

# As Reported by the Committee of Conference

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Am. Sub. H. B. No. 95, Part II

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## Part II

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Part II of this act continues Part I.

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**Sec. 5101.83.** (A) As used in this section:

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(1) "Assistance group" has the same meaning as in ~~sections~~  
section 5107.02 ~~and 5108.01~~ of the Revised Code, except that it  
also means a group provided benefits and services under the  
prevention, retention, and contingency program ~~because the members~~  
~~of the group share a common need for benefits and services.~~

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(2) "Fraudulent assistance" means assistance and service,  
including cash assistance, provided under the Ohio works first  
program established under Chapter 5107., or benefits and services  
provided under the prevention, retention, and contingency program  
established under Chapter 5108. of the Revised Code, to or on  
behalf of an assistance group that is provided as a result of  
fraud by a member of the assistance group, including an  
intentional violation of the program's requirements. "Fraudulent  
assistance" does not include assistance or services to or on  
behalf of an assistance group that is provided as a result of an  
error that is the fault of a county department of job and family  
services or the state department of job and family services.

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(B) If a county director of job and family services  
determines that an assistance group has received fraudulent  
assistance, the assistance group is ineligible to participate in

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the Ohio works first program or the prevention, retention, and 55749  
contingency program until a member of the assistance group repays 55750  
the cost of the fraudulent assistance. If a member repays the cost 55751  
of the fraudulent assistance and the assistance group otherwise 55752  
meets the eligibility requirements for the Ohio works first 55753  
program or the prevention, retention, and contingency program, the 55754  
assistance group shall not be denied the opportunity to 55755  
participate in the program. 55756

This section does not limit the ability of a county 55757  
department of job and family services to recover erroneous 55758  
payments under section 5107.76 of the Revised Code. 55759

The state department of job and family services shall adopt 55760  
rules in accordance with Chapter 119. of the Revised Code to 55761  
implement this section. 55762

**Sec. 5101.97.** (A)(1) Not later than the ~~first~~ last day of 55763  
each July and January, the department of job and family services 55764  
shall complete a report on the characteristics of the individuals 55765  
who participate in or receive services through the programs 55766  
operated by the department and the outcomes of the individuals' 55767  
participation in or receipt of services through the programs. The 55768  
~~report~~ reports shall be for the six-month periods ending on the 55769  
last days of June and December and shall include information on 55770  
the following: 55771

(a) Work activities, developmental activities, and 55772  
alternative work activities established under sections 5107.40 to 55773  
5107.69 of the Revised Code; 55774

(b) Programs of publicly funded child day-care, as defined in 55775  
section 5104.01 of the Revised Code; 55776

(c) Child support enforcement programs; 55777

(d) Births to recipients of the medical assistance program 55778

established under Chapter 5111. of the Revised Code. 55779

~~(2) Not later than the first day of each July, the department 55780  
shall complete a progress report on the partnership agreements 55781  
between the director of job and family services and boards of 55782  
county commissioners under section 5101.21 of the Revised Code. 55783  
The report shall include a review of whether the county family 55784  
services agencies and workforce development agencies satisfied 55785  
performance standards included in the agreements and whether the 55786  
department provided assistance, services, and technical support 55787  
specified in the agreements to aid the agencies in meeting the 55788  
performance standards. 55789~~

~~(3) The department shall submit the reports required under 55790  
divisions division (A)(1) and (2) of this section to the speaker 55791  
and minority leader of the house of representatives, the president 55792  
and minority leader of the senate, the legislative budget officer, 55793  
the director of budget and management, and each board of county 55794  
commissioners. The department shall provide copies of ~~each report~~ 55795  
the reports to any person or government entity on request. 55796~~

In designing the format for ~~each report~~ the reports, the 55797  
department shall consult with individuals, organizations, and 55798  
government entities interested in the programs operated by the 55799  
department, so that the reports are designed to enable the general 55800  
assembly and the public to evaluate the effectiveness of the 55801  
programs and identify any needs that the programs are not meeting. 55802

(B) Whenever the federal government requires that the 55803  
department submit a report on a program that is operated by the 55804  
department or is otherwise under the department's jurisdiction, 55805  
the department shall prepare and submit the report in accordance 55806  
with the federal requirements applicable to that report. To the 55807  
extent possible, the department may coordinate the preparation and 55808  
submission of a particular report with any other report, plan, or 55809  
other document required to be submitted to the federal government, 55810

as well as with any report required to be submitted to the general 55811  
assembly. The reports required by the Personal Responsibility and 55812  
Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) may be 55813  
submitted as an annual summary. 55814

**Sec. 5103.031.** (A) Except as provided in section 5103.033 of 55815  
the Revised Code, the department of job and family services may 55816  
not issue a certificate under section 5103.03 of the Revised Code 55817  
to a foster home unless the foster caregiver successfully 55818  
completes the following amount of preplacement training through 55819  
~~the Ohio child welfare training program~~ or a preplacement training 55820  
program operated under section 5103.034 or 5153.60 of the Revised 55821  
Code: 55822

(1) If the foster home is a family foster home, at least 55823  
twelve hours; 55824

(2) If the foster home is a specialized foster home, at least 55825  
thirty-six hours. 55826

(B) No child may be placed in a family foster home unless the 55827  
foster caregiver completes at least twelve additional hours of 55828  
preplacement training through ~~the Ohio child welfare training~~ 55829  
~~program~~ or a preplacement training program operated under section 55830  
5103.034 or 5153.60 of the Revised Code. 55831

**Sec. 5103.033.** The department of job and family services may 55832  
issue or renew a certificate under section 5103.03 of the Revised 55833  
Code to a foster home for the care of a child who is in the 55834  
custody of a public children services agency or private child 55835  
placing agency pursuant to an agreement entered into under section 55836  
5103.15 of the Revised Code regarding a child who was less than 55837  
six months of age on the date the agreement was executed if the 55838  
foster caregiver successfully completes the following amount of 55839  
training: 55840

(A) For an initial certificate, at least twelve hours of 55841  
preplacement training through ~~the Ohio child welfare training~~ 55842  
~~program~~ or a preplacement training program operated under section 55843  
5103.034 or 5153.60 of the Revised Code; 55844

(B) For renewal of a certificate, at least twelve hours each 55845  
year of continuing training in accordance with the foster 55846  
caregiver's needs assessment and continuing training plan 55847  
developed and implemented under section 5103.035 of the Revised 55848  
Code. 55849

**Sec. 5103.034.** (A) A ~~public children services agency~~, private 55850  
child placing agency, or private noncustodial agency operating a 55851  
preplacement training program or continuing training program 55852  
approved by the department of job and family services under 55853  
section 5103.038 of the Revised Code or the Ohio child welfare 55854  
training program operating a preplacement training program or 55855  
continuing training program pursuant to section 5153.60 of the 55856  
Revised Code shall make the program available to foster 55857  
caregivers. The agency or program shall make the programs 55858  
available without regard to the type of recommending agency from 55859  
which a foster caregiver seeks a recommendation ~~and without charge~~ 55860  
~~to the foster caregiver.~~ 55861

(B) A private child placing agency or private noncustodial 55862  
agency operating a preplacement training program or continuing 55863  
training program approved by the department of job and family 55864  
services under section 5103.038 of the Revised Code may condition 55865  
the enrollment of a foster caregiver in a program on either or 55866  
both of the following: 55867

(1) Availability of space in the training program; 55868

(2) If applicable, payment of an instruction or registration 55869  
fee, if any, by the foster caregiver's recommending agency. 55870

(C) The Ohio child welfare training program operating a 55871  
preplacement training program or continuing training program 55872  
pursuant to section 5153.60 of the Revised Code may condition the 55873  
enrollment in a preplacement training program or continuing 55874  
training program of a foster caregiver whose recommending agency 55875  
is a private child placing agency or private noncustodial agency 55876  
on either or both of the following: 55877

(1) Availability of space in the training program; 55878

(2) Assignment to the program by the foster caregiver's 55879  
recommending agency of the allowance payable under section 55880  
5103.0313 of the Revised Code. 55881

(D) A private child placing agency or private noncustodial 55882  
agency may contract with an individual or a public or private 55883  
entity to administer a preplacement training program or continuing 55884  
training program operated by the agency and approved by the 55885  
department of job and family services under section 5103.038 of 55886  
the Revised Code. 55887

**Sec. 5103.036.** For the purpose of determining whether a 55888  
foster caregiver has satisfied the requirement of section 5103.031 55889  
or 5103.032 of the Revised Code, a recommending agency shall 55890  
accept training obtained from ~~the Ohio child welfare training~~ 55891  
~~program or pursuant to~~ a preplacement training program or 55892  
continuing training program operated under section 5103.034 or 55893  
5153.60 of the Revised Code regardless of whether the program is 55894  
operated by the recommending agency ~~operated the preplacement~~ 55895  
~~training program or continuing training program.~~ The agency may 55896  
require that the foster caregiver successfully complete additional 55897  
training as a condition of the agency recommending that the 55898  
department of job and family services certify or recertify the 55899  
foster caregiver's foster home under section 5103.03 of the 55900  
Revised Code. 55901

**Sec. 5103.037.** The department of job and family services, in 55902  
consultation with the departments of youth services, mental 55903  
health, education, mental retardation and developmental 55904  
disabilities, and alcohol and drug addiction services, shall 55905  
develop a model design of a preplacement training program for 55906  
foster caregivers seeking an initial certificate under section 55907  
5103.03 of the Revised Code and a model design of a continuing 55908  
training program for foster caregivers seeking renewal of a 55909  
certificate under that section. The model design of a preplacement 55910  
training program shall comply with section 5103.039 of the Revised 55911  
Code. The model design of a continuing training program shall 55912  
comply with section 5103.0310 of the Revised Code. The department 55913  
of job and family services shall make the model designs available 55914  
to ~~public children services agencies~~ the Ohio child welfare 55915  
training program, private child placing agencies, and private 55916  
noncustodial agencies. 55917

**Sec. 5103.038.** (A) Every other year by a date specified in 55918  
rules adopted under section 5103.0316 of the Revised Code, each 55919  
~~public children services agency~~, private child placing agency, and 55920  
private noncustodial agency that seeks to operate a preplacement 55921  
training program or continuing training program under section 55922  
5103.034 of the Revised Code shall submit to the department of job 55923  
and family services a proposal outlining the program. The proposal 55924  
may be the same as, a modification of, or different from, a model 55925  
design developed under section 5103.037 of the Revised Code. ~~The~~ 55926  
~~proposal shall include a budget for the program regarding the cost~~ 55927  
~~associated with trainers, obtaining sites at which the training is~~ 55928  
~~provided, and the administration of the training. The budget shall~~ 55929  
~~be consistent with rules adopted under section 5103.0316 of the~~ 55930  
~~Revised Code governing the department of job and family services'~~ 55931  
~~reimbursement of public children services agencies, private child~~ 55932

