466,842	37613
		Societies				
GRF 700-503	Swine and Cattle	\$	113,160	\$	107,076	37614
		Breeder Awards				
TOTAL GRF	General Revenue Fund	\$	23,045,424	\$	23,558,716	37615
	Federal Special Revenue Fund Group					37616
3J4 700-607	Indirect Cost	\$	1,380,026	\$	1,314,020	37617
3R2 700-614	Federal Plant Industry	\$	1,607,887	\$	1,682,330	37618
326 700-618	Meat Inspection	\$	4,401,707	\$	4,959,973	37619
		Service - Federal				
		Share				
336 700-617	Ohio Farm Loan	\$	181,774	\$	181,774	37620
		Revolving Fund				
382 700-601	Cooperative Contracts	\$	1,027,692	\$	1,091,347	37621
TOTAL FED	Federal Special Revenue					37622
Fund Group		\$	8,599,086	\$	9,229,444	37623
	State Special Revenue Fund Group					37624
4C9 700-605	Feed, Fertilizer, and	\$	909,033	\$	975,244	37625
		Lime Inspection				

As Reported by the House Finance and Appropriations Committee

4E4	700-606	Utility Radiological Safety	\$	69,016	\$	73,059	37626
4P7	700-610	Food Safety Inspection	\$	559,611	\$	575,797	37627
4R0	700-636	Ohio Proud Marketing	\$	125,297	\$	133,614	37628
4R2	700-637	Dairy Inspection Fund	\$	1,183,358	\$	1,174,591	37629
4T6	700-611	Poultry and Meat Inspection	\$	47,294	\$	47,294	37630
4T7	700-613	International Trade and Market Development Rotary	\$	161,991	\$	166,356	37631
4V5	700-615	Animal Industry Lab Fees	\$	626,633	\$	633,097	37632
493	700-603	Fruits and Vegetables Inspection Fees	\$	212,764	\$	171,772	37633
494	700-612	Agricultural Commodity Marketing Program	\$	166,536	\$	169,867	37634
496	700-626	Ohio Grape Industries	\$	1,048,667	\$	1,071,099	37635
497	700-627	Commodity Handlers Regulatory Program	\$	566,862	\$	648,616	37636
5H2	700-608	Metrology Lab	\$	74,674	\$	138,624	37637
5L8	700-604	Livestock Management Program	\$	250,000	\$	250,000	37638
578	700-620	Ride Inspection Fees	\$	634,099	\$	650,774	37639
579	700-630	Scale Certification	\$	230,047	\$	230,047	37640
652	700-634	Laboratory Services	\$	1,179,560	\$	1,144,766	37641
669	700-635	Pesticide Program	\$	2,108,049	\$	2,181,491	37642
TOTAL SSR State Special Revenue							37643
Fund Group			\$	10,153,491	\$	10,436,108	37644
TOTAL ALL BUDGET FUND GROUPS			\$	41,798,001	\$	43,224,268	37645

THE DAIRY INDUSTRY FUND

37646

On July 1, 2001, or as soon thereafter as possible, the
Director of Budget and Management shall transfer the cash balance

37647

37648

As Reported by the House Finance and Appropriations Committee

in the License Fees (Fund 4V0) to the Dairy Inspection Fund (Fund 4R2). The director shall cancel any existing encumbrances against appropriation item 700-602, License Fees (Fund 4V0), and reestablish them against appropriation item 700-637, Dairy Inspection (Fund 4R2). The amounts of the reestablished encumbrances are appropriated.

Section 18. AIR AIR QUALITY DEVELOPMENT AUTHORITY				37655
Agency Fund Group				37656
4Z9	898-602	Small Business	\$ 222,719 \$ 233,482	37657
Ombudsman				
5A0	898-603	Small Business	\$ 192,647 \$ 197,463	37658
Assistance				
570	898-601	Operating Expenses	\$ 243,070 \$ 258,383	37659
TOTAL AGY Agency Fund Group				37660
TOTAL ALL BUDGET FUND GROUPS				37661

Section 19. ADA DEPARTMENT OF ALCOHOL AND DRUG ADDICTION SERVICES				37663
General Revenue Fund				37665
GRF	038-321	Operating Expenses	\$ 1,500,549 \$ 1,548,211	37666
GRF	038-401	Alcohol and Drug	\$ 29,742,355 \$ 28,946,504	37667
Addiction Services				
GRF	038-404	Prevention Services	\$ 1,327,357 \$ 1,292,427	37668
TOTAL GRF General Revenue Fund				37669
General Services Fund				37670
5B7	038-629	TANF Transfer -	\$ 3,500,000 \$ 3,500,000	37671
Treatment				
5EB	038-630	TANF Transfer -	\$ 1,500,000 \$ 1,500,000	37672
Mentoring				
TOTAL GSF General Services Fund				37673
Group				

As Reported by the House Finance and Appropriations Committee

Federal Special Revenue Fund Group				37674
3G3 038-603 Drug Free Schools	\$	3,500,000	\$ 3,500,000	37675
3G4 038-614 Substance Abuse Block	\$	65,062,211	\$ 65,062,211	37676
Grant				
3H8 038-609 Demonstration Grants	\$	3,093,075	\$ 3,093,075	37677
3J8 038-610 Medicaid	\$	21,500,000	\$ 21,500,000	37678
3N8 038-611 Administrative	\$	500,000	\$ 500,000	37679
Reimbursement				
TOTAL FED Federal Special Revenue				37680
Fund Group	\$	93,655,286	\$ 93,655,286	37681
State Special Revenue Fund Group				37682
475 038-621 Statewide Treatment	\$	15,100,000	\$ 14,550,000	37683
and Prevention				
689 038-604 Education and	\$	245,000	\$ 245,000	37684
Conferences				
TOTAL SSR State Special Revenue				37685
Fund Group	\$	15,345,000	\$ 14,795,000	37686
TOTAL ALL BUDGET FUND GROUPS	\$	146,570,547	\$ 145,237,428	37687
AM. SUB. H.B. 484 OF THE 122nd GENERAL ASSEMBLY				37688
Of the foregoing appropriation item 038-401, Alcohol and Drug				37689
Addiction Services, \$4 million in each fiscal year shall be				37690
allocated for services to families, adults, and adolescents				37691
pursuant to the requirements of Am. Sub. H.B. 484 of the 122nd				37692
General Assembly.				37693
ALCOHOL AND DRUG ADDICTION SERVICES TRANSFER				37694
The foregoing appropriation item 038-629, TANF				37695
Transfer-Treatment, shall be used to provide substance abuse				37696
prevention and treatment services to children, or their families,				37697
whose income is at or below 200 per cent of the official income				37698
poverty guideline.				37699
The foregoing appropriation item 038-630, TANF				37700

Transfer-Mentoring, shall be used to fund adolescent youth 37701
mentoring programs for children, or their families, whose income 37702
is at or below 200 per cent of the official income poverty 37703
guideline. The Director of Alcohol and Drug Addiction Services and 37704
the Director of Job and Family Services shall develop operating 37705
and reporting guidelines for these programs. 37706

PARENT AWARENESS TASK FORCE 37707

The Parent Awareness Task Force shall study ways to engage 37708
more parents in activities, coalitions, and educational programs 37709
in Ohio relating to alcohol and other drug abuse prevention. Of 37710
the foregoing appropriation item 038-404, Prevention Services, 37711
\$30,000 in each fiscal year may be used to support the functions 37712
of the Parent Awareness Task Force. 37713

PLAN TO EVALUATE PER CAPITA FORMULA 37714

Not later than June 30, 2002, the Department of Alcohol and 37715
Drug Addiction Services shall establish a plan to evaluate the 37716
current per capita formula used in determining how state and 37717
federal funds for alcohol and drug addiction services are 37718
allocated under section 3793.04 of the Revised Code. The plan 37719
shall evaluate all of the following: 37720

(A) Whether population statistics alone should be used to 37721
quantify the need for funding in a county; 37722

(B) Whether other social and economic demographic indicators 37723
should be utilized; 37724

(C) The appropriateness of the current per capita formula. 37725

Section 20. AMB AMBULANCE LICENSING BOARD 37726

General Services Fund Group 37727
4N1 915-601 Operating Expenses \$ 240,894 \$ 251,255 37728
TOTAL GSF General Services 37729

As Reported by the House Finance and Appropriations Committee

Fund Group	\$	240,894	\$	251,255	37730
TOTAL ALL BUDGET FUND GROUPS	\$	240,894	\$	251,255	37731

Section 21. ARC STATE BOARD OF EXAMINERS OF ARCHITECTS 37733

General Services Fund Group					37734
4K9 891-609 Operating Expenses	\$	461,465	\$	484,574	37735
TOTAL GSF General Services Fund					37736
Group	\$	461,465	\$	484,574	37737
TOTAL ALL BUDGET FUND GROUPS	\$	461,465	\$	484,574	37738

Section 22. ART OHIO ARTS COUNCIL 37740

General Revenue Fund					37741
GRF 370-100 Personal Services	\$	2,104,509	\$	2,176,032	37742
GRF 370-200 Maintenance	\$	517,233	\$	513,694	37743
GRF 370-300 Equipment	\$	21,843	\$	21,693	37744
GRF 370-502 Program Subsidies	\$	12,799,273	\$	12,799,273	37745
TOTAL GRF General Revenue Fund	\$	15,442,858	\$	15,510,692	37746
General Services Fund Group					37747
4B7 370-603 Per Cent for Art	\$	84,672	\$	86,366	37748
Acquisitions					
460 370-602 Gifts and Donations	\$	334,969	\$	345,012	37749
TOTAL GSF General Services Fund	\$	419,641	\$	431,378	37750
Group					
Federal Special Revenue Fund Group					37751
314 370-601 Federal Programs	\$	862,000	\$	862,000	37752
TOTAL FED Federal Special Revenue	\$	862,000	\$	862,000	37753
Fund Group					
TOTAL ALL BUDGET FUND GROUPS	\$	16,724,499	\$	16,804,070	37754

PER CENT FOR ART ACQUISITIONS 37755

The unobligated balance remaining from prior projects of					37756
appropriation item 370-603, Per Cent for Art Acquisitions, shall					37757

As Reported by the House Finance and Appropriations Committee

be used by the Ohio Arts Council to pay for start-up costs in 37758
 connection with the selection of artists of new Per Cent for Art 37759
 projects. 37760

Section 23. AFC OHIO ARTS AND SPORTS FACILITIES 37761

COMMISSION 37762

General Revenue Fund 37763

GRF 371-321 Operating Expenses \$ 100,000 \$ 100,000 37764

GRF 371-401 Lease Rental Payments \$ 33,526,100 \$ 36,413,200 37765

TOTAL GRF General Revenue Fund \$ 33,626,100 \$ 36,513,200 37766

State Special Revenue Fund Group 37767

4T8 371-601 Riffe Theatre \$ 22,628 \$ 23,194 37768

Equipment Maintenance

4T8 371-603 Project Administration \$ 924,075 \$ 921,868 37769

TOTAL SSR State Special Revenue \$ 946,703 \$ 945,062 37770

Group

TOTAL ALL BUDGET FUND GROUPS \$ 34,572,803 \$ 37,458,262 37771

OHIO BUILDING AUTHORITY LEASE PAYMENTS 37772

Appropriations to the Arts and Sports Facilities Commission 37773

from the General Revenue Fund include \$69,939,300 for the biennium 37774

for appropriation item 371-401, Lease Rental Payments. This 37775

appropriation shall be used for payments to the Ohio Building 37776

Authority for the period July 1, 2001, to June 30, 2003, pursuant 37777

to the primary leases and agreements for those buildings made 37778

under Chapter 152. of the Revised Code which are the source of 37779

funds pledged for bond service charges on related obligations 37780

issued pursuant to Chapter 152. of the Revised Code. 37781

OPERATING EXPENSES 37782

The foregoing appropriation item 371-603, Project 37783

Administration, shall be used by the Ohio Arts and Sports 37784

Facilities Commission to carry out its responsibilities pursuant 37785

to this section and Chapter 3383. of the Revised Code. 37786

Within ten days after the effective date of this section, or 37787
as soon as possible thereafter, the Executive Director of the Ohio 37788
Arts and Sports Facilities Commission shall certify to the 37789
Director of Budget and Management the amount of cash to be 37790
transferred from the Arts Facilities Building Fund (Fund 030) and 37791
the Sports Facilities Building Fund (Fund 024) to the Arts and 37792
Sports Facilities Commission Administration Fund (Fund 4T8). 37793

