

**As Reported by the Senate Finance and Financial Institutions  
Committee**

**125th General Assembly  
Regular Session  
2003-2004**

**Sub. H. B. No. 40**

**Representatives Calvert (By Request), D. Evans, Hoops**

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**A B I L L**

To amend sections 5104.01, 5104.04, 5104.30, 5104.32, 1  
5104.34, 5104.35, 5104.38, 5104.39, 5139.41, 2  
5739.031, 5739.032, 5739.12, 5739.122, 5739.21, 3  
5741.03, 5741.12, and 5741.121; to enact sections 4  
5101.31 and 5104.382; and to repeal section 5  
3302.041 of the Revised Code to make program and 6  
budgetary modifications, to amend the versions of 7  
sections 5739.031, 5739.12, and 5741.12 of the 8  
Revised Code that are scheduled to take effect 9  
July 1, 2003, to continue the provisions of this 10  
act on and after that effective date, to amend 11  
Sections 40 and 142 of Am. Sub. H.B. 94 of the 12  
124th General Assembly, to amend Section 125 of 13  
Am. Sub. H.B. 94 of the 124th General Assembly, as 14  
subsequently amended, to amend Section 140 of Am. 15  
Sub. H.B. 94 of the 124th General Assembly, as 16  
subsequently amended, and to make an 17  
appropriation. 18

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That sections 5104.01, 5104.04, 5104.30, 5104.32, 19  
5104.34, 5104.35, 5104.38, 5104.39, 5139.41, 5739.031, 5739.032, 20

5739.12, 5739.122, 5739.21, 5741.03, 5741.12, and 5741.121 be 21  
amended and sections 5101.31 and 5104.382 of the Revised Code be 22  
enacted to read as follows: 23

Sec. 5101.31. Any record, data, pricing information, or other 24  
information regarding a drug rebate agreement or a supplemental 25  
drug rebate agreement for the medicaid program established under 26  
Chapter 5111. of the Revised Code or the disability medical 27  
assistance program established under section 5115.10 of the 28  
Revised Code that the department of job and family services 29  
receives from a pharmaceutical manufacturer or creates pursuant to 30  
negotiation of the agreement is not a public record under section 31  
149.43 of the Revised Code and shall be treated by the department 32  
as confidential information. 33

**Sec. 5104.01.** As used in this chapter: 34

(A) "Administrator" means the person responsible for the 35  
daily operation of a center or type A home. The administrator and 36  
the owner may be the same person. 37

(B) "Approved child day camp" means a child day camp approved 38  
pursuant to section 5104.22 of the Revised Code. 39

(C) "Authorized provider" means a person authorized by a 40  
county director of job and family services to operate a certified 41  
type B family day-care home. 42

(D) "Border state child day-care provider" means a child 43  
day-care provider that is located in a state bordering Ohio and 44  
that is licensed, certified, or otherwise approved by that state 45  
to provide child day-care. 46

(E) "Caretaker parent" means the father or mother of a child 47  
whose presence in the home is needed as the caretaker of the 48  
child, a person who has legal custody of a child and whose 49

resence in the home is needed as the caretaker of the child, a 50  
guardian of a child whose presence in the home is needed as the 51  
caretaker of the child, and any other person who stands in loco 52  
parentis with respect to the child and whose presence in the home 53  
is needed as the caretaker of the child. 54

(F) "Certified type B family day-care home" and "certified 55  
type B home" mean a type B family day-care home that is certified 56  
by the director of the county department of job and family 57  
services pursuant to section 5104.11 of the Revised Code to 58  
receive public funds for providing child day-care pursuant to this 59  
chapter and any rules adopted under it. 60

(G) "Chartered nonpublic school" means a school that meets 61  
standards for nonpublic schools prescribed by the state board of 62  
education for nonpublic schools pursuant to section 3301.07 of the 63  
Revised Code. 64

(H) "Child" includes an infant, toddler, preschool child, or 65  
school child. 66

(I) "Child care block grant act" means the "Child Care and 67  
Development Block Grant Act of 1990," established in section 5082 68  
of the "Omnibus Budget Reconciliation Act of 1990," 104 Stat. 69  
1388-236 (1990), 42 U.S.C. 9858, as amended. 70

(J) "Child day camp" means a program in which only school 71  
children attend or participate, that operates for no more than 72  
seven hours per day, that operates only during one or more public 73  
school district's regular vacation periods or for no more than 74  
fifteen weeks during the summer, and that operates outdoor 75  
activities for each child who attends or participates in the 76  
program for a minimum of fifty per cent of each day that children 77  
attend or participate in the program, except for any day when 78  
hazardous weather conditions prevent the program from operating 79  
outdoor activities for a minimum of fifty per cent of that day. 80

For purposes of this division, the maximum seven hours of 81  
operation time does not include transportation time from a child's 82  
home to a child day camp and from a child day camp to a child's 83  
home. 84

(K) "Child day-care" means administering to the needs of 85  
infants, toddlers, preschool children, and school children outside 86  
of school hours by persons other than their parents or guardians, 87  
custodians, or relatives by blood, marriage, or adoption for any 88  
part of the twenty-four-hour day in a place or residence other 89  
than a child's own home. 90

(L) "Child day-care center" and "center" mean any place in 91  
which child day-care or publicly funded child day-care is provided 92  
for thirteen or more children at one time or any place that is not 93  
the permanent residence of the licensee or administrator in which 94  
child day-care or publicly funded child day-care is provided for 95  
seven to twelve children at one time. In counting children for the 96  
purposes of this division, any children under six years of age who 97  
are related to a licensee, administrator, or employee and who are 98  
on the premises of the center shall be counted. "Child day-care 99  
center" and "center" do not include any of the following: 100

(1) A place located in and operated by a hospital, as defined 101  
in section 3727.01 of the Revised Code, in which the needs of 102  
children are administered to, if all the children whose needs are 103  
being administered to are monitored under the on-site supervision 104  
of a physician licensed under Chapter 4731. of the Revised Code or 105  
a registered nurse licensed under Chapter 4723. of the Revised 106  
Code, and the services are provided only for children who, in the 107  
opinion of the child's parent, guardian, or custodian, are 108  
exhibiting symptoms of a communicable disease or other illness or 109  
are injured; 110

(2) A child day camp; 111

(3) A place that provides child day-care, but not publicly funded child day-care, if all of the following apply:	112 113
(a) An organized religious body provides the child day-care;	114
(b) A parent, custodian, or guardian of at least one child receiving child day-care is on the premises and readily accessible at all times;	115 116 117
(c) The child day-care is not provided for more than thirty days a year;	118 119
(d) The child day-care is provided only for preschool and school children.	120 121
(M) "Child day-care resource and referral service organization" means a community-based nonprofit organization that provides child day-care resource and referral services but not child day-care.	122 123 124 125
(N) "Child day-care resource and referral services" means all of the following services:	126 127
(1) Maintenance of a uniform data base of all child day-care providers in the community that are in compliance with this chapter, including current occupancy and vacancy data;	128 129 130
(2) Provision of individualized consumer education to families seeking child day-care;	131 132
(3) Provision of timely referrals of available child day-care providers to families seeking child day-care;	133 134
(4) Recruitment of child day-care providers;	135
(5) Assistance in the development, conduct, and dissemination of training for child day-care providers and provision of technical assistance to current and potential child day-care providers, employers, and the community;	136 137 138 139
(6) Collection and analysis of data on the supply of and	140

demand for child day-care in the community;	141
(7) Technical assistance concerning locally, state, and	142
federally funded child day-care and early childhood education	143
programs;	144
(8) Stimulation of employer involvement in making child	145
day-care more affordable, more available, safer, and of higher	146
quality for their employees and for the community;	147
(9) Provision of written educational materials to caretaker	148
parents and informational resources to child day-care providers;	149
(10) Coordination of services among child day-care resource	150
and referral service organizations to assist in developing and	151
maintaining a statewide system of child day-care resource and	152
referral services if required by the department of job and family	153
services;	154
(11) Cooperation with the county department of job and family	155
services in encouraging the establishment of parent cooperative	156
child day-care centers and parent cooperative type A family	157
day-care homes.	158
(O) "Child-care staff member" means an employee of a child	159
day-care center or type A family day-care home who is primarily	160
responsible for the care and supervision of children. The	161
administrator may be a part-time child-care staff member when not	162
involved in other duties.	163
(P) "Drop-in child day-care center," "drop-in center,"	164
"drop-in type A family day-care home," and "drop-in type A home"	165
mean a center or type A home that provides child day-care or	166
publicly funded child day-care for children on a temporary,	167
irregular basis.	168
(Q) "Employee" means a person who either:	169
(1) Receives compensation for duties performed in a child	170

day-care center or type A family day-care home;	171
(2) Is assigned specific working hours or duties in a child day-care center or type A family day-care home.	172 173
(R) "Employer" means a person, firm, institution, organization, or agency that operates a child day-care center or type A family day-care home subject to licensure under this chapter.	174 175 176 177
(S) "Federal poverty line" means the official poverty guideline as revised annually in accordance with section 673(2) of the "Omnibus Budget Reconciliation Act of 1981," 95 Stat. 511, 42 U.S.C. 9902, as amended, for a family size equal to the size of the family of the person whose income is being determined.	178 179 180 181 182
(T) "Head start program" means a comprehensive child development program that receives funds distributed under the "Head Start Act," 95 Stat. 499 (1981), 42 U.S.C.A. 9831, as amended, or under section 3301.31 of the Revised Code.	183 184 185 186
(U) "Income" means gross income, as defined in section 5107.10 of the Revised Code, less any amounts required by federal statutes or regulations to be disregarded.	187 188 189
(V) "Indicator checklist" means an inspection tool, used in conjunction with an instrument-based program monitoring information system, that contains selected licensing requirements that are statistically reliable indicators or predictors of a child day-care center or type A family day-care home's compliance with licensing requirements.	190 191 192 193 194 195
(W) "Infant" means a child who is less than eighteen months of age.	196 197
(X) "In-home aide" means a person certified by a county director of job and family services pursuant to section 5104.12 of the Revised Code to provide publicly funded child day-care to a	198 199 200

child in a child's own home pursuant to this chapter and any rules 201  
adopted under it. 202

(Y) "Instrument-based program monitoring information system" 203  
means a method to assess compliance with licensing requirements 204  
for child day-care centers and type A family day-care homes in 205  
which each licensing requirement is assigned a weight indicative 206  
of the relative importance of the requirement to the health, 207  
growth, and safety of the children that is used to develop an 208  
indicator checklist. 209

(Z) "License capacity" means the maximum number in each age 210  
category of children who may be cared for in a child day-care 211  
center or type A family day-care home at one time as determined by 212  
the director of job and family services considering building 213  
occupancy limits established by the department of commerce, number 214  
of available child-care staff members, amount of available indoor 215  
floor space and outdoor play space, and amount of available play 216  
equipment, materials, and supplies. 217

(AA) "Licensed preschool program" or "licensed school child 218  
program" means a preschool program or school child program, as 219  
defined in section 3301.52 of the Revised Code, that is licensed 220  
by the department of education pursuant to sections 3301.52 to 221  
3301.59 of the Revised Code. 222

(BB) "Licensee" means the owner of a child day-care center or 223  
type A family day-care home that is licensed pursuant to this 224  
chapter and who is responsible for ensuring its compliance with 225  
this chapter and rules adopted pursuant to this chapter. 226

(CC) "Operate a child day camp" means to operate, establish, 227  
manage, conduct, or maintain a child day camp. 228

(DD) "Owner" includes a person, as defined in section 1.59 of 229  
the Revised Code, or government entity. 230

(EE) "Parent cooperative child day-care center," "parent 231

cooperative center," "parent cooperative type A family day-care 232  
home," and "parent cooperative type A home" mean a corporation or 233  
association organized for providing educational services to the 234  
children of members of the corporation or association, without 235  
gain to the corporation or association as an entity, in which the 236  
services of the corporation or association are provided only to 237  
children of the members of the corporation or association, 238  
ownership and control of the corporation or association rests 239  
solely with the members of the corporation or association, and at 240  
least one parent-member of the corporation or association is on 241  
the premises of the center or type A home during its hours of 242  
operation. 243

(FF) "Part-time child day-care center," "part-time center," 244  
"part-time type A family day-care home," and "part-time type A 245  
home" mean a center or type A home that provides child day-care or 246  
publicly funded child day-care for no more than four hours a day 247  
for any child. 248

(GG) "Place of worship" means a building where activities of 249  
an organized religious group are conducted and includes the 250  
grounds and any other buildings on the grounds used for such 251  
activities. 252

(HH) "Preschool child" means a child who is three years old 253  
or older but is not a school child. 254

(II) "Protective day-care" means publicly funded child 255  
day-care for the direct care and protection of a child to whom 256  
either of the following applies: 257

(1) A case plan prepared and maintained for the child 258  
pursuant to section 2151.412 of the Revised Code indicates a need 259  
for protective day-care and the child resides with a parent, 260  
stepparent, guardian, or another person who stands in loco 261  
parentis as defined in rules adopted under section 5104.38 of the 262

Revised Code;	263
(2) The child and the child's caretaker either temporarily	264
reside in a facility providing emergency shelter for homeless	265
families or are determined by the county department of job and	266
family services to be homeless, and are otherwise ineligible for	267
publicly funded child day-care.	268
(JJ) "Publicly funded child day-care" means administering to	269
the needs of infants, toddlers, preschool children, and school	270
children under age thirteen during any part of the	271
twenty-four-hour day by persons other than their caretaker parents	272
for remuneration wholly or in part with federal or state funds,	273
including child care block grant act funds, distributed by the	274
department of job and family services.	275
(KK) "Religious activities" means any of the following:	276
worship or other religious services; religious instruction; Sunday	277
school classes or other religious classes conducted during or	278
prior to worship or other religious services; youth or adult	279
fellowship activities; choir or other musical group practices or	280
programs; meals; festivals; or meetings conducted by an organized	281
religious group.	282
(LL) "School child" means a child who is enrolled in or is	283
eligible to be enrolled in a grade of kindergarten or above but is	284
less than fifteen years old.	285
(MM) "School child day-care center," "school child center,"	286
"school child type A family day-care home," and "school child type	287
A family home" mean a center or type A home that provides child	288
day-care for school children only and that does either or both of	289
the following:	290
(1) Operates only during that part of the day that	291
immediately precedes or follows the public school day of the	292
school district in which the center or type A home is located;	293

(2) Operates only when the public schools in the school district in which the center or type A home is located are not open for instruction with pupils in attendance.

~~(NN) "Special needs day care" means publicly funded child day care that is provided for a child who is physically or developmentally handicapped, mentally retarded, or mentally ill.~~

~~(OO)~~ "State median income" means the state median income calculated by the department of development pursuant to division (A)(1)(g) of section 5709.61 of the Revised Code.

~~(PP)~~(OO) "Toddler" means a child who is at least eighteen months of age but less than three years of age.

~~(OO)~~(PP) "Type A family day-care home" and "type A home" mean a permanent residence of the administrator in which child day-care or publicly funded child day-care is provided for seven to twelve children at one time or a permanent residence of the administrator in which child day-care is provided for four to twelve children at one time if four or more children at one time are under two years of age. In counting children for the purposes of this division, any children under six years of age who are related to a licensee, administrator, or employee and who are on the premises of the type A home shall be counted. "Type A family day-care home" does not include a residence in which the needs of children are administered to, if all of the children whose needs are being administered to are siblings of the same immediate family and the residence is the home of the siblings. "Type A family day-care home" and "type A home" do not include any child day camp.