~~placing agencies, and private noncustodial agencies under section 5103.0313 of the Revised Code.~~ 55933  
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(B) Not later than thirty days after receiving a proposal 55935  
under division (A) of this section, the department shall either 55936  
approve or disapprove the proposed program. The department shall 55937  
approve a proposed preplacement training program if it complies 55938  
with section 5103.039 or 5103.0310 of the Revised Code, as 55939  
appropriate, and, in the case of a proposal submitted by an agency 55940  
operating a preplacement training program at the time the proposal 55941  
is submitted, the department is satisfied with the agency's 55942  
operation of the program. The department shall approve a proposed 55943  
continuing training program if it complies with section 5103.0310 55944  
or 5103.0311 of the Revised Code, as appropriate, and, in the case 55945  
of a proposal submitted by an agency operating a continuing 55946  
training program at the time the proposal is submitted, the 55947  
department is satisfied with the agency's operation of the 55948  
program. ~~The department shall disapprove a proposed program if the~~ 55949  
~~program's budget is not consistent with rules adopted under~~ 55950  
~~section 5103.0316 of the Revised Code governing the department's~~ 55951  
~~reimbursement of public children services agencies, private child~~ 55952  
~~placing agencies, and private noncustodial agencies under section~~ 55953  
~~5103.0313 of the Revised Code.~~ If the department disapproves a 55954  
proposal, it shall provide the reason for disapproval to the 55955  
agency that submitted the proposal and advise the agency of how to 55956  
revise the proposal so that the department can approve it. 55957

(C) The department's approval under division (B) of this 55958  
section of a proposed preplacement training program or continuing 55959  
training program is valid only for two years following the year 55960  
the proposal for the program is submitted to the department under 55961  
division (A) of this section. 55962

**Sec. 5103.0312.** A public children services agency, private 55963



child placing agency, or private noncustodial agency acting as a 55964  
recommending agency for foster caregivers who hold certificates 55965  
issued under section 5103.03 of the Revised Code shall pay those 55966  
foster caregivers ~~who have had at least one foster child placed in~~ 55967  
~~their home~~ a stipend to reimburse them for attending ~~training~~ 55968  
~~courses provided by the Ohio child welfare training program or~~ 55969  
~~pursuant to~~ a preplacement training program or continuing training 55970  
program operated under section 5103.034 or 5153.60 of the Revised 55971  
Code. The payment shall be based on a stipend rate established by 55972  
the department of job and family services. The stipend rate shall 55973  
be the same regardless of the type of recommending agency from 55974  
which a foster caregiver seeks a recommendation. The department 55975  
shall, pursuant to rules adopted under section 5103.0316 of the 55976  
Revised Code, reimburse the recommending agency for stipend 55977  
payments it makes in accordance with this section. 55978

**Sec. 5103.0313.** The department of job and family services 55979  
shall ~~reimburse the following~~ compensate a private child placing 55980  
agency or private noncustodial agency for the cost of ~~providing~~ 55981  
procuring or operating preplacement and continuing training ~~to~~ 55982  
~~foster caregivers.~~ 55983

~~(A) The Ohio child welfare training program;~~ 55984

~~(B) A public children services agency, private child placing~~ 55985  
~~agency, or private noncustodial agency through a preplacement~~ 55986  
~~training program or continuing training program operated~~ programs 55987  
under section 5103.034 of the Revised Code for foster caregivers 55988  
who are recommended for initial certification or recertification 55989  
by the agency. 55990

The ~~reimbursement~~ compensation shall be ~~on a per diem basis~~ 55991  
~~and limited to the cost associated with the trainer, obtaining a~~ 55992  
~~site at which the training is provided, and the administration of~~ 55993  
~~the training paid to the agency in the form of an allowance for~~ 55994

~~each hour of preplacement and continuing training provided or 55995  
received. A reimbursement rate shall be the same regardless of 55996  
whether the training program is operated by the Ohio child welfare 55997  
training program or a public children services agency, private 55998  
child placing agency, or private noncustodial agency. 55999~~

**Sec. 5103.0314.** The department of job and family services 56000  
shall not ~~reimburse~~ compensate a recommending agency for ~~the cost~~ 56001  
~~of~~ any training the agency requires a foster caregiver to undergo 56002  
as a condition of the agency recommending the department certify 56003  
or recertify the foster caregiver's foster home under section 56004  
5103.03 of the Revised Code if the training is in addition to the 56005  
minimum training required by section 5103.031 or 5103.032 of the 56006  
Revised Code. 56007

**Sec. 5103.0315.** The department of job and family services 56008  
shall seek federal financial participation for the cost of making 56009  
payments under section 5103.0312 of the Revised Code and 56010  
~~reimbursements~~ allowances under section 5103.0313 of the Revised 56011  
Code. The department shall notify the governor, president of the 56012  
senate, minority leader of the senate, speaker of the house of 56013  
representatives, and minority leader of the house of 56014  
representatives of any proposed federal legislation that endangers 56015  
the federal financial participation. 56016

**Sec. 5103.0316.** ~~Not later than ninety days after January 1,~~ 56017  
~~2001, the~~ The department of job and family services shall adopt 56018  
rules in accordance with Chapter 119. of the Revised Code as 56019  
necessary for the efficient administration of sections 5103.031 to 56020  
5103.0316 of the Revised Code. The rules shall provide for all of 56021  
the following: 56022

(A) For the purpose of section 5103.038 of the Revised Code, 56023  
the date by which a ~~public children services agency,~~ private child 56024

placing agency, or private noncustodial agency that seeks to 56025  
operate a preplacement training program or continuing training 56026  
program under section 5103.034 of the Revised Code must submit to 56027  
the department a proposal outlining the program; 56028

(B) Requirements governing the department's ~~reimbursement~~ 56029  
~~compensation of the Ohio child welfare training program and public~~ 56030  
~~children services agencies,~~ private child placing agencies, and 56031  
private noncustodial agencies under sections 5103.0312 and 56032  
5103.0313 of the Revised Code; 56033

(C) Any other matter the department considers appropriate. 56034

**Sec. 5103.154.** (A) Information concerning all children who 56035  
are, pursuant to section 2151.353 or 5103.15 of the Revised Code, 56036  
in the permanent custody of an institution or association 56037  
certified by the department of job and family services under 56038  
section 5103.03 of the Revised Code shall be listed with the 56039  
department within ninety days after permanent custody is 56040  
effective, unless the child has been placed for adoption or unless 56041  
an application for placement was initiated under section 5103.16 56042  
of the Revised Code. 56043

(B) All persons who wish to adopt children, and are approved 56044  
by an agency so empowered under this chapter, shall be listed with 56045  
the department within ninety days of approval, unless a person 56046  
requests in writing that that person's name not be so listed, or 56047  
has had a child placed in that person's home in preparation for 56048  
adoption, or has filed a petition for adoption. 56049

(C) All persons who wish to adopt a child with special needs 56050  
as defined in rules adopted under section 5153.163 of the Revised 56051  
Code, and who are approved by an agency so empowered under this 56052  
chapter, shall be listed separately by the department within 56053  
ninety days of approval, unless a person requests in writing that 56054  
that person's name not be so listed, or has had a child with 56055

special needs placed in that person's home in preparation for 56056  
adoption, or has filed a petition for adoption. 56057

(D) The department shall forward information on such children 56058  
and listed persons at least quarterly, to all public children 56059  
services agencies and all certified agencies. 56060

(E) The appropriate listed names shall be removed when a 56061  
child is placed in an adoptive home or when a person withdraws an 56062  
application for adoption. 56063

(F) No later than six months after the end of each fiscal 56064  
year, the department shall compile a report of its conclusions 56065  
regarding the effectiveness of its actions pursuant to this 56066  
section and of the restrictions on placement under division ~~(E)~~(G) 56067  
of section 5153.163 of the Revised Code in increasing adoptive 56068  
placements of children with special needs, together with its 56069  
recommendations, and shall submit a copy of the report to the 56070  
chairpersons of the principal committees of the senate and the 56071  
house of representatives who consider welfare legislation. 56072

Sec. 5103.155. As used in this section, "children with 56073  
special needs" has the same meaning as in rules adopted under 56074  
section 5153.163 of the Revised Code. 56075

If the department of job and family services determines that 56076  
money in the putative father registry fund created under section 56077  
2101.16 of the Revised Code is more than is needed to perform its 56078  
duties related to the putative father registry, the department may 56079  
use surplus moneys in the fund to promote adoption of children 56080  
with special needs. 56081

**Sec. 5104.01.** As used in this chapter: 56082

(A) "Administrator" means the person responsible for the 56083  
daily operation of a center or type A home. The administrator and 56084  
the owner may be the same person. 56085

(B) "Approved child day camp" means a child day camp approved pursuant to section 5104.22 of the Revised Code. 56086  
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(C) "Authorized provider" means a person authorized by a county director of job and family services to operate a certified type B family day-care home. 56088  
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(D) "Border state child day-care provider" means a child day-care provider that is located in a state bordering Ohio and that is licensed, certified, or otherwise approved by that state to provide child day-care. 56091  
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(E) "Caretaker parent" means the father or mother of a child whose presence in the home is needed as the caretaker of the child, a person who has legal custody of a child and whose presence in the home is needed as the caretaker of the child, a guardian of a child whose presence in the home is needed as the caretaker of the child, and any other person who stands in loco parentis with respect to the child and whose presence in the home is needed as the caretaker of the child. 56095  
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(F) "Certified type B family day-care home" and "certified type B home" mean a type B family day-care home that is certified by the director of the county department of job and family services pursuant to section 5104.11 of the Revised Code to receive public funds for providing child day-care pursuant to this chapter and any rules adopted under it. 56103  
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(G) "Chartered nonpublic school" means a school that meets standards for nonpublic schools prescribed by the state board of education for nonpublic schools pursuant to section 3301.07 of the Revised Code. 56109  
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(H) "Child" includes an infant, toddler, preschool child, or school child. 56113  
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(I) "Child care block grant act" means the "Child Care and 56115