Section 24. ATH ATHLETIC COMMISSION 37794

General Services Fund Group 37795

4K9 175-609 Athletic Commission - \$ 140,088 \$ 144,343 37796

Operating

TOTAL GSF General Services Fund \$ 140,088 \$ 144,343 37797

Group

TOTAL ALL BUDGET FUND GROUPS \$ 140,088 \$ 144,343 37798

Section 25. AGO ATTORNEY GENERAL 37800

General Revenue Fund 37801

GRF 055-321 Operating Expenses \$ 59,120,482 \$ 61,775,856 37802

GRF 055-405 Law-Related Education \$ 199,790 \$ 204,785 37803

GRF 055-406 Community Police Match \$ 3,013,464 \$ 3,111,336 37804

and Law Enforcement

Assistance

GRF 055-411 County Sheriffs \$ 620,506 \$ 636,019 37805

GRF 055-415 County Prosecutors \$ 520,084 \$ 533,086 37806

TOTAL GRF General Revenue Fund \$ 63,474,326 \$ 66,261,082 37807

General Services Fund Group 37808

106 055-612 General Reimbursement \$ 14,997,546 \$ 15,786,163 37809

107 055-624 Employment Services \$ 1,211,307 \$ 1,284,396 37810

195 055-660 Workers' Compensation \$ 7,343,128 \$ 7,769,628 37811

Section

As Reported by the House Finance and Appropriations Committee

4Y7	055-608	Title Defect Rescission	\$	840,260	\$	870,623	37812
4Z2	055-609	BCI Asset Forfeiture and Cost Reimbursement	\$	324,009	\$	332,109	37813
418	055-615	Charitable Foundations	\$	1,841,113	\$	1,899,066	37814
420	055-603	Attorney General Antitrust	\$	435,560	\$	446,449	37815
421	055-617	Police Officers' Training Academy Fee	\$	1,134,861	\$	1,193,213	37816
5A9	055-618	Telemarketing Fraud Enforcement	\$	51,100	\$	52,378	37817
590	055-633	Peace Officer Private Security Fund	\$	94,784	\$	98,370	37818
629	055-636	Corrupt Activity Investigation and Prosecution	\$	105,590	\$	108,230	37819
631	055-637	Consumer Protection Enforcement	\$	1,254,020	\$	1,373,832	37820
TOTAL GSF General Services Fund							37821
Group			\$	29,633,278	\$	31,214,457	37822
Federal Special Revenue Fund Group							37823
3E5	055-638	Anti-Drug Abuse	\$	2,939,693	\$	2,939,693	37824
3R6	055-613	Attorney General Federal Funds	\$	1,929,110	\$	1,998,972	37825
306	055-620	Medicaid Fraud Control	\$	2,633,348	\$	2,765,015	37826
381	055-611	Civil Rights Legal Service	\$	334,249	\$	354,304	37827
383	055-634	Crime Victims Assistance	\$	14,500,000	\$	15,225,000	37828
TOTAL FED Federal Special Revenue							37829
Fund Group			\$	22,336,400	\$	23,282,984	37830
State Special Revenue Fund Group							37831

As Reported by the House Finance and Appropriations Committee

4L6	055-606	DARE	\$	3,830,137	\$	3,927,962	37832
402	055-616	Victims of Crime	\$	26,144,763	\$	27,933,893	37833
417	055-621	Domestic Violence Shelter	\$	14,139	\$	14,492	37834
419	055-623	Claims Section	\$	14,017,852	\$	14,749,954	37835
659	055-641	Solid and Hazardous Waste Background Investigations	\$	834,417	\$	880,751	37836
TOTAL SSR State Special Revenue							37837
Fund Group			\$	44,841,308	\$	47,507,052	37838
Holding Account Redistribution Fund Group							37839
R03	055-629	Bingo License Refunds	\$	5,200	\$	5,200	37840
R04	055-631	General Holding Account	\$	275,000	\$	275,000	37841
R05	055-632	Antitrust Settlements	\$	10,400	\$	10,400	37842
R18	055-630	Consumer Frauds	\$	750,000	\$	750,000	37843
R42	055-601	Organized Crime Commission Account	\$	200,000	\$	200,000	37844
TOTAL 090 Holding Account							37845
Redistribution Fund Group			\$	1,240,600	\$	1,240,600	37846
TOTAL ALL BUDGET FUND GROUPS			\$	161,525,912	\$	169,506,175	37847
LAW-RELATED EDUCATION							37848
The foregoing appropriation item 055-405, Law-Related							37849
Education, shall be distributed directly to the Ohio Center for							37850
Law-Related Education for the purposes of providing continuing							37851
citizenship education activities to primary and secondary students							37852
and accessing additional public and private money for new							37853
programs.							37854
WORKERS' COMPENSATION SECTION							37855
The Workers' Compensation Section Fund (Fund 195) shall							37856
receive payments from the Bureau of Workers' Compensation and the							37857
Ohio Industrial Commission at the beginning of each quarter of							37858

each fiscal year to fund legal services to be provided to the 37859
Bureau of Workers' Compensation and the Ohio Industrial Commission 37860
during the ensuing quarter. Such advance payment shall be subject 37861
to adjustment. 37862

In addition, the Bureau of Workers' Compensation shall 37863
transfer payments at the beginning of each quarter for the support 37864
of the Workers' Compensation Fraud Unit. 37865

All amounts shall be mutually agreed upon by the Attorney 37866
General, the Bureau of Workers' Compensation, and the Ohio 37867
Industrial Commission. 37868

CORRUPT ACTIVITY INVESTIGATION AND PROSECUTION 37869

The foregoing appropriation item 055-636, Corrupt Activity 37870
Investigation and Prosecution, shall be used as provided by 37871
division (D)(2) of section 2923.35 of the Revised Code to dispose 37872
of the proceeds, fines, and penalties credited to the Corrupt 37873
Activity Investigation and Prosecution Fund, which is created in 37874
division (D)(1)(b) of section 2923.35 of the Revised Code. If it 37875
is determined that additional amounts are necessary, the amounts 37876
are appropriated. 37877

COMMUNITY POLICE MATCH AND LAW ENFORCEMENT ASSISTANCE 37878

In fiscal years 2002 and 2003, the Attorney General's Office 37879
may request that the Director of Budget and Management transfer 37880
appropriation authority from appropriation Item 055-321, Operating 37881
Expenses, to appropriation item 055-406, Community Police Match 37882
and Law Enforcement Assistance. The Director of Budget and 37883
Management shall then transfer appropriation authority from 37884
appropriation item 055-321, Operating Expenses, to appropriation 37885
item 055-406, Community Police Match and Law Enforcement 37886
Assistance. Moneys transferred to appropriation item 055-406 shall 37887
be used to pay operating expenses and to provide grants to local 37888
law enforcement agencies and communities for the purpose of 37889

supporting law enforcement-related activities.				37890
Section 26. AUD AUDITOR OF STATE				37891
General Revenue Fund				37892
GRF 070-321 Operating Expenses	\$	34,052,713	\$	35,006,189
GRF 070-403 Fiscal Watch/Emergency	\$	1,000,000	\$	1,000,000
Technical Assistance				
GRF 070-405 Electronic Data	\$	1,030,137	\$	1,058,981
Processing - Auditing				
and Administration				
GRF 070-406 Uniform Accounting	\$	2,423,314	\$	2,458,201
Network/Technology				
Improvements Fund				
TOTAL GRF General Revenue Fund	\$	38,506,164	\$	39,523,371
General Services Fund Group				37898
109 070-601 Public Audit Expense -	\$	9,497,201	\$	9,629,588
Intra-State				
422 070-601 Public Audit Expense -	\$	37,450,472	\$	37,617,072
Local Government				
584 070-603 Training Program	\$	198,200	\$	217,000
675 070-605 Uniform Accounting	\$	2,809,200	\$	2,741,600
Network				
TOTAL GSF General Services Fund				37903
Group	\$	49,955,073	\$	50,205,260
Holding Account Redistribution Fund Group				37905
R06 070-604 Continuous Receipts	\$	204,400	\$	209,510
TOTAL 090 Holding Account				37907
Redistribution Fund Group	\$	204,400	\$	209,510
TOTAL ALL BUDGET FUND GROUPS	\$	88,665,637	\$	89,938,141
FISCAL WATCH/EMERGENCY TECHNICAL ASSISTANCE				37910
The foregoing appropriation item 070-403, Fiscal				37911

As Reported by the House Finance and Appropriations Committee

37912
 Watch/Emergency Technical Assistance, shall be used for all
 37913
 expenses incurred by the Office of the Auditor of State in its
 37914
 role relating to fiscal watch or fiscal emergency activities under
 37915
 Chapters 118. and 3316. of the Revised Code. Expenses shall
 37916
 include, but shall not be limited to, the following: duties
 37917
 related to the determination or termination of fiscal watch or
 37918
 fiscal emergency of municipal corporations, counties, or townships
 37919
 as outlined in Chapter 118. of the Revised Code and of school
 37920
 districts as outlined in Chapter 3316. of the Revised Code;
 37921
 development of preliminary accounting reports; performance of
 37922
 annual forecasts; provision of performance audits; and
 37923
 supervisory, accounting, or auditing services for the mentioned
 37924
 public entities and school districts. The unencumbered balance of
 37925
 appropriation item 070-403, Fiscal Watch/Fiscal Emergency
 37926
 Technical Assistance, at the end of fiscal year 2002 is
 37927
 transferred to fiscal year 2003 for use under the same
 37928
 appropriation item.

ELECTRONIC DATA PROCESSING 37929

37930
 The unencumbered balance of appropriation item 070-405,
 37931
 Electronic Data Processing-Auditing and Administration, at the end
 37932
 of fiscal year 2002 is transferred to fiscal year 2003 for use
 37933
 under the same appropriation item.

UNIFORM ACCOUNTING NETWORK/TECHNOLOGY IMPROVEMENTS FUND 37934

37935
 The foregoing appropriation item 070-406, Uniform Accounting
 37936
 Network/Technology Improvements Fund, shall be used to pay the
 37937
 costs of developing and implementing the Uniform Accounting
 37938
 Network and technology improvements for the Office of the Auditor
 37939
 of State. The unencumbered balance of the appropriation at the end
 37940
 of fiscal year 2002 is transferred to fiscal year 2003 to pay the
 37941
 costs of the developing and implementing the Uniform Accounting
 37942
 Network and technology improvements for the Office of the Auditor
 37943
 of State.

As Reported by the House Finance and Appropriations Committee

Section 27.	BRB BOARD OF BARBER EXAMINERS				37944
	General Services Fund Group				37945
4K9	877-609 Operating Expenses	\$	479,264	\$	505,999
	TOTAL GSF General Services Fund				37947
	Group	\$	479,264	\$	505,999
	TOTAL ALL BUDGET FUND GROUPS	\$	479,264	\$	505,999
Section 28.	OBM OFFICE OF BUDGET AND MANAGEMENT				37951
	General Revenue Fund				37952
GRF	042-321 Budget Development and	\$	2,356,547	\$	2,492,956
	Implementation				37953
GRF	042-401 Office of Quality	\$	583,551	\$	606,924
	Services				37954
GRF	042-410 National Association	\$	24,522	\$	25,296
	Dues				37955
GRF	042-412 Audit of Auditor of	\$	44,160	\$	46,080
	State				37956
	TOTAL GRF General Revenue Fund	\$	3,008,780	\$	3,171,255
	General Services Fund Group				37958
105	042-603 State Accounting	\$	9,554,743	\$	9,934,755
4C1	042-601 Quality Services	\$	125,000	\$	125,000
	Academy				37960
	TOTAL GSF General Services Fund	\$	9,679,743	\$	10,059,755
	Group				
	State Special Revenue Fund Group				37962
5N4	042-602 ERP Project	\$	6,600,000	\$	2,600,000
	Implementation				37963
	TOTAL SSR State Special Revenue	\$	6,600,000	\$	2,600,000
	Fund Group				37964
	TOTAL ALL BUDGET FUND GROUPS	\$	19,288,523	\$	15,831,011
	OFFICE OF QUALITY SERVICES				37966

As Reported by the House Finance and Appropriations Committee

A portion of the foregoing appropriation item 042-401, Office of Quality Services, may be used to provide financial sponsorship support for conferences and showcases that promote quality improvement efforts. These expenditures are not subject to Chapter 125. of the Revised Code.

OHIO'S QUALITY SHOWCASE

The Office of Quality Services may cosponsor Ohio's Quality Showcase. The office may grant funds to other sponsoring entities for the purpose of conducting this event, provided that the grants are used exclusively for the direct expenses of the event.

Any state agency, at the discretion and with the approval of the director or other executive authority of the agency, may provide financial or in-kind support for Ohio's Quality Showcase cosponsored by the Office of Quality Services. Any financial contribution made by an agency shall not exceed \$5,000 annually.

AUDIT COSTS

Of the foregoing appropriation item 042-603, State Accounting, not more than \$450,000 in fiscal year 2002 and \$350,000 in fiscal year 2003 shall be used to pay for centralized audit costs associated with either Single Audit Schedules or financial statements prepared in conformance with generally accepted accounting principles for the state.