~~(RR)~~(OO) "Type B family day-care home" and "type B home" mean a permanent residence of the provider in which child day-care is provided for one to six children at one time and in which no more than three children are under two years of age at one time. In counting children for the purposes of this division, any children

under six years of age who are related to the provider and who are 325  
on the premises of the type B home shall be counted. "Type B 326  
family day-care home" does not include a residence in which the 327  
needs of children are administered to, if all of the children 328  
whose needs are being administered to are siblings of the same 329  
immediate family and the residence is the home of the siblings. 330  
"Type B family day-care home" and "type B home" do not include any 331  
child day camp. 332

**Sec. 5104.04.** (A) The department of job and family services 333  
shall establish procedures to be followed in investigating, 334  
inspecting, and licensing child day-care centers and type A family 335  
day-care homes. 336

(B)(1) The department shall, at least twice during every 337  
twelve-month period of operation of a center or type A home, 338  
inspect the center or type A home. The department shall inspect a 339  
part-time center or part-time type A home at least once during 340  
every twelve-month period of operation. The department shall 341  
provide a written inspection report to the licensee within a 342  
reasonable time after each inspection. The licensee shall display 343  
all written reports of inspections conducted during the current 344  
licensing period in a conspicuous place in the center or type A 345  
home. 346

At least one inspection shall be unannounced and all 347  
inspections may be unannounced. No person, firm, organization, 348  
institution, or agency shall interfere with the inspection of a 349  
center or type A home by any state or local official engaged in 350  
performing duties required of the state or local official by 351  
Chapter 5104. of the Revised Code or rules adopted pursuant to 352  
Chapter 5104. of the Revised Code, including inspecting the center 353  
or type A home, reviewing records, or interviewing licensees, 354  
employees, children, or parents. 355

Upon receipt of any complaint that a center or type A home is out of compliance with the requirements of Chapter 5104. of the Revised Code or rules adopted pursuant to Chapter 5104. of the Revised Code, the department shall investigate and may inspect a center or type A home.

(2) If the department implements an instrument-based program monitoring information system, it may use an indicator checklist to comply with division (B)(1) of this section.

(3) The department shall, at least once during every twelve-month period of operation of a center or type A home, collect information concerning the amounts charged by the center or home for providing child day-care services for use in establishing ~~rates of~~ reimbursement ceilings pursuant to section 5104.30 of the Revised Code.

(C) In the event a licensed center or type A home is determined to be out of compliance with the requirements of Chapter 5104. of the Revised Code or rules adopted pursuant to Chapter 5104. of the Revised Code, the department shall notify the licensee of the center or type A home in writing regarding the nature of the violation, what must be done to correct the violation, and by what date the correction must be made. If the correction is not made by the date established by the department, the department may commence action under Chapter 119. of the Revised Code to revoke the license.

(D) The department may deny or revoke a license, or refuse to renew a license of a center or type A home, if the applicant knowingly makes a false statement on the application, does not comply with the requirements of Chapter 5104. or rules adopted pursuant to Chapter 5104. of the Revised Code, or has pleaded guilty to or been convicted of an offense described in section 5104.09 of the Revised Code.

(E) If the department finds, after notice and hearing 387  
pursuant to Chapter 119. of the Revised Code, that any person, 388  
firm, organization, institution, or agency licensed under section 389  
5104.03 of the Revised Code is in violation of any provision of 390  
Chapter 5104. of the Revised Code or rules adopted pursuant to 391  
Chapter 5104. of the Revised Code, the department may issue an 392  
order of revocation to the center or type A home revoking the 393  
license previously issued by the department. Upon the issuance of 394  
any order of revocation, the person whose license is revoked may 395  
appeal in accordance with section 119.12 of the Revised Code. 396

(F) The surrender of a center or type A home license to the 397  
department or the withdrawal of an application for licensure by 398  
the owner or administrator of the center or type A home shall not 399  
prohibit the department from instituting any of the actions set 400  
forth in this section. 401

(G) Whenever the department receives a complaint, is advised, 402  
or otherwise has any reason to believe that a center or type A 403  
home is providing child day-care without a license issued or 404  
renewed pursuant to section 5104.03 and is not exempt from 405  
licensing pursuant to section 5104.02 of the Revised Code, the 406  
department shall investigate the center or type A home and may 407  
inspect the areas children have access to or areas necessary for 408  
the care of children in the center or type A home during suspected 409  
hours of operation to determine whether the center or type A home 410  
is subject to the requirements of Chapter 5104. or rules adopted 411  
pursuant to Chapter 5104. of the Revised Code. 412

(H) The department, upon determining that the center or type 413  
A home is operating without a license, shall notify the attorney 414  
general, the prosecuting attorney of the county in which the 415  
center or type A home is located, or the city attorney, village 416  
solicitor, or other chief legal officer of the municipal 417  
corporation in which the center or type A home is located, that 418

the center or type A home is operating without a license. Upon 419  
receipt of the notification, the attorney general, prosecuting 420  
attorney, city attorney, village solicitor, or other chief legal 421  
officer of a municipal corporation shall file a complaint in the 422  
court of common pleas of the county in which the center or type A 423  
home is located requesting that the court grant an order enjoining 424  
the owner from operating the center or type A home. The court 425  
shall grant such injunctive relief upon a showing that the 426  
respondent named in the complaint is operating a center or type A 427  
home and is doing so without a license. 428

(I) The department shall prepare an annual report on 429  
inspections conducted under this section. The report shall include 430  
the number of inspections conducted, the number and types of 431  
violations found, and the steps taken to address the violations. 432  
The department shall file the report with the governor, the 433  
president and minority leader of the senate, and the speaker and 434  
minority leader of the house of representatives on or before the 435  
first day of January of each year, beginning in 1999. 436

**Sec. 5104.30.** (A) The department of job and family services 437  
is hereby designated as the state agency responsible for 438  
administration and coordination of federal and state funding for 439  
publicly funded child day-care in this state. Publicly funded 440  
child day-care shall be provided to the following: 441

(1) Recipients of transitional child day-care as provided 442  
under section 5104.34 of the Revised Code; 443

(2) Participants in the Ohio works first program established 444  
under Chapter 5107. of the Revised Code; 445

(3) Individuals who would be participating in the Ohio works 446  
first program if not for a sanction under section 5107.16 of the 447  
Revised Code and who continue to participate in a work activity, 448  
developmental activity, or alternative work activity pursuant to 449

an assignment under section 5107.42 of the Revised Code; 450

(4) A family receiving publicly funded child day-care on 451  
October 1, 1997, until the family's income reaches one hundred 452  
fifty per cent of the federal poverty line; 453

(5) Subject to available funds, other individuals determined 454  
eligible in accordance with rules adopted under section 5104.38 of 455  
the Revised Code. 456

The department shall apply to the United States department of 457  
health and human services for authority to operate a coordinated 458  
program for publicly funded child day-care, if the director of job 459  
and family services determines that the application is necessary. 460  
For purposes of this section, the department of job and family 461  
services may enter into agreements with other state agencies that 462  
are involved in regulation or funding of child day-care. The 463  
department shall consider the special needs of migrant workers 464  
when it administers and coordinates publicly funded child day-care 465  
and shall develop appropriate procedures for accommodating the 466  
needs of migrant workers for publicly funded child day-care. 467

(B) The department of job and family services shall 468  
distribute state and federal funds for publicly funded child 469  
day-care, including appropriations of state funds for publicly 470  
funded child day-care and appropriations of federal funds for 471  
publicly funded child day-care under Title XX of the "Social 472  
Security Act," 88 Stat. 2337 (1974), 42 U.S.C.A. 1397, as amended, 473  
and the child care block grant act. The department may use any 474  
state funds appropriated for publicly funded child day-care as the 475  
state share required to match any federal funds appropriated for 476  
publicly funded child day-care. 477

(C) The department may use federal funds available under the 478  
child care block grant act to hire staff to prepare any rules 479  
required under this chapter and to administer and coordinate 480

ral and state funding for publicly funded child day-care. 481

Not more than five per cent of the aggregate amount of those 482  
federal funds received for a fiscal year may be expended for 483  
administrative costs. The department shall allocate and use at 484  
least four per cent of the federal funds for the following: 485

(1) Activities designed to provide comprehensive consumer 486  
education to parents and the public; 487

(2) Activities that increase parental choice; 488

(3) Activities, including child day-care resource and 489  
referral services, designed to improve the quality, and increase 490  
the supply, of child day-care. 491

(D) The department shall ensure that any federal funds 492  
received by the state under the child care block grant act will be 493  
used only to supplement, and will not be used to supplant, 494  
federal, state, and local funds available on the effective date of 495  
that act for publicly funded child day-care and related programs. 496  
A county department of job and family services may purchase child 497  
day-care from funds obtained through any other means. 498

(E) The department shall encourage the development of 499  
suitable child day-care throughout the state, especially in areas 500  
with high concentrations of recipients of public assistance and 501  
families with low incomes. The department shall encourage the 502  
development of suitable child day-care designed to accommodate the 503  
special needs of migrant workers. On request, the department, 504  
through its employees or contracts with state or community child 505  
day-care resource and referral service organizations, shall 506  
provide consultation to groups and individuals interested in 507  
developing child day-care. The department of job and family 508  
services may enter into interagency agreements with the department 509  
of education, the board of regents, the department of development, 510  
and other state agencies and entities whenever the cooperative 511

efforts of the other state agencies and entities are necessary for 512  
the department of job and family services to fulfill its duties 513  
and responsibilities under this chapter. 514

The department may develop and maintain a registry of persons 515  
providing child day-care. The director may adopt rules pursuant to 516  
Chapter 119. of the Revised Code establishing procedures and 517  
requirements for the registry's administration. 518

(F)(1) The director shall adopt rules in accordance with 519  
Chapter 119. of the Revised Code establishing ~~a procedure for~~ 520  
~~determining rates of reimbursement and a~~ both of the following: 521

(a) Reimbursement ceilings for providers of publicly funded 522  
child day-care; 523

(b) A procedure for paying providers of publicly funded child 524  
day-care. ~~In~~ 525

(2) In establishing ~~rates of~~ reimbursement pursuant to this 526  
ceilings under division (F)(1)(a) of this section, the director 527  
shall ~~use~~ do all of the following: 528

(a) Use the information obtained under division (B)(3) of 529  
section 5104.04 of the Revised Code ~~and may establish different~~ 530  
~~rates of reimbursement based on the geographic location of the~~ 531  
~~provider, type of care provided, age of the child served, special~~ 532  
~~needs of the child, whether expanded hours of service are~~ 533  
~~provided, whether weekend service is provided, whether the~~ 534  
~~provider has exceeded the minimum requirements of state statutes~~ 535  
~~and rules governing child day care, and any other factors the~~ 536  
~~director considers appropriate. The director shall establish;~~ 537

(b) Establish an enhanced ~~rate of~~ reimbursement ceiling for 538  
providers who provide child day-care for caretaker parents who 539  
work nontraditional hours. ~~For;~~ 540

(c) For a type B family day-care home provider that has 541

ceived limited certification pursuant to rules adopted under 542  
division (G)(1) of section 5104.011 of the Revised Code, ~~the~~ 543  
~~department shall adopt rules establishing~~ establish a 544  
reimbursement ~~rate ceiling~~ that is ~~the greater of the rate that~~ 545  
~~was in effect for the home on October 1, 1997, or the following:~~ 546

(i) If the provider is a person described in division 547  
(G)(1)(a) of section 5104.011 of the Revised Code, seventy-five 548  
per cent of the reimbursement ~~rate ceiling~~ that applies to a type 549  
B family day-care home certified by the same county department of 550  
job and family services pursuant to section 5104.11 of the Revised 551  
Code; 552

(ii) If the provider is a person described in division 553  
(G)(1)(b) of section 5104.011 of the Revised Code, sixty per cent 554  
of the reimbursement ceiling that applies to a type B family 555  
day-care home certified by the same county department pursuant to 556  
section 5104.11 of the Revised Code. 557

(3) In establishing reimbursement ceilings under division 558  
(F)(1)(a) of this section, the director may establish different 559  
reimbursement ceilings based on any of the following: 560

(a) Geographic location of the provider; 561

(b) Type of care provided; 562

(c) Age of the child served; 563

(d) Special needs of the child served; 564

(e) Whether the expanded hours of service are provided; 565

(f) Whether weekend service is provided; 566

(g) Whether the provider has exceeded the minimum 567  
requirements of state statutes and rules governing child day-care; 568

(h) Any other factors the director considers appropriate. 569

**Sec. 5104.32.** (A) Except as provided in division (C) of this 570

section, all purchases of publicly funded child day-care shall be 571  
made under a contract entered into by a licensed child day-care 572  
center, licensed type A family day-care home, certified type B 573  
family day-care home, certified in-home aide, approved child day 574  
camp, licensed preschool program, licensed school child program, 575  
or border state child day-care provider and the county department 576  
of job and family services. A county department of job and family 577  
services may enter into a contract with a provider for publicly 578  
funded child day-care for a specified period of time or upon a 579  
continuous basis for an unspecified period of time. All contracts 580  
for publicly funded child day-care shall be contingent upon the 581  
availability of state and federal funds. The department of job and 582  
family services shall prescribe a standard form to be used for all 583  
contracts for the purchase of publicly funded child day-care, 584  
regardless of the source of public funds used to purchase the 585  
child day-care. To the extent permitted by federal law and 586  
notwithstanding any other provision of the Revised Code that 587  
regulates state or county contracts or contracts involving the 588  
expenditure of state, county, or federal funds, all contracts for 589  
publicly funded child day-care shall be entered into in accordance 590  
with the provisions of this chapter and are exempt from any other 591  
provision of the Revised Code that regulates state or county 592  
contracts or contracts involving the expenditure of state, county, 593  
or federal funds. 594

(B) Each contract for publicly funded child day-care shall 595  
specify at least the following: 596

(1) ~~Except as provided in division (B)(2) of this section,~~ 597  
~~that~~ That the provider of publicly funded child day-care agrees to 598  
be paid for rendering services at the ~~lower~~ lowest of the rate 599  
customarily charged by the provider for children enrolled for 600  
child day-care ~~or~~, the ~~rate of~~ reimbursement ceiling established 601  
pursuant to section 5104.30 of the Revised Code, or a rate the 602

county department negotiates with the provider; 603

~~(2) If the provider provides publicly funded child day care to caretaker parents who work nontraditional hours, that the provider is to be paid for rendering services to those caretaker parents at the rate of reimbursement established pursuant to section 5104.30 of the Revised Code regardless of whether that rate is higher than the rate the provider customarily charges for children enrolled for child day care;~~ 604  
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~~(3)~~ That, if a provider provides child day-care to an individual potentially eligible for publicly funded child day-care who is subsequently determined to be eligible, the county department agrees to pay for all child day-care provided between the date the county department receives the individual's completed application and the date the individual's eligibility is determined; 611  
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~~(4)~~(3) Whether the county department of job and family services, the provider, or a child day-care resource and referral service organization will make eligibility determinations, whether the provider or a child day-care resource and referral service organization will be required to collect information to be used by the county department to make eligibility determinations, and the time period within which the provider or child day-care resource and referral service organization is required to complete required eligibility determinations or to transmit to the county department any information collected for the purpose of making eligibility determinations; 618  
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~~(5)~~(4) That the provider, other than a border state child day-care provider, shall continue to be licensed, approved, or certified pursuant to this chapter or sections 3301.52 to 3301.59 of the Revised Code and shall comply with all standards and other requirements in this chapter and those sections and in rules adopted pursuant to this chapter or those sections for maintaining 629  
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the provider's license, approval, or certification; 635

~~(6)~~(5) That, in the case of a border state child day-care 636  
provider, the provider shall continue to be licensed, certified, 637  
or otherwise approved by the state in which the provider is 638  
located and shall comply with all standards and other requirements 639  
established by that state for maintaining the provider's license, 640  
certificate, or other approval; 641

~~(7)~~(6) Whether the provider will be paid by the county 642  
department of job and family services or the state department of 643  
job and family services; 644

~~(8)~~(7) That the contract is subject to the availability of 645  
state and federal funds. 646