Development Block Grant Act of 1990," established in section 5082 56116  
of the "Omnibus Budget Reconciliation Act of 1990," 104 Stat. 56117  
1388-236 (1990), 42 U.S.C. 9858, as amended. 56118

(J) "Child day camp" means a program in which only school 56119  
children attend or participate, that operates for no more than 56120  
seven hours per day, that operates only during one or more public 56121  
school district's regular vacation periods or for no more than 56122  
fifteen weeks during the summer, and that operates outdoor 56123  
activities for each child who attends or participates in the 56124  
program for a minimum of fifty per cent of each day that children 56125  
attend or participate in the program, except for any day when 56126  
hazardous weather conditions prevent the program from operating 56127  
outdoor activities for a minimum of fifty per cent of that day. 56128  
For purposes of this division, the maximum seven hours of 56129  
operation time does not include transportation time from a child's 56130  
home to a child day camp and from a child day camp to a child's 56131  
home. 56132

(K) "Child day-care" means administering to the needs of 56133  
infants, toddlers, preschool children, and school children outside 56134  
of school hours by persons other than their parents or guardians, 56135  
custodians, or relatives by blood, marriage, or adoption for any 56136  
part of the twenty-four-hour day in a place or residence other 56137  
than a child's own home. 56138

(L) "Child day-care center" and "center" mean any place in 56139  
which child day-care or publicly funded child day-care is provided 56140  
for thirteen or more children at one time or any place that is not 56141  
the permanent residence of the licensee or administrator in which 56142  
child day-care or publicly funded child day-care is provided for 56143  
seven to twelve children at one time. In counting children for the 56144  
purposes of this division, any children under six years of age who 56145  
are related to a licensee, administrator, or employee and who are 56146  
on the premises of the center shall be counted. "Child day-care 56147

center" and "center" do not include any of the following: 56148

(1) A place located in and operated by a hospital, as defined 56149  
in section 3727.01 of the Revised Code, in which the needs of 56150  
children are administered to, if all the children whose needs are 56151  
being administered to are monitored under the on-site supervision 56152  
of a physician licensed under Chapter 4731. of the Revised Code or 56153  
a registered nurse licensed under Chapter 4723. of the Revised 56154  
Code, and the services are provided only for children who, in the 56155  
opinion of the child's parent, guardian, or custodian, are 56156  
exhibiting symptoms of a communicable disease or other illness or 56157  
are injured; 56158

(2) A child day camp; 56159

(3) A place that provides child day-care, but not publicly 56160  
funded child day-care, if all of the following apply: 56161

(a) An organized religious body provides the child day-care; 56162

(b) A parent, custodian, or guardian of at least one child 56163  
receiving child day-care is on the premises and readily accessible 56164  
at all times; 56165

(c) The child day-care is not provided for more than thirty 56166  
days a year; 56167

(d) The child day-care is provided only for preschool and 56168  
school children. 56169

(M) "Child day-care resource and referral service 56170  
organization" means a community-based nonprofit organization that 56171  
provides child day-care resource and referral services but not 56172  
child day-care. 56173

(N) "Child day-care resource and referral services" means all 56174  
of the following services: 56175

(1) Maintenance of a uniform data base of all child day-care 56176  
providers in the community that are in compliance with this 56177

chapter, including current occupancy and vacancy data;	56178
(2) Provision of individualized consumer education to families seeking child day-care;	56179 56180
(3) Provision of timely referrals of available child day-care providers to families seeking child day-care;	56181 56182
(4) Recruitment of child day-care providers;	56183
(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;	56184 56185 56186 56187
(6) Collection and analysis of data on the supply of and demand for child day-care in the community;	56188 56189
(7) Technical assistance concerning locally, state, and federally funded child day-care and early childhood education programs;	56190 56191 56192
(8) Stimulation of employer involvement in making child day-care more affordable, more available, safer, and of higher quality for their employees and for the community;	56193 56194 56195
(9) Provision of written educational materials to caretaker parents and informational resources to child day-care providers;	56196 56197
(10) Coordination of services among child day-care resource and referral service organizations to assist in developing and maintaining a statewide system of child day-care resource and referral services if required by the department of job and family services;	56198 56199 56200 56201 56202
(11) Cooperation with the county department of job and family services in encouraging the establishment of parent cooperative child day-care centers and parent cooperative type A family day-care homes.	56203 56204 56205 56206
(0) "Child-care staff member" means an employee of a child	56207



day-care center or type A family day-care home who is primarily 56208  
responsible for the care and supervision of children. The 56209  
administrator may be a part-time child-care staff member when not 56210  
involved in other duties. 56211

(P) "Drop-in child day-care center," "drop-in center," 56212  
"drop-in type A family day-care home," and "drop-in type A home" 56213  
mean a center or type A home that provides child day-care or 56214  
publicly funded child day-care for children on a temporary, 56215  
irregular basis. 56216

(Q) "Employee" means a person who either: 56217

(1) Receives compensation for duties performed in a child 56218  
day-care center or type A family day-care home; 56219

(2) Is assigned specific working hours or duties in a child 56220  
day-care center or type A family day-care home. 56221

(R) "Employer" means a person, firm, institution, 56222  
organization, or agency that operates a child day-care center or 56223  
type A family day-care home subject to licensure under this 56224  
chapter. 56225

(S) "Federal poverty line" means the official poverty 56226  
guideline as revised annually in accordance with section 673(2) of 56227  
the "Omnibus Budget Reconciliation Act of 1981," 95 Stat. 511, 42 56228  
U.S.C. 9902, as amended, for a family size equal to the size of 56229  
the family of the person whose income is being determined. 56230

(T) "Head start program" means a comprehensive child 56231  
development program that receives funds distributed under the 56232  
"Head Start Act," 95 Stat. 499 (1981), 42 U.S.C.A. 9831, as 56233  
amended, or under ~~section~~ sections 3301.31 to 3301.37 of the 56234  
Revised Code. 56235

(U) "Income" means gross income, as defined in section 56236  
5107.10 of the Revised Code, less any amounts required by federal 56237

statutes or regulations to be disregarded.	56238
(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.	56239 56240 56241 56242 56243 56244
(W) "Infant" means a child who is less than eighteen months of age.	56245 56246
(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 child in a child's own home pursuant to this chapter and any rules adopted under it.	56247 56248 56249 56250 56251
(Y) "Instrument-based program monitoring information system" means a method to assess compliance with licensing requirements for child day-care centers and type A family day-care homes in which each licensing requirement is assigned a weight indicative of the relative importance of the requirement to the health, growth, and safety of the children that is used to develop an indicator checklist.	56252 56253 56254 56255 56256 56257 56258
(Z) "License capacity" means the maximum number in each age category of children who may be cared for in a child day-care center or type A family day-care home at one time as determined by the director of job and family services considering building occupancy limits established by the department of commerce, number of available child-care staff members, amount of available indoor floor space and outdoor play space, and amount of available play equipment, materials, and supplies.	56259 56260 56261 56262 56263 56264 56265 56266
(AA) "Licensed preschool program" or "licensed school child program" means a preschool program or school child program, as	56267 56268

defined in section 3301.52 of the Revised Code, that is licensed 56269  
by the department of education pursuant to sections 3301.52 to 56270  
3301.59 of the Revised Code. 56271

(BB) "Licensee" means the owner of a child day-care center or 56272  
type A family day-care home that is licensed pursuant to this 56273  
chapter and who is responsible for ensuring its compliance with 56274  
this chapter and rules adopted pursuant to this chapter. 56275

(CC) "Operate a child day camp" means to operate, establish, 56276  
manage, conduct, or maintain a child day camp. 56277

(DD) "Owner" includes a person, as defined in section 1.59 of 56278  
the Revised Code, or government entity. 56279

(EE) "Parent cooperative child day-care center," "parent 56280  
cooperative center," "parent cooperative type A family day-care 56281  
home," and "parent cooperative type A home" mean a corporation or 56282  
association organized for providing educational services to the 56283  
children of members of the corporation or association, without 56284  
gain to the corporation or association as an entity, in which the 56285  
services of the corporation or association are provided only to 56286  
children of the members of the corporation or association, 56287  
ownership and control of the corporation or association rests 56288  
solely with the members of the corporation or association, and at 56289  
least one parent-member of the corporation or association is on 56290  
the premises of the center or type A home during its hours of 56291  
operation. 56292

(FF) "Part-time child day-care center," "part-time center," 56293  
"part-time type A family day-care home," and "part-time type A 56294  
home" mean a center or type A home that provides child day-care or 56295  
publicly funded child day-care for no more than four hours a day 56296  
for any child. 56297

(GG) "Place of worship" means a building where activities of 56298  
an organized religious group are conducted and includes the 56299

grounds and any other buildings on the grounds used for such 56300  
activities. 56301

(HH) "Preschool child" means a child who is three years old 56302  
or older but is not a school child. 56303

(II) "Protective day-care" means publicly funded child 56304  
day-care for the direct care and protection of a child to whom 56305  
either of the following applies: 56306

(1) A case plan prepared and maintained for the child 56307  
pursuant to section 2151.412 of the Revised Code indicates a need 56308  
for protective day-care and the child resides with a parent, 56309  
stepparent, guardian, or another person who stands in loco 56310  
parentis as defined in rules adopted under section 5104.38 of the 56311  
Revised Code; 56312

(2) The child and the child's caretaker either temporarily 56313  
reside in a facility providing emergency shelter for homeless 56314  
families or are determined by the county department of job and 56315  
family services to be homeless, and are otherwise ineligible for 56316  
publicly funded child day-care. 56317

(JJ) "Publicly funded child day-care" means administering to 56318  
the needs of infants, toddlers, preschool children, and school 56319  
children under age thirteen during any part of the 56320  
twenty-four-hour day by persons other than their caretaker parents 56321  
for remuneration wholly or in part with federal or state funds, 56322  
including funds available under the child care block grant act 56323  
~~funds~~ Title IV-A, and Title XX, distributed by the department of 56324  
job and family services. 56325