Section 29. CSR CAPITOL SQUARE REVIEW AND ADVISORY BOARD

General Revenue Fund					37990
GRF 874-321 Operating Expenses	\$	4,099,572	\$	4,222,559	37991
TOTAL GRF General Revenue Fund	\$	4,099,572	\$	4,222,559	37992
General Services Fund Group					37993
4G5 874-603 Capitol Square	\$	15,000	\$	15,000	37994
Maintenance Expenses					
4S7 874-602 Statehouse Gift	\$	623,293	\$	670,484	37995

As Reported by the House Finance and Appropriations Committee

Shop/Events							
4T2	874-604	Government Television/	\$	150,000	\$	150,000	37996
Telecommunications							
Operating							
TOTAL GSF General Services							37997
Fund Group			\$	788,293	\$	835,484	37998
Underground Parking Garage							37999
208	874-601	Underground Parking	\$	2,613,603	\$	2,746,801	38000
Garage Operating							
TOTAL UPG Underground Parking							38001
Garage			\$	2,613,603	\$	2,746,801	38002
TOTAL ALL BUDGET FUND GROUPS							38003
Section 30. CHR STATE BOARD OF CHIROPRACTIC EXAMINERS							38005
General Services Fund Group							38006
4K9	878-609	Operating Expenses	\$	561,949	\$	591,724	38007
TOTAL GSF General Services Fund							38008
Group			\$	561,949	\$	591,724	38009
TOTAL ALL BUDGET FUND GROUPS							38010
Section 31. CIV OHIO CIVIL RIGHTS COMMISSION							38012
General Revenue Fund							38013
GRF	876-100	Personal Services	\$	9,159,420	\$	9,159,421	38014
GRF	876-200	Maintenance	\$	987,372	\$	987,372	38015
GRF	876-300	Equipment	\$	111,842	\$	111,842	38016
TOTAL GRF General Revenue Fund							38017
Federal Special Revenue Fund Group							38018
334	876-601	Federal Programs	\$	3,327,577	\$	3,884,113	38019
TOTAL FED Federal Special Revenue							38020
Fund Group			\$	3,327,577	\$	3,884,113	38021
State Special Revenue Fund Group							38022
217	876-604	General Reimbursement	\$	20,440	\$	20,951	38023

As Reported by the House Finance and Appropriations Committee

TOTAL SSR State Special				38024	
Revenue Fund Group	\$	20,440	\$	20,951	38025
TOTAL ALL BUDGET FUND GROUPS	\$	13,606,651	\$	14,163,699	38026
Section 32. COM DEPARTMENT OF COMMERCE					
General Revenue Fund				38028	
GRF 800-402 Grants-Volunteer Fire	\$	912,500	\$	793,750	38029
Departments					
GRF 800-410 Labor and Worker	\$	3,848,792	\$	4,042,587	38030
Safety					
Total GRF General Revenue Fund	\$	4,761,292	\$	4,836,337	38031
General Services Fund Group				38032	
163 800-620 Division of	\$	5,873,604	\$	6,189,578	38033
Administration					
5F1 800-635 Small Government Fire	\$	250,000	\$	250,000	38034
Departments					
TOTAL GSF General Services Fund				38035	
Group	\$	6,123,604	\$	6,439,578	38036
Federal Special Revenue Fund Group				38037	
348 800-622 Underground Storage	\$	195,008	\$	195,008	38038
Tanks					
348 800-624 Leaking Underground	\$	1,850,000	\$	1,850,000	38039
Storage Tanks					
349 800-626 OSHA Enforcement	\$	1,346,000	\$	1,386,380	38040
TOTAL FED Federal Special Revenue				38041	
Fund Group	\$	3,391,008	\$	3,431,388	38042
State Special Revenue Fund Group				38043	
4B2 800-631 Real Estate Appraisal	\$	69,870	\$	71,267	38044
Recovery					
4D2 800-605 Auction Education	\$	30,476	\$	30,476	38045
4H9 800-608 Cemeteries	\$	260,083	\$	273,465	38046
4L5 800-609 Fireworks Training and	\$	10,526	\$	10,976	38047
Education					

As Reported by the House Finance and Appropriations Committee

4X2	800-619	Financial Institutions	\$	2,020,646	\$	2,134,754	38048
5B8	800-628	Auctioneers	\$	346,769	\$	365,390	38049
5B9	800-632	PI & Security Guard Provider	\$	1,139,377	\$	1,188,716	38050
5K7	800-621	Penalty Enforcement	\$	2,000	\$	2,000	38051
543	800-602	Unclaimed Funds-Operating	\$	5,921,792	\$	6,151,051	38052
543	800-625	Unclaimed Funds-Claims	\$	24,890,602	\$	25,512,867	38053
544	800-612	Banks	\$	6,346,230	\$	6,657,997	38054
545	800-613	Savings Institutions	\$	2,790,960	\$	2,894,399	38055
546	800-610	Fire Marshal	\$	10,245,737	\$	10,777,694	38056
547	800-603	Real Estate Education/Research	\$	258,796	\$	264,141	38057
548	800-611	Real Estate Recovery	\$	150,000	\$	150,000	38058
549	800-614	Real Estate	\$	2,885,785	\$	3,039,837	38059
550	800-617	Securities	\$	4,611,800	\$	4,864,800	38060
552	800-604	Credit Union	\$	2,368,450	\$	2,477,852	38061
553	800-607	Consumer Finance	\$	2,305,339	\$	2,258,822	38062
556	800-615	Industrial Compliance	\$	21,426,840	\$	22,665,776	38063
6A4	800-630	Real Estate Appraiser-Operating	\$	522,125	\$	548,006	38064
653	800-629	UST Registration/Permit Fee	\$	1,072,795	\$	1,121,632	38065
TOTAL SSR State Special Revenue							38066
Fund Group			\$	89,676,998	\$	93,461,918	38067
Liquor Control Fund Group							38068
043	800-601	Merchandising	\$	322,741,245	\$	341,222,192	38069
043	800-627	Liquor Control Operating	\$	16,250,400	\$	15,801,163	38070
043	800-633	Development Assistance Debt Service	\$	16,134,800	\$	16,141,100	38071
043	800-636	Revitalization Debt	\$	1,600,000	\$	6,700,000	38072

Service

TOTAL LCF Liquor Control				38073
Fund Group	\$	356,726,445	\$	379,864,455
TOTAL ALL BUDGET FUND GROUPS	\$	460,679,347	\$	488,033,676

GRANTS-VOLUNTEER FIRE DEPARTMENTS 38076

The foregoing appropriation item 800-402, Grants-Volunteer 38077
 Fire Departments, shall be used to make annual grants to volunteer 38078
 fire departments of up to \$10,000, or up to \$25,000 if the 38079
 volunteer fire department provides service for an area affected by 38080
 a natural disaster. The grant program shall be administered by the 38081
 Fire Marshal under the Department of Commerce. The Fire Marshal 38082
 shall adopt rules necessary for the administration and operation 38083
 of the grant program. 38084

Notwithstanding division (A) of section 121.084 of the 38085
 Revised Code, upon the request of the Director of Commerce, the 38086
 Director of Budget and Management shall transfer \$200,000 cash in 38087
 fiscal year 2002 and \$100,000 cash in fiscal year 2003 from the 38088
 Industrial Compliance Fund (Fund 556) to the General Revenue Fund. 38089

LABOR AND WORKER SAFETY 38090

The Department of Commerce may designate a portion of 38091
 appropriation item 800-410, Labor and Worker Safety, to be used to 38092
 match federal funding for the OSHA on-site consultation program. 38093

SMALL GOVERNMENT FIRE DEPARTMENTS 38094

Upon the request of the Director of Commerce, the Director of 38095
 Budget and Management shall transfer \$250,000 cash in each fiscal 38096
 year from the Industrial Compliance Fund (Fund 556) within the 38097
 State Special Revenue Fund Group to the Small Government Fire 38098
 Departments Fund (Fund 5F1) within the General Services Fund 38099
 Group. 38100

Notwithstanding section 3737.17 of the Revised Code, the 38101
 foregoing appropriation item 800-635, Small Government Fire 38102

Departments, may be used to provide loans to private fire	38103
departments.	38104
PENALTY ENFORCEMENT	38105
The foregoing appropriation item 800-621, Penalty	38106
Enforcement, shall be used to enforce sections 4115.03 to 4115.16	38107
of the Revised Code.	38108
On July 1, 2001, or as soon thereafter as possible, the	38109
Director of Budget and Management shall transfer the cash balance	38110
in the Penalty Enforcement Fund that was in the custody of the	38111
state treasury to the Penalty Enforcement Fund (Fund 5K7) that is	38112
created in the state treasury by section 4115.10 of the Revised	38113
Code. The fund shall be used for deposit of moneys received from	38114
penalties paid under section 4115.10 of the Revised Code.	38115
UNCLAIMED FUNDS PAYMENTS	38116
The foregoing appropriation item 800-625, Unclaimed	38117
Funds-Claims, shall be used to pay claims pursuant to section	38118
169.08 of the Revised Code. If it is determined that additional	38119
amounts are necessary, the amounts are appropriated.	38120
INCREASED APPROPRIATION AUTHORITY - MERCHANDISING	38121
The Director of Commerce may, upon concurrence by the	38122
Director of Budget and Management, submit to the Controlling Board	38123
for approval a request for increased appropriation authority for	38124
appropriation item 800-601, Merchandising.	38125
CASH BALANCE TRANSFER	38126
On July 1, 2001, or as soon thereafter as possible, the	38127
Director of Budget and Management shall transfer the cash balance	38128
in the Salvage and Exchange Fund (Fund 861) to the Liquor Control	38129
Fund (Fund 043) created in section 4301.12 of the Revised Code.	38130
Upon the completion of the transfer, the Salvage and Exchange	38131
Fund, which was created by the Controlling Board during the	38132

1973-1975 biennium, is abolished. The director shall cancel any 38133
existing encumbrances against appropriation item 800-634, Salvage 38134
and Exchange, and reestablish them against appropriation item 38135
800-627, Liquor Control Operating. 38136

DEVELOPMENT ASSISTANCE DEBT SERVICE 38137

The foregoing appropriation item 800-633, Development 38138
Assistance Debt Service, shall be used to meet all payments at the 38139
times they are required to be made during the period from July 1, 38140
2001, to June 30, 2003, for bond service charges on obligations 38141
issued under section 166.08 of the Revised Code, but limited to 38142
the aggregate amount of \$32,275,900. If it is determined that 38143
additional appropriations are necessary for this purpose, such 38144
amounts are hereby appropriated, provided that the appropriation 38145
does not exceed \$25,000,000 in any fiscal year, except as may be 38146
needed for payments on obligations issued to meet guarantees. 38147

REVITALIZATION DEBT SERVICE 38148

The foregoing appropriation item 800-636, Revitalization Debt 38149
Service, shall be used to pay debt service and related financing 38150
costs during the period from July 1, 2001, to June 30, 2003, on 38151
obligations to be issued for revitalization purposes under Section 38152
2o of Article VIII, Ohio Constitution, and implementing 38153
legislation. If it is determined that additional appropriations 38154
are necessary for this purpose, such amounts are hereby 38155
appropriated. The General Assembly acknowledges: (A) the priority 38156
of the pledge of a portion of receipts from that source to 38157
obligations issued and to be issued and guarantees made and to be 38158
made under Chapter 166. of the Revised Code; and (B) that this 38159
appropriation is subject to further consideration pursuant to 38160
implementing legislation. 38161

ADMINISTRATIVE ASSESSMENTS 38162

Notwithstanding any other provision of law to the contrary, 38163

As Reported by the House Finance and Appropriations Committee

Fund 163, Administration, shall receive assessments from all 38164
operating funds of the department in accordance with procedures 38165
prescribed by the Director of Commerce and approved by the 38166
Director of Budget and Management. 38167

Section 33. OCC OFFICE OF CONSUMERS' COUNSEL 38168

General Services Fund Group 38169

5F5 053-601 Operating Expenses \$ 8,560,182 \$ 9,277,518 38170

TOTAL GSF General Services Fund \$ 8,560,182 \$ 9,277,518 38171

Group

TOTAL ALL BUDGET FUND GROUPS \$ 8,560,182 \$ 9,277,518 38172

CONSUMERS' COUNSEL TRANSFER 38173

On July 1, 2001, or as soon as possible thereafter, the 38174
Director of Budget and Management shall transfer \$349,758.12 in 38175
cash from Fund 5F5, Consumers' Counsel Operating Fund, to the 38176
General Revenue Fund. 38177

Section 34. CEB CONTROLLING BOARD 38178

General Revenue Fund 38179

GRF 911-404 Mandate Assistance \$ 2,000,000 \$ 2,000,000 38180

GRF 911-408 Ohio's Bicentennial \$ 5,000,000 \$ 7,500,000 38181

Celebration

GRF 911-441 Ballot Advertising \$ 600,000 \$ 600,000 38182

Costs

TOTAL GRF General Revenue Fund \$ 7,600,000 \$ 10,100,000 38183

State Special Revenue Fund Group 38184

5E2 911-601 Disaster Services \$ 8,000,000 \$ 4,000,000 38185

TOTAL SSR State Special 38186

Revenue Fund Group \$ 8,000,000 \$ 4,000,000 38187

TOTAL ALL BUDGET FUND GROUPS \$ 15,600,000 \$ 14,100,000 38188

FEDERAL SHARE 38189

In transferring appropriations to or from appropriation items 38190
that have federal shares identified in this act, the Controlling 38191
Board shall add or subtract corresponding amounts of federal 38192
matching funds at the percentages indicated by the state and 38193
federal division of the appropriations in this act. Such changes 38194
are appropriated. 38195

DISASTER SERVICES 38196

The foregoing appropriation item 911-601, Disaster Services, 38197
shall be used by the Controlling Board, pursuant to requests 38198
submitted by state agencies, to transfer cash and appropriation 38199
authority to any fund and appropriation item for the payment of 38200
state agency program expenses as follows: 38201

(A) The southern Ohio flooding, referred to as 38202
FEMA-DR-1164-OH; 38203

(B) The flood/storm disaster referred to as FEMA-DR-1227-OH; 38204

(C) The Southern Ohio flooding, referred to as 38205
FEMA-DR-1321-OH; 38206

(D) The flooding referred to as FEMA-DR-1339-OH; 38207

(E) The tornado/storms referred to as FEMA-DR-1343-OH; 38208

(F) Other disasters declared by the Governor, if the Director 38209
of Budget and Management determines that sufficient funds exist 38210
beyond the expected program costs of these disasters. 38211

MANDATE ASSISTANCE 38212

(A) The foregoing appropriation item 911-404, Mandate 38213
Assistance, shall be used to provide financial assistance to local 38214
units of government, school districts, and fire departments for 38215
the cost of the following three unfunded state mandates: 38216

(1) The cost to county prosecutors for prosecuting certain 38217
felonies that occur on the grounds of state institutions operated 38218

by the Department of Rehabilitation and Correction and the	38219
Department of Youth Services;	38220
(2) The cost, primarily to small villages and townships, of	38221
providing firefighter training and equipment or gear;	38222
(3) The cost to school districts of in-service training for	38223
child abuse detection.	38224
(B) The State and Local Government Commission may prepare and	38225
submit to the Controlling Board one or more requests to transfer	38226
appropriations from appropriation item 911-404, Mandate	38227
Assistance, to the state agencies charged with administering the	38228
state financial assistance to be provided under this section. The	38229
state agencies charged with this administrative responsibility are	38230
listed below, as well as the estimated annual amounts that the	38231
commission may propose be used for each program of state financial	38232
assistance.	38233
	38234
	38235
Prosecution Costs	38236
Firefighter Training	38238
Costs	38238
Child Abuse Detection	38239
Training Costs	38239
	38240
	38241
	38242
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	38245
	38246
	38247

under this section back to appropriation item 911-404, Mandate Assistance, or to one or more of the other programs of state financial assistance identified under this section.