(C) Unless specifically prohibited by federal law, the county 647  
department of job and family services shall give individuals 648  
eligible for publicly funded child day-care the option of 649  
obtaining certificates for payment that the individual may use to 650  
purchase services from any provider qualified to provide publicly 651  
funded child day-care under section 5104.31 of the Revised Code. 652  
Providers of publicly funded child day-care may present these 653  
certificates for payment for reimbursement in accordance with 654  
rules that the director of job and family services shall adopt. 655  
Only providers may receive reimbursement for certificates for 656  
payment. The value of the certificate for payment shall be based 657  
on the ~~lower~~ lowest of the rate customarily charged by the 658  
provider ~~or~~, the ~~rate of~~ reimbursement ceiling established 659  
pursuant to section 5104.30 of the Revised Code, ~~unless the~~ 660  
~~provider provides publicly funded child day care to caretaker~~ 661  
~~parents who work nontraditional hours, in which case the value of~~ 662  
~~the certificate for payment for the services to those caretaker~~ 663  
~~parents shall be based on the rate of reimbursement established~~ 664  
~~pursuant to that section regardless of whether that rate is higher~~ 665  
~~than the rate customarily charged by or a rate the county~~ 666

department negotiates with the provider. The county department may 667  
provide the certificates for payment to the individuals or may 668  
contract with child day-care providers or child day-care resource 669  
and referral service organizations that make determinations of 670  
eligibility for publicly funded child day-care pursuant to 671  
contracts entered into under section 5104.34 of the Revised Code 672  
for the providers or resource and referral service organizations 673  
to provide the certificates for payment to individuals whom they 674  
determine are eligible for publicly funded child day-care. 675

For each six-month period a provider of publicly funded child 676  
day-care provides publicly funded child day-care to the child of 677  
an individual given certificates of payment, the individual shall 678  
provide the provider certificates for days the provider would have 679  
provided publicly funded child day-care to the child had the child 680  
been present. County departments shall specify the maximum number 681  
of days providers will be provided certificates of payment for 682  
days the provider would have provided publicly funded child 683  
day-care had the child been present. The maximum number of days 684  
shall not exceed ten days in a six-month period during which 685  
publicly funded child day-care is provided to the child regardless 686  
of the number of providers that provide publicly funded child 687  
day-care to the child during that period. 688

**Sec. 5104.34.** (A)(1) Each county department of job and family 689  
services shall implement procedures for making determinations of 690  
eligibility for publicly funded child day-care. Under those 691  
procedures, the eligibility determination for each applicant shall 692  
be made no later than thirty calendar days from the date the 693  
county department receives a completed application for publicly 694  
funded child day-care. Each applicant shall be notified promptly 695  
of the results of the eligibility determination. An applicant 696  
aggrieved by a decision or delay in making an eligibility 697  
determination may appeal the decision or delay to the department 698

of job and family services in accordance with section 5101.35 of 699  
the Revised Code. The due process rights of applicants shall be 700  
protected. 701

To the extent permitted by federal law, the county department 702  
may make all determinations of eligibility for publicly funded 703  
child day-care, may contract with child day-care providers or 704  
child day-care resource and referral service organizations for the 705  
providers or resource and referral service organizations to make 706  
all or any part of the determinations, and may contract with child 707  
day-care providers or child day-care resource and referral service 708  
organizations for the providers or resource and referral service 709  
organizations to collect specified information for use by the 710  
county department in making determinations. If a county department 711  
contracts with a child day-care provider or a child day-care 712  
resource and referral service organization for eligibility 713  
determinations or for the collection of information, the contract 714  
shall require the provider or resource and referral service 715  
organization to make each eligibility determination no later than 716  
thirty calendar days from the date the provider or resource and 717  
referral organization receives a completed application that is the 718  
basis of the determination and to collect and transmit all 719  
necessary information to the county department within a period of 720  
time that enables the county department to make each eligibility 721  
determination no later than thirty days after the filing of the 722  
application that is the basis of the determination. 723

The county department may station employees of the department 724  
in various locations throughout the county to collect information 725  
relevant to applications for publicly funded child day-care and to 726  
make eligibility determinations. The county department, child 727  
day-care provider, and child day-care resource and referral 728  
service organization shall make each determination of eligibility 729  
for publicly funded child day-care no later than thirty days after 730

the filing of the application that is the basis of the 731  
determination, shall make each determination in accordance with 732  
any relevant rules adopted pursuant to section 5104.38 of the 733  
Revised Code, and shall notify promptly each applicant for 734  
publicly funded child day-care of the results of the determination 735  
of the applicant's eligibility. 736

The director of job and family services shall adopt rules in 737  
accordance with Chapter 119. of the Revised Code for monitoring 738  
the eligibility determination process. In accordance with those 739  
rules, the state department shall monitor eligibility 740  
determinations made by county departments of job and family 741  
services and shall direct any entity that is not in compliance 742  
with this division or any rule adopted under this division to 743  
implement corrective action specified by the department. 744

(2) All eligibility determinations for publicly funded child 745  
day-care shall be made in accordance with rules adopted pursuant 746  
to division (A) of section 5104.38 of the Revised Code and, if a 747  
county department of job and family services specifies, pursuant 748  
to rules adopted under division (B) of that section, a maximum 749  
amount of income a family may have to be eligible for publicly 750  
funded child day-care, the income maximum specified by the county 751  
department. Publicly funded child day-care may be provided only to 752  
eligible infants, toddlers, preschool children, and school 753  
children under age thirteen. For an applicant to be eligible for 754  
publicly funded child day-care, the caretaker parent must be 755  
employed or participating in a program of education or training 756  
for an amount of time reasonably related to the time that the 757  
parent's children are receiving publicly funded child day-care. 758  
This restriction does not apply to families whose children are 759  
eligible for protective ~~or special needs~~ day-care. 760

Subject to available funds, a county department of job and 761  
family services shall allow a family to receive publicly funded 762

child day-care unless the family's income exceeds the maximum 763  
income eligibility limit. Initial and continued eligibility for 764  
publicly funded child day-care is subject to available funds 765  
unless the family is receiving child day-care pursuant to division 766  
(A)(1), (2), (3), or (4) of section 5104.30 of the Revised Code. 767  
If the county department must limit eligibility due to lack of 768  
available funds, it shall give first priority for publicly funded 769  
child day-care to an assistance group whose income is not more 770  
than the maximum income eligibility limit that received 771  
transitional child day-care in the previous month but is no longer 772  
eligible because the twelve-month period has expired. Such an 773  
assistance group shall continue to receive priority for publicly 774  
funded child day-care until its income exceeds the maximum income 775  
eligibility limit. 776

(3) An assistance group that ceases to participate in the 777  
Ohio works first program established under Chapter 5107. of the 778  
Revised Code is eligible for transitional child day-care at any 779  
time during the immediately following twelve-month period that 780  
both of the following apply: 781

(a) The assistance group requires child day-care due to 782  
employment; 783

(b) The assistance group's income is not more than one 784  
hundred fifty per cent of the federal poverty line. 785

An assistance group ineligible to participate in the Ohio 786  
works first program pursuant to section 5101.83 or section 5107.16 787  
of the Revised Code is not eligible for transitional child 788  
day-care. 789

(B) To the extent permitted by federal law, a county 790  
department of job and family services may require a caretaker 791  
parent determined to be eligible for publicly funded child 792  
day-care to pay a fee according to the schedule of fees 793

established in rules adopted under section 5104.38 of the Revised Code. Each county department shall make protective day-care services available to children without regard to the income or assets of the caretaker parent of the child.

(C) A caretaker parent receiving publicly funded child day-care shall report to the entity that determined eligibility any changes in status with respect to employment or participation in a program of education or training not later than ten calendar days after the change occurs.

(D) If a county department of job and family services determines that available resources are not sufficient to provide publicly funded child day-care to all eligible families who request it, the county department may establish a waiting list. A county department may establish separate waiting lists within the waiting list based on income. When resources become available to provide publicly funded child day-care to families on the waiting list, a county department that establishes a waiting list shall assess the needs of the next family scheduled to receive publicly funded child day-care. If the assessment demonstrates that the family continues to need and is eligible for publicly funded child day-care, the county department shall offer it to the family. If the county department determines that the family is no longer eligible or no longer needs publicly funded child day-care, the county department shall remove the family from the waiting list.

(E) As used in this section, "maximum income eligibility limit" means the amount of income specified in rules adopted under division (A) of section 5104.38 of the Revised Code or, if a county department of job and family services specifies a higher amount pursuant to rules adopted under division (B) of that section, the amount the county department specifies.

**Sec. 5104.35.** (A) The county department of job and family

ervices shall do all of the following: 825

(1) Accept any gift, grant, or other funds from either public 826  
or private sources offered unconditionally or under conditions 827  
which are, in the judgment of the department, proper and 828  
consistent with this chapter and deposit the funds in the county 829  
public assistance fund established by section 5101.161 of the 830  
Revised Code; 831

(2) Recruit individuals and groups interested in 832  
certification as in-home aides or in developing and operating 833  
suitable licensed child day-care centers, type A family day-care 834  
homes, or certified type B family day-care homes, especially in 835  
areas with high concentrations of recipients of public assistance, 836  
and for that purpose provide consultation to interested 837  
individuals and groups on request; 838

(3) Inform clients of the availability of child day-care 839  
services; 840

(4) Pay to a child day-care center, type A family day-care 841  
home, certified type B family day-care home, in-home aide, 842  
approved child day camp, licensed preschool program, licensed 843  
school child program, or border state child day-care provider for 844  
child day-care services, the amount provided for in division (B) 845  
of section 5104.32 of the Revised Code. If part of the cost of 846  
care of a child is paid by the child's parent or any other person, 847  
the amount paid shall be subtracted from the amount the county 848  
department pays. 849

(5) In accordance with rules adopted pursuant to section 850  
5104.39 of the Revised Code, provide monthly reports to the 851  
director of job and family services and the director of budget and 852  
management regarding expenditures for the purchase of publicly 853  
funded child day-care. 854

(B) The county department of job and family services may do 855  
any of the following: 856

(1) To the extent permitted by federal law, use public child 857  
day-care funds to extend the hours of operation of the county 858  
department to accommodate the needs of working caretaker parents 859  
and enable those parents to apply for publicly funded child 860  
day-care; 861

(2) In accordance with rules adopted by the director of job 862  
and family services, request a waiver of the ~~maximum rate of~~ 863  
~~assistance that is~~ reimbursement ceiling established pursuant to 864  
section 5104.30 of the Revised Code for the purpose of paying a 865  
higher rate for publicly funded child day-care based upon the 866  
special needs of a child, ~~the special circumstances of a family,~~ 867  
~~or unique child day-care market conditions;~~ 868

(3) To the extent permitted by federal law, use state and 869  
federal funds to pay deposits and other advance payments that a 870  
provider of child day-care customarily charges all children who 871  
receive child day-care from that provider; 872

(4) To the extent permitted by federal law, pay for up to 873  
thirty days of child day-care for a child whose caretaker parent 874  
is seeking employment, taking part in employment orientation 875  
activities, or taking part in activities in anticipation of 876  
enrollment or attendance in an education or training program or 877  
activity, if the employment or education or training program or 878  
activity is expected to begin within the thirty-day period. 879

**Sec. 5104.38.** In addition to any other rules adopted under 880  
this chapter, the director of job and family services shall adopt 881  
rules in accordance with Chapter 119. of the Revised Code 882  
governing financial and administrative requirements for publicly 883  
funded child day-care and establishing all of the following: 884

(A) Procedures and criteria to be used in making 885  
determinations of eligibility for publicly funded child day-care 886  
that give priority to children of families with lower incomes and 887  
procedures and criteria for eligibility for publicly funded 888  
protective day-care. The rules shall specify the maximum amount of 889  
income a family may have for initial and continued eligibility. 890  
~~Until July 1, 2000, the maximum amount shall not exceed one~~ 891  
~~hundred eighty five per cent of the federal poverty line.~~ 892  
~~Effective July 1, 2000, the~~ The maximum amount shall not exceed 893  
two hundred per cent of the federal poverty line. 894

(B) Procedures under which a county department of job and 895  
family services may, if the department, under division (A) of this 896  
section, specifies a maximum amount of income a family may have 897  
for eligibility for publicly funded child day-care that is less 898  
than the maximum amount specified in that division, specify a 899  
maximum amount of income a family residing in the county the 900  
county department serves may have for initial and continued 901  
eligibility for publicly funded child day-care that is higher than 902  
the amount specified by the department but does not exceed the 903  
maximum amount specified in division (A) of this section; 904

(C) A schedule of fees requiring all eligible caretaker 905  
parents to pay a fee for publicly funded child day-care according 906  
to income and family size, which shall be uniform for all types of 907  
publicly funded child day-care, except as authorized by rule, and, 908  
to the extent permitted by federal law, shall permit the use of 909  
state and federal funds to pay the customary deposits and other 910  
advance payments that a provider charges all children who receive 911  
child day-care from that provider. The schedule of fees may not 912  
provide for a caretaker parent to pay a fee that exceeds ten per 913  
cent of the parent's family income. 914

(D) A formula based upon a percentage of the county's total 915  
expenditures for publicly funded child day-care for determining 916

the maximum amount of state and federal funds appropriated for 917  
publicly funded child day-care that a county department may use 918  
for administrative purposes; 919

(E) Procedures to be followed by the department and county 920  
departments in recruiting individuals and groups to become 921  
providers of child day-care; 922

(F) Procedures to be followed in establishing state or local 923  
programs designed to assist individuals who are eligible for 924  
publicly funded child day-care in identifying the resources 925  
available to them and to refer the individuals to appropriate 926  
sources to obtain child day-care; 927

(G) Procedures to deal with fraud and abuse committed by 928  
either recipients or providers of publicly funded child day-care; 929

(H) Procedures for establishing a child day-care grant or 930  
loan program in accordance with the child care block grant act; 931

(I) Standards and procedures for applicants to apply for 932  
grants and loans, and for the department to make grants and loans; 933

(J) A definition of "person who stands in loco parentis" for 934  
the purposes of division (II)(1) of section 5104.01 of the Revised 935  
Code; 936

(K) Procedures for a county department of job and family 937  
services to follow in making eligibility determinations and 938  
redeterminations for publicly funded child day-care available 939  
through telephone, computer, and other means at locations other 940  
than the county department; 941

(L) Any other rules necessary to carry out sections 5104.30 942  
to 5104.39 of the Revised Code. 943

Sec. 5104.382. In adopting rules under division (A) of 944  
section 5104.38 of the Revised Code establishing criteria for 945  
eligibility for publicly funded child day-care, the director of 946  
job and family services may prescribe the amount, duration, and 947  
scope of benefits available as publicly funded child day-care. 948

**Sec. 5104.39.** (A) The director of job and family services 949  
shall adopt rules in accordance with Chapter 119. of the Revised 950  
Code establishing a procedure for monitoring the expenditures of 951  
county departments of job and family services to ensure that 952  
expenditures do not exceed the available federal and state funds 953  
for publicly funded child day-care. The department, with the 954  
assistance of the office of budget and management and the day-care 955  
advisory council created pursuant to section 5104.08 of the 956  
Revised Code, shall monitor the anticipated future expenditures of 957  
county departments for publicly funded child day-care and shall 958  
compare those anticipated future expenditures to available federal 959  
and state funds for publicly funded child day-care. Whenever the 960  
department determines that the anticipated future expenditures of 961  
the county departments will exceed the available federal and state 962  
funds for publicly funded child day-care, it promptly shall notify 963  
the county departments and, before the available state and federal 964  
funds are used, the director shall issue and implement an 965  
administrative order that shall specify both of the following: 966

(1) Priorities for expending the remaining available federal 967  
and state funds for publicly funded child day-care; 968

(2) Instructions and procedures to be used by the county 969  
departments. 970

(B) The order may ~~suspend~~ do any or all of the following: 971

(1) Suspend enrollment of all new participants in any program 972  
of publicly funded child day-care ~~or may limit;~~ 973

(2) Limit enrollment of new participants to those with 974  
incomes at or below a specified percentage ~~below~~ of the federal 975  
poverty line, ~~but it shall not limit enrollment by otherwise~~ 976  
~~narrowing eligibility standards established in statute for~~ 977  
~~publicly funded child day care;~~ 978

(3) Disenroll existing participants with income above a 979  
specified percentage of the federal poverty line. 980