(KK) "Religious activities" means any of the following: 56326  
worship or other religious services; religious instruction; Sunday 56327  
school classes or other religious classes conducted during or 56328  
prior to worship or other religious services; youth or adult 56329  
fellowship activities; choir or other musical group practices or 56330

programs; meals; festivals; or meetings conducted by an organized religious group. 56331  
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(LL) "School child" means a child who is enrolled in or is eligible to be enrolled in a grade of kindergarten or above but is less than fifteen years old. 56333  
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(MM) "School child day-care center," "school child center," "school child type A family day-care home," and "school child type A family home" mean a center or type A home that provides child day-care for school children only and that does either or both of the following: 56336  
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(1) Operates only during that part of the day that immediately precedes or follows the public school day of the school district in which the center or type A home is located; 56341  
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(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. 56344  
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(NN) "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. 56347  
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(OO) "Title IV-A" means Title IV-A of the "Social Security Act," 110 Stat. 2113 (1996), 42 U.S.C. 601, as amended. 56350  
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(PP) "Title XX" means Title XX of the "Social Security Act," 88 Stat. 2337 (1974), 42 U.S.C. 1397, as amended. 56352  
56353

(OO) "Toddler" means a child who is at least eighteen months of age but less than three years of age. 56354  
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~~(PP)~~(RR) "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 56356  
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one time if four or more children at one time are under two years 56361  
of age. In counting children for the purposes of this division, 56362  
any children under six years of age who are related to a licensee, 56363  
administrator, or employee and who are on the premises of the type 56364  
A home shall be counted. "Type A family day-care home" does not 56365  
include a residence in which the needs of children are 56366  
administered to, if all of the children whose needs are being 56367  
administered to are siblings of the same immediate family and the 56368  
residence is the home of the siblings. "Type A family day-care 56369  
home" and "type A home" do not include any child day camp. 56370

~~(SS)~~ "Type B family day-care home" and "type B home" mean 56371  
a permanent residence of the provider in which child day-care is 56372  
provided for one to six children at one time and in which no more 56373  
than three children are under two years of age at one time. In 56374  
counting children for the purposes of this division, any children 56375  
under six years of age who are related to the provider and who are 56376  
on the premises of the type B home shall be counted. "Type B 56377  
family day-care home" does not include a residence in which the 56378  
needs of children are administered to, if all of the children 56379  
whose needs are being administered to are siblings of the same 56380  
immediate family and the residence is the home of the siblings. 56381  
"Type B family day-care home" and "type B home" do not include any 56382  
child day camp. 56383

**Sec. 5104.011.** (A) The director of job and family services 56384  
shall adopt rules pursuant to Chapter 119. of the Revised Code 56385  
governing the operation of child day-care centers, including, but 56386  
not limited to, parent cooperative centers, part-time centers, 56387  
drop-in centers, and school child centers, which rules shall 56388  
reflect the various forms of child day-care and the needs of 56389  
children receiving child day-care or publicly funded child 56390  
day-care and, ~~no later than January 1, 1992,~~ shall include 56391  
specific rules for school child day-care centers that are 56392

developed in consultation with the department of education. The 56393  
rules shall not require an existing school facility that is in 56394  
compliance with applicable building codes to undergo an additional 56395  
building code inspection or to have structural modifications. The 56396  
rules shall include the following: 56397

(1) Submission of a site plan and descriptive plan of 56398  
operation to demonstrate how the center proposes to meet the 56399  
requirements of this chapter and rules adopted pursuant to this 56400  
chapter for the initial license application; 56401

(2) Standards for ensuring that the physical surroundings of 56402  
the center are safe and sanitary including, but not limited to, 56403  
the physical environment, the physical plant, and the equipment of 56404  
the center; 56405

(3) Standards for the supervision, care, and discipline of 56406  
children receiving child day-care or publicly funded child 56407  
day-care in the center; 56408

(4) Standards for a program of activities, and for play 56409  
equipment, materials, and supplies, to enhance the development of 56410  
each child; however, any educational curricula, philosophies, and 56411  
methodologies that are developmentally appropriate and that 56412  
enhance the social, emotional, intellectual, and physical 56413  
development of each child shall be permissible. As used in this 56414  
division, "program" does not include instruction in religious or 56415  
moral doctrines, beliefs, or values that is conducted at child 56416  
day-care centers owned and operated by churches and does include 56417  
methods of disciplining children at child day-care centers. 56418

(5) Admissions policies and procedures, health care policies 56419  
and procedures, including, but not limited to, procedures for the 56420  
isolation of children with communicable diseases, first aid and 56421  
emergency procedures, procedures for discipline and supervision of 56422  
children, standards for the provision of nutritious meals and 56423

snacks, and procedures for screening children and employees,	56424
including, but not limited to, any necessary physical examinations	56425
and immunizations;	56426
(6) Methods for encouraging parental participation in the	56427
center and methods for ensuring that the rights of children,	56428
parents, and employees are protected and that responsibilities of	56429
parents and employees are met;	56430
(7) Procedures for ensuring the safety and adequate	56431
supervision of children traveling off the premises of the center	56432
while under the care of a center employee;	56433
(8) Procedures for record keeping, organization, and	56434
administration;	56435
(9) Procedures for issuing, renewing, denying, and revoking a	56436
license that are not otherwise provided for in Chapter 119. of the	56437
Revised Code;	56438
(10) Inspection procedures;	56439
(11) Procedures and standards for setting initial and renewal	56440
license application fees;	56441
(12) Procedures for receiving, recording, and responding to	56442
complaints about centers;	56443
(13) Procedures for enforcing section 5104.04 of the Revised	56444
Code;	56445
(14) A standard requiring the inclusion, on and after July 1,	56446
1987, of a current department of job and family services toll-free	56447
telephone number on each center provisional license or license	56448
which any person may use to report a suspected violation by the	56449
center of this chapter or rules adopted pursuant to this chapter;	56450
(15) Requirements for the training of administrators and	56451
child-care staff members in first aid, in prevention, recognition,	56452
and management of communicable diseases, and in child abuse	56453



recognition and prevention. Training requirements for child 56454  
day-care centers adopted under this division shall be consistent 56455  
with divisions (B)(6) and (C)(1) of this section. 56456

(16) Procedures to be used by licensees for checking the 56457  
references of potential employees of centers and procedures to be 56458  
used by the director for checking the references of applicants for 56459  
licenses to operate centers; 56460

(17) Standards providing for the special needs of children 56461  
who are handicapped or who require treatment for health conditions 56462  
while the child is receiving child day-care or publicly funded 56463  
child day-care in the center; 56464

(18) Any other procedures and standards necessary to carry 56465  
out this chapter. 56466

(B)(1) The child day-care center shall have, for each child 56467  
for whom the center is licensed, at least thirty-five square feet 56468  
of usable indoor floor space wall-to-wall regularly available for 56469  
the child day-care operation exclusive of any parts of the 56470  
structure in which the care of children is prohibited by law or by 56471  
rules adopted by the board of building standards. The minimum of 56472  
thirty-five square feet of usable indoor floor space shall not 56473  
include hallways, kitchens, storage areas, or any other areas that 56474  
are not available for the care of children, as determined by the 56475  
director, in meeting the space requirement of this division, and 56476  
bathrooms shall be counted in determining square footage only if 56477  
they are used exclusively by children enrolled in the center, 56478  
except that the exclusion of hallways, kitchens, storage areas, 56479  
bathrooms not used exclusively by children enrolled in the center, 56480  
and any other areas not available for the care of children from 56481  
the minimum of thirty-five square feet of usable indoor floor 56482  
space shall not apply to: 56483

(a) Centers licensed prior to or on September 1, 1986, that 56484

continue under licensure after that date; 56485

(b) Centers licensed prior to or on September 1, 1986, that 56486  
are issued a new license after that date solely due to a change of 56487  
ownership of the center. 56488

(2) The child day-care center shall have on the site a safe 56489  
outdoor play space which is enclosed by a fence or otherwise 56490  
protected from traffic or other hazards. The play space shall 56491  
contain not less than sixty square feet per child using such space 56492  
at any one time, and shall provide an opportunity for supervised 56493  
outdoor play each day in suitable weather. The director may exempt 56494  
a center from the requirement of this division, if an outdoor play 56495  
space is not available and if all of the following are met: 56496

(a) The center provides an indoor recreation area that has 56497  
not less than sixty square feet per child using the space at any 56498  
one time, that has a minimum of one thousand four hundred forty 56499  
square feet of space, and that is separate from the indoor space 56500  
required under division (B)(1) of this section. 56501

(b) The director has determined that there is regularly 56502  
available and scheduled for use a conveniently accessible and safe 56503  
park, playground, or similar outdoor play area for play or 56504  
recreation. 56505

(c) The children are closely supervised during play and while 56506  
traveling to and from the area. 56507

The director also shall exempt from the requirement of this 56508  
division a child day-care center that was licensed prior to 56509  
September 1, 1986, if the center received approval from the 56510  
director prior to September 1, 1986, to use a park, playground, or 56511  
similar area, not connected with the center, for play or 56512  
recreation in lieu of the outdoor space requirements of this 56513  
section and if the children are closely supervised both during 56514  
play and while traveling to and from the area and except if the 56515

director determines upon investigation and inspection pursuant to 56516  
 section 5104.04 of the Revised Code and rules adopted pursuant to 56517  
 that section that the park, playground, or similar area, as well 56518  
 as access to and from the area, is unsafe for the children. 56519

(3) The child day-care center shall have at least two 56520  
 responsible adults available on the premises at all times when 56521  
 seven or more children are in the center. The center shall 56522  
 organize the children in the center in small groups, shall provide 56523  
 child-care staff to give continuity of care and supervision to the 56524  
 children on a day-by-day basis, and shall ensure that no child is 56525  
 left alone or unsupervised. Except as otherwise provided in 56526  
 division (E) of this section, the maximum number of children per 56527  
 child-care staff member and maximum group size, by age category of 56528  
 children, are as follows: 56529

	Maximum Number of		
	Children Per	Maximum	
Age Category	Child-Care	Group	
of Children	Staff Member	Size	
(a) Infants:			56534
(i) Less than twelve			56535
months old	5:1, or		56536
	12:2 if two		56537
	child-care		56538
	staff members		56539
	are in the room	12	56540
(ii) At least twelve			56541
months old, but			56542
less than eighteen			56543
months old	6:1	12	56544
(b) Toddlers:			56545
(i) At least eighteen			56546
months old, but			56547
less than thirty			56548

months old	7:1	14	56549
(ii) At least thirty months old, but less than			56550 56551
three years old	8:1	16	56552
(c) Preschool children:			56553 56554
(i) Three years old	12:1	24	56555
(ii) Four years old and five years old who are not school children			56556 56557 56558 56559
(d) School children:	14:1	28	56559
(i) A child who is enrolled in or is eligible to be enrolled in a grade of kindergarten or above, but is less than eleven years old			56560 56561 56562 56563 56564 56565 56566 56567 56568
(ii) Eleven through fourteen years old	18:1 20:1	36 40	56569 56570

Except as otherwise provided in division (E) of this section,  
the maximum number of children per child-care staff member and  
maximum group size requirements of the younger age group shall  
apply when age groups are combined.