(E) It is expected that not all costs incurred by local units of government, school districts, and fire departments under each of the three programs of state financial assistance identified under this section will be fully reimbursed by the state. Reimbursement levels may vary by program and shall be based on: the relationship between the appropriation transfers requested by the commission and provided by the Controlling Board for each of the programs; the rules and procedures established for each program by the commission and the administering state agency; and the actual costs incurred by local units of government, school districts, and fire departments.

(F) Each of these programs of state financial assistance shall be carried out as follows:

(1) PROSECUTION COSTS

(a) Appropriations may be transferred to the Office of Criminal Justice Services to cover local prosecution costs for aggravated murder, murder, felonies of the first degree, and felonies of the second degree that occur on the grounds of institutions operated by the Department of Rehabilitation and Correction and the Department of Youth Services.

(b) Upon a delinquency filing in juvenile court or the return of an indictment for aggravated murder, murder, or any felony of the first or second degree that was committed at a Department of Youth Services or a Department of Rehabilitation and Correction institution, the affected county may, in accordance with rules that the Office of Criminal Justice Services shall adopt, apply to the Office of Criminal Justice Services for a grant to cover all documented costs that are incurred by the county prosecutor's

office. 38279

(c) Twice each year, the Office of Criminal Justice Services 38280
shall designate counties to receive grants from those counties 38281
that have submitted one or more applications in compliance with 38282
the rules that have been adopted by the Office of Criminal Justice 38283
Services for the receipt of such grants. In each year's first 38284
round of grant awards, if sufficient appropriations have been 38285
made, up to a total of \$100,000 may be awarded. In each year's 38286
second round of grant awards, the remaining appropriations 38287
available for this purpose may be awarded. 38288

(d) If for a given round of grants there are insufficient 38289
appropriations to make grant awards to all the eligible counties, 38290
the first priority shall be given to counties with cases involving 38291
aggravated murder and murder, second priority shall be given to 38292
cases involving a felony of the first degree, and third priority 38293
shall be given to cases involving a felony of the second degree. 38294
Within these priorities, the grant awards shall be based on the 38295
order in which the applications were received, except that 38296
applications for cases involving a felony of the first or second 38297
degree shall not be considered in more than two consecutive rounds 38298
of grant awards. 38299

(2) FIREFIGHTER TRAINING COSTS 38300

Appropriations may be transferred to the Department of 38301
Commerce for use as full or partial reimbursement to local units 38302
of government and fire departments for the cost of firefighter 38303
training and equipment or gear. In accordance with rules that the 38304
department shall adopt, a local unit of government or fire 38305
department may apply to the department for a grant to cover all 38306
documented costs that are incurred to provide firefighter training 38307
and equipment or gear. The department shall make grants within the 38308
limits of the funding provided, with priority given to fire 38309
departments that serve small villages and townships. 38310

(3) CHILD ABUSE DETECTION TRAINING COSTS 38311

Appropriations may be transferred to the Department of 38312
Education for disbursement to local school districts as full or 38313
partial reimbursement for the cost of providing in-service 38314
training for child abuse detection. In accordance with rules that 38315
the department shall adopt, a local school district may apply to 38316
the department for a grant to cover all documented costs that are 38317
incurred to provide in-service training for child abuse detection. 38318
The department shall make grants within the limits of the funding 38319
provided. 38320

(G) If, by the first day of June of each fiscal year, one of 38321
these three specified unfunded state mandates receives funding 38322
assistance directly from the General Revenue Fund, as opposed to 38323
receiving appropriations indirectly through the transfer mechanism 38324
described in this section, then this state mandate is no longer 38325
considered unfunded for the purposes of this section. In such a 38326
circumstance, the State and Local Government Commission may 38327
prepare and submit a request to the Controlling Board to replace 38328
this now funded state mandate with another unfunded state mandate. 38329
If approved by the Controlling Board, this replacement unfunded 38330
state mandate is eligible for the same amount of state financial 38331
assistance that the unfunded state mandate it is replacing was 38332
eligible for and under the same general conditions that govern the 38333
three unfunded state mandates specified in this section. The State 38334
and Local Government Commission's request to the Controlling Board 38335
for approval of this replacement unfunded state mandate shall 38336
include a description of how the program of state financial 38337
assistance for this replacement unfunded state mandate will be 38338
implemented. 38339

(H) Within thirty calendar days prior to the end of fiscal 38340
years 2002 and 2003, each administering agency shall file a report 38341
with the State and Local Government Commission and the Controlling 38342

Board providing detailed information on its expenditure of any 38343
mandate assistance funding that was transferred under this section 38344
over the course of the current biennium to the administering 38345
agency by the Controlling Board. 38346

(I) Any moneys allocated within appropriation item 911-404, 38347
Mandate Assistance, not fully utilized may, upon application of 38348
the State and Local Government Commission, and with the approval 38349
of the Controlling Board, be disbursed to boards of county 38350
commissioners to provide reimbursement for office space, 38351
equipment, and related mandated expenses for educational service 38352
centers. 38353

The amount to be disbursed to each county shall be allocated 38354
proportionately to the ADM of the educational service center for 38355
which a board of county commissioners is required to provide an 38356
office under section 3319.19 of the Revised Code. 38357

OHIO'S BICENTENNIAL CELEBRATION 38358

The foregoing appropriation item 911-408, Ohio's Bicentennial 38359
Celebration, shall be distributed according to a plan approved by 38360
the Ohio Bicentennial Commission. Pursuant to requests submitted 38361
by the Ohio Bicentennial Commission, the Controlling Board may 38362
approve transfers from the foregoing appropriation item 911-408, 38363
Ohio's Bicentennial Celebration, to appropriation item 360-503, 38364
Ohio Bicentennial Commission, or to other new or existing 38365
appropriation items of a state agency or other entity as specified 38366
by the commission. 38367

BALLOT ADVERTISING COSTS 38368

Pursuant to requests submitted by the Ohio Ballot Board, the 38369
Controlling Board shall approve transfers from the foregoing 38370
appropriation item 911-441, Ballot Advertising Costs, to an Ohio 38371
Ballot Board appropriation item in order to reimburse county 38372
boards of elections for the cost of public notices associated with 38373

statewide ballot initiatives.				38374	
Of the foregoing appropriation item 911-441, Ballot				38375	
Advertising Costs, the Director of Budget and Management shall				38376	
transfer any amounts that are not needed for the purpose of				38377	
reimbursing county boards of elections for the cost of public				38378	
notices associated with statewide ballot initiatives to				38379	
appropriation item 911-404, Mandate Assistance.				38380	
Section 35. COS STATE BOARD OF COSMETOLOGY				38381	
General Services Fund Group				38382	
4K9 879-609 Operating Expenses	\$	2,474,189	\$	2,674,059	38383
TOTAL GSF General Services Fund				38384	
Group	\$	2,474,189	\$	2,674,059	38385
TOTAL ALL BUDGET FUND GROUPS	\$	2,474,189	\$	2,674,059	38386
Section 36. CSW COUNSELOR AND SOCIAL WORKERS BOARD				38388	
General Services Fund Group				38389	
4K9 899-609 Operating Expenses	\$	907,772	\$	953,563	38390
TOTAL GSF General Services Fund				38391	
Group	\$	907,772	\$	953,563	38392
TOTAL ALL BUDGET FUND GROUPS	\$	907,772	\$	953,563	38393
Section 37. CLA COURT OF CLAIMS				38395	
General Revenue Fund				38396	
GRF 015-321 Operating Expenses	\$	2,953,045	\$	3,035,730	38397
TOTAL GRF General Revenue Fund	\$	2,953,045	\$	3,035,730	38398
State Special Revenue Fund Group				38399	
5K2 015-603 CLA Victims of Crime	\$	1,891,183	\$	1,602,716	38400
TOTAL SSR State Special Revenue				38401	
Fund Group	\$	1,891,183	\$	1,602,716	38402
TOTAL ALL BUDGET FUND GROUPS	\$	4,844,228	\$	4,638,446	38403

As Reported by the House Finance and Appropriations Committee

Section 38. CJS OFFICE OF CRIMINAL JUSTICE SERVICES				38405	
General Revenue Fund				38406	
GRF 196-401 Criminal Justice	\$	772,236	\$	798,575	38407
Information System					
GRF 196-403 Violence Prevention	\$	292,891	\$	277,924	38408
GRF 196-405 Center for Violence	\$	375,000	\$	375,000	38409
Prevention					
GRF 196-424 Operating Expenses	\$	1,655,987	\$	1,840,186	38410
TOTAL GRF General Revenue Fund	\$	3,096,114	\$	3,291,685	38411
General Services Fund Group				38412	
4P6 196-601 General Services	\$	107,310	\$	109,992	38413
TOTAL GSF General Services Fund	\$	107,310	\$	109,992	38414
Group					
Federal Special Revenue Fund Group				38415	
3L5 196-604 Justice Programs	\$	29,464,972	\$	29,494,089	38416
TOTAL FED Federal Special Revenue	\$	29,464,972	\$	29,494,089	38417
Fund Group					
TOTAL ALL BUDGET FUND GROUPS	\$	32,668,396	\$	32,895,766	38418
INDIGENT DEFENSE				38419	
The Office of Criminal Justice Services shall make all				38420	
efforts to maximize the amount of funding available for the				38421	
defense of indigent persons.				38422	
CRIMINAL JUSTICE INFORMATION SYSTEM				38423	
The foregoing appropriation item 196-401, Criminal Justice				38424	
Information System, shall be used by the Office of Criminal				38425	
Justice Services to work on a plan to improve Ohio's criminal				38426	
justice information systems. The Director of Criminal Justice				38427	
Services shall evaluate the progress of this plan and issue a				38428	
report to the Governor, the Speaker and the Minority Leader of the				38429	
House of Representatives, the President and the Minority Leader of				38430	

As Reported by the House Finance and Appropriations Committee

the Senate, the Criminal Justice Policy Board, and the Legislative
 Service Commission by the first day of January of each year of the
 two-year biennium beginning July 1, 2001, and ending June 30,
 2003.

OPERATING EXPENSES

Of the foregoing appropriation item 196-424, Operating
 Expenses, up to \$577,642 in fiscal year 2002 and up to \$606,109 in
 fiscal year 2003 shall be used for the purpose of matching federal
 funds.

Section 39. DEN STATE DENTAL BOARD

General Services Fund Group				38441	
4K9 880-609 Operating Expenses	\$	1,250,703	\$	1,281,056	38442
TOTAL GSF General Services Fund				38443	
Group	\$	1,250,703	\$	1,281,056	38444
TOTAL ALL BUDGET FUND GROUPS	\$	1,250,703	\$	1,281,056	38445

Section 40. BDP BOARD OF DEPOSIT

General Services Fund Group				38448	
4M2 974-601 Board of Deposit	\$	838,000	\$	838,000	38449
TOTAL GSF General Services Fund				38450	
Group	\$	838,000	\$	838,000	38451
TOTAL ALL BUDGET FUND GROUPS	\$	838,000	\$	838,000	38452

BOARD OF DEPOSIT EXPENSE FUND

Upon receiving certification of expenses from the Treasurer
 of State, the Director of Budget and Management shall transfer
 cash from the Investment Earnings Redistribution Fund (Fund 608)
 to the Board of Deposit Expense Fund (Fund 4M2). The latter fund
 shall be used to pay for banking charges and fees required for the
 operation of the State of Ohio Regular Account.