(C) Each county department shall comply with the order no 981  
later than thirty days after it is issued. If the department fails 982  
to notify the county departments and to implement the reallocation 983  
priorities specified in the order before the available federal and 984  
state funds for publicly funded child day-care are used, the state 985  
department shall provide sufficient funds to the county 986  
departments for publicly funded child day-care to enable each 987  
county department to pay for all publicly funded child day-care 988  
that was provided by providers pursuant to contract prior to the 989  
date that the county department received notice under this 990  
~~division~~ section and the state department implemented in that 991  
county the priorities. 992

(D) If after issuing an order under this ~~division~~ section to 993  
suspend or limit enrollment of new participants or disenroll 994  
existing participants the department determines that available 995  
state and federal funds for publicly funded child day-care exceed 996  
the anticipated future expenditures of the county departments, the 997  
director may issue and implement another administrative order 998  
increasing income eligibility levels to a specified percentage of 999  
the federal poverty line. The order shall include instructions and 1000  
procedures to be used by the county departments. Each county 1001  
department shall comply with the order not later than thirty days 1002  
after it is issued. 1003

~~(B)~~(E) The department of job and family services shall do all 1004

of the following:	1005
(1) Conduct a quarterly evaluation of the program of publicly funded child day-care that is operated pursuant to sections 5104.30 to 5104.39 of the Revised Code;	1006 1007 1008
(2) Prepare reports based upon the evaluations that specify for each county the number of participants and amount of expenditures;	1009 1010 1011
(3) Provide copies of the reports to both houses of the general assembly and, on request, to interested parties.	1012 1013
<b>Sec. 5139.41.</b> On and after January 1, 1995, the appropriation made to the department of youth services for care and custody of felony delinquents shall be expended in accordance with a formula that the department shall develop for each year of a biennium. The formula shall be consistent with sections 5139.41 to 5139.45 of the Revised Code and shall be developed in accordance with the following guidelines:	1014 1015 1016 1017 1018 1019 1020
(A) The department shall set aside at least three per cent but not more than five per cent of the appropriation for purposes of funding the contingency program described in section 5139.45 of the Revised Code and of use in accordance with that section.	1021 1022 1023 1024
(B)(1) After setting aside the amount described in division (A) of this section, the department shall set aside twenty-five per cent of the remainder of the appropriation and use that amount for the purpose described in division (B)(2) of this section and to pay certain of the operational costs associated with, and to provide cash flow for, the following:	1025 1026 1027 1028 1029 1030
(a) Institutions;	1031
(b) The diagnosis, care, or treatment of felony delinquents at institutions, facilities, or centers pursuant to contracts entered into under section 5139.08 of the Revised Code;	1032 1033 1034

(c) Community corrections facilities constructed, 1035  
reconstructed, improved, or financed as described in section 1036  
5139.36 of the Revised Code for the purpose of providing 1037  
alternative placement and services for felony delinquents who have 1038  
been diverted from care and custody in institutions. 1039

(2) The department may use a portion of the twenty-five per 1040  
cent of the remainder of the appropriation set aside pursuant to 1041  
division (B)(1) of this section for administrative expenses 1042  
incurred by the department in connection with the felony 1043  
delinquent care and custody program described in section 5139.43 1044  
of the Revised Code and the associated contingency program 1045  
described in section 5139.45 of the Revised Code. 1046

(C) After setting aside the amounts described in divisions 1047  
(A) and (B)(1) of this section, the department shall set aside the 1048  
amount of the appropriation that is equal to twenty-five per cent 1049  
of the amount that is calculated by multiplying the per diem cost 1050  
for the care and custody of felony delinquents, as determined 1051  
pursuant to division (D) of section 5139.42 of the Revised Code, 1052  
by the number of bed days that the department projects for 1053  
occupancy in community corrections facilities described in 1054  
division (B)(1)(c) of this section. The department shall use the 1055  
amount of the appropriation that is set aside pursuant to this 1056  
division to pay the percentage of the per diem cost for the care 1057  
and custody of felony delinquents who are in the care and custody 1058  
of community corrections facilities described in division 1059  
(B)(1)(c) of this section for which the department is responsible 1060  
under sections 5139.41 to 5139.45 of the Revised Code. 1061

(D) After setting aside the amounts described in divisions 1062  
(A) to (C) of this section, the department shall set aside the 1063  
amount of the appropriation that is necessary to pay seventy-five 1064  
per cent of the per diem cost of public safety beds and shall use 1065  
that amount for the purpose of paying that per diem cost. 1066

(E) After setting aside the amounts described in divisions 1067  
(A) to (D) of this section, the department shall use the remainder 1068  
of the appropriation in connection with the felony delinquent care 1069  
and custody program described in section 5139.43 of the Revised 1070  
Code, except that, for fiscal year 2002 and fiscal year 2003 and 1071  
only for those two fiscal years, the total number of beds 1072  
available to all counties via public safety beds and county 1073  
allocations shall not be less than the total beds used by all the 1074  
counties during fiscal year 2000 funded by care and custody 1075  
chargebacks (Line Item 401) and as public safety beds. 1076

(F) If the department's appropriation for a fiscal year is 1077  
subsequently revised by law or its expenditures ordered to be 1078  
reduced by executive order under section 126.05 of the Revised 1079  
Code, the department may adjust the amounts described in divisions 1080  
(A) to (E) of this section in a manner consistent with the 1081  
revision or reduction. 1082

**Sec. 5739.031.** (A) Upon application, the tax commissioner may 1083  
issue a direct payment permit that authorizes a consumer to pay 1084  
the sales tax levied by or pursuant to section 5739.02, 5739.021, 1085  
5739.023, or 5739.026 of the Revised Code or the use tax levied by 1086  
or pursuant to section 5741.02, 5741.021, 5741.022, or 5741.023 of 1087  
the Revised Code directly to the state and waives the collection 1088  
of the tax by the vendor or seller if payment directly to the 1089  
state would improve compliance and increase the efficiency of the 1090  
administration of the tax. The commissioner may adopt rules 1091  
establishing the criteria for the issuance of such permits. 1092

(B) Each permit holder, on or before the twenty-third day of 1093  
each month, shall make and file with the treasurer of state a 1094  
return for the preceding month in such form as is prescribed by 1095  
the tax commissioner and shall pay the tax shown on the return to 1096  
be due. The return shall show the sum of the prices of taxable 1097

merchandise used and taxable services received, the amount of tax 1098  
due from the permit holder, and such other information as the 1099  
commissioner deems necessary. The commissioner, upon written 1100  
request by the permit holder, may extend the time for making and 1101  
filing returns and paying the tax. If the commissioner determines 1102  
that a permit holder's tax liability is not such as to merit 1103  
monthly filing, the commissioner may authorize the permit holder 1104  
to file returns and pay the tax at less frequent intervals. The 1105  
treasurer of state shall show on the return the date it was filed 1106  
and the amount of the payment remitted to the treasurer. 1107  
Thereafter, the treasurer immediately shall transmit all returns 1108  
filed under this section to the tax commissioner. 1109

Any permit holder required to file a return and pay the tax 1110  
under this section whose total payment for any calendar year 1111  
equals or exceeds the amount shown in section 5739.032 of the 1112  
Revised Code shall make each payment required by this section in 1113  
the second ensuing and each succeeding year by electronic funds 1114  
transfer as prescribed by, and on or before the dates specified 1115  
in, section 5739.032 of the Revised Code, except as otherwise 1116  
prescribed by that section. 1117

(C) For purposes of reporting and remitting the tax, the 1118  
price of tangible personal property or services purchased by, or 1119  
of tangible personal property produced by, the permit holder shall 1120  
be determined under division (G) of section 5741.01 of the Revised 1121  
Code. Notwithstanding section 5739.033 of the Revised Code, the 1122  
situs of any purchase transaction made by the permit holder is the 1123  
location where the tangible personal property or service is 1124  
received by the permit holder. 1125

(D) It shall be the duty of every permit holder required to 1126  
make a return and pay its tax under this section to keep and 1127  
preserve suitable records of purchases together with invoices of 1128  
purchases, bills of lading, asset ledgers, depreciation schedules, 1129

transfer journals, and such other primary and secondary records 1130  
and documents in such form as the commissioner requires. All such 1131  
records and other documents shall be open during business hours to 1132  
the inspection of the tax commissioner, and shall be preserved for 1133  
a period of four years, unless the commissioner, in writing, has 1134  
authorized their destruction or disposal at an earlier date, or by 1135  
order or by reason of a waiver of the four-year time limitation 1136  
pursuant to section 5739.16 of the Revised Code requires that they 1137  
be kept longer. 1138

(E) A permit granted pursuant to this section shall continue 1139  
to be valid until surrendered by the holder or canceled for cause 1140  
by the tax commissioner. 1141

(F) Persons who hold a direct payment permit that has not 1142  
been canceled shall not be required to issue exemption 1143  
certificates and shall not be required to pay the tax as 1144  
prescribed in sections 5739.03, 5739.033, and 5741.12 of the 1145  
Revised Code. Such persons shall notify vendors and sellers from 1146  
whom purchases of tangible personal property or services are made, 1147  
of their direct payment permit number and that the tax is being 1148  
paid directly to the state. Upon receipt of such notice, such 1149  
vendor or seller shall be absolved from all duties and liabilities 1150  
imposed by section 5739.03 or 5741.04 of the Revised Code with 1151  
respect to sales of tangible personal property or services to such 1152  
permit holder. 1153

Vendors and sellers who make sales upon which the tax is not 1154  
collected by reason of the provisions of this section shall 1155  
maintain records in such manner that the amount involved and 1156  
identity of the purchaser may be ascertained. The receipts from 1157  
such sales shall not be subject to the tax levied in section 1158  
5739.10 of the Revised Code. 1159

Upon the cancellation or surrender of a direct payment 1160  
permit, the provisions of sections 5739.03, 5741.04, and 5741.12 1161

of the Revised Code shall immediately apply to all purchases made 1162  
subsequent to such cancellation or surrender by the person who 1163  
previously held such permit, and such person shall so notify 1164  
vendors and sellers from whom purchases of tangible personal 1165  
property or services are made, in writing, prior to or at the time 1166  
of the first purchase after such cancellation or surrender. Upon 1167  
receipt of such notice, the vendor shall be subject to the 1168  
provisions of sections 5739.03 and 5739.10 of the Revised Code and 1169  
the seller shall be subject to the provisions of section 5741.04 1170  
of the Revised Code, with respect to all sales subsequently made 1171  
to such person. Failure of any such person to notify vendors or 1172  
sellers from whom purchases of tangible personal property or 1173  
services are made of the cancellation or surrender of a direct 1174  
payment permit shall be considered as a refusal to pay the tax by 1175  
the person required to issue such notice. 1176

**Sec. 5739.032.** (A) If the total amount of tax required to be 1177  
paid by a permit holder under section 5739.031 of the Revised Code 1178  
for any calendar year indicated in the following schedule equals 1179  
or exceeds the amounts prescribed for that year in the schedule, 1180  
the permit holder shall remit each monthly tax payment in the 1181  
second ensuing and each succeeding year by electronic funds 1182  
transfer as prescribed by division (B) of this section. 1183

Year	1992	1993 through 1999	2000 and thereafter	
Tax payment	\$1,200,000	\$600,000	\$60,000	1184 1185

If a permit holder's tax payment for each of two consecutive 1186  
years beginning with 2000 is less than sixty thousand dollars, the 1187  
permit holder is relieved of the requirement to remit taxes by 1188  
electronic funds transfer for the year that next follows the 1189  
second of the consecutive years in which the tax payment is less 1190  
than sixty thousand dollars, and is relieved of that requirement 1191  
for each succeeding year, unless the tax payment in a subsequent 1192  
year equals or exceeds sixty thousand dollars. 1193

The tax commissioner shall notify each permit holder required 1194  
to remit taxes by electronic funds transfer of the permit holder's 1195  
obligation to do so, shall maintain an updated list of those 1196  
permit holders, and shall timely certify the list and any 1197  
additions thereto or deletions therefrom to the treasurer of 1198  
state. Failure by the tax commissioner to notify a permit holder 1199  
subject to this section to remit taxes by electronic funds 1200  
transfer does not relieve the permit holder of its obligation to 1201  
remit taxes by electronic funds transfer. 1202

(B) Permit holders required by division (A) of this section 1203  
to remit payments by electronic funds transfer shall remit such 1204  
payments to the treasurer of state in the manner prescribed by 1205  
this section and rules adopted by the treasurer of state under 1206  
section 113.061 of the Revised Code, and on or before the 1207  
following dates ~~specified under section 5739.031 of the Revised~~ 1208  
~~Code. The:~~ 1209

(1) On or before each of the eleventh, eighteenth, and 1210  
twenty-fifth days of each month, a permit holder shall remit an 1211  
amount equal to one-fourth of the permit holder's total tax 1212  
liability for the same month in the preceding calendar year. 1213

(2) On or before the twenty-third day of each month, a permit 1214  
holder shall report the taxes due for the previous month and shall 1215  
remit that amount, less any amounts paid for that month as 1216  
required by division (B)(1) of this section. 1217

The payment of taxes by electronic funds transfer does not 1218  
affect a permit holder's obligation to file the monthly return as 1219  
required under section 5739.031 of the Revised Code. 1220

(C) A permit holder required by this section to remit taxes 1221  
by electronic funds transfer may apply to the treasurer of state 1222  
in the manner prescribed by the treasurer of state to be excused 1223  
from that requirement. The treasurer of state may excuse the 1224

permit holder from remittance by electronic funds transfer for 1225  
good cause shown for the period of time requested by the permit 1226  
holder or for a portion of that period. The treasurer of state 1227  
shall notify the tax commissioner and the permit holder of the 1228  
~~treasurer's~~ treasurer of state's decision as soon as is 1229  
practicable. 1230

~~(C)~~(D)(1) If a permit holder that is required to remit 1231  
payments under division (B) of this section fails to make a 1232  
payment, the commissioner may impose an additional charge not to 1233  
exceed five per cent of that unpaid amount. 1234

(2) If a permit holder required by this section to remit 1235  
taxes by electronic funds transfer remits those taxes by some 1236  
means other than by electronic funds transfer as prescribed by 1237  
this section and the rules adopted by the treasurer of state, and 1238  
the tax commissioner determines that such failure was not due to 1239  
reasonable cause or was due to willful neglect, the commissioner 1240  
may ~~collect~~ impose an additional charge ~~by assessment in the 1241~~  
~~manner prescribed by section 5739.13 of the Revised Code. The 1242~~  
~~additional charge shall equal~~ not to exceed the lesser of five per 1243  
cent of the amount of the taxes required to be paid by electronic 1244  
funds transfer, ~~but shall not exceed~~ or five thousand dollars. ~~Any 1245~~

(3) Any additional charge ~~assessed~~ imposed under division 1246  
(D)(1) or (2) of this section is in addition to any other penalty 1247  
or charge imposed under this chapter, and shall be considered as 1248  
revenue arising from taxes imposed under this chapter. An 1249  
additional charge may be collected by assessment in the manner 1250  
prescribed by section 5739.13 of the Revised Code. The tax 1251  
commissioner may ~~remit~~ wave all or a portion of such a charge and 1252  
may adopt rules governing such ~~remission~~ waiver. 1253

No additional charge shall be ~~assessed~~ imposed under ~~this 1254~~  
division (D)(2) of this section against a permit holder that has 1255  
been notified of its obligation to remit taxes under this section 1256

and that remits its first two tax payments after such notification 1257  
by some means other than electronic funds transfer. The additional 1258  
charge may be ~~assessed~~ imposed upon the remittance of any 1259  
subsequent tax payment that the permit holder remits by some means 1260  
other than electronic funds transfer. 1261