(4)(a) The child day-care center administrator shall show the  
director both of the following:

(i) Evidence of at least high school graduation or  
certification of high school equivalency by the state board of  
education or the appropriate agency of another state;

(ii) Evidence of having completed at least two years of

training in an accredited college, university, or technical 56581  
college, including courses in child development or early childhood 56582  
education, or at least two years of experience in supervising and 56583  
giving daily care to children attending an organized group 56584  
program. 56585

(b) In addition to the requirements of division (B)(4)(a) of 56586  
this section, any administrator employed or designated on or after 56587  
September 1, 1986, shall show evidence of, and any administrator 56588  
employed or designated prior to September 1, 1986, shall show 56589  
evidence within six years after such date of, at least one of the 56590  
following: 56591

(i) Two years of experience working as a child-care staff 56592  
member in a center and at least four courses in child development 56593  
or early childhood education from an accredited college, 56594  
university, or technical college, except that a person who has two 56595  
years of experience working as a child-care staff member in a 56596  
particular center and who has been promoted to or designated as 56597  
administrator of that center shall have one year from the time the 56598  
person was promoted to or designated as administrator to complete 56599  
the required four courses; 56600

(ii) Two years of training, including at least four courses 56601  
in child development or early childhood education from an 56602  
accredited college, university, or technical college; 56603

(iii) A child development associate credential issued by the 56604  
national child development associate credentialing commission; 56605

(iv) An associate or higher degree in child development or 56606  
early childhood education from an accredited college, technical 56607  
college, or university, or a license designated for teaching in an 56608  
associate teaching position in a preschool setting issued by the 56609  
state board of education. 56610

(5) All child-care staff members of a child day-care center 56611

shall be at least eighteen years of age, and shall furnish the 56612  
director evidence of at least high school graduation or 56613  
certification of high school equivalency by the state board of 56614  
education or the appropriate agency of another state or evidence 56615  
of completion of a training program approved by the department of 56616  
job and family services or state board of education, except as 56617  
follows: 56618

(a) A child-care staff member may be less than eighteen years 56619  
of age if the staff member is either of the following: 56620

(i) A graduate of a two-year vocational child-care training 56621  
program approved by the state board of education; 56622

(ii) A student enrolled in the second year of a vocational 56623  
child-care training program approved by the state board of 56624  
education which leads to high school graduation, provided that the 56625  
student performs the student's duties in the child day-care center 56626  
under the continuous supervision of an experienced child-care 56627  
staff member, receives periodic supervision from the vocational 56628  
child-care training program teacher-coordinator in the student's 56629  
high school, and meets all other requirements of this chapter and 56630  
rules adopted pursuant to this chapter. 56631

(b) A child-care staff member shall be exempt from the 56632  
educational requirements of this division if the staff member: 56633

(i) Prior to January 1, 1972, was employed or designated by a 56634  
child day-care center and has been continuously employed since 56635  
either by the same child day-care center employer or at the same 56636  
child day-care center; or 56637

(ii) Is a student enrolled in the second year of a vocational 56638  
child-care training program approved by the state board of 56639  
education which leads to high school graduation, provided that the 56640  
student performs the student's duties in the child day-care center 56641  
under the continuous supervision of an experienced child-care 56642

staff member, receives periodic supervision from the vocational 56643  
child-care training program teacher-coordinator in the student's 56644  
high school, and meets all other requirements of this chapter and 56645  
rules adopted pursuant to this chapter. 56646

(6) Every child day-care staff member of a child day-care 56647  
center annually shall complete fifteen hours of inservice training 56648  
in child development or early childhood education, child abuse 56649  
recognition and prevention, first aid, and in prevention, 56650  
recognition, and management of communicable diseases, until a 56651  
total of forty-five hours of training has been completed, unless 56652  
the staff member furnishes one of the following to the director: 56653

(a) Evidence of an associate or higher degree in child 56654  
development or early childhood education from an accredited 56655  
college, university, or technical college; 56656

(b) A license designated for teaching in an associate 56657  
teaching position in a preschool setting issued by the state board 56658  
of education; 56659

(c) Evidence of a child development associate credential; 56660

(d) Evidence of a preprimary credential from the American 56661  
Montessori society or the association Montessori international. 56662  
For the purposes of division (B)(6) of this section, "hour" means 56663  
sixty minutes. 56664

(7) The administrator of each child day-care center shall 56665  
prepare at least once annually and for each group of children at 56666  
the center a roster of names and telephone numbers of parents, 56667  
custodians, or guardians of each group of children attending the 56668  
center and upon request shall furnish the roster for each group to 56669  
the parents, custodians, or guardians of the children in that 56670  
group. The administrator may prepare a roster of names and 56671  
telephone numbers of all parents, custodians, or guardians of 56672  
children attending the center and upon request shall furnish the 56673

roster to the parents, custodians, or guardians of the children 56674  
who attend the center. The administrator shall not include in any 56675  
roster the name or telephone number of any parent, custodian, or 56676  
guardian who requests the administrator not to include the 56677  
parent's, custodian's, or guardian's name or number and shall not 56678  
furnish any roster to any person other than a parent, custodian, 56679  
or guardian of a child who attends the center. 56680

(C)(1) Each child day-care center shall have on the center 56681  
premises and readily available at all times at least one 56682  
child-care staff member who has completed a course in first aid 56683  
and in prevention, recognition, and management of communicable 56684  
diseases which is approved by the state department of health and a 56685  
staff member who has completed a course in child abuse recognition 56686  
and prevention training which is approved by the department of job 56687  
and family services. 56688

(2) The administrator of each child day-care center shall 56689  
maintain enrollment, health, and attendance records for all 56690  
children attending the center and health and employment records 56691  
for all center employees. The records shall be confidential, 56692  
except as otherwise provided in division (B)(7) of this section 56693  
and except that they shall be disclosed by the administrator to 56694  
the director upon request for the purpose of administering and 56695  
enforcing this chapter and rules adopted pursuant to this chapter. 56696  
Neither the center nor the licensee, administrator, or employees 56697  
of the center shall be civilly or criminally liable in damages or 56698  
otherwise for records disclosed to the director by the 56699  
administrator pursuant to this division. It shall be a defense to 56700  
any civil or criminal charge based upon records disclosed by the 56701  
administrator to the director that the records were disclosed 56702  
pursuant to this division. 56703

(3)(a) Any parent who is the residential parent and legal 56704  
custodian of a child enrolled in a child day-care center and any 56705



custodian or guardian of such a child shall be permitted unlimited 56706  
access to the center during its hours of operation for the 56707  
purposes of contacting their children, evaluating the care 56708  
provided by the center, evaluating the premises of the center, or 56709  
for other purposes approved by the director. A parent of a child 56710  
enrolled in a child day-care center who is not the child's 56711  
residential parent shall be permitted unlimited access to the 56712  
center during its hours of operation for those purposes under the 56713  
same terms and conditions under which the residential parent of 56714  
that child is permitted access to the center for those purposes. 56715  
However, the access of the parent who is not the residential 56716  
parent is subject to any agreement between the parents and, to the 56717  
extent described in division (C)(3)(b) of this section, is subject 56718  
to any terms and conditions limiting the right of access of the 56719  
parent who is not the residential parent, as described in division 56720  
(I) of section 3109.051 of the Revised Code, that are contained in 56721  
a parenting time order or decree issued under that section, 56722  
section 3109.12 of the Revised Code, or any other provision of the 56723  
Revised Code. 56724

(b) If a parent who is the residential parent of a child has 56725  
presented the administrator or the administrator's designee with a 56726  
copy of a parenting time order that limits the terms and 56727  
conditions under which the parent who is not the residential 56728  
parent is to have access to the center, as described in division 56729  
(I) of section 3109.051 of the Revised Code, the parent who is not 56730  
the residential parent shall be provided access to the center only 56731  
to the extent authorized in the order. If the residential parent 56732  
has presented such an order, the parent who is not the residential 56733  
parent shall be permitted access to the center only in accordance 56734  
with the most recent order that has been presented to the 56735  
administrator or the administrator's designee by the residential 56736  
parent or the parent who is not the residential parent. 56737

(c) Upon entering the premises pursuant to division (C)(3)(a) 56738  
or (b) of this section, the parent who is the residential parent 56739  
and legal custodian, the parent who is not the residential parent, 56740  
or the custodian or guardian shall notify the administrator or the 56741  
administrator's designee of the parent's, custodian's, or 56742  
guardian's presence. 56743

(D) The director of job and family services, in addition to 56744  
the rules adopted under division (A) of this section, shall adopt 56745  
rules establishing minimum requirements for child day-care 56746  
centers. The rules shall include, but not be limited to, the 56747  
requirements set forth in divisions (B) and (C) of this section. 56748  
Except as provided in section 5104.07 of the Revised Code, the 56749  
rules shall not change the square footage requirements of division 56750  
(B)(1) or (2) of this section; the maximum number of children per 56751  
child-care staff member and maximum group size requirements of 56752  
division (B)(3) of this section; the educational and experience 56753  
requirements of division (B)(4) of this section; the age, 56754  
educational, and experience requirements of division (B)(5) of 56755  
this section; the number of inservice training hours required 56756  
under division (B)(6) of this section; or the requirement for at 56757  
least annual preparation of a roster for each group of children of 56758  
names and telephone numbers of parents, custodians, or guardians 56759  
of each group of children attending the center that must be 56760  
furnished upon request to any parent, custodian, or guardian of 56761  
any child in that group required under division (B)(7) of this 56762  
section; however, the rules shall provide procedures for 56763  
determining compliance with those requirements. 56764

(E)(1) When age groups are combined, the maximum number of 56765  
children per child-care staff member shall be determined by the 56766  
age of the youngest child in the group, except that when no more 56767  
than one child thirty months of age or older receives services in 56768  
a group in which all the other children are in the next older age 56769

group, the maximum number of children per child-care staff member 56770  
and maximum group size requirements of the older age group 56771  
established under division (B)(3) of this section shall apply. 56772

(2) The maximum number of toddlers or preschool children per 56773  
child-care staff member in a room where children are napping shall 56774  
be twice the maximum number of children per child-care staff 56775  
member established under division (B)(3) of this section if all 56776  
the following criteria are met: 56777