Section 41. DEV DEPARTMENT OF DEVELOPMENT

38460

As Reported by the House Finance and Appropriations Committee

General Revenue Fund				38461	
GRF 195-100 Personal Services	\$	2,651,334	\$	2,920,941	38462
GRF 195-200 Maintenance	\$	589,524	\$	601,314	38463
GRF 195-300 Equipment	\$	108,161	\$	110,324	38464
GRF 195-401 Thomas Edison Program	\$	20,000,000	\$	20,000,000	38465
GRF 195-404 Small Business Development	\$	2,452,342	\$	2,529,843	38466
GRF 195-405 Minority Business Development Division	\$	2,278,888	\$	2,297,314	38467
GRF 195-406 Transitional and Permanent Housing	\$	2,770,145	\$	2,770,155	38468
GRF 195-407 Travel and Tourism	\$	6,345,500	\$	6,448,399	38469
GRF 195-408 Coal Research Development	\$	210,498	\$	233,237	38470
GRF 195-409 Utility Payment Administration	\$	666,033	\$	701,173	38471
GRF 195-412 Business Development Grants	\$	8,033,935	\$	9,092,851	38472
GRF 195-413 Marketing for Economic Development	\$	655,603	\$	1,578,110	38473
GRF 195-414 First Frontier Match	\$	490,000	\$	490,000	38474
GRF 195-415 Regional Offices and Economic Development	\$	6,420,675	\$	6,735,253	38475
GRF 195-416 Governor's Office of Appalachia	\$	5,466,954	\$	4,975,126	38476
GRF 195-417 Urban/Rural Initiative	\$	980,000	\$	980,000	38477
GRF 195-422 Technology Action	\$	15,100,000	\$	15,100,000	38478
GRF 195-431 Community Development Corporation Grants	\$	2,530,860	\$	2,530,860	38479
GRF 195-432 International Trade	\$	5,390,000	\$	5,551,700	38480
GRF 195-434 Investment in Training Grants	\$	12,500,000	\$	12,500,000	38481
GRF 195-436 Labor/Management	\$	1,146,805	\$	1,152,752	38482

As Reported by the House Finance and Appropriations Committee

	Cooperation				
GRF 195-440	Emergency Shelter	\$	2,768,313	\$ 2,841,441	38483
	Housing Grants				
GRF 195-441	Low and Moderate	\$	19,000,000	\$ 19,000,000	38484
	Income Housing				
GRF 195-497	CDBG Operating Match				38485
	State	\$	1,208,576	\$ 1,215,295	38486
	Federal	\$	5,200,000	\$ 6,500,000	38487
	CDBG Operating Match	\$	6,408,576	\$ 7,715,295	38488
	Total				
GRF 195-498	State Energy Match	\$	153,558	\$ 158,548	38489
GRF 195-501	Appalachian Local	\$	453,962	\$ 453,962	38490
	Development Districts				
GRF 195-502	Appalachian Regional	\$	219,912	\$ 219,912	38491
	Commission Dues				
GRF 195-505	Utility Bill Credits	\$	7,350,000	\$ 7,350,000	38492
GRF 195-507	Travel and Tourism	\$	1,274,000	\$ 1,274,000	38493
	Grants				
GRF 195-510	Issue 1 Implementation	\$	1,000,000	\$ 1,500,000	38494
GRF 195-906	Coal Research and	\$	8,971,700	\$ 9,420,300	38495
	Development General				
	Obligation Debt				
	Service				
TOTAL GRF	General Revenue Fund				38496
	State	\$	139,187,278	\$ 142,732,810	38497
	Federal	\$	5,200,000	\$ 6,500,000	38498
GRF TOTAL		\$	144,387,278	\$ 149,232,810	38499
	General Services Fund Group				
135 195-605	Supportive Services	\$	9,038,988	\$ 9,531,707	38501
136 195-621	International Trade	\$	100,000	\$ 24,915	38502
685 195-636	General Reimbursements	\$	1,275,234	\$ 1,323,021	38503
TOTAL GSF	General Services Fund				38504
Group		\$	10,414,222	\$ 10,879,643	38505

As Reported by the House Finance and Appropriations Committee

Federal Special Revenue Fund Group				38506	
3K8 195-613 Community Development	\$	65,149,441	\$	65,088,961	38507
Block Grant					
3K9 195-611 Home Energy Assistance	\$	62,000,000	\$	62,000,000	38508
Block Grant					
3K9 195-614 HEAP Weatherization	\$	10,412,041	\$	10,412,041	38509
3L0 195-612 Community Services	\$	22,135,000	\$	22,135,000	38510
Block Grant					
3V1 195-601 HOME Program	\$	40,000,000	\$	40,000,000	38511
308 195-602 Appalachian Regional	\$	350,000	\$	350,200	38512
Commission					
308 195-603 Housing and Urban	\$	5,000,000	\$	5,000,000	38513
Development					
308 195-605 Federal Projects	\$	7,855,501	\$	7,855,501	38514
308 195-609 Small Business	\$	3,799,626	\$	3,799,626	38515
Administration					
308 195-618 Energy Federal Grants	\$	2,803,560	\$	2,803,560	38516
335 195-610 Oil Overcharge	\$	8,500,000	\$	8,500,000	38517
380 195-622 Housing Development	\$	4,507,212	\$	4,696,198	38518
Operating					
TOTAL FED Federal Special Revenue				38519	
Fund Group	\$	232,512,381	\$	232,641,087	38520
State Special Revenue Fund Group				38521	
4F2 195-639 State Special Projects	\$	1,052,762	\$	1,079,082	38522
4H4 195-641 First Frontier	\$	600,000	\$	650,000	38523
4S0 195-630 Enterprise Zone	\$	211,900	\$	211,900	38524
Operating					
4S1 195-634 Job Creation Tax	\$	372,700	\$	375,800	38525
Credit Operating					
4W1 195-646 Minority Business	\$	2,572,960	\$	2,580,597	38526
Enterprise Loan					
444 195-607 Water and Sewer	\$	511,000	\$	523,775	38527

As Reported by the House Finance and Appropriations Committee

		Commission Loans				
445	195-617	Housing Finance	\$	3,782,808	\$	3,968,184 38528
		Operating				
450	195-624	Minority Business	\$	13,232	\$	13,563 38529
		Bonding Program				
		Administration				
451	195-625	Economic Development	\$	2,062,451	\$	2,143,918 38530
		Financing Operating				
5M4	195-659	Universal Service	\$	160,000,000	\$	160,000,000 38531
5M5	195-660	Energy Efficiency	\$	12,000,000	\$	12,000,000 38532
		Revolving Loan				
611	195-631	Water and Sewer	\$	15,330	\$	15,713 38533
		Administration				
617	195-654	Volume Cap	\$	200,000	\$	200,000 38534
		Administration				
646	195-638	Low and Moderate	\$	21,539,552	\$	22,103,807 38535
		Income Housing Trust				
		Fund				
TOTAL SSR		State Special Revenue				38536
Fund Group			\$	204,934,695	\$	205,866,339 38537
		Facilities Establishment Fund				38538
037	195-615	Facilities	\$	56,701,684	\$	58,119,226 38539
		Establishment				
4Z6	195-647	Rural Industrial Park	\$	5,000,000	\$	5,000,000 38540
		Loan				
5D1	195-649	Port Authority Bond	\$	2,500,000	\$	2,500,000 38541
		Reserves				
5D2	195-650	Urban Redevelopment	\$	10,000,000	\$	10,475,000 38542
		Loans				
5H1	195-652	Family Farm Loan	\$	2,246,375	\$	2,246,375 38543
		Guarantee				
TOTAL 037		Facilities				38544
Establishment Fund			\$	76,448,059	\$	78,340,601 38545

As Reported by the House Finance and Appropriations Committee

Coal Research/Development Fund				38546
046 195-632 Coal Research and	\$	12,847,178	\$	13,168,357
Development Fund				38547
TOTAL 046 Coal Research/				38548
Development Fund	\$	12,847,178	\$	13,168,357
TOTAL ALL BUDGET FUND GROUPS	\$	681,543,813	\$	690,128,837

Section 41.01. WASHINGTON OFFICE 38552

Of the foregoing appropriation items 195-100, Personal Services, 195-200, Maintenance, and 195-300, Equipment, no more than \$335,700 in fiscal year 2002 and \$335,700 in fiscal year 2003 may be transferred to the General Reimbursement Fund (Fund 685) to support the Washington Office. The transfer shall be made using an intrastate transfer voucher.

THOMAS EDISON PROGRAM 38559

The foregoing appropriation item 195-401, Thomas Edison Program, shall be used for the purposes of sections 122.28 to 122.38 of the Revised Code in order to provide funds for cooperative public and private efforts in technological innovation to promote the development and transfer of technology by and to Ohio businesses that will lead to the creation of jobs, and to provide for the administration of this program by the Technology Division.

Of the foregoing appropriation item 195-401, Thomas Edison Program, not more than \$2,153,282 in fiscal year 2002 and \$2,228,537 in fiscal year 2003 shall be used for the Technology Division's operating expenses in administering this program.

Of the foregoing appropriation item 195-401, Thomas Edison Program, \$187,500 in each fiscal year shall be used for the establishment of an e-logistics port at Rickenbacker Port Authority.

Section 41.02. SMALL BUSINESS DEVELOPMENT 38576

The foregoing appropriation item 195-404, Small Business 38577
Development, shall be used to ensure that the unique needs and 38578
concerns of small businesses are addressed. 38579

The foregoing appropriation shall be used to provide grants 38580
to local organizations to support the operation of Small Business 38581
Development Centers, and other local economic development activity 38582
promoting small business and for the cost of administering the 38583
program. The centers shall provide technical, financial, and 38584
management consultation for small business, and facilitate access 38585
to state and federal programs. These funds shall be used as 38586
matching funds for grants from the United States Small Business 38587
Administration and other federal agencies, pursuant to Public Law 38588
No. 96-302 (1980) as amended by Public Law No. 98-395 (1984), and 38589
regulations and policy guidelines for these programs. 38590

In addition, the Office of Small Business shall operate the 38591
One-Stop Business Permit Center, the Women's Business Resource 38592
Program, support government procurement assistance, and implement 38593
and coordinate the duties imposed on the Department of Development 38594
by Am. Sub. S.B. 239 of the 115th General Assembly. 38595

MINORITY BUSINESS DEVELOPMENT DIVISION 38596

Of the foregoing appropriation item 195-405, Minority 38597
Business Development Division, no less than \$1,060,000 in each 38598
fiscal year shall be used to fund minority contractors and 38599
business assistance organizations. The Minority Business 38600
Development Division shall determine which cities need minority 38601
contractors and business assistance organizations by utilizing 38602
United States Census Bureau data and zip codes to locate the 38603
highest concentrations of minority businesses. The Minority 38604
Business Development Division also shall determine the numbers of 38605
minority contractors and business assistance organizations 38606

necessary and the amount of funding to be provided each. In 38607
addition, the Minority Business Development Division shall 38608
continue to plan and implement business conferences. 38609

Section 41.03. TRANSITIONAL AND PERMANENT HOUSING PROGRAM 38610

Of the foregoing appropriation item 195-406, Transitional and 38611
Permanent Housing, the Office of Housing and Community 38612
Partnerships shall make grants to local governments and nonprofit 38613
organizations for the acquisition, rehabilitation, renovation, 38614
construction, conversion, operating, and supportive services costs 38615
for both new and existing transitional and permanent housing for 38616
the homeless. 38617

COAL RESEARCH DEVELOPMENT 38618

The foregoing appropriation item 195-408, Coal Research 38619
Development, shall be used for the administrative costs of the 38620
Coal Development Office within the Technology Division and for 38621
grants that encourage, promote, and assist the use of Ohio coal 38622
pursuant to section 1551.32 of the Revised Code. 38623

UTILITY PAYMENT ADMINISTRATION 38624

The foregoing appropriation item 195-409, Utility Payment 38625
Administration, shall be used for the administrative costs 38626
necessary to provide utility and fuel assistance benefits to 38627
eligible low-income Ohio households with elderly and disabled 38628
members. 38629

Section 41.04. BUSINESS DEVELOPMENT 38630

The foregoing appropriation item 195-412, Business 38631
Development Grants, shall be used as an incentive for attracting 38632
and retaining business opportunities for the state. Any such 38633
business opportunity, whether new, expanding, or relocating in 38634
Ohio, is eligible for funding. The project must create or retain a 38635

As Reported by the House Finance and Appropriations Committee

significant number of jobs for Ohioans. Grant awards may be considered only when (1) the project's viability hinges on an award of appropriation item 195-412, Business Development Grants, funds; (2) all other public or private sources of financing have been considered; or (3) the funds act as a catalyst for the infusion into the project of other financing sources.

The department's primary goal shall be to award funds to political subdivisions of the state for off-site infrastructure improvements. In order to meet the particular needs of economic development in a region, the department may elect to award funds directly to a business for on-site infrastructure improvements. Infrastructure improvements mean improvements to water system facilities, sewer and sewage treatment facilities, electric or gas service facilities, fiber optic facilities, rail facilities, site preparation, and parking facilities. The Director of Development may recommend the funds be used in an alternative manner when deemed appropriate to meet an extraordinary economic development opportunity or need.

The foregoing appropriation item 195-412, Business Development Grants, may be expended only after the submission of a request to the Controlling Board by the Department of Development outlining the planned use of the funds, and the subsequent approval of the request by the Controlling Board.

The foregoing appropriation item 195-412, Business Development Grants, may be used for, but is not limited to, construction, rehabilitation, and acquisition projects for rail freight assistance as requested by the Department of Transportation. The Director of Transportation shall submit the proposed projects to the Director of Development for an evaluation of potential economic benefit.

Section 41.05. FIRST FRONTIER MATCH

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The foregoing appropriation item 195-414, First Frontier Match, shall be used as matching funds to targeted counties for the purpose of marketing state, regional, and local characteristics that may attract economic development. Targeted counties mean counties that have a population of less than 175,000 residents. The appropriation may be used either for marketing programs by individual targeted counties or regional marketing campaigns, which are marketing programs in which at least one targeted county is participating with one or more other targeted counties or larger counties.

REGIONAL OFFICES AND ECONOMIC DEVELOPMENT

The foregoing appropriation item 195-415, Regional Offices and Economic Development, shall be used for the operating expenses of the Economic Development Division and the regional economic development offices and for grants for cooperative economic development ventures.

Section 41.06. GOVERNOR'S OFFICE OF APPALACHIAN OHIO

The foregoing appropriation item 195-416, Governor's Office of Appalachia, shall be used for the administrative costs of planning and liaison activities for the Governor's Office of Appalachian Ohio. Funds not expended for liaison and training activities may be expended for special project grants within the Appalachian Region.

Of the foregoing appropriation item 195-416, Governor's Office of Appalachia, up to \$250,000 each fiscal year shall be used to match federal funds from the Appalachian Development Commission to provide job training to impact the Appalachian Region.