**Sec. 5739.12.** Each person who has or is required to have a 1262  
vendor's license, on or before the twenty-third day of each month, 1263  
shall make and file a return for the preceding month, on forms 1264  
prescribed by the tax commissioner, and shall pay the tax shown on 1265  
the return to be due. The commissioner may require a vendor that 1266  
operates from multiple locations or has multiple vendor's licenses 1267  
to report all tax liability on one consolidated return. The return 1268  
shall show the amount of tax due from the vendor to the state for 1269  
the period covered by the return and such other information as the 1270  
commissioner deems necessary for the proper administration of this 1271  
chapter. The commissioner may extend the time for making and 1272  
filing returns and paying the tax, and may require that the return 1273  
for the last month of any annual or semiannual period, as 1274  
determined by the commissioner, be a reconciliation return 1275  
detailing the vendor's sales activity for the preceding annual or 1276  
semiannual period. The reconciliation return shall be filed by the 1277  
last day of the month following the last month of the annual or 1278  
semiannual period. The commissioner may remit all or any part of 1279  
amounts or penalties which may become due under this chapter and 1280  
may adopt rules relating thereto. Such return shall be filed by 1281  
mailing it to the tax commissioner, together with payment of the 1282  
amount of tax shown to be due thereon after deduction of any 1283  
discount provided for under this section. Remittance shall be made 1284  
payable to the treasurer of state. The return shall be considered 1285  
filed when received by the tax commissioner, and the payment shall 1286  
be considered made when received by the tax commissioner or when 1287  
credited to an account designated by the treasurer of state or the 1288

tax commissioner. If the return is filed and the amount of tax 1289  
shown thereon to be due is paid on or before the date such return 1290  
is required to be filed, the vendor shall be entitled to a 1291  
discount of three-fourths of one per cent of the amount shown to 1292  
be due on the return. Amounts paid to the clerk of courts pursuant 1293  
to section 4505.06 of the Revised Code shall be subject to the 1294  
three-fourths of one per cent discount. The discount shall be in 1295  
consideration for prompt payment to the clerk of courts and for 1296  
other services performed by the vendor in the collection of the 1297  
tax. 1298

Upon application to the commissioner, a vendor who is 1299  
required to file monthly returns may be relieved of the 1300  
requirement to report and pay the actual tax due, provided that 1301  
the vendor agrees to remit to the tax commissioner payment of not 1302  
less than an amount determined by the commissioner to be the 1303  
average monthly tax liability of the vendor, based upon a review 1304  
of the returns or other information pertaining to such vendor for 1305  
a period of not less than six months nor more than two years 1306  
immediately preceding the filing of the application. Vendors who 1307  
agree to the above conditions shall make and file an annual or 1308  
semiannual reconciliation return, as prescribed by the 1309  
commissioner. The reconciliation return shall be filed by mailing 1310  
or delivering it to the tax commissioner, together with payment of 1311  
the amount of tax shown to be due thereon after deduction of any 1312  
discount provided in this section. Remittance shall be made 1313  
payable to the treasurer of state. Failure of a vendor to comply 1314  
with any of the above conditions may result in immediate 1315  
reinstatement of the requirement of reporting and paying the 1316  
actual tax liability on each monthly return, and the commissioner 1317  
may at the commissioner's discretion deny the vendor the right to 1318  
report and pay based upon the average monthly liability for a 1319  
period not to exceed two years. The amount ascertained by the 1320

commissioner to be the average monthly tax liability of a vendor 1321  
may be adjusted, based upon a review of the returns or other 1322  
information pertaining to the vendor for a period of not less than 1323  
six months nor more than two years preceding such adjustment. 1324

The commissioner may authorize vendors whose tax liability is 1325  
not such as to merit monthly returns, as ascertained by the 1326  
commissioner upon the basis of administrative costs to the state, 1327  
to make and file returns at less frequent intervals. When returns 1328  
are filed at less frequent intervals in accordance with such 1329  
authorization, the vendor shall be allowed the discount of 1330  
three-fourths of one per cent in consideration for prompt payment 1331  
with the return, provided the return is filed together with 1332  
payment of the amount of tax shown to be due thereon, at the time 1333  
specified by the commissioner. 1334

Any vendor who fails to file a return or pay the full amount 1335  
of the tax shown on the return to be due under this section and 1336  
the rules of the commissioner may, for each such return the vendor 1337  
fails to file or each such tax the vendor fails to pay in full as 1338  
shown on the return within the period prescribed by this section 1339  
and the rules of the commissioner, be required to forfeit and pay 1340  
into the state treasury an additional charge not exceeding fifty 1341  
dollars or ten per cent of the tax required to be paid for the 1342  
reporting period, whichever is greater, as revenue arising from 1343  
the tax imposed by this chapter, and such sum may be collected by 1344  
assessment in the manner provided in section 5739.13 of the 1345  
Revised Code. The commissioner may remit all or a portion of the 1346  
additional charge and may adopt rules relating to the imposition 1347  
and remission of the additional charge. 1348

If the amount required to be collected by a vendor from 1349  
consumers is in excess of five per cent of the vendor's receipts 1350  
from sales ~~which~~ that are taxable under section 5739.02 of the 1351  
Revised Code, or in the case of sales subject to a tax levied 1352

pursuant to section 5739.021, 5739.023, or 5739.026 of the Revised Code, in excess of the percentage equal to the aggregate rate of such taxes and the tax levied by section 5739.02 of the Revised Code, such excess shall be remitted along with the remittance of the amount of tax due under section 5739.10 of the Revised Code.

The commissioner, if the commissioner deems it necessary in order to insure the payment of the tax imposed by this chapter, may require returns and payments to be made for other than monthly periods. The returns shall be signed by the vendor or the vendor's authorized agent.

Any vendor required to file a return and pay the tax under this section, whose total payment in any year indicated in division (A) of section 5739.122 of the Revised Code equals or exceeds the amount shown in that division, shall make each payment required by this section in the second ensuing and each succeeding year by electronic funds transfer as prescribed by, and on or before the dates specified in, section 5739.122 of the Revised Code, except as otherwise prescribed by that section. For a vendor that operates from multiple locations or has multiple vendor's licenses, in determining whether the vendor's total payment equals or exceeds the amount shown in division (A) of that section, the vendor's total payment amount shall be the amount of the vendor's total tax liability for the previous calendar year for all of the vendor's locations or licenses.

**Sec. 5739.122.** (A) If the total amount of tax required to be paid by a vendor under section 5739.12 of the Revised Code for any calendar year indicated in the following schedule equals or exceeds the amounts prescribed for that year in the schedule, the vendor shall remit each monthly tax payment in the second ensuing and each succeeding tax year by electronic funds transfer as prescribed by divisions (B) and (C) of this section.

Year	1992	1993 through 1999	2000 and thereafter	1384
Tax payment	\$1,200,000	\$600,000	\$60,000	1385

If a vendor's tax payment for each of two consecutive years beginning with 2000 is less than sixty thousand dollars, the vendor is relieved of the requirement to remit taxes by electronic funds transfer for the year that next follows the second of the consecutive years in which the tax payment is less than sixty thousand dollars, and is relieved of that requirement for each succeeding year unless the tax payment in a subsequent year equals or exceeds sixty thousand dollars.

The tax commissioner shall notify each vendor required to remit taxes by electronic funds transfer of the vendor's obligation to do so, shall maintain an updated list of those vendors, and shall timely certify the list and any additions thereto or deletions therefrom to the treasurer of state. Failure by the tax commissioner to notify a vendor subject to this section to remit taxes by electronic funds transfer does not relieve the vendor of its obligation to remit taxes by electronic funds transfer.

(B) Vendors required by division (A) of this section to remit payments by electronic funds transfer shall remit such payments to the treasurer of state in the manner prescribed by this section and rules adopted by the treasurer of state under section 113.061 of the Revised Code, and on or before the following dates ~~specified under section 5739.12 of the Revised Code. The:~~

(1) On or before the eleventh day of each month, a vendor shall remit an amount equal to the taxes collected during the first seven days of the month. On or before the eighteenth day of each month, a vendor shall remit an amount equal to the taxes collected on the eighth through the fourteenth day of the month. On or before the twenty-fifth day of each month, a vendor shall remit an amount equal to the taxes collected on the fifteenth through the twenty-first day of the month.

(2) In lieu of remitting the actual amounts collected for the periods specified in division (B)(1) of this section, a vendor may, on or before each of the eleventh, eighteenth, and twenty-fifth days of each month, remit an amount equal to one-fourth of the vendor's total tax liability for the same month in the preceding calendar year.

(3) On or before the twenty-third day of each month, a vendor shall report the taxes collected for the previous month and shall remit that amount, less any amounts paid for that month as required by division (B)(1) or (2) of this section.

The payment of taxes by electronic funds transfer does not affect a vendor's obligation to file the monthly return as required under section 5739.12 of the Revised Code.

(C) A vendor required by this section to remit taxes by electronic funds transfer may apply to the treasurer of state in the manner prescribed by the treasurer of state to be excused from that requirement. The treasurer of state may excuse the vendor from remittance by electronic funds transfer for good cause shown for the period of time requested by the vendor or for a portion of that period. The treasurer of state shall notify the tax commissioner and the vendor of the ~~treasurer's~~ treasurer of state's decision as soon as is practicable.

(D)(1) If a vendor that is required to remit payments under

division (B) of this section fails to make a payment, the 1440  
commissioner may impose an additional charge not to exceed five 1441  
per cent of that unpaid amount. 1442

(2) If a vendor required by this section to remit taxes by 1443  
electronic funds transfer remits those taxes by some means other 1444  
than by electronic funds transfer as prescribed by this section 1445  
and the rules adopted by the treasurer of state, and the treasurer 1446  
of state determines that such failure was not due to reasonable 1447  
cause or was due to willful neglect, the treasurer of state shall 1448  
notify the tax commissioner of the failure to remit by electronic 1449  
funds transfer and shall provide the commissioner with any 1450  
information used in making that determination. The tax 1451  
commissioner may ~~collect~~ impose an additional charge ~~by assessment~~ 1452  
~~in the manner prescribed by section 5739.13 of the Revised Code.~~ 1453  
~~The additional charge shall equal~~ not to exceed the lesser of five 1454  
per cent of the amount of the taxes required to be paid by 1455  
electronic funds transfer, ~~but shall not exceed~~ or five thousand 1456  
dollars. ~~Any~~ 1457

(3) Any additional charge assessed imposed under division 1458  
(D)(1) or (2) of this section is in addition to any other penalty 1459  
or charge imposed under this chapter, and shall be considered as 1460  
revenue arising from taxes imposed under this chapter. An 1461  
additional charge may be collected by assessment in the manner 1462  
prescribed by section 5739.13 of the Revised Code. The tax 1463  
commissioner may ~~remit~~ waive all or a portion of such a charge and 1464  
may adopt rules governing such ~~remission~~ waiver. 1465

No additional charge shall be ~~assessed~~ imposed under ~~this~~ 1466  
division (D)(2) of this section against a vendor that has been 1467  
notified of its obligation to remit taxes under this section and 1468  
that remits its first two tax payments after such notification by 1469  
some means other than electronic funds transfer. The additional 1470  
charge may be ~~assessed~~ imposed upon the remittance of any 1471

ent tax payment that the vendor remits by some means other than 1472  
electronic funds transfer. 1473

**Sec. 5739.21.** (A) Four and two-tenths per cent of all money 1474  
deposited into the state treasury under sections 5739.01 to 1475  
5739.31 of the Revised Code and not required to be distributed as 1476  
provided in section 5739.102 of the Revised Code or division (B) 1477  
of this section shall be credited to the local government fund for 1478  
distribution in accordance with section 5747.50 of the Revised 1479  
Code, six-tenths of one per cent shall be credited to the local 1480  
government revenue assistance fund for distribution in accordance 1481  
with section 5747.61 of the Revised Code, and ninety-five and 1482  
two-tenths per cent shall be credited to the general revenue fund. 1483

(B) In any case where any county or transit authority has 1484  
levied a tax or taxes pursuant to section 5739.021, 5739.023, or 1485  
5739.026 of the Revised Code, the tax commissioner shall, within 1486  
forty-five days after the end of each month, determine and certify 1487  
to the director of budget and management the amount of the 1488  
proceeds of such tax or taxes ~~paid to the treasurer of state from~~ 1489  
billings and assessments received during that month, or shown on 1490  
tax returns or reports filed during that month, to be returned to 1491  
the county or transit authority levying the tax or taxes. The 1492  
amount to be returned to each county and transit authority shall 1493  
be a fraction of the aggregate amount of money collected with 1494  
respect to each area in which one or more of such taxes are 1495  
concurrently in effect with the tax levied by section 5739.02 of 1496  
the Revised Code, the numerator of which is the rate of the tax 1497  
levied by the county or transit authority and the denominator of 1498  
which is the aggregate rate of such taxes applicable to such area; 1499  
provided, that the aggregate amount to be returned to any county 1500  
or transit authority shall be reduced by one per cent, which shall 1501  
be certified directly to the credit of the local sales tax 1502  
administrative fund, which is hereby created in the state 1503

treasury. For the purpose of determining the amount to be returned 1504  
to a county and transit authority in which the rate of tax imposed 1505  
by the transit authority has been reduced under section 5739.028 1506  
of the Revised Code, the tax commissioner shall use the respective 1507  
rates of tax imposed by the county or transit authority that 1508  
results from the change in the rates authorized under that 1509  
section. The director of budget and management shall transfer, 1510  
from the same funds and in the same proportions specified in 1511  
division (A) of this section, to the permissive tax distribution 1512  
fund created by division (B)(1) of section 4301.423 of the Revised 1513  
Code and to the local sales tax administrative fund, the amounts 1514  
certified by the tax commissioner. The tax commissioner shall 1515  
then, on or before the twentieth day of the month in which such 1516  
certification is made, provide for payment of such respective 1517  
amounts to the county treasurer and to the fiscal officer of the 1518  
transit authority levying the tax or taxes. The amount transferred 1519  
to the local sales tax administrative fund is for use by the tax 1520  
commissioner in defraying costs incurred in administering such 1521  
taxes levied by a county or transit authority. 1522

**Sec. 5741.03.** (A) Four and two-tenths per cent of all money 1523  
deposited into the state treasury under sections 5741.01 to 1524  
5741.22 of the Revised Code that is not required to be distributed 1525  
as provided in division (B) of this section shall be credited to 1526  
the local government fund for distribution in accordance with 1527  
section 5747.50 of the Revised Code, six-tenths of one per cent 1528  
shall be credited to the local government revenue assistance fund 1529  
for distribution in accordance with section 5747.61 of the Revised 1530  
Code, and ninety-five and two-tenths per cent shall be credited to 1531  
the general revenue fund. 1532

(B) In any case where any county or transit authority has 1533  
levied a tax or taxes pursuant to section 5741.021, 5741.022, or 1534  
5741.023 of the Revised Code, the tax commissioner shall, within 1535

forty-five days after the end of each month, determine and certify 1536  
to the director of budget and management the amount of the 1537  
proceeds of such tax or taxes ~~paid to the treasurer of state~~ from 1538  
billings and assessments received during that month, or shown on 1539  
tax returns or reports filed during that month, to be returned to 1540  
the county or transit authority levying the tax or taxes, which 1541  
amounts shall be determined in the manner provided in section 1542  
5739.21 of the Revised Code. The director of budget and management 1543  
shall transfer, from the same funds and in the same proportions 1544  
specified in division (A) of this section, to the permissive tax 1545  
distribution fund created by division (B)(1) of section 4301.423 1546  
of the Revised Code and to the local sales tax administrative fund 1547  
created by division (B) of section 5739.21 of the Revised Code, 1548  
the amounts certified by the tax commissioner. The tax 1549  
commissioner shall then, on or before the twentieth day of the 1550  
month in which such certification is made, provide for payment of 1551  
such respective amounts to the county treasurer or to the fiscal 1552  
officer of the transit authority levying the tax or taxes. The 1553  
amount transferred to the local sales tax administrative fund is 1554  
for use by the tax commissioner in defraying costs ~~he~~ the 1555  
commissioner incurs in administering such taxes levied by a county 1556  
or transit authority. 1557

**Sec. 5741.12.** (A) Each seller required by section 5741.17 of 1558  
the Revised Code to register with the tax commissioner, and any 1559  
seller authorized by the commissioner to collect the tax imposed 1560  
by or pursuant to section 5741.02, 5741.021, 5741.022, or 5741.023 1561  
of the Revised Code is subject to the same requirements and 1562  
entitled to the same deductions and discount for prompt payments 1563  
as are vendors under section 5739.12 of the Revised Code. The 1564  
powers and duties of the commissioner and the treasurer of state 1565  
with respect to returns and tax remittances under this section 1566  
shall be identical with those prescribed in section 5739.12 of the 1567