(a) At least one child-care staff member is present in the 56778  
room. 56779

(b) Sufficient child-care staff members are on the child 56780  
day-care center premises to meet the maximum number of children 56781  
per child-care staff member requirements established under 56782  
division (B)(3) of this section. 56783

(c) Naptime preparations are complete and all napping 56784  
children are resting or sleeping on cots. 56785

(d) The maximum number established under division (E)(2) of 56786  
this section is in effect for no more than one and one-half hours 56787  
during a twenty-four-hour day. 56788

(F) The director of job and family services shall adopt rules 56789  
pursuant to Chapter 119. of the Revised Code governing the 56790  
operation of type A family day-care homes, including, but not 56791  
limited to, parent cooperative type A homes, part-time type A 56792  
homes, drop-in type A homes, and school child type A homes, which 56793  
shall reflect the various forms of child day-care and the needs of 56794  
children receiving child day-care. The rules shall include the 56795  
following: 56796

(1) Submission of a site plan and descriptive plan of 56797  
operation to demonstrate how the type A home proposes to meet the 56798  
requirements of this chapter and rules adopted pursuant to this 56799  
chapter for the initial license application; 56800

(2) Standards for ensuring that the physical surroundings of the type A home are safe and sanitary, including, but not limited to, the physical environment, the physical plant, and the equipment of the type A home;

(3) Standards for the supervision, care, and discipline of children receiving child day-care or publicly funded child day-care in the type A home;

(4) Standards for a program of activities, and for play equipment, materials, and supplies, to enhance the development of each child; however, any educational curricula, philosophies, and methodologies that are developmentally appropriate and that enhance the social, emotional, intellectual, and physical development of each child shall be permissible;

(5) Admissions policies and procedures, health care policies and procedures, including, but not limited to, procedures for the isolation of children with communicable diseases, first aid and emergency procedures, procedures for discipline and supervision of children, standards for the provision of nutritious meals and snacks, and procedures for screening children and employees, including, but not limited to, any necessary physical examinations and immunizations;

(6) Methods for encouraging parental participation in the type A home and methods for ensuring that the rights of children, parents, and employees are protected and that the responsibilities of parents and employees are met;

(7) Procedures for ensuring the safety and adequate supervision of children traveling off the premises of the type A home while under the care of a type A home employee;

(8) Procedures for record keeping, organization, and administration;

(9) Procedures for issuing, renewing, denying, and revoking a license that are not otherwise provided for in Chapter 119. of the Revised Code;	56831 56832 56833
(10) Inspection procedures;	56834
(11) Procedures and standards for setting initial and renewal license application fees;	56835 56836
(12) Procedures for receiving, recording, and responding to complaints about type A homes;	56837 56838
(13) Procedures for enforcing section 5104.04 of the Revised Code;	56839 56840
(14) A standard requiring the inclusion, on or after July 1, 1987, of a current department of job and family services toll-free telephone number on each type A home provisional license or license which any person may use to report a suspected violation by the type A home of this chapter or rules adopted pursuant this chapter;	56841 56842 56843 56844 56845 56846
(15) Requirements for the training of administrators and child-care staff members in first aid, in prevention, recognition, and management of communicable diseases, and in child abuse recognition and prevention;	56847 56848 56849 56850
(16) Procedures to be used by licensees for checking the references of potential employees of type A homes and procedures to be used by the director for checking the references of applicants for licenses to operate type A homes;	56851 56852 56853 56854
(17) Standards providing for the special needs of children who are handicapped or who require treatment for health conditions while the child is receiving child day-care or publicly funded child day-care in the type A home;	56855 56856 56857 56858
(18) Standards for the maximum number of children per child-care staff member;	56859 56860

(19) Requirements for the amount of usable indoor floor space for each child;	56861 56862
(20) Requirements for safe outdoor play space;	56863
(21) Qualifications and training requirements for administrators and for child-care staff members;	56864 56865
(22) Procedures for granting a parent who is the residential parent and legal custodian, or a custodian or guardian access to the type A home during its hours of operation;	56866 56867 56868
(23) Standards for the preparation and distribution of a roster of parents, custodians, and guardians;	56869 56870
(24) Any other procedures and standards necessary to carry out this chapter.	56871 56872
(G) The director of job and family services shall adopt rules pursuant to Chapter 119. of the Revised Code governing the certification of type B family day-care homes.	56873 56874 56875
(1) The rules shall include procedures, standards, and other necessary provisions for granting limited certification to type B family day-care homes that are operated by the following adult providers:	56876 56877 56878 56879
(a) Persons who provide child day-care for eligible children who are great-grandchildren, grandchildren, nieces, nephews, or siblings of the provider or for eligible children whose caretaker parent is a grandchild, child, niece, nephew, or sibling of the provider;	56880 56881 56882 56883 56884
(b) Persons who provide child day-care for eligible children all of whom are the children of the same caretaker parent.	56885 56886
The rules shall require, and shall include procedures for the director to ensure, that type B family day-care homes that receive a limited certification provide child day-care to children in a safe and sanitary manner. With regard to providers who apply for	56887 56888 56889 56890

limited certification, a provider shall be granted a provisional 56891  
limited certification on signing a declaration under oath 56892  
attesting that the provider meets the standards for limited 56893  
certification. Such provisional limited certifications shall 56894  
remain in effect for no more than sixty calendar days and shall 56895  
entitle the provider to offer publicly funded child day-care 56896  
during the provisional period. Except as otherwise provided in 56897  
division (G)(1) of this section, prior to the expiration of the 56898  
provisional limited certificate, a county department of job and 56899  
family services shall inspect the home and shall grant limited 56900  
certification to the provider if the provider meets the 56901  
requirements of this division. Limited certificates remain valid 56902  
for two years unless earlier revoked. Except as otherwise provided 56903  
in division (G)(1) of this section, providers operating under 56904  
limited certification shall be inspected annually. 56905

If a provider is a person described in division (G)(1)(a) of 56906  
this section or a person described in division (G)(1)(b) of this 56907  
section who is a friend of the caretaker parent, the provider and 56908  
the caretaker parent may verify in writing to the county 56909  
department of job and family services that minimum health and 56910  
safety requirements are being met in the home. If such 56911  
verification is provided, the county shall waive any inspection 56912  
and any criminal records check required by this chapter and grant 56913  
limited certification to the provider. 56914

(2) The rules shall provide for safeguarding the health, 56915  
safety, and welfare of children receiving child day-care or 56916  
publicly funded child day-care in a certified type B home and 56917  
shall include the following: 56918

(a) Standards for ensuring that the type B home and the 56919  
physical surroundings of the type B home are safe and sanitary, 56920  
including, but not limited to, physical environment, physical 56921  
plant, and equipment; 56922

(b) Standards for the supervision, care, and discipline of children receiving child day-care or publicly funded child day-care in the home;	56923 56924 56925
(c) Standards for a program of activities, and for play equipment, materials, and supplies to enhance the development of each child; however, any educational curricula, philosophies, and methodologies that are developmentally appropriate and that enhance the social, emotional, intellectual, and physical development of each child shall be permissible;	56926 56927 56928 56929 56930 56931
(d) Admission policies and procedures, health care, first aid and emergency procedures, procedures for the care of sick children, procedures for discipline and supervision of children, nutritional standards, and procedures for screening children and authorized providers, including, but not limited to, any necessary physical examinations and immunizations;	56932 56933 56934 56935 56936 56937
(e) Methods of encouraging parental participation and ensuring that the rights of children, parents, and authorized providers are protected and the responsibilities of parents and authorized providers are met;	56938 56939 56940 56941
(f) Standards for the safe transport of children when under the care of authorized providers;	56942 56943
(g) Procedures for issuing, renewing, denying, refusing to renew, or revoking certificates;	56944 56945
(h) Procedures for the inspection of type B family day-care homes that require, at a minimum, that each type B family day-care home be inspected prior to certification to ensure that the home is safe and sanitary;	56946 56947 56948 56949
(i) Procedures for record keeping and evaluation;	56950
(j) Procedures for receiving, recording, and responding to complaints;	56951 56952



(k) Standards providing for the special needs of children who are handicapped or who receive treatment for health conditions while the child is receiving child day-care or publicly funded child day-care in the type B home;	56953 56954 56955 56956
(l) Requirements for the amount of usable indoor floor space for each child;	56957 56958
(m) Requirements for safe outdoor play space;	56959
(n) Qualification and training requirements for authorized providers;	56960 56961
(o) Procedures for granting a parent who is the residential parent and legal custodian, or a custodian or guardian access to the type B home during its hours of operation;	56962 56963 56964
(p) Any other procedures and standards necessary to carry out this chapter.	56965 56966
(H) The director shall adopt rules pursuant to Chapter 119. of the Revised Code governing the certification of in-home aides. The rules shall include procedures, standards, and other necessary provisions for granting limited certification to in-home aides who provide child day-care for eligible children who are great-grandchildren, grandchildren, nieces, nephews, or siblings of the in-home aide or for eligible children whose caretaker parent is a grandchild, child, niece, nephew, or sibling of the in-home aide. The rules shall require, and shall include procedures for the director to ensure, that in-home aides that receive a limited certification provide child day-care to children in a safe and sanitary manner. The rules shall provide for safeguarding the health, safety, and welfare of children receiving publicly funded child day-care in their own home and shall include the following:	56967 56968 56969 56970 56971 56972 56973 56974 56975 56976 56977 56978 56979 56980 56981
(1) Standards for ensuring that the child's home and the	56982

physical surroundings of the child's home are safe and sanitary,	56983
including, but not limited to, physical environment, physical	56984
plant, and equipment;	56985
(2) Standards for the supervision, care, and discipline of	56986
children receiving publicly funded child day-care in their own	56987
home;	56988
(3) Standards for a program of activities, and for play	56989
equipment, materials, and supplies to enhance the development of	56990
each child; however, any educational curricula, philosophies, and	56991
methodologies that are developmentally appropriate and that	56992
enhance the social, emotional, intellectual, and physical	56993
development of each child shall be permissible;	56994
(4) Health care, first aid, and emergency procedures,	56995
procedures for the care of sick children, procedures for	56996
discipline and supervision of children, nutritional standards, and	56997
procedures for screening children and in-home aides, including,	56998
but not limited to, any necessary physical examinations and	56999
immunizations;	57000
(5) Methods of encouraging parental participation and	57001
ensuring that the rights of children, parents, and in-home aides	57002
are protected and the responsibilities of parents and in-home	57003
aides are met;	57004
(6) Standards for the safe transport of children when under	57005
the care of in-home aides;	57006
(7) Procedures for issuing, renewing, denying, refusing to	57007
renew, or revoking certificates;	57008
(8) Procedures for inspection of homes of children receiving	57009
publicly funded child day-care in their own homes;	57010
(9) Procedures for record keeping and evaluation;	57011
(10) Procedures for receiving, recording, and responding to	57012