Of the foregoing appropriation item 195-416, Governor's Office of Appalachia, \$4,400,000 in each fiscal year shall be used

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in conjunction with other federal and state funds to provide 38697
 financial assistance to projects in Ohio's Appalachian counties in 38698
 order to further the goals of the Appalachian Regional Commission. 38699
 Such projects and project sponsors shall meet Appalachian Regional 38700
 Commission eligibility requirements. Grants shall be administered 38701
 by the Department of Development. 38702

Of the foregoing appropriation item 195-416, Governor's 38703
 Office of Appalachia, \$500,000 in fiscal year 2002 shall be used 38704
 by the Appalachian Energy Grant Authority to make grants to 38705
 eligible applicants to enhance and maintain the economic welfare 38706
 of the Appalachian Region through the support of manufacturing in 38707
 the region. 38708

URBAN/RURAL INITIATIVE 38709

The foregoing appropriation item 195-417, Urban/Rural 38710
 Initiative, shall be used to make grants in accordance with 38711
 sections 122.19 to 122.22 of the Ohio Revised Code. 38712

TECHNOLOGY ACTION 38713

Prior to the release of funds from appropriation item 38714
 195-422, Technology Action, each grant award shall first obtain 38715
 approval from eight members of the Technology Action Board and 38716
 from the Controlling Board. 38717

The Technology Action Board shall consist of fourteen members 38718
 appointed by the Governor with the advice and consent of the 38719
 Senate. Six members of the board shall be recognized technology 38720
 and business leaders from the following sectors covering the 38721
 state: Northeast, Southeast, Northwest, Central, Southwest, and 38722
 the Miami Valley Area. One member shall come from the Wright 38723
 Patterson Air Force Laboratory, one member from the NASA Glenn 38724
 Research Center, one member from the Inter-University Council, and 38725
 one member shall be the current Director of the Edison Centers 38726
 Technology Council. The chair of the Technology Action Board shall 38727

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be the Governor's Science and Technology Advisor, with staff and 38728
 other support as needed from the Department of Development's 38729
 Technology Division and from the Board of Regents' Academic and 38730
 Access Division. In addition, the Directors of Development and 38731
 Transportation (or their designees), and the Chancellor of the 38732
 Board of Regents (or the Chancellor's designee) shall serve as 38733
 ex-officio members of the board. 38734

The Technology Action Board, in accordance with Chapter 119. 38735
 of the Revised Code, shall adopt program rules and develop 38736
 guidelines for the release of funds. 38737

Of the foregoing appropriation item 195-422, Technology 38738
 Action, not more than six per cent in each fiscal year shall be 38739
 used for operating expenditures in administering this program. 38740

In addition to the six per cent for operating expenditures, 38741
 an additional administrative amount, not to exceed \$1,500,000 38742
 within the biennium, shall be used for research, analyses, and 38743
 marketing efforts deemed necessary to receive and disseminate 38744
 information about science and technology related opportunities. 38745

Section 41.07. COMMUNITY DEVELOPMENT CORPORATIONS 38746

Of the foregoing appropriation item 195-431, Community 38747
 Development Corporation Grants, a portion of funds in each fiscal 38748
 year of the biennium shall be used to make grants to the Ohio 38749
 Community Development Finance Fund, a nonprofit corporation, in 38750
 order to leverage private-sector funds to assist nonprofit 38751
 development organizations to create affordable housing and 38752
 permanent jobs in distressed areas of the state. The remaining 38753
 moneys shall be used to provide funds to assist local community 38754
 development corporations to develop affordable housing programs 38755
 and economic development programs in their neighborhoods, and for 38756
 operating costs. 38757

Of the foregoing appropriation item 195-431, Community Development Corporation Grants, not less than \$100,000 in each fiscal year shall be used to provide training, technical assistance, and capacity building assistance to nonprofit development organizations in underserved areas of the state. For grants awarded in each fiscal year of the biennium, priority shall be given to proposals submitted by nonprofit development organizations from underserved areas of the state.

Section 41.08. INTERNATIONAL TRADE 38766

The foregoing appropriation item 195-432, International Trade, shall be used to operate and to maintain Ohio's out-of-state trade offices.

The Director of Development may enter into contracts with foreign nationals to staff foreign offices. Such contracts may be paid in local currency or United States currency and shall be exempt from the provisions of section 127.16 of the Revised Code. The director also may establish foreign currency accounts in accordance with section 122.05 of the Revised Code for the payment of expenses related to the operation and maintenance of the foreign trade offices.

The foregoing appropriation item 195-432, International Trade, shall be used to fund the International Trade Division and to assist Ohio manufacturers and agricultural producers in exporting to foreign countries in conjunction with the Department of Agriculture.

Of the foregoing appropriation item 195-432, International Trade, up to \$35,000 may be used to purchase gifts for representatives of foreign governments or dignitaries of foreign countries.

Section 41.09. OHIO INVESTMENT IN TRAINING PROGRAM 38787

The foregoing appropriation item 195-434, Investment in Training Grants, shall be used to promote industrial training through training grants for the reimbursement of eligible training expenses.

Section 41.10. EMERGENCY SHELTER HOUSING GRANTS

(A) As used in this section, "emergency shelter housing" means a structure suitable for the temporary housing of the homeless and the provision of, or referral to, supportive services. Shelters that restrict admission to victims of domestic violence, runaways, or alcohol or substance abusers shall not be considered emergency shelter housing.

(B) The foregoing appropriation item 195-440, Emergency Shelter Housing Grants, shall be used by the Office of Housing and Community Partnerships in the Department of Development to make grants to private, nonprofit organizations to provide emergency shelter housing for the homeless. The department shall distribute the grants pursuant to rules adopted by the Director of Development. The director may amend or rescind the rules and may adopt other rules necessary to implement this section. In awarding grants, the department shall give preference to organizations applying to fund existing emergency shelter housing.

The department shall notify each organization that applied for a grant under this section of the amount of its grant award, if any. To receive a grant, the organization shall provide matching funds equal to 50 per cent of the total grant it was awarded. The organization shall expend its grant for shelter operations and supportive services, which include employment assistance, case management, information and referral services, transportation, and clothing. In providing employment assistance, the organization shall, at a minimum, refer persons to the Department of Job and Family Services.

As Reported by the House Finance and Appropriations Committee

LOW AND MODERATE INCOME HOUSING 38819

The Director of Budget and Management, after consulting with 38820
the Director of Development, shall transfer up to \$20,000,000 from 38821
appropriation item 195-441, Low and Moderate Income Housing, to 38822
appropriation item 195-638, Low and Moderate Income Housing Trust 38823
Fund. This transfer shall be made via an intrastate transfer 38824
voucher. 38825

TANF TRANSFER TO CDBG OPERATING MATCH 38826

The Office of Housing and Community Partnerships of the 38827
Department of Development shall use \$5,200,000 of appropriation 38828
authority transferred from appropriation item 600-689, TANF Block 38829
Grant, in the Department of Job and Family Services in fiscal year 38830
2002 to appropriation item 195-497, CDBG Operating Match, in the 38831
Department of Development, and \$6,500,000 of appropriation 38832
authority transferred from appropriation item 600-689, TANF Block 38833
Grant, in fiscal year 2003 to appropriation item 195-497, CDBG 38834
Operating Match, to provide grants supportive services for 38835
low-income families related to housing or homelessness, including 38836
housing counseling; to provide grants to nonprofit organizations 38837
to assist families with incomes at or below 200 per cent of the 38838
federal poverty guidelines with down payment assistance for 38839
homeownership, including the purchase of mobile homes; to provide 38840
emergency home repair funding for families with incomes at or 38841
below 200 per cent of the federal poverty guideline; to provide 38842
operating support for family emergency shelter programs; and to 38843
provide emergency rent and mortgage assistance for families with 38844
incomes at or below 200 per cent of the federal poverty guideline. 38845
TANF funds shall not be used to match federal funds. 38846

The Department of Development shall comply with all TANF 38847
requirements, including reporting requirements and timelines, as 38848
specified in state and federal laws, federal regulations, state 38849
rules, and the Title IV-A state plan, and is responsible for 38850

payment of any adverse audit finding, final disallowance of 38851
federal financial participation, or other sanction or penalty 38852
issued by the federal government or other entity concerning these 38853
funds. 38854

No more than five per cent of transferred funds may be used 38855
by the department for administrative expenses of these programs. 38856
Transfer of funds between these programs shall first obtain 38857
approval of the Controlling Board. 38858

As used in this section, "federal poverty guideline" means 38859
the poverty guideline as defined by the United States Office of 38860
Management and Budget and revised by the United States Secretary 38861
of Health and Human Services in accordance with section 673 of the 38862
"Community Services Block Grant Act," 95 Stat. 511 (1981), 42 38863
U.S.C.A. 9902, as amended. 38864

UTILITY BILL CREDIT 38865

The foregoing appropriation item 195-505, Utility Bill 38866
Credits, shall be used to provide utility and fuel assistance to 38867
eligible low-income Ohio households with elderly and disabled 38868
members. 38869

Section 41.11. TRAVEL AND TOURISM GRANTS 38870

The foregoing appropriation item 195-507, Travel and Tourism 38871
Grants, shall be used to provide grants to local organizations to 38872
support various local travel and tourism events in Ohio. 38873

Of the foregoing appropriation item 195-507, Travel and 38874
Tourism Grants, up to \$200,000 in each fiscal year of the biennium 38875
may be used to support the outdoor dramas Trumpet in the Land, 38876
Blue Jacket, Tecumseh, and the Becky Thatcher Showboat Drama; 38877
\$50,000 in each fiscal year shall be used for the Greater 38878
Cleveland Film Commission; \$50,000 in each fiscal year shall be 38879
used for the Cincinnati Film Commission; and \$500,000 in each 38880

fiscal year shall be used for grants to the International Center 38881
for the Preservation of Wild Animals. 38882

ISSUE 1 IMPLEMENTATION 38883

The foregoing appropriation item 195-510, Issue 1 38884
Implementation, shall be used to begin the implementation of 38885
Article VIII, Section 2o of the Ohio Constitution. 38886

COAL RESEARCH AND DEVELOPMENT GENERAL OBLIGATION DEBT SERVICE 38887

The foregoing appropriation item 195-906, Coal Research and 38888
Development General Obligation Debt Service shall be used to pay 38889
all debt service and financing costs at the times they are 38890
required to be made under sections 151.01 and 151.07 of the 38891
Revised Code during the period from July 1, 2001, to June 30, 38892
2003. The Office of the Sinking Fund or the Director of Budget and 38893
Management shall effectuate the required payments by an intrastate 38894
transfer voucher. 38895

Section 41.12. SUPPORTIVE SERVICES 38896

The Director of Development may assess divisions of the 38897
department for the cost of central service operations. Such an 38898
assessment shall be based on a plan submitted to and approved by 38899
the Office of Budget and Management by the first day of August of 38900
each fiscal year, and contain the characteristics of 38901
administrative ease and uniform application. 38902

A division's payments shall be credited to the Supportive 38903
Services Fund (Fund 135) using an intrastate transfer voucher. 38904

GENERAL REIMBURSEMENT 38905

The foregoing appropriation item 195-636, General 38906
Reimbursements, shall be used for conference and subscription fees 38907
and other reimbursable costs. Revenues to the General 38908
Reimbursement Fund (Fund 685) shall consist of fees and other 38909

moneys charged for conferences, subscriptions, and other 38910
administrative costs that are not central service costs. 38911

HEAP WEATHERIZATION 38912

Fifteen per cent of the federal funds received by the state 38913
for the Home Energy Assistance Block Grant shall be deposited in 38914
the Department of Development's Federal Special Revenue Fund (Fund 38915
3K9) and shall be used to provide home weatherization services in 38916
the state. 38917

HOME PROGRAM 38918

On July 1, 2001, or as soon as possible thereafter, the 38919
Director of Development shall certify to the Director of Budget 38920
and Management the cash balance and open encumbrances relating to 38921
the HOME Program located within Fund 308, appropriation item 38922
195-603, Housing and Urban Development. The Director of Budget and 38923
Management shall transfer the certified amount to newly created 38924
Fund 3V1, HOME Program. Any existing encumbrances in appropriation 38925
item 195-603 for the HOME Program shall be canceled and 38926
re-established against appropriation item 195-601, HOME Program. 38927
These re-established amounts are appropriated. 38928

STATE SPECIAL PROJECTS 38929

The foregoing appropriation item 195-639, State Special 38930
Projects, shall be used as a general account for the deposit of 38931
private-sector funds from utility companies and other 38932
miscellaneous state funds. Private-sector moneys shall be used to 38933
(1) pay the expenses of verifying the income-eligibility of HEAP 38934
applicants, (2) market economic development opportunities in the 38935
state, and (3) leverage additional federal funds. State funds 38936
shall be used to match federal housing grants for the homeless. 38937

Section 41.13. MINORITY BUSINESS ENTERPRISE LOAN 38938

All repayments from the Minority Development Financing 38939

As Reported by the House Finance and Appropriations Committee

Advisory Board loan program and the Ohio Mini-Loan Guarantee	38940
Program shall be deposited in the State Treasury, to the credit of	38941
the Minority Business Enterprise Loan Fund (Fund 4W1).	38942
All operating costs of administering the Minority Business	38943
Enterprise Loan Fund shall be paid from the Minority Business	38944
Enterprise Loan Fund (Fund 4WI).	38945
MINORITY BUSINESS BONDING FUND	38946
Notwithstanding Chapters 122., 169., and 175. of the Revised	38947
Code and other provisions of Am. Sub. H.B. 283 of the 123rd	38948
General Assembly, the Director of Development may, upon the	38949
recommendation of the Minority Development Financing Advisory	38950
Board, pledge up to \$10,000,000 in the 2001-2003 biennium of	38951
unclaimed funds administered by the Director of Commerce and	38952
allocated to the Minority Business Bonding Program pursuant to	38953
section 169.05 of the Revised Code. The transfer of any cash by	38954
the Director of Budget and Management from the Department of	38955
Commerce's Unclaimed Funds Fund (Fund 543) to the Department of	38956
Development's Minority Business Bonding Fund (Fund 449) shall	38957
occur, if requested by the Director of Development, only if such	38958
funds are needed for payment of losses arising from the Minority	38959
Business Bonding Program, and only after proceeds of the initial	38960
transfer of \$2,700,000 by the Controlling Board to the Minority	38961
Business Bonding Program has been used for that purpose. Moneys	38962
transferred by the Director of Budget and Management from the	38963
Department of Commerce for this purpose may be moneys in custodial	38964
funds held by the Treasurer of State. If expenditures are required	38965
for payment of losses arising from the Minority Business Bonding	38966
Program, such expenditures shall be made from appropriation item	38967
195-623, Minority Business Bonding Contingency in the Minority	38968
Business Bonding Fund, and such amounts are appropriated.	38969
	38970
MINORITY BUSINESS BONDING PROGRAM ADMINISTRATION	38971