Revised Code. 1568

(B) Every person storing, using, or consuming tangible 1569  
personal property or receiving the benefit of a service, the 1570  
storage, use, consumption, or receipt of which is subject to the 1571  
tax imposed by or pursuant to section 5741.02, 5741.021, 5741.022, 1572  
or 5741.023 of the Revised Code, when such tax was not paid to a 1573  
seller, shall, on or before the twenty-third day of each month, 1574  
file with the tax commissioner a return for the preceding month in 1575  
such form as is prescribed by the commissioner, showing such 1576  
information as the commissioner deems necessary, and shall pay the 1577  
tax shown on the return to be due. Remittance shall be made 1578  
payable to the treasurer of state. The commissioner may require 1579  
consumers to file returns and pay the tax at other than monthly 1580  
intervals, if the commissioner determines that such filing is 1581  
necessary for the efficient administration of the tax. If the 1582  
commissioner determines that a consumer's tax liability is not 1583  
such as to merit monthly filing, the commissioner may authorize 1584  
the consumer to file returns and pay tax at less frequent 1585  
intervals. 1586

Any consumer required to file a return and pay the tax under 1587  
this section whose payment for any year indicated in section 1588  
5741.121 of the Revised Code equals or exceeds the amount shown in 1589  
that section shall make each payment required by this section in 1590  
the second ensuing and each succeeding year by means of electronic 1591  
funds transfer as prescribed by, and on or before the dates 1592  
specified in, section 5741.121 of the Revised Code, except as 1593  
otherwise prescribed by that section. 1594

(C) Every person storing, using, or consuming a motor 1595  
vehicle, watercraft, or outboard motor, the ownership of which 1596  
must be evidenced by certificate of title, shall file the return 1597  
required by this section and pay the tax due at or prior to the 1598

time of filing an application for certificate of title. 1599

**Sec. 5741.121.** (A) If the total amount of tax required to be 1600  
paid by a seller or consumer under section 5741.12 of the Revised 1601  
Code for any year indicated in the following schedule equals or 1602  
exceeds the amount prescribed for that year in the schedule, the 1603  
seller or consumer shall remit each monthly tax payment in the 1604  
second ensuing and each succeeding year by electronic funds 1605  
transfer as prescribed by division (B) of this section. 1606

Year	1992	1993 through 1999	2000 and thereafter	
Tax payment	\$1,200,000	\$600,000	\$60,000	1607 1608

If a seller's or consumer's tax payment for each of two 1609  
consecutive years beginning with 2000 is less than sixty thousand 1610  
dollars, the seller or consumer is relieved of the requirement to 1611  
remit taxes by electronic funds transfer for the year that next 1612  
follows the second of the consecutive years in which the tax 1613  
payment is less than sixty thousand dollars, and is relieved of 1614  
that requirement for each succeeding year, unless the tax payment 1615  
in a subsequent year equals or exceeds sixty thousand dollars. 1616

The tax commissioner shall notify each seller or consumer 1617  
required to remit taxes by electronic funds transfer of the 1618  
seller's or consumer's obligation to do so, shall maintain an 1619  
updated list of those sellers and consumers, and shall timely 1620  
certify the list and any additions thereto or deletions therefrom 1621  
to the treasurer of state. Failure by the tax commissioner to 1622  
notify a seller or consumer subject to this section to remit taxes 1623  
by electronic funds transfer does not relieve the seller or 1624  
consumer of the ~~consumer's~~ obligation to remit taxes by electronic 1625  
funds transfer. 1626

(B) ~~Consumers~~ Sellers and consumers required by division (A) 1627  
of this section to remit payments by electronic funds transfer 1628  
shall remit such payments to the treasurer of state in the manner 1629

prescribed by this section and rules adopted by the treasurer of state under section 113.061 of the Revised Code, and on or before the following dates ~~specified under section 5741.12 of the Revised Code.~~ The:

(1)(a) On or before the eleventh day of each month, a seller shall remit an amount equal to the taxes collected during the first seven days of the month. On or before the eighteenth day of each month, a seller shall remit an amount equal to the taxes collected on the eighth through the fourteenth day of the month. On or before the twenty-fifth day of each month, a seller shall remit an amount equal to the taxes collected on the fifteenth through the twenty-first day of the month.

(b) In lieu of remitting the actual amounts collected for the periods specified in division (B)(1)(a) of this section, a seller may, on or before each of the eleventh, eighteenth, and twenty-fifth days of each month, remit an amount equal to one-fourth of the seller's total tax liability for the same month in the preceding calendar year.

(2) On or before each of the eleventh, eighteenth, and twenty-fifth days of each month, a consumer shall remit an amount equal to one-fourth of the consumer's total tax liability for the same month in the preceding calendar year.

(3) On or before the twenty-third day of each month, a seller shall report the taxes collected and a consumer shall report the taxes due for the previous month and shall remit that amount, less any amounts paid for that month as required by division (B)(1)(a) or (b) or (B)(2) of this section.

The payment of taxes by electronic funds transfer does not affect a seller's or consumer's obligation to file the monthly return as required under section 5741.12 of the Revised Code.

(C) A seller or consumer required by this section to remit

taxes by electronic funds transfer may apply to the treasurer of 1661  
state in the manner prescribed by the treasurer of state to be 1662  
excused from that requirement. The treasurer of state may excuse 1663  
the seller or consumer from remittance by electronic funds 1664  
transfer for good cause shown for the period of time requested by 1665  
the seller or consumer or for a portion of that period. The 1666  
treasurer of state shall notify the tax commissioner and the 1667  
seller or consumer of the ~~treasurer's~~ treasurer of state's 1668  
decision as soon as is practicable. 1669

~~(C)(D)(1) If a seller or consumer that is required to remit~~ 1670  
~~payments under division (B) of this section fails to make a~~ 1671  
~~payment, the commissioner may impose an additional charge not to~~ 1672  
~~exceed five per cent of that unpaid amount.~~ 1673

(2) If a seller or consumer required by this section to remit 1674  
taxes by electronic funds transfer remits those taxes by some 1675  
means other than by electronic funds transfer as prescribed by the 1676  
rules adopted by the treasurer of state, and the treasurer of 1677  
state determines that such failure was not due to reasonable cause 1678  
or was due to willful neglect, the treasurer of state shall notify 1679  
the tax commissioner of the failure to remit by electronic funds 1680  
transfer and shall provide the commissioner with any information 1681  
used in making that determination. The tax commissioner may 1682  
~~collect~~ impose an additional charge ~~by assessment in the manner~~ 1683  
~~prescribed by section 5741.13 of the Revised Code. The additional~~ 1684  
~~charge shall equal~~ not to exceed the lesser of five per cent of 1685  
the amount of the taxes required to be paid by electronic funds 1686  
transfer, ~~but shall not exceed~~ or five thousand dollars. ~~Any~~ 1687

(3) Any additional charge ~~assessed~~ imposed under this section 1688  
is in addition to any other penalty or charge imposed under this 1689  
chapter, and shall be considered as revenue arising from taxes 1690  
imposed under this chapter. An additional charge may be collected 1691  
by assessment in the manner prescribed by section 5741.13 of the 1692

Revised Code. The tax commissioner may ~~remit~~ waive all or a 1693  
portion of such a charge and may adopt rules governing such 1694  
~~remission waiver.~~ 1695

No additional charge shall be ~~assessed~~ imposed under ~~this~~ 1696  
division (D)(2) of this section against a seller or consumer that 1697  
has been notified of the ~~consumer's~~ obligation to remit taxes 1698  
under this section and that remits its first two tax payments 1699  
after such notification by some means other than electronic funds 1700  
transfer. The additional charge may be ~~assessed~~ imposed upon the 1701  
remittance of any subsequent tax payment that the seller or 1702  
consumer remits by some means other than electronic funds 1703  
transfer. 1704

**Section 2.** That existing sections 5104.01, 5104.04, 5104.30, 1705  
5104.32, 5104.34, 5104.35, 5104.38, 5104.39, 5139.41, 5739.031, 1706  
5739.032, 5739.12, 5739.122, 5739.21, 5741.03, 5741.12, and 1707  
5741.121 and section 3302.041 of the Revised Code are hereby 1708  
repealed. 1709

**Section 3.** That the versions of sections 5739.031, 5739.12, 1710  
and 5741.12 of the Revised Code that are scheduled to take effect 1711  
July 1, 2003, be amended to read as follows: 1712

**Sec. 5739.031.** (A) Upon application, the tax commissioner may 1713  
issue a direct payment permit that authorizes a consumer to pay 1714  
the sales tax levied by or pursuant to section 5739.02, 5739.021, 1715  
5739.023, or 5739.026 of the Revised Code or the use tax levied by 1716  
or pursuant to section 5741.02, 5741.021, 5741.022, or 5741.023 of 1717  
the Revised Code directly to the state and waives the collection 1718  
of the tax by the vendor or seller if payment directly to the 1719  
state would improve compliance and increase the efficiency of the 1720  
administration of the tax. The commissioner may adopt rules 1721  
establishing the criteria for the issuance of such permits. 1722

(B) Each permit holder, on or before the twenty-third day of 1723  
each month, shall make and file with the treasurer of state a 1724  
return for the preceding month in such form as is prescribed by 1725  
the tax commissioner and shall pay the tax shown on the return to 1726  
be due. The return shall show the sum of the prices of taxable 1727  
merchandise used and taxable services received, the amount of tax 1728  
due from the permit holder, and such other information as the 1729  
commissioner deems necessary. The commissioner, upon written 1730  
request by the permit holder, may extend the time for making and 1731  
filing returns and paying the tax. If the commissioner determines 1732  
that a permit holder's tax liability is not such as to merit 1733  
monthly filing, the commissioner may authorize the permit holder 1734  
to file returns and pay the tax at less frequent intervals. The 1735  
treasurer of state shall show on the return the date it was filed 1736  
and the amount of the payment remitted to the treasurer. 1737  
Thereafter, the treasurer immediately shall transmit all returns 1738  
filed under this section to the tax commissioner. 1739

Any permit holder required to file a return and pay the tax 1740  
under this section whose total payment for any calendar year 1741  
equals or exceeds the amount shown in section 5739.032 of the 1742  
Revised Code shall make each payment required by this section in 1743  
the second ensuing and each succeeding year by electronic funds 1744  
transfer as prescribed by, and on or before the dates specified 1745  
in, section 5739.032 of the Revised Code, except as otherwise 1746  
prescribed by that section. 1747

(C) For purposes of reporting and remitting the tax, the 1748  
price of tangible personal property or services purchased by, or 1749  
of tangible personal property produced by, the permit holder shall 1750  
be determined under division (G) of section 5741.01 of the Revised 1751  
Code. Except as otherwise provided in division (C) of section 1752  
5739.033 of the Revised Code, the situs of any purchase 1753  
transaction made by the permit holder is the location where the 1754

tangible personal property or service is received by the permit holder. 1755  
1756

(D) It shall be the duty of every permit holder required to 1757  
make a return and pay its tax under this section to keep and 1758  
preserve suitable records of purchases together with invoices of 1759  
purchases, bills of lading, asset ledgers, depreciation schedules, 1760  
transfer journals, and such other primary and secondary records 1761  
and documents in such form as the commissioner requires. All such 1762  
records and other documents shall be open during business hours to 1763  
the inspection of the tax commissioner, and shall be preserved for 1764  
a period of four years, unless the commissioner, in writing, has 1765  
authorized their destruction or disposal at an earlier date, or by 1766  
order or by reason of a waiver of the four-year time limitation 1767  
pursuant to section 5739.16 of the Revised Code requires that they 1768  
be kept longer. 1769

(E) A permit granted pursuant to this section shall continue 1770  
to be valid until surrendered by the holder or canceled for cause 1771  
by the tax commissioner. 1772

(F) Persons who hold a direct payment permit that has not 1773  
been canceled shall not be required to issue exemption 1774  
certificates and shall not be required to pay the tax as 1775  
prescribed in sections 5739.03, 5739.033, and 5741.12 of the 1776  
Revised Code. Such persons shall notify vendors and sellers from 1777  
whom purchases of tangible personal property or services are made, 1778  
of their direct payment permit number and that the tax is being 1779  
paid directly to the state. Upon receipt of such notice, such 1780  
vendor or seller shall be absolved from all duties and liabilities 1781  
imposed by section 5739.03 or 5741.04 of the Revised Code with 1782  
respect to sales of tangible personal property or services to such 1783  
permit holder. 1784

Vendors and sellers who make sales upon which the tax is not 1785  
collected by reason of the provisions of this section shall 1786

maintain records in such manner that the amount involved and 1787  
identity of the purchaser may be ascertained. The receipts from 1788  
such sales shall not be subject to the tax levied in section 1789  
5739.10 of the Revised Code. 1790

Upon the cancellation or surrender of a direct payment 1791  
permit, the provisions of sections 5739.03, 5741.04, and 5741.12 1792  
of the Revised Code shall immediately apply to all purchases made 1793  
subsequent to such cancellation or surrender by the person who 1794  
previously held such permit, and such person shall so notify 1795  
vendors and sellers from whom purchases of tangible personal 1796  
property or services are made, in writing, prior to or at the time 1797  
of the first purchase after such cancellation or surrender. Upon 1798  
receipt of such notice, the vendor shall be subject to the 1799  
provisions of sections 5739.03 and 5739.10 of the Revised Code and 1800  
the seller shall be subject to the provisions of section 5741.04 1801  
of the Revised Code, with respect to all sales subsequently made 1802  
to such person. Failure of any such person to notify vendors or 1803  
sellers from whom purchases of tangible personal property or 1804  
services are made of the cancellation or surrender of a direct 1805  
payment permit shall be considered as a refusal to pay the tax by 1806  
the person required to issue such notice. 1807

**Sec. 5739.12.** Each person who has or is required to have a 1808  
vendor's license, on or before the twenty-third day of each month, 1809  
shall make and file a return for the preceding month, on forms 1810  
prescribed by the tax commissioner, and shall pay the tax shown on 1811  
the return to be due. The commissioner may require a vendor that 1812  
operates from multiple locations or has multiple vendor's licenses 1813  
to report all tax liabilities on one consolidated return. The 1814  
return shall show the amount of tax due from the vendor to the 1815  
state for the period covered by the return and such other 1816  
information as the commissioner deems necessary for the proper 1817  
administration of this chapter. The commissioner may extend the 1818

time for making and filing returns and paying the tax, and may 1819  
require that the return for the last month of any annual or 1820  
semiannual period, as determined by the commissioner, be a 1821  
reconciliation return detailing the vendor's sales activity for 1822  
the preceding annual or semiannual period. The reconciliation 1823  
return shall be filed by the last day of the month following the 1824  
last month of the annual or semiannual period. The commissioner 1825  
may remit all or any part of amounts or penalties that may become 1826  
due under this chapter and may adopt rules relating thereto. Such 1827  
return shall be filed by mailing it to the tax commissioner, 1828  
together with payment of the amount of tax shown to be due thereon 1829  
after deduction of any discount provided for under this section. 1830  
Remittance shall be made payable to the treasurer of state. The 1831  
return shall be considered filed when received by the tax 1832  
commissioner, and the payment shall be considered made when 1833  
received by the tax commissioner or when credited to an account 1834  
designated by the treasurer of state or the tax commissioner. 1835

If the return is filed and the amount of tax shown thereon to 1836  
be due is paid on or before the date such return is required to be 1837  
filed, the vendor shall be entitled to a discount of three-fourths 1838  
of one per cent of the amount shown to be due on the return, but a 1839  
vendor that has selected a certified service provider as its agent 1840  
shall not be entitled to the discount. Amounts paid to the clerk 1841  
of courts pursuant to section 4505.06 of the Revised Code shall be 1842  
subject to the three-fourths of one per cent discount. The 1843  
discount shall be in consideration for prompt payment to the clerk 1844  
of courts and for other services performed by the vendor in the 1845  
collection of the tax. 1846