complaints;	57013
(11) Qualifications and training requirements for in-home aides;	57014 57015
(12) Standards providing for the special needs of children who are handicapped or who receive treatment for health conditions while the child is receiving publicly funded child day-care in the child's own home;	57016 57017 57018 57019
(13) Any other procedures and standards necessary to carry out this chapter.	57020 57021
(I) To the extent that any rules adopted for the purposes of this section require a health care professional to perform a physical examination, the rules shall include as a health care professional a physician assistant, a clinical nurse specialist, a certified nurse practitioner, or a certified nurse-midwife.	57022 57023 57024 57025 57026
(J)(1) <u>The director of job and family services shall send copies do all of the following:</u>	57027 57028
<u>(a) Send to each licensee notice of proposed rules to each licensee and each county director of job and family services and shall give governing the licensure of child day-care centers and type A homes;</u>	57029 57030 57031 57032
<u>(b) Give public notice of hearings regarding the rules to each licensee and each county director of job and family services at least thirty days prior to the date of the public hearing, in accordance with section 119.03 of the Revised Code-;</u>	57033 57034 57035 57036
<u>(c) Prior to the effective date of a rule, the director of job and family services shall provide copies, in either paper or electronic form, a copy of the adopted rule to each licensee and each county director of job and family services.</u>	57037 57038 57039 57040
<u>(2) The director shall do all of the following:</u>	57041
<u>(a) Send to each county director of job and family services a</u>	57042

notice of proposed rules governing the certification of type B 57043  
family homes and in-home aides that includes an internet web site 57044  
address where the proposed rules can be viewed; 57045

(b) Give public notice of hearings regarding the proposed 57046  
rules not less than thirty days in advance; 57047

(c) Provide to each county director of job and family 57048  
services an electronic copy of each adopted rule prior to the 57049  
rule's effective date. 57050

(3) The county director of job and family services shall send 57051  
copies of proposed rules to each authorized provider and in-home 57052  
aide and shall give public notice of hearings regarding the rules 57053  
to each authorized provider and in-home aide at least thirty days 57054  
prior to the date of the public hearing, in accordance with 57055  
section 119.03 of the Revised Code. Prior to the effective date of 57056  
a rule, the county director of job and family services shall 57057  
provide copies of the adopted rule to each authorized provider and 57058  
in-home aide. 57059

(4) Additional copies of proposed and adopted rules shall be 57060  
made available by the director of job and family services to the 57061  
public on request at no charge. 57062

(K) The director of job and family services shall review all 57063  
rules adopted pursuant to this chapter at least once every seven 57064  
years. 57065

(L) Notwithstanding any provision of the Revised Code, the 57066  
director of job and family services shall not regulate in any way 57067  
under this chapter or rules adopted pursuant to this chapter, 57068  
instruction in religious or moral doctrines, beliefs, or values. 57069

**Sec. 5104.02.** (A) The director of job and family services is 57070  
responsible for the licensing of child day-care centers and type A 57071  
family day-care homes, and for the enforcement of this chapter and 57072

of rules promulgated pursuant to this chapter. No person, firm, 57073  
organization, institution, or agency shall operate, establish, 57074  
manage, conduct, or maintain a child day-care center or type A 57075  
family day-care home without a license issued under section 57076  
5104.03 of the Revised Code. The current license shall be posted 57077  
in a conspicuous place in the center or type A home that is 57078  
accessible to parents, custodians, or guardians and employees of 57079  
the center or type A home at all times when the center or type A 57080  
home is in operation. 57081

(B) A person, firm, institution, organization, or agency 57082  
operating any of the following programs is exempt from the 57083  
requirements of this chapter: 57084

(1) A program of child day-care that operates for two or less 57085  
consecutive weeks; 57086

(2) Child day-care in places of worship during religious 57087  
activities during which children are cared for while at least one 57088  
parent, guardian, or custodian of each child is participating in 57089  
such activities and is readily available; 57090

(3) Religious activities which do not provide child day-care; 57091

(4) Supervised training, instruction, or activities of 57092  
children in specific areas, including, but not limited to: art; 57093  
drama; dance; music; gymnastics, swimming, or another athletic 57094  
skill or sport; computers; or an educational subject conducted on 57095  
an organized or periodic basis no more than one day a week and for 57096  
no more than six hours duration; 57097

(5) Programs in which the director determines that at least 57098  
one parent, custodian, or guardian of each child is on the 57099  
premises of the facility offering child day-care and is readily 57100  
accessible at all times, except that child day-care provided on 57101  
the premises at which a parent, custodian, or guardian is employed 57102  
more than two and one-half hours a day shall be licensed in 57103

accordance with division (A) of this section; 57104

(6)(a) Programs that provide child day-care funded and 57105  
regulated or operated and regulated by state departments other 57106  
than the department of job and family services or the state board 57107  
of education when the director of job and family services has 57108  
determined that the rules governing the program are equivalent to 57109  
or exceed the rules promulgated pursuant to this chapter. 57110

Notwithstanding any exemption from regulation under this 57111  
chapter, each state department shall submit to the director of job 57112  
and family services a copy of the rules that govern programs that 57113  
provide child day-care and are regulated or operated and regulated 57114  
by the department. Annually, each state department shall submit to 57115  
the director a report for each such program it regulates or 57116  
operates and regulates that includes the following information: 57117

(i) The site location of the program; 57118

(ii) The maximum number of infants, toddlers, preschool 57119  
children, or school children served by the program at one time; 57120

(iii) The number of adults providing child day-care for the 57121  
number of infants, toddlers, preschool children, or school 57122  
children; 57123

(iv) Any changes in the rules made subsequent to the time 57124  
when the rules were initially submitted to the director. 57125

The director shall maintain a record of the child day-care 57126  
information submitted by other state departments and shall provide 57127  
this information upon request to the general assembly or the 57128  
public. 57129

(b) Child day-care programs conducted by boards of education 57130  
or by chartered nonpublic schools that are conducted in school 57131  
buildings and that provide child day-care to school children only 57132  
shall be exempt from meeting or exceeding rules promulgated 57133

pursuant to this chapter.	57134
(7) Any preschool program or school child program, <u>except a head start program</u> , that is subject to licensure by the department of education under sections 3301.52 to 3301.59 of the Revised Code.	57135 57136 57137 57138
(8) Any program providing child day-care that meets all of the following requirements and, on October 20, 1987, was being operated by a nonpublic school that holds a charter issued by the state board of education for kindergarten only:	57139 57140 57141 57142
(a) The nonpublic school has given the notice to the state board and the director of job and family services required by Section 4 of Substitute House Bill No. 253 of the 117th general assembly;	57143 57144 57145 57146
(b) The nonpublic school continues to be chartered by the state board for kindergarten, or receives and continues to hold a charter from the state board for kindergarten through grade five;	57147 57148 57149
(c) The program is conducted in a school building;	57150
(d) The program is operated in accordance with rules promulgated by the state board under sections 3301.52 to 3301.57 of the Revised Code.	57151 57152 57153
(9) A youth development program operated outside of school hours by a community-based center to which all of the following apply:	57154 57155 57156
(a) The children enrolled in the program are under nineteen years of age and enrolled in or eligible to be enrolled in a grade of kindergarten or above.	57157 57158 57159
(b) The program provides informal child care and at least two of the following supervised activities: educational, recreational, culturally enriching, social, and personal development activities.	57160 57161 57162
(c) The state board of education has approved the program's	57163

participation in the child and adult care food program as an 57164  
outside-school-hours care center pursuant to standards established 57165  
under section 3313.813 of the Revised Code. 57166

(d) The community-based center operating the program is 57167  
exempt from federal income taxation pursuant to 26 U.S.C. 501(a) 57168  
and (c)(3). 57169

**Sec. 5104.04.** (A) The department of job and family services 57170  
shall establish procedures to be followed in investigating, 57171  
inspecting, and licensing child day-care centers and type A family 57172  
day-care homes. 57173

(B)(1) The department shall, at least twice during every 57174  
twelve-month period of operation of a center or type A home, 57175  
inspect the center or type A home. The department shall inspect a 57176  
part-time center or part-time type A home at least once during 57177  
every twelve-month period of operation. The department shall 57178  
provide a written inspection report to the licensee within a 57179  
reasonable time after each inspection. The licensee shall display 57180  
all written reports of inspections conducted during the current 57181  
licensing period in a conspicuous place in the center or type A 57182  
home. 57183

At least one inspection shall be unannounced and all 57184  
inspections may be unannounced. No person, firm, organization, 57185  
institution, or agency shall interfere with the inspection of a 57186  
center or type A home by any state or local official engaged in 57187  
performing duties required of the state or local official by 57188  
Chapter 5104. of the Revised Code or rules adopted pursuant to 57189  
Chapter 5104. of the Revised Code, including inspecting the center 57190  
or type A home, reviewing records, or interviewing licensees, 57191  
employees, children, or parents. 57192

Upon receipt of any complaint that a center or type A home is 57193  
out of compliance with the requirements of Chapter 5104. of the 57194



Revised Code or rules adopted pursuant to Chapter 5104. of the 57195  
Revised Code, the department shall investigate and may inspect a 57196  
center or type A home. 57197

(2) If the department implements an instrument-based program 57198  
monitoring information system, it may use an indicator checklist 57199  
to comply with division (B)(1) of this section. 57200

(3) The department shall, at least once during every 57201  
twelve-month period of operation of a center or type A home, 57202  
collect information concerning the amounts charged by the center 57203  
or home for providing child day-care services for use in 57204  
establishing rates of reimbursement and payment pursuant to 57205  
section 5104.30 of the Revised Code. 57206

(C) In the event a licensed center or type A home is 57207  
determined to be out of compliance with the requirements of 57208  
Chapter 5104. of the Revised Code or rules adopted pursuant to 57209  
Chapter 5104. of the Revised Code, the department shall notify the 57210  
licensee of the center or type A home in writing regarding the 57211  
nature of the violation, what must be done to correct the 57212  
violation, and by what date the correction must be made. If the 57213  
correction is not made by the date established by the department, 57214  
the department may commence action under Chapter 119. of the 57215  
Revised Code to revoke the license. 57216