As Reported by the House Finance and Appropriations Committee

Investment earnings of the Minority Business Bonding Fund 38972
 (Fund 449) shall be credited to the Minority Business Bonding 38973
 Program Administration Fund (Fund 450). 38974

Section 41.14. ECONOMIC DEVELOPMENT FINANCING OPERATING 38975

The foregoing appropriation item 195-625, Economic 38976
 Development Financing Operating, shall be used for the operating 38977
 expenses of financial assistance programs authorized under Chapter 38978
 166. of the Revised Code and under sections 122.43 and 122.45 of 38979
 the Revised Code. 38980

UNIVERSAL SERVICE FUND 38981

The foregoing appropriation item 195-659, Universal Service, 38982
 shall be used to provide electric utility assistance benefits to 38983
 Percentage of Income Payment Plan (PIPP) electric accounts, to 38984
 fund targeted energy efficiency and customer education services to 38985
 PIPP customers, and to cover the department's administrative costs 38986
 related to the Universal Service Fund Programs. 38987

ENERGY EFFICIENCY REVOLVING LOAN FUND 38988

The foregoing appropriation item 195-660, Energy Efficiency 38989
 Revolving Loan, shall be used to provide financial assistance to 38990
 customers for eligible energy efficiency projects for residential, 38991
 commercial and industrial business, local government, educational 38992
 institution, nonprofit, and agriculture customers, and to pay for 38993
 the program's administrative costs as provided in the Revised Code 38994
 and rules adopted by the Director of Development. 38995

VOLUME CAP ADMINISTRATION 38996

The foregoing appropriation item 195-654, Volume Cap 38997
 Administration, shall be used for expenses related to the 38998
 administration of the Volume Cap Program. Revenues received by the 38999
 Volume Cap Administration Fund (Fund 617) shall consist of 39000
 application fees, forfeited deposits, and interest earned from the 39001

custodial account held by the Treasurer of State. 39002

Section 41.15. FACILITIES ESTABLISHMENT FUND 39003

The foregoing appropriation item 195-615, Facilities 39004
Establishment (Fund 037), shall be used for the purposes of the 39005
Facilities Establishment Fund under Chapter 166. of the Revised 39006
Code. 39007

Of the foregoing appropriation item 195-615, Facilities 39008
Establishment (Fund 037), up to \$5,000,000 in each fiscal year 39009
shall be used for the implementation of H.B. 6 of the 124th 39010
General Assembly, if the bill is enacted. 39011

Notwithstanding Chapter 166. of the Revised Code, up to 39012
\$1,600,000 may be transferred each fiscal year from the Facilities 39013
Establishment Fund (Fund 037) to the Economic Development 39014
Financing Operating Fund (Fund 451). The transfer is subject to 39015
Controlling Board approval pursuant to division (B) of section 39016
166.03 of the Revised Code. 39017

Notwithstanding Chapter 166. of the Revised Code, up to 39018
\$3,800,000 may be transferred in each fiscal year of the biennium 39019
from the Facilities Establishment Fund (Fund 037) to the Minority 39020
Business Enterprise Loan Fund (Fund 4W1). The transfer is subject 39021
to Controlling Board approval pursuant to division (B) of section 39022
166.03 of the Revised Code. 39023

Notwithstanding Chapter 166. of the Revised Code, up to 39024
\$5,000,000 cash may be transferred during the biennium from the 39025
Facilities Establishment Fund (Fund 037) to the Port Authority 39026
Bond Reserves Fund (Fund 5D1) for use by any port authority in 39027
establishing or supplementing bond reserve funds for any bond 39028
issuance permitted under Chapter 4582. of the Revised Code. The 39029
Director of Development shall develop program guidelines for the 39030
transfer and release of funds, including, but not limited to, a 39031

provision that a port authority shall receive not more than 39032
\$2,000,000 total from the fund. The transfer and release of funds 39033
are subject to Controlling Board approval. 39034

Notwithstanding Chapter 166. of the Revised Code, up to 39035
\$20,475,000 cash may be transferred during the biennium from the 39036
Facilities Establishment Fund (Fund 037) to the Urban 39037
Redevelopment Loans Fund (Fund 5D2) for the purpose of removing 39038
barriers to urban core redevelopment. The Director of Development 39039
shall develop program guidelines for the transfer and release of 39040
funds, including, but not limited to, the completion of all 39041
appropriate environmental assessments before state assistance is 39042
committed to a project. 39043

Notwithstanding Chapter 166. of the Revised Code, up to 39044
\$5,000,000 per fiscal year in cash may be transferred from the 39045
Facilities Establishment Fund (Fund 037) to the Rural Industrial 39046
Park Loan Fund (Fund 4Z6). The transfer is subject to Controlling 39047
Board approval pursuant to section 166.03 of the Revised Code. 39048

FAMILY FARM LOAN PROGRAM 39049

Notwithstanding Chapter 166. of the Revised Code, up to 39050
\$2,246,375 in each fiscal year shall be transferred from moneys in 39051
the Facilities Establishment Fund (Fund 037) to the Family Farm 39052
Loan Fund (Fund 5H1) in the Department of Development. These 39053
moneys shall be used for loan guarantees. The transfer is subject 39054
to Controlling Board approval. 39055

Financial assistance from the Family Farm Loan Fund (Fund 39056
5H1) shall be repaid to Fund 5H1. This fund is established in 39057
accordance with sections 166.031, 901.80, 901.81, 901.82, and 39058
901.83 of the Revised Code. 39059

When the Family Farm Loan Fund (Fund 5H1) ceases to exist, 39060
all outstanding balances, all loan repayments, and any other 39061
outstanding obligations shall revert to the Facilities 39062

Establishment Fund (Fund 037).				39063
Section 41.16. FUND 5F7 TRANSFER				39064
On July 1, 2001, or as soon as possible thereafter, the				39065
Director of Budget and Management shall transfer all cash in Fund				39066
5F7, Local Government Y2K Loan Program, to the General Revenue				39067
Fund. Upon completion of the transfer, Fund 5F7 is abolished.				39068
Section 42. OBD OHIO BOARD OF DIETETICS				39069
General Services Fund Group				39070
4K9 860-609 Operating Expenses	\$	300,591	\$ 317,617	39071
TOTAL GSF General Services Fund				39072
Group	\$	300,591	\$ 317,617	39073
TOTAL ALL BUDGET FUND GROUPS	\$	300,591	\$ 317,617	39074
Section 43. CDR COMMISSION ON DISPUTE RESOLUTION AND				39076
CONFLICT MANAGEMENT				39077
General Revenue Fund				39078
GRF 145-401 Commission on Dispute	\$	581,192	\$ 609,974	39079
Resolution/Management				
TOTAL GRF General Revenue Fund	\$	581,192	\$ 609,974	39080
General Services Fund Group				39081
4B6 145-601 Gifts and Grants	\$	160,590	\$ 164,605	39082
TOTAL GSF General Services Fund				39083
Group	\$	160,590	\$ 164,605	39084
Federal Special Revenue Fund Group				39085
3S6 145-602 Dispute Resolution:	\$	32,917	\$ 0	39086
Federal				
TOTAL FED Federal Special Revenue	\$	32,917	\$ 0	39087
Fund Group				
TOTAL ALL BUDGET FUND GROUPS	\$	774,699	\$ 774,579	39088

COMMISSION ON DISPUTE RESOLUTION/MANAGEMENT 39089

The foregoing appropriation item 145-401, Commission on 39090
 Dispute Resolution/Management, shall be used in each fiscal year 39091
 by the Commission on Dispute Resolution and Conflict Management 39092
 for the purpose of providing dispute resolution and conflict 39093
 management training, consultation, and materials for state and 39094
 local government, communities, school districts, and courts and, 39095
 in consultation with the Department of Education, for the purpose 39096
 of offering competitive school conflict programs to school 39097
 districts. 39098

The Commission shall assist the Department of Education in 39099
 the development and dissemination of the school conflict 39100
 management programs to school districts. 39101

Section 44. EDU DEPARTMENT OF EDUCATION 39102

General Revenue Fund 39103

GRF 200-100 Personal Services \$ 11,819,828 \$ 12,113,828 39104

GRF 200-320 Maintenance and \$ 5,052,866 \$ 5,185,051 39105

Equipment

GRF 200-406 Head Start \$ 98,843,825 \$ 98,843,825 39106

GRF 200-408 Public Preschool \$ 19,506,206 \$ 19,506,206 39107

GRF 200-410 Professional \$ 23,463,829 \$ 34,810,579 39108

Development

GRF 200-411 Family and Children \$ 10,642,188 \$ 10,642,188 39109

First

GRF 200-416 Vocational Education \$ 2,381,738 \$ 2,381,738 39110

Match

GRF 200-420 Technical Systems \$ 6,000,000 \$ 6,500,000 39111

Development

GRF 200-421 Alternative Education \$ 20,000,000 \$ 20,000,000 39112

Programs

GRF 200-422 School Management \$ 1,485,675 \$ 1,571,219 39113

As Reported by the House Finance and Appropriations Committee

		Assistance				
GRF	200-424	Policy Analysis	\$	642,756	\$	674,894 39114
GRF	200-425	Tech Prep	\$	2,431,012	\$	2,431,012 39115
		Administration				
GRF	200-426	Ohio Educational	\$	39,871,927	\$	39,871,927 39116
		Computer Network				
GRF	200-427	Academic Standards	\$	8,474,999	\$	8,862,500 39117
GRF	200-431	School Improvement	\$	15,850,000	\$	14,625,000 39118
		Initiatives				
GRF	200-432	School Conflict	\$	626,496	\$	657,821 39119
		Management				
GRF	200-433	Reading/Writing	\$	18,962,948	\$	19,276,694 39120
		Improvement				
GRF	200-437	Student Assessment	\$	23,692,045	\$	25,942,045 39121
GRF	200-438	Safe Schools	\$	2,050,000	\$	2,050,000 39122
GRF	200-441	American Sign Language	\$	232,073	\$	236,715 39123
GRF	200-442	Child Care Licensing	\$	1,517,751	\$	1,548,107 39124
GRF	200-444	Professional	\$	1,917,000	\$	1,705,800 39125
		Recruitment				
GRF	200-445	OhioReads	\$	5,485,440	\$	5,485,440 39126
		Admin/Volunteer				
		Support				
GRF	200-446	Education Management	\$	16,579,636	\$	16,573,430 39127
		Information System				
GRF	200-447	GED Testing/Adult High	\$	2,038,678	\$	2,079,451 39128
		School				
GRF	200-455	Community Schools	\$	4,728,935	\$	4,824,517 39129
GRF	200-500	School Finance Equity	\$	23,560,125	\$	19,975,864 39130
GRF	200-501	Base Cost Funding	\$	4,263,404,768	\$	4,432,102,815 39131
GRF	200-502	Pupil Transportation	\$	334,183,786	\$	377,305,465 39132
GRF	200-503	Bus Purchase Allowance	\$	36,735,279	\$	36,799,984 39133
GRF	200-505	School Lunch Match	\$	9,639,000	\$	9,831,780 39134
GRF	200-509	Adult Literacy	\$	7,387,249	\$	7,574,994 39135

As Reported by the House Finance and Appropriations Committee

		Education				
GRF	200-511	Auxiliary Services	\$	122,782,475	\$	127,650,709 39136
GRF	200-513	Student Intervention	\$	31,900,000	\$	38,280,000 39137
		Services				
GRF	200-514	Post-Secondary/Adult	\$	23,230,243	\$	23,230,243 39138
		Career-Technical				
		Education				
GRF	200-520	Disadvantaged Pupil	\$	360,149,743	\$	360,149,743 39139
		Impact Aid				
GRF	200-521	Gifted Pupil Program	\$	45,930,131	\$	47,983,321 39140
GRF	200-525	Parity Aid	\$	95,263,845	\$	200,123,870 39141
GRF	200-532	Nonpublic	\$	53,533,703	\$	55,675,051 39142
		Administrative Cost				
		Reimbursement				
GRF	200-534	Desegregation Costs	\$	500,000	\$	500,000 39143
GRF	200-540	Special Education	\$	139,006,701	\$	141,950,428 39144
		Enhancements				
GRF	200-545	Career-Technical	\$	21,673,574	\$	22,406,349 39145
		Education Enhancements				
GRF	200-546	Charge-Off Supplement	\$	39,191,433	\$	28,684,104 39146
GRF	200-552	County MR/DD Boards	\$	1,666,204	\$	1,666,204 39147
		Vehicle Purchases				
GRF	200-553	County MR/DD Boards	\$	9,575,910	\$	9,575,910 39148
		Transportation				
		Operating				
GRF	200-558	Emergency Loan	\$	4,500,000	\$	3,300,000 39149
		Interest Subsidy				
GRF	200-566	OhioReads Grants	\$	27,148,000	\$	27,148,000 39150
GRF	200-570	School Improvement	\$	1,000,000	\$	1,000,000 39151
		Incentive Grants				
GRF	200-574	Substance Abuse	\$	1,948,200	\$	1,948,200 39152
		Prevention				
GRF	200-901	Property Tax	\$	707,700,000	\$	743,000,000 39153