Upon application to the commissioner, a vendor who is 1847  
required to file monthly returns may be relieved of the 1848  
requirement to report and pay the actual tax due, provided that 1849  
the vendor agrees to remit to the tax commissioner payment of not 1850

less than an amount determined by the commissioner to be the 1851  
average monthly tax liability of the vendor, based upon a review 1852  
of the returns or other information pertaining to such vendor for 1853  
a period of not less than six months nor more than two years 1854  
immediately preceding the filing of the application. Vendors who 1855  
agree to the above conditions shall make and file an annual or 1856  
semiannual reconciliation return, as prescribed by the 1857  
commissioner. The reconciliation return shall be filed by mailing 1858  
or delivering it to the tax commissioner, together with payment of 1859  
the amount of tax shown to be due thereon after deduction of any 1860  
discount provided in this section. Remittance shall be made 1861  
payable to the treasurer of state. Failure of a vendor to comply 1862  
with any of the above conditions may result in immediate 1863  
reinstatement of the requirement of reporting and paying the 1864  
actual tax liability on each monthly return, and the commissioner 1865  
may at the commissioner's discretion deny the vendor the right to 1866  
report and pay based upon the average monthly liability for a 1867  
period not to exceed two years. The amount ascertained by the 1868  
commissioner to be the average monthly tax liability of a vendor 1869  
may be adjusted, based upon a review of the returns or other 1870  
information pertaining to the vendor for a period of not less than 1871  
six months nor more than two years preceding such adjustment. 1872

The commissioner may authorize vendors whose tax liability is 1873  
not such as to merit monthly returns, as ascertained by the 1874  
commissioner upon the basis of administrative costs to the state, 1875  
to make and file returns at less frequent intervals. When returns 1876  
are filed at less frequent intervals in accordance with such 1877  
authorization, the vendor shall be allowed the discount of 1878  
three-fourths of one per cent in consideration for prompt payment 1879  
with the return, provided the return is filed together with 1880  
payment of the amount of tax shown to be due thereon, at the time 1881  
specified by the commissioner, but a vendor that has selected a 1882  
certified service provider as its agent shall not be entitled to 1883

the discount. 1884

Any vendor who fails to file a return or pay the full amount 1885  
of the tax shown on the return to be due under this section and 1886  
the rules of the commissioner may, for each such return the vendor 1887  
fails to file or each such tax the vendor fails to pay in full as 1888  
shown on the return within the period prescribed by this section 1889  
and the rules of the commissioner, be required to forfeit and pay 1890  
into the state treasury an additional charge not exceeding fifty 1891  
dollars or ten per cent of the tax required to be paid for the 1892  
reporting period, whichever is greater, as revenue arising from 1893  
the tax imposed by this chapter, and such sum may be collected by 1894  
assessment in the manner provided in section 5739.13 of the 1895  
Revised Code. The commissioner may remit all or a portion of the 1896  
additional charge and may adopt rules relating to the imposition 1897  
and remission of the additional charge. 1898

If the amount required to be collected by a vendor from 1899  
consumers is in excess of five per cent of the vendor's receipts 1900  
from sales that are taxable under section 5739.02 of the Revised 1901  
Code, or in the case of sales subject to a tax levied pursuant to 1902  
section 5739.021, 5739.023, or 5739.026 of the Revised Code, in 1903  
excess of the percentage equal to the aggregate rate of such taxes 1904  
and the tax levied by section 5739.02 of the Revised Code, such 1905  
excess shall be remitted along with the remittance of the amount 1906  
of tax due under section 5739.10 of the Revised Code. 1907

The commissioner, if the commissioner deems it necessary in 1908  
order to insure the payment of the tax imposed by this chapter, 1909  
may require returns and payments to be made for other than monthly 1910  
periods. The returns shall be signed by the vendor or the vendor's 1911  
authorized agent. 1912

Any vendor required to file a return and pay the tax under 1913  
this section, whose total payment in any year indicated in 1914  
division (A) of section 5739.122 of the Revised Code equals or 1915

exceeds the amount shown in that division, shall make each payment 1916  
required by this section in the second ensuing and each succeeding 1917  
year by electronic funds transfer as prescribed by, and on or 1918  
before the dates specified in, section 5739.122 of the Revised 1919  
Code, except as otherwise prescribed by that section. For a vendor 1920  
that operates from multiple locations or has multiple vendor's 1921  
licenses, in determining whether the vendor's total payment equals 1922  
or exceeds the amount shown in division (A) of that section, the 1923  
vendor's total payment amount shall be the amount of the vendor's 1924  
total tax liability for the previous calendar year for all of the 1925  
vendor's locations or licenses. 1926

**Sec. 5741.12.** (A) Each seller required by section 5741.17 of 1927  
the Revised Code to register with the tax commissioner, and any 1928  
seller authorized by the commissioner to collect the tax imposed 1929  
by or pursuant to section 5741.02, 5741.021, 5741.022, or 5741.023 1930  
of the Revised Code is subject to the same requirements and 1931  
entitled to the same deductions and discount for prompt payments 1932  
as are vendors under section 5739.12 of the Revised Code, and the 1933  
same monetary allowances as are vendors under section 5739.06 of 1934  
the Revised Code. The powers and duties of the commissioner and 1935  
the treasurer of state with respect to returns and tax remittances 1936  
under this section shall be identical with those prescribed in 1937  
section 5739.12 of the Revised Code. 1938

(B) Every person storing, using, or consuming tangible 1939  
personal property or receiving the benefit of a service, the 1940  
storage, use, consumption, or receipt of which is subject to the 1941  
tax imposed by or pursuant to section 5741.02, 5741.021, 5741.022, 1942  
or 5741.023 of the Revised Code, when such tax was not paid to a 1943  
seller, shall, on or before the twenty-third day of each month, 1944  
file with the tax commissioner a return for the preceding month in 1945  
such form as is prescribed by the commissioner, showing such 1946  
information as the commissioner deems necessary, and shall pay the 1947

tax shown on the return to be due. Remittance shall be made 1948  
payable to the treasurer of state. The commissioner may require 1949  
consumers to file returns and pay the tax at other than monthly 1950  
intervals, if the commissioner determines that such filing is 1951  
necessary for the efficient administration of the tax. If the 1952  
commissioner determines that a consumer's tax liability is not 1953  
such as to merit monthly filing, the commissioner may authorize 1954  
the consumer to file returns and pay tax at less frequent 1955  
intervals. 1956

Any consumer required to file a return and pay the tax under 1957  
this section whose payment for any year indicated in section 1958  
5741.121 of the Revised Code equals or exceeds the amount shown in 1959  
that section shall make each payment required by this section in 1960  
the second ensuing and each succeeding year by means of electronic 1961  
funds transfer as prescribed by, and on or before the dates 1962  
specified in, section 5741.121 of the Revised Code, except as 1963  
otherwise prescribed by that section. 1964

(C) Every person storing, using, or consuming a motor 1965  
vehicle, watercraft, or outboard motor, the ownership of which 1966  
must be evidenced by certificate of title, shall file the return 1967  
required by this section and pay the tax due at or prior to the 1968  
time of filing an application for certificate of title. 1969

**Section 4.** That the existing versions of sections 5739.031, 1970  
5739.12, and 5741.12 of the Revised Code that are scheduled to 1971  
take effect July 1, 2003, are hereby repealed. 1972

**Section 5.** Sections 3 and 4 of this act take effect on July 1973  
1, 2003. 1974

**Section 6.** That Sections 40 and 142 of Am. Sub. H.B. 94 of 1975  
the 124th General Assembly be amended to read as follows: 1976

<b>Sec. 40.</b>	BDP BOARD OF DEPOSIT			1977
	General Services Fund Group			1978
	4M2 974-601 Board of Deposit	\$	838,000 \$	<del>838,000</del> 1979
				<u>1,288,000</u>
	TOTAL GSF General Services Fund			1980
	Group	\$	838,000 \$	<del>838,000</del> 1981
				<u>1,288,000</u>
	TOTAL ALL BUDGET FUND GROUPS	\$	838,000 \$	<del>838,000</del> 1982
				<u>1,288,000</u>
	BOARD OF DEPOSIT EXPENSE FUND			1983
	Upon receiving certification of expenses from the Treasurer			1984
	of State, the Director of Budget and Management shall transfer			1985
	cash from the Investment Earnings Redistribution Fund (Fund 608)			1986
	to the Board of Deposit Expense Fund (Fund 4M2). The latter fund			1987
	shall be used to pay for banking charges and fees required for the			1988
	operation of the State of Ohio Regular Account.			1989
<b>Sec. 142.</b>	BUDGET STABILIZATION FUND TRANSFERS FOR THE			1990
	DEPARTMENT OF JOB AND FAMILY SERVICES			1991
	Notwithstanding section 131.43 and division (D) of section			1992
	127.14 of the Revised Code, if the Director of Budget and			1993
	Management, in consultation with the Director of Job and Family			1994
	Services, determines that Medicaid expenditures for the biennium			1995
	are likely to exceed the amounts appropriated in the Department of			1996
	Job and Family Services appropriation item 600-525, Health			1997
	Care/Medicaid, the Director of Budget and Management may, with			1998
	Controlling Board approval, <del>transfer</del> <u>transfer</u> up to <del>\$150</del> <u>\$190</u>			1999
	million in cash from the Budget Stabilization Fund to the General			2000
	Revenue Fund and increase the appropriation to appropriation item			2001
	600-525, Health Care/Medicaid, accordingly. In increasing the			2002
	appropriation to appropriation item 600-525, Health Care/Medicaid,			2003

the Director of Budget and Management shall add to the amount 2004  
transferred from the Budget Stabilization Fund appropriation 2005  
amounts that are attributable to the federal match that is 2006  
indicated by the state and federal division of appropriation item 2007  
600-525, Health Care/Medicaid, as represented in ~~this act~~ Am. Sub. 2008  
H.B. 94 of the 124th General Assembly. Before any transfers are 2009  
authorized, the Director of Budget and Management shall exhaust 2010  
the possibilities for transfers of moneys within the Department of 2011  
Job and Family Services to meet the identified shortfall. 2012

**Section 7.** That existing Sections 40 and 142 of Am. Sub. H.B. 2013  
94 of the 124th General Assembly are hereby repealed. 2014

**Section 8.** That Section 125 of Am. Sub. H.B. 94 of the 124th 2015  
General Assembly, as amended by Am. Sub. S.B. 261 of the 124th 2016  
General Assembly, be amended to read as follows: 2017

**Sec. 125. UNCLAIMED FUNDS TRANSFER** 2018

Notwithstanding division (A) of section 169.05 of the Revised 2019  
Code, prior to June 30, 2003, upon the request of the Director of 2020  
Budget and Management, the Director of Commerce shall transfer to 2021  
the General Revenue Fund up to ~~\$80,800,000~~ \$115,800,000 of the 2022  
unclaimed funds that have been reported by the holder of unclaimed 2023  
funds as provided by section 169.05 of the Revised Code, 2024  
irrespective of the allocation of the unclaimed funds under that 2025  
section. 2026

**Section 9.** That existing Section 125 of Am. Sub. H.B. 94 of 2027  
the 124th General Assembly, as amended by Am. Sub. S.B. 261 of the 2028  
124th General Assembly, is hereby repealed. 2029

**Section 10.** That Section 140 of Am. Sub. H.B. 94 of the 124th 2030  
General Assembly, as amended by Am. Sub. H.B. 405 and Am. Sub. 2031

H.B. 390 of the 124th General Assembly, be amended to read as 2032  
follows: 2033

**Sec. 140. TEMPORARY STABILIZATION OF LOCAL GOVERNMENT 2034**  
DISTRIBUTIONS 2035

(A) On or before the third day of each month of the period 2036  
July 2001 through May 2002, the Tax Commissioner shall determine 2037  
the amounts credited under sections 5727.45, 5733.12, 5739.21, 2038  
5741.03, and 5747.03 of the Revised Code, respectively, to the 2039  
Local Government Fund, to the Library and Local Government Support 2040  
Fund, and to the Local Government Revenue Assistance Fund in the 2041  
twelfth preceding month. On or before June 3, 2002, the Tax 2042  
Commissioner shall determine the amounts credited under sections 2043  
5727.45, 5733.12, 5739.21, 5741.03, and 5747.03 of the Revised 2044  
Code, respectively, to the Local Government Fund, to the Library 2045  
and Local Government Support Fund, and to the Local Government 2046  
Revenue Assistance Fund in June 2000. For purposes of this 2047  
section, any amount transferred during the period January 1, 2001, 2048  
through June 30, 2001, to the Local Government Fund, to the Local 2049  
Government Revenue Assistance Fund, or to the Library and Local 2050  
Government Support Fund under section 131.44 of the Revised Code 2051  
shall be considered to be an amount credited to that respective 2052  
fund under section 5747.03 of the Revised Code. 2053

Notwithstanding sections 5727.45, 5733.12, 5739.21, 5741.03, 2054  
and 5747.03 of the Revised Code to the contrary, for each month in 2055  
the period July 1, 2001, through June 30, 2003, from the public 2056  
utility excise, corporate franchise, sales, use, and personal 2057  
income taxes collected: 2058

(1) An amount shall first be credited to the Local Government 2059  
Fund that equals the amount credited to that fund from that tax 2060  
according to the schedule in division (B) of this section. 2061

(2) An amount shall next be credited to the Local Government Revenue Assistance Fund that equals the amount credited to that fund from that tax according to the schedule in division (B) of this section.

(3) An amount shall next be credited to the Library and Local Government Support Fund that equals the amount credited to that fund from that tax according to the schedule in division (B) of this section.

(B) The amounts shall be credited from each tax to each respective fund as follows:

(1) In July 2001 and July 2002, the amounts credited in July 2000;

(2) In August 2001 and August 2002, the amounts credited in August 2000;

(3) In September 2001 and September 2002, the amounts credited in September 2000;

(4) In October 2001 and October 2002, the amounts credited in October 2000;

(5) In November 2001 and November 2002, the amounts credited in November 2000;

(6) In December 2001 and December 2002, the amounts credited in December 2000;

(7) In January 2002 and January 2003, the amounts credited in January 2001;

(8) In February 2002 and February 2003, the amounts credited in February 2001 but subject to a reduction made pursuant to division (D) of this section;

(9) In March 2002 and March 2003, the amounts credited in March 2001, but subject to any reduction made pursuant to division

<u>(E) of this section;</u>	2091
(10) In April 2002 and April 2003, the amounts credited in	2092
April 2001, <u>but subject to any reduction made pursuant to division</u>	2093
<u>(E) of this section;</u>	2094
(11) In May 2002 and May 2003, the amounts credited in May	2095
2001, <u>but subject to any reduction made pursuant to division (E)</u>	2096
<u>of this section;</u>	2097
(12) In June 2002 and June 2003, the amounts credited in June	2098
2000 but subject to <del>a reduction</del> <u>reductions</u> made pursuant to	2099
<del>division</del> <u>divisions</u> (D) <u>and (E)</u> of this section.	2100
(C) Notwithstanding section 5727.84 of the Revised Code to	2101
the contrary, for the period July 1, 2001, through June 30, 2003,	2102
no amounts shall be credited to the Local Government Fund or to	2103
the Local Government Revenue Assistance Fund from the kilowatt	2104
hour tax, and such amounts that would have otherwise been required	2105
to be credited to such funds shall instead be credited to the	2106
General Revenue Fund. Notwithstanding section 131.44 of the	2107
Revised Code to the contrary, for the period July 1, 2001, through	2108
June 30, 2003, no amounts shall be transferred to the Local	2109
Government Fund, the Local Government Revenue Assistance Fund, or	2110
the Library and Local Government Support Fund from the Income Tax	2111
Reduction Fund, and such amounts that would have otherwise been	2112
transferred to such funds from the Income Tax Reduction Fund shall	2113
instead be transferred to the General Revenue Fund.	2114
(D) Notwithstanding any other provision of law to the	2115
contrary, the Tax Commissioner shall do each of the following:	2116
(1) By the fourth day of February 2002, the commissioner	2117
shall subtract the amount calculated in division (D)(1)(b) of this	2118
section from the amount calculated in division (D)(1)(a) of this	2119
section. If the amount in division (D)(1)(a) of this section is	2120
greater than the amount in division (D)(1)(b) of this section,	2121

then subtract the difference from the amount of money from the 2122  
income tax credited to the Local Government Fund, the Local 2123  
Government Revenue Assistance Fund, and the Library and Local 2124  
Government Support Fund in February 2002. 2125

(a) Money credited to the Local Government Fund, the Local 2126  
Government Revenue Assistance Fund, and the Library and Local 2127  
Government Support Fund from July 2001 through January 2002, less 2128  
each fund's proportional share of \$64,092,000; 2129

(b) The amount of money that would have been credited to the 2130  
Local Government Fund, the Local Government Revenue Assistance 2131  
Fund, and the Library and Local Government Support Fund from July 2132  
2001 through January 2002, if sections 5727.45, 5727.84, 5733.12, 2133  
5739.21, 5741.03, and 5747.03 of the Revised Code were in effect 2134  
during this period. 2135

(2) By the fourth day of June 2002, the commissioner shall 2136  
subtract the amount calculated in division (D)(2)(b) of this 2137  
section from the amount calculated in division (D)(2)(a) of this 2138  
section. If the amount in division (D)(2)(a) of this section is 2139  
greater than the amount in division (D)(2)(b) of this section, 2140  
then subtract any positive difference from the amount of money 2141  
from the income tax credited to the Local Government Fund, the 2142  
Local Government Revenue Assistance Fund, and the Library and 2143  
Local Government Support Fund in June 2002. 2144

(a) Money credited to the Local Government Fund, the Local 2145  
Government Revenue Assistance Fund, and the Library and Local 2146  
Government Support Fund from February 2002 through May 2002, plus 2147  
any money subtracted under division (D)(1) of this section; 2148

(b) The amount of money that would have been credited to the 2149  
Local Government Fund, the Local Government Revenue Assistance 2150  
Fund, and the Library and Local Government Support Fund from 2151  
February 2002 through May 2002, if sections 5727.45, 5727.84, 2152

5733.12, 5739.21, 5741.03, and 5747.03 of the Revised Code were in effect during this period.