(D) The department may deny or revoke a license, or refuse to 57217  
renew a license of a center or type A home, if the applicant 57218  
knowingly makes a false statement on the application, does not 57219  
comply with the requirements of Chapter 5104. or rules adopted 57220  
pursuant to Chapter 5104. of the Revised Code, or has pleaded 57221  
guilty to or been convicted of an offense described in section 57222  
5104.09 of the Revised Code. 57223

(E) If the department finds, after notice and hearing 57224  
pursuant to Chapter 119. of the Revised Code, that any person, 57225

firm, organization, institution, or agency licensed under section 57226  
5104.03 of the Revised Code is in violation of any provision of 57227  
Chapter 5104. of the Revised Code or rules adopted pursuant to 57228  
Chapter 5104. of the Revised Code, the department may issue an 57229  
order of revocation to the center or type A home revoking the 57230  
license previously issued by the department. Upon the issuance of 57231  
any order of revocation, the person whose license is revoked may 57232  
appeal in accordance with section 119.12 of the Revised Code. 57233

(F) The surrender of a center or type A home license to the 57234  
department or the withdrawal of an application for licensure by 57235  
the owner or administrator of the center or type A home shall not 57236  
prohibit the department from instituting any of the actions set 57237  
forth in this section. 57238

(G) Whenever the department receives a complaint, is advised, 57239  
or otherwise has any reason to believe that a center or type A 57240  
home is providing child day-care without a license issued or 57241  
renewed pursuant to section 5104.03 and is not exempt from 57242  
licensing pursuant to section 5104.02 of the Revised Code, the 57243  
department shall investigate the center or type A home and may 57244  
inspect the areas children have access to or areas necessary for 57245  
the care of children in the center or type A home during suspected 57246  
hours of operation to determine whether the center or type A home 57247  
is subject to the requirements of Chapter 5104. or rules adopted 57248  
pursuant to Chapter 5104. of the Revised Code. 57249

(H) The department, upon determining that the center or type 57250  
A home is operating without a license, shall notify the attorney 57251  
general, the prosecuting attorney of the county in which the 57252  
center or type A home is located, or the city attorney, village 57253  
solicitor, or other chief legal officer of the municipal 57254  
corporation in which the center or type A home is located, that 57255  
the center or type A home is operating without a license. Upon 57256  
receipt of the notification, the attorney general, prosecuting 57257

attorney, city attorney, village solicitor, or other chief legal 57258  
officer of a municipal corporation shall file a complaint in the 57259  
court of common pleas of the county in which the center or type A 57260  
home is located requesting that the court grant an order enjoining 57261  
the owner from operating the center or type A home. The court 57262  
shall grant such injunctive relief upon a showing that the 57263  
respondent named in the complaint is operating a center or type A 57264  
home and is doing so without a license. 57265

(I) The department shall prepare an annual report on 57266  
inspections conducted under this section. The report shall include 57267  
the number of inspections conducted, the number and types of 57268  
violations found, and the steps taken to address the violations. 57269  
The department shall file the report with the governor, the 57270  
president and minority leader of the senate, and the speaker and 57271  
minority leader of the house of representatives on or before the 57272  
first day of January of each year, beginning in 1999. 57273

**Sec. 5104.30.** (A) The department of job and family services 57274  
is hereby designated as the state agency responsible for 57275  
administration and coordination of federal and state funding for 57276  
publicly funded child day-care in this state. Publicly funded 57277  
child day-care shall be provided to the following: 57278

(1) Recipients of transitional child day-care as provided 57279  
under section 5104.34 of the Revised Code; 57280

(2) Participants in the Ohio works first program established 57281  
under Chapter 5107. of the Revised Code; 57282

(3) Individuals who would be participating in the Ohio works 57283  
first program if not for a sanction under section 5107.16 of the 57284  
Revised Code and who continue to participate in a work activity, 57285  
developmental activity, or alternative work activity pursuant to 57286  
an assignment under section 5107.42 of the Revised Code; 57287

(4) A family receiving publicly funded child day-care on 57288  
October 1, 1997, until the family's income reaches one hundred 57289  
fifty per cent of the federal poverty line; 57290

(5) Subject to available funds, other individuals determined 57291  
eligible in accordance with rules adopted under section 5104.38 of 57292  
the Revised Code. 57293

The department shall apply to the United States department of 57294  
health and human services for authority to operate a coordinated 57295  
program for publicly funded child day-care, if the director of job 57296  
and family services determines that the application is necessary. 57297  
For purposes of this section, the department of job and family 57298  
services may enter into agreements with other state agencies that 57299  
are involved in regulation or funding of child day-care. The 57300  
department shall consider the special needs of migrant workers 57301  
when it administers and coordinates publicly funded child day-care 57302  
and shall develop appropriate procedures for accommodating the 57303  
needs of migrant workers for publicly funded child day-care. 57304

(B) The department of job and family services shall 57305  
distribute state and federal funds for publicly funded child 57306  
day-care, including appropriations of state funds for publicly 57307  
funded child day-care and appropriations of federal funds ~~for~~ 57308  
~~publicly funded child day-care available~~ under Title XX of the 57309  
~~"Social Security Act," 88 Stat. 2337 (1974), 42 U.S.C.A. 1397, as~~ 57310  
~~amended, and the child care block grant act, Title IV-A, and Title~~ 57311  
XX. The department may use any state funds appropriated for 57312  
publicly funded child day-care as the state share required to 57313  
match any federal funds appropriated for publicly funded child 57314  
day-care. 57315

(C) ~~The department may~~ In the use of federal funds available 57316  
under the child care block grant act, all of the following apply: 57317

(1) The department may use the federal funds to hire staff to 57318

prepare any rules required under this chapter and to administer 57319  
and coordinate federal and state funding for publicly funded child 57320  
day-care. 57321

(2) Not more than five per cent of the aggregate amount of 57322  
~~those~~ the federal funds received for a fiscal year may be expended 57323  
for administrative costs. ~~The~~ 57324

(3) ~~The~~ department shall allocate and use at least four per 57325  
cent of the federal funds for the following: 57326

~~(1)~~(a) Activities designed to provide comprehensive consumer 57327  
education to parents and the public; 57328

~~(2)~~(b) Activities that increase parental choice; 57329

~~(3)~~(c) Activities, including child day-care resource and 57330  
referral services, designed to improve the quality, and increase 57331  
the supply, of child day-care. 57332

~~(D)~~(4) The department shall ensure that ~~any~~ the federal funds 57333  
~~received by the state under the child care block grant act~~ will be 57334  
used only to supplement, and will not be used to supplant, 57335  
federal, state, and local funds available on the effective date of 57336  
~~that~~ the child care block grant act for publicly funded child 57337  
day-care and related programs. A county department of job and 57338  
family services may purchase child day-care from funds obtained 57339  
through any other means. 57340

~~(E)~~(D) The department shall encourage the development of 57341  
suitable child day-care throughout the state, especially in areas 57342  
with high concentrations of recipients of public assistance and 57343  
families with low incomes. The department shall encourage the 57344  
development of suitable child day-care designed to accommodate the 57345  
special needs of migrant workers. On request, the department, 57346  
through its employees or contracts with state or community child 57347  
day-care resource and referral service organizations, shall 57348  
provide consultation to groups and individuals interested in 57349

developing child day-care. The department of job and family 57350  
services may enter into interagency agreements with the department 57351  
of education, the board of regents, the department of development, 57352  
and other state agencies and entities whenever the cooperative 57353  
efforts of the other state agencies and entities are necessary for 57354  
the department of job and family services to fulfill its duties 57355  
and responsibilities under this chapter. 57356

The department may develop and maintain a registry of persons 57357  
providing child day-care. The director may adopt rules pursuant to 57358  
Chapter 119. of the Revised Code establishing procedures and 57359  
requirements for the registry's administration. 57360

~~(F)~~(E)(1) The director shall adopt rules in accordance with 57361  
Chapter 119. of the Revised Code establishing both of the 57362  
following: 57363

(a) Reimbursement ceilings for providers of publicly funded 57364  
child day-care; 57365

(b) A procedure for reimbursing and paying providers of 57366  
publicly funded child day-care. 57367

(2) In establishing reimbursement ceilings under division 57368  
~~(F)~~(E)(1)(a) of this section, the director shall do all of the 57369  
following: 57370

(a) Use the information obtained under division (B)(3) of 57371  
section 5104.04 of the Revised Code; 57372

(b) Establish an enhanced reimbursement ceiling for providers 57373  
who provide child day-care for caretaker parents who work 57374  
nontraditional hours; 57375

(c) For a type B family day-care home provider that has 57376  
received limited certification pursuant to rules adopted under 57377  
division (G)(1) of section 5104.011 of the Revised Code, establish 57378  
a reimbursement ceiling that is the following: 57379

(i) If the provider is a person described in division 57380  
(G)(1)(a) of section 5104.011 of the Revised Code, seventy-five 57381  
per cent of the reimbursement ceiling that applies to a type B 57382  
family day-care home certified by the same county department of 57383  
job and family services pursuant to section 5104.11 of the Revised 57384  
Code; 57385

(ii) If the provider is a person described in division 57386  
(G)(1)(b) of section 5104.011 of the Revised Code, sixty per cent 57387  
of the reimbursement ceiling that applies to a type B family 57388  
day-care home certified by the same county department pursuant to 57389  
section 5104.11 of the Revised Code. 57390

(3) In establishing reimbursement ceilings under division 57391  
~~(F)~~(E)(1)(a) of this section, the director may establish different 57392  
reimbursement ceilings based on any of the following: 57393

(a) Geographic location of the provider; 57394

(b) Type of care provided; 57395

(c) Age of the child served; 57396

(d) Special needs of the child served; 57397

(e) Whether the expanded hours of service are provided; 57398

(f) Whether weekend service is provided; 57399

(g) Whether the provider has exceeded the minimum 57400  
requirements of state statutes and rules governing child day-care; 57401

(h) Any other factors the director considers appropriate. 57402

**Sec. 5104.32.** (A) Except as provided in division (C) of this 57403  
section, all purchases of publicly funded child day-care shall be 57404  
made under a contract entered into by a licensed child day-care 57405  
center, licensed type A family day-care home, certified type B 57406  
family day-care home, certified in-home aide, approved child day 57407  
camp, licensed preschool program, licensed school child program, 57408

or border state child day-care provider and the county department 57409  
of job and family services. A county department of job and family 57410  
services may enter into a contract with a provider for publicly 