As Reported by the House Finance and Appropriations Committee

Allocation - Education			
GRF 200-906	Tangible Tax Exemption	\$ 73,500,000	\$ 75,700,000 39154
- Education			
TOTAL GRF	General Revenue Fund	\$ 6,779,408,220	\$ 7,151,963,021 39155
General Services Fund Group 39156			
138 200-606	Computer Services	\$ 6,629,469	\$ 6,761,034 39157
4D1 200-602	Ohio	\$ 345,000	\$ 345,000 39158
Prevention/Education			
Resource Center			
4L2 200-681	Teacher Certification	\$ 4,684,143	\$ 4,856,290 39159
and Licensure			
452 200-638	Miscellaneous Revenue	\$ 1,045,000	\$ 1,045,000 39160
5H3 200-687	School District	\$ 24,000,000	\$ 24,000,000 39161
Solvency Assistance			
596 200-656	Ohio Career	\$ 743,217	\$ 769,230 39162
Information System			
TOTAL GSF	General Services		39163
Fund Group		\$ 37,446,829	\$ 37,776,554 39164
Federal Special Revenue Fund Group 39165			
3C5 200-661	Federal Dependent Care	\$ 18,189,907	\$ 18,233,488 39166
Programs			
3D1 200-664	Drug Free Schools	\$ 20,621,375	\$ 20,660,570 39167
3D2 200-667	Honors Scholarship	\$ 2,454,688	\$ 2,540,602 39168
Program			
3H9 200-605	Head Start	\$ 250,000	\$ 250,000 39169
Collaboration Project			
3M0 200-623	ESEA Chapter One	\$ 320,505,063	\$ 330,172,277 39170
3M1 200-678	ESEA Chapter Two	\$ 13,595,978	\$ 14,059,555 39171
3M2 200-680	Ind W/Disab Education	\$ 186,000,000	\$ 206,000,000 39172
Act			
3L6 200-617	Federal School Lunch	\$ 175,274,000	\$ 180,181,672 39173
3L7 200-618	Federal School	\$ 45,746,000	\$ 47,026,888 39174

As Reported by the House Finance and Appropriations Committee

		Breakfast					
3L8	200-619	Child and Adult Care	\$	60,257,639	\$	61,966,125	39175
		Programs					
3L9	200-621	Vocational Education	\$	43,613,582	\$	45,142,330	39176
		Basic Grant					
3S2	200-641	Tech Literacy Transfer	\$	15,183,430	\$	15,183,430	39177
3T4	200-613	Public Charter Schools	\$	4,887,260	\$	5,055,185	39178
3T6	200-611	Class Size Reduction	\$	32,289,281	\$	33,903,747	39179
3U2	200-662	Teacher Quality	\$	1,300,501	\$	1,352,000	39180
		Enhancement Grants					
3U3	200-665	Reading Excellence	\$	10,018,756	\$	0	39181
		Grant Program					
3U6	200-675	Provision 2 & 3 Grant	\$	191,050	\$	0	39182
309	200-601	Educationally	\$	20,759,222	\$	21,425,345	39183
		Disadvantaged					
366	200-604	Adult Basic Education	\$	17,527,286	\$	18,140,740	39184
367	200-607	School Food Services	\$	10,089,884	\$	10,408,199	39185
368	200-614	Veterans' Training	\$	648,514	\$	671,212	39186
369	200-616	Vocational Education	\$	8,000,000	\$	8,000,000	39187
370	200-624	Education of All	\$	1,364,246	\$	1,410,908	39188
		Handicapped Children					
371	200-631	EEO Title IV	\$	1,155,361	\$	1,213,894	39189
374	200-647	E.S.E.A. Consolidated	\$	110,094	\$	110,094	39190
378	200-660	Math/Science	\$	12,696,055	\$	13,036,530	39191
		Technology Investments					
TOTAL FED		Federal Special					39192
Revenue Fund Group			\$	1,022,729,172	\$	1,056,144,791	39193
State Special Revenue Fund Group							39194
4R7	200-695	Indirect Cost Recovery	\$	3,942,779	\$	4,168,947	39195
4V7	200-633	Interagency Vocational	\$	695,197	\$	731,674	39196
		Support					
053	200-900	School District	\$	102,000,000	\$	120,605,324	39197
		Property Tax					

As Reported by the House Finance and Appropriations Committee

Replacement					
454	200-610	Guidance and Testing	\$ 940,636	\$ 956,761	39198
455	200-608	Commodity Foods	\$ 10,000,000	\$ 11,000,000	39199
598	200-659	Auxiliary Services	\$ 1,328,910	\$ 1,328,910	39200
Mobile Units					
620	200-615	Educational Grants	\$ 1,525,000	\$ 1,525,000	39201
TOTAL SSR State Special Revenue					39202
Fund Group			\$ 120,432,522	\$ 140,316,616	39203
Lottery Profits Education Fund Group					39204
017	200-612	Base Cost Funding	\$ 604,000,000	\$ 596,000,000	39205
017	200-682	Lease Rental Payment	\$ 29,722,100	\$ 25,722,600	39206
Reimbursement					
TOTAL LPE Lottery Profits					39207
Education Fund Group			\$ 633,722,100	\$ 621,722,600	39208
TOTAL ALL BUDGET FUND GROUPS			\$ 8,593,738,843	\$ 9,007,923,582	39209

Section 44.01. MAINTENANCE AND EQUIPMENT 39211

Of the foregoing appropriation item 200-320, Maintenance and 39212
 Equipment, up to \$25,000 may be expended in each year of the 39213
 biennium for State Board of Education out-of-state travel. 39214

Section 44.02. HEAD START 39215

No later than July 15, 2001, the Director of Budget and 39216
 Management shall transfer \$76,156,175 from Fund 3W6, TANF 39217
 Education, to the General Revenue Fund. No later than July 15, 39218
 2002, the Director of Budget and Management shall transfer 39219
 \$98,843,825 from Fund 3W6, TANF Education, to the General Revenue 39220
 Fund. The transferred funds are appropriated for the appropriation 39221
 item 200-406, Head Start. The foregoing appropriation item 39222
 200-406, Head Start, includes transferred funds of \$76,156,175 in 39223
 fiscal year 2002 and \$98,843,825 in fiscal year 2003. 39224

The foregoing appropriation item 200-406, Head Start, shall 39225

be distributed by the Department of Education to Head Start 39226
agencies. A "Head Start agency" means an entity that has been 39227
approved to be an agency in accordance with Section 641 (42 U.S.C. 39228
9836) of the Head Start Act and amendments thereto, or an entity 39229
designated for state Head Start funding under this section. 39230
Participation in state-funded Head Start programs is voluntary. 39231

Moneys distributed under this heading shall not be used to 39232
reduce expenditures from funds received by a Head Start agency 39233
from any other sources. Section 3301.31 of the Revised Code does 39234
not apply to funds distributed under this heading. In lieu of 39235
section 3301.31 of the Revised Code, distribution of moneys under 39236
this heading shall be as follows: 39237

(A) In fiscal years 2002 and 2003, up to two per cent of the 39238
appropriation may be used by the department for administrative 39239
costs of complying with this section; developing program capacity; 39240
and assisting programs with facilities planning, construction, 39241
renovation, or lease agreements in combination with the Community 39242
Development Finance Fund (CDFF). Up to \$1,530,000 in fiscal year 39243
2002 and up to \$1,560,600 in fiscal year 2003 may be used for 39244
training in early literacy for Head Start classroom teachers and 39245
administrators to support the OhioReads Initiative. 39246

(B) The department shall provide an annual report to the 39247
Governor, the Speaker of the House of Representatives, the 39248
President of the Senate, the State Board of Education, Head Start 39249
grantees, and other interested parties. The report shall include 39250
the following: 39251

(1) The number and per cent of eligible children by county 39252
and by grantee; 39253

(2) The amount of state funds requested for continuation per 39254
grantee; 39255

(3) The amount of state funds received for continuation per 39256

grantee;	39257
(4) A summary of program performance on the state critical performance indicators;	39258 39259
(5) A summary of developmental progress of children participating in the state-funded Head Start program;	39260 39261
(6) Any other data reflecting the performance of Head Start that the department considers pertinent.	39262 39263
(C) For purposes of this section, "eligible child" means a child who is at least three years of age and not of compulsory school age whose family earns no more than 100 per cent of the federal poverty level, except as otherwise provided in this division.	39264 39265 39266 39267 39268
The Department of Education, in consultation with Head Start grantees or their designated representatives, shall establish criteria under which individual Head Start grantees may apply to the department for a waiver to include as "eligible children" those children from families earning up to 185 per cent of the federal poverty level when the children otherwise qualify as "eligible children" under this division.	39269 39270 39271 39272 39273 39274 39275
In order to serve children whose families receive child care subsidy and whose incomes do not exceed 185 per cent of the federal poverty guidelines, Head Start grantees may enroll children whose families receive child care subsidy from the Ohio Department of Job and Family Services. Head Start grantees providing full-day, full-year comprehensive services, or otherwise meeting the child care needs of working families, may partner with child care centers or family day care homes or may access child care subsidy directly. This provision is to meet the child care needs of low-income families who are working, in training or education programs, or participating in Ohio Works First approved activities.	39276 39277 39278 39279 39280 39281 39282 39283 39284 39285 39286 39287

The Department of Education, in consultation with the 39288
Department of Job and Family Services, interested parties, and 39289
Head Start agencies shall formulate a method for determining an 39290
estimate of the number of eligible children and the per cent 39291
served by grantee(s) in each county. 39292

(D) After setting aside amounts to make any payments due from 39293
the prior fiscal year, in fiscal years 2002 and 2003, funds shall 39294
first be distributed to recipients of Head Start funds during the 39295
preceding fiscal year. Awards under this division may be reduced 39296
by the amount received in that year for one-time start-up costs 39297
and may be adjusted for actual months of program operation or 39298
enrollment as reported during the first full week of December, and 39299
may be increased by a reasonable percentage for inflation to be 39300
determined by the Department of Education and in accordance with 39301
this section. The department may redistribute dollars to programs 39302
demonstrating an unmet need based on updated assessments of family 39303
needs and community resources, with special attention to the 39304
projected impact of welfare reform. In fiscal years 2002 and 2003, 39305
the department may authorize recipients to carry over funds to the 39306
subsequent fiscal year. 39307

The department may reallocate unobligated or unspent money to 39308
participating Head Start agencies for purposes of program 39309
expansion, improvement, or special projects to promote excellence 39310
and innovation. 39311

(E) Costs for developing and administering a Head Start 39312
program may not exceed fifteen per cent of the total approved 39313
costs of the program. 39314

All recipients of funds shall maintain such fiscal control 39315
and accounting procedures as may be necessary to ensure the 39316
disbursement of, and accounting for, these funds. The control of 39317
funds provided in this program, and title to property obtained 39318
therefrom, shall be under the authority of the approved recipient 39319

for purposes provided in the program. The approved recipient shall 39320
administer and use such property and funds for the purposes 39321
specified. 39322

Each recipient shall furnish the department an annual audit 39323
that includes the review of state funds received under this 39324
section. 39325

(F) The department shall prescribe target levels for critical 39326
performance indicators for the purpose of assessing Head Start 39327
programs. On-site reviews and follow-up visits shall be based on 39328
grantee progress in meeting the prescribed target levels. 39329

The department may audit a Head Start agency's financial and 39330
program records. Head Start agencies that have financial practices 39331
not in accordance with standard accounting principles, that fail 39332
to substantially meet the Head Start performance standards, or 39333
that exhibit below-average performance shall be subject to an 39334
on-site review. 39335

The department shall require corrective plans of action for 39336
programs not achieving target levels or financial and program 39337
standards. Action plans shall include activities to be conducted 39338
by the grantee and timelines for activities to be completed and 39339
timelines for additional data submission to the department 39340
demonstrating targets have been met. The Policy Council 39341
chairperson and the appropriate grantee board official shall sign 39342
the corrective plans of action. 39343

Programs not meeting performance targets in accordance with 39344
the plan of action and prescribed timelines may have their 39345
continuation funding reduced, be disqualified for expansion 39346
consideration until targets are met, or have all state funds 39347
withdrawn and a new grantee established. 39348

The department shall require school districts to collect 39349
"preschool" information by program type. All data shall be 39350

reported via the Education Management Information System (EMIS). 39351

(G) The department shall require Head Start grantees to 39352
document child progress, using a common instrument prescribed by 39353
the department, and report results annually. The department shall 39354
determine the dates for documenting and reporting. 39355

The State Board of Education shall adopt rules addressing the 39356
use of screening and assessment data, including, but not limited 39357
to, all the following: 39358

(1) Protection of the identity of individual children through 39359
assignment of a unique but not personally identifiable code; 39360
39361

(2) Parents' rights; 39362

(3) Use of the data by school personnel as it relates to 39363
kindergarten entrance. 39364

(H) New agencies may be designated for state Head Start 39365
funding if a Head Start agency voluntarily waives its right for 39366
funding or is de-funded based on performance. 39367

When such a condition exists, the department shall conduct a 39368
competitive bidding process to select a new agency to provide 39369
state funded continuation or expansion services. The bidding 39370
process shall include notices of competitive bidding mailed to 39371
delegate agencies in the affected area and to newspapers in the 39372
Head Start service area. 39373

Section 3313.646 of the Revised Code does not apply to funds 39374
distributed under this section. 39375

(I) It is the intent of the General Assembly that 39376
appropriations for appropriation items 200-406, Head Start, and 39377
200-408, Public Preschool, be available for transfer between Head 39378
Start and public preschool programs so that unallocated funds may 39379
be used between the two programs. 39380