(3) By the fourth day of February 2003, the commissioner shall subtract the amount calculated in division (D)(3)(b) of this section from the amount calculated in division (D)(3)(a) of this section. If the amount in division (D)(3)(a) of this section is greater than the amount in division (D)(3)(b) of this section, then subtract the difference from the amount of money from the income tax credited to the Local Government Fund, the Local Government Revenue Assistance Fund, and the Library and Local Government Support Fund in February 2003.

(a) Money credited to the Local Government Fund, the Local Government Revenue Assistance Fund, and the Library and Local Government Support Fund from June 2002 through January 2003, less each fund's proportional share of \$64,092,000, plus the amount subtracted under division (D)(2) of this section;

(b) The amount of money that would have been credited to the Local Government Fund, the Local Government Revenue Assistance Fund, and the Library and Local Government Support Fund from June 2002 through January 2003, if sections 5727.45, 5727.84, 5733.12, 5739.21, 5741.03, and 5747.03 of the Revised Code were in effect during this period.

(4) By the fourth day of June 2003, the commissioner shall subtract the amount calculated in division (D)(4)(b) of this section from the amount calculated in division (D)(4)(a) of this section. If the amount in division (D)(4)(a) of this section is greater than the amount in division (D)(4)(b) of this section, then subtract any positive difference from the amount of money from the income tax credited to the Local Government Fund, the Local Government Revenue Assistance Fund, and the Library and Local Government Support Fund in June 2003.

(a) Money credited to the Local Government Fund, the Local  
Government Revenue Assistance Fund, and the Library and Local  
Government Support Fund from ~~February 2003~~ June 2002 through May  
2003, plus any ~~money~~ amount subtracted under division (D)~~(3)~~(2) of  
this section;

(b) The amount of money that would have been credited to the  
Local Government Fund, the Local Government Revenue Assistance  
Fund, and the Library and Local Government Support Fund from  
~~February 2003~~ June 2002 through May 2003, if sections 5727.45,  
5727.84, 5733.12, 5739.21, 5741.03, and 5747.03 of the Revised  
Code were in effect during this period, less the equivalent of two  
and one-half per cent of the amount that would have been credited  
to those funds under those sections.

(E) For the period March 2003 through May 2003, the Director  
of Budget and Management may direct the Tax Commissioner to reduce  
the total amount of income tax revenue credited to the Local  
Government Fund, the Local Government Revenue Assistance Fund, and  
the Library and Local Government Support Fund by up to  
\$30,000,000. The reduction in amounts credited to each fund may be  
made in any month and in any amount, as long as the total  
reduction does not exceed \$30,000,000.

If the total amount of reductions taken in the period from  
March 2003 through May 2003 is less than \$30,000,000, the Director  
of Budget and Management may direct the Tax Commissioner to reduce  
the total amount of income tax revenue credited to the Local  
Government Fund, the Local Government Revenue Fund, and the  
Library and Local Government Support Fund by the amount of the  
difference.

(F) Notwithstanding any other provision of law to the  
contrary, the Tax Commissioner shall compute separate adjustments  
to the amounts credited from the public utility excise, corporate

franchise, sales, use, and personal income taxes to the Local 2215  
Government Fund, the Local Government Revenue Assistance Fund, and 2216  
the Library and Local Government Support Fund during July 2001. 2217  
The adjustments shall equal the amount credited to each respective 2218  
fund from each respective tax during June 2000 minus the amount 2219  
credited to that fund from that tax during June 2001. If an 2220  
adjustment is a positive amount, during July 2001, such amount 2221  
shall be credited to the Local Government Fund, the Local 2222  
Government Revenue Assistance Fund, or the Library and Local 2223  
Government Support Fund, as appropriate, and shall be deducted 2224  
from the General Revenue Fund. If an adjustment is a negative 2225  
amount, during July 2001, such amount shall be deducted from the 2226  
Local Government Fund, the Local Government Revenue Assistance 2227  
Fund, or the Library and Local Government Support Fund, as 2228  
appropriate, and shall be credited to the General Revenue Fund. 2229  
Any amount remaining in the Local Government Fund, the Local 2230  
Government Revenue Assistance Fund, or the Library and Local 2231  
Government Support Fund after the distributions from such funds 2232  
are made to local governments in August 2001, shall be certified 2233  
by the Tax Commissioner to the Director of Budget and Management 2234  
by August 15, 2001, and the Director of Budget and Management 2235  
shall transfer such amount from each respective fund to the 2236  
General Revenue Fund by August 31, 2001. 2237

For purposes of this section, "pro rata share" means the 2238  
percentage calculated for each county and used in each month of 2239  
the period July 2000 through June 2001 to distribute the amounts 2240  
credited to the Library and Local Government Support Fund in 2241  
accordance with section 5747.47 of the Revised Code. 2242

Notwithstanding any other provision of law to the contrary, 2243  
in July 2001, each county undivided library and local government 2244  
support fund shall receive from the Library and Local Government 2245  
Support Fund an amount equal to the amount it would have received 2246

pursuant to section 5747.47 of the Revised Code for that month, 2247  
minus its pro rata share of any amount that has been or shall be 2248  
transferred from the Library and Local Government Support Fund to 2249  
the OPLIN Technology Fund in that month. In August 2001, each 2250  
county undivided library and local government support fund shall 2251  
receive from the Library and Local Government Support Fund an 2252  
amount equal to the amount it received from that fund in July 2000 2253  
and August 2000 minus the amount it received from that fund in 2254  
July 2001 and minus its pro rata share of any amount transferred 2255  
from that fund to the OPLIN Technology Fund in July 2001 or August 2256  
2001. In August 2001, each county undivided local government fund 2257  
shall receive from the Local Government Fund, each municipality 2258  
that receives a distribution directly from the Local Government 2259  
Fund shall receive from that fund, and each county undivided local 2260  
government revenue assistance fund shall receive from the Local 2261  
Government Revenue Assistance Fund an amount equal to the amount 2262  
it received from that respective fund in July 2000 and August 2000 2263  
minus the amount it received from that respective fund in July 2264  
2001. In each month of the periods September 1, 2001, through June 2265  
30, 2002, and September 1, 2002, through June 30, 2003, each 2266  
county undivided local government fund shall receive from the 2267  
Local Government Fund, each municipality that receives a 2268  
distribution directly from the Local Government Fund shall receive 2269  
from that fund, each county undivided local government revenue 2270  
assistance fund shall receive from the Local Government Revenue 2271  
Assistance Fund, and each county undivided library and local 2272  
government support fund shall receive from the Library and Local 2273  
Government Support Fund, the same amount it received from that 2274  
respective fund in the corresponding month of the period September 2275  
1, 2000, through June 2001, except there shall be a reduction in 2276  
the amount received during the month following any reduction made 2277  
pursuant to division (D) of this section. In each month of the 2278  
period July 1, 2002, through August 31, 2002, and in the month of 2279

July 2003, each county undivided local government fund shall 2280  
receive from the Local Government Fund, each municipality that 2281  
receives a distribution directly from the Local Government Fund 2282  
shall receive from that fund, each county undivided local 2283  
government revenue assistance fund shall receive from the Local 2284  
Government Revenue Assistance Fund, and each county undivided 2285  
library and local government support fund shall receive from the 2286  
Library and Local Government Support Fund, the same amount it 2287  
received from that respective fund in the corresponding month of 2288  
the period July 1, 2000, through August 31, 2000, except there 2289  
shall be a reduction in the amount received during the month 2290  
following any reduction made pursuant to division (D) of this 2291  
section. If during any month of the period September 1, 2001, 2292  
through July 31, 2003, a transfer is made from the Library and 2293  
Local Government Support Fund to the OPLIN Technology Fund, the 2294  
amount distributed to each county undivided library and local 2295  
government support fund shall be reduced by its pro rata share of 2296  
the amount transferred. 2297

When a reduction is made pursuant to divisions (D)(1), (2), 2298  
(3), or (4) of this section, respectively, the amount received by 2299  
each county undivided local government fund and each municipality 2300  
directly from the Local Government Fund, by each county undivided 2301  
local government revenue assistance fund from the Local Government 2302  
Revenue Assistance Fund, and by each library and local government 2303  
support fund from the Library and Local Government Support Fund, 2304  
shall be reduced in March 2002, July 2002, March 2003, or July 2305  
2003, respectively, based on such county's or municipality's 2306  
proportionate share of the total amounts to be received from that 2307  
fund in that month. 2308

When a reduction is made pursuant to division (E) of this section, the amount received by each county undivided local government fund and each municipal corporation directly from the Local Government Fund, by each county undivided local government revenue assistance fund from the Local Government Revenue Assistance Fund, and by each library and local government support fund from the Library and Local Government Support Fund shall be reduced in April 2003, May 2003, June 2003, and July 2003, respectively, based on such county's or municipal corporation's proportionate share of the total amounts to be received from that fund in that month.

During the period July 1, 2001, through July 31, 2003, the Director of Budget and Management shall issue those directives to state agencies that are necessary to ensure that the appropriate amounts are distributed to the Local Government Fund, to the Local Government Revenue Assistance Fund, and to the Library and Local Government Support Fund to accomplish the purposes of this section.

**Section 11.** That existing Section 140 of Am. Sub. H.B. 94 of the 124th General Assembly, as amended by Am. Sub. H.B. 405 and Am. Sub. H.B. 390 of the 124th General Assembly, is hereby repealed.

**Section 12.** CHEMICAL DEPENDENCY PROFESSIONALS BOARD CASH TRANSFER

Notwithstanding any other law to the contrary, upon certification by the Director of Administrative Services, the Director of Budget and Management may transfer cash in an amount not to exceed the fiscal year 2003 appropriation from Fund 5P1 (Credentialing Fund) to Fund 4K9 (Occupational Licensing). The amount transferred is hereby appropriated. The cash shall be used

to pay expenses related to establishing the Chemical Dependency Professionals Board, including, but not limited to, travel reimbursement of board members.

**Section 13. EDUCATION FORMULA CUTS PROHIBITED** 2342

Notwithstanding any other provisions of law to the contrary, the Governor shall not reduce fiscal year 2003 GRF appropriations for the following appropriation items of the Department of Education budget: 200-500, School Finance Equity; 200-501, Base Cost Funding; 200-502, Pupil Transportation; 200-511, Auxiliary Services; 200-520, Disadvantaged Pupil Impact Aid; 200-521, Gifted Pupil Program; 200-525, Parity Aid; 200-532, Nonpublic Administrative Cost Reimbursement; and 200-546, Charge-off Supplement.

**Section 14. LAPSED FUNDS** 2352

All state dollars lapsed from the fiscal year 2003 appropriation to appropriation item 600-610, Food Stamps and State Administration (Fund 384), in the Department of Job and Family Services shall be transferred by the Director of Budget and Management to the General Revenue Fund.

**Section 15.** It is the General Assembly's intent that, acknowledging the amendment by this act of Chapter 5104. of the Revised Code, the Department of Job and Family Services take appropriate steps to provide publicly funded child day-care services to as many children as possible consistent with the goals of the program and the constraints of the state's fiscal situation.

**Section 16.** Notwithstanding the discount provided to vendors under section 5739.12 of the Revised Code, if a return is filed and the amount of tax shown thereon to be due is paid on or before

the date such return is required to be filed, and the return is 2368  
filed and tax is paid on or after May 1, 2003, but before July 1, 2369  
2003, the vendor shall be entitled to a discount of one and 2370  
one-tenth per cent of the amount shown to be due on the return. 2371

**Section 17.** Except as otherwise specifically provided in this 2372  
act, the codified and uncodified sections of law amended or 2373  
enacted by this act, and the items of law of which the sections as 2374  
amended or enacted by this act are composed, are not subject to 2375  
the referendum. Therefore, under Ohio Constitution, Article II, 2376  
Section 1d and section 1.471 of the Revised Code, the sections of 2377  
law amended or enacted by this act, and the items of law of which 2378  
the sections as amended or enacted by this act are composed, 2379  
except as otherwise specifically provided in this act, go into 2380  
immediate effect when this act becomes law. 2381

**Section 18.** The repeal by this act of section 3302.041 of the 2382  
Revised Code is not subject to the referendum. Therefore, under 2383  
Ohio Constitution, Article II, Section 1d and section 1.471 of the 2384  
Revised Code, the repeal goes into immediate effect when this act 2385  
becomes law. 2386

**Section 19.** Sections 5101.31, 5104.01, 5104.04, 5104.30, 2387  
5104.32, 5104.34, 5104.35, 5104.38, 5104.382, and 5104.39 of the 2388  
Revised Code as amended or enacted by this act, and the items of 2389  
law of which such sections as amended or enacted by this act are 2390  
composed, are subject to the referendum. Therefore, under Ohio 2391  
Constitution, Article II, Section 1c and section 1.471 of the 2392  
Revised Code, such sections as amended or enacted by this act, and 2393  
the items of law of which such sections as amended or enacted by 2394  
this act are composed, take effect on the ninety-first day after 2395  
this act is filed with the Secretary of State. If, however, a 2396  
referendum petition is filed against any such section as amended 2397

or enacted by this act, or against any item of law of which any 2398  
such section as amended or enacted by this act is composed, the 2399  
section as amended or enacted, or item of law, unless rejected at 2400  
the referendum, takes effect at the earliest time permitted by 2401  
law. 2402

**Section 20.** Section 5739.21 of the Revised Code is presented 2403  
in this act as a composite of the section as amended by both Am. 2404  
Sub. H.B. 117 and Am. Sub. S.B. 188 of the 121st General Assembly. 2405  
The General Assembly, applying the principle stated in division 2406  
(B) of section 1.52 of the Revised Code that amendments are to be 2407  
harmonized if reasonably capable of simultaneous operation, finds 2408  
that the composite is the resulting version of the section in 2409  
effect prior to the effective date of the section as presented in 2410  
this act. 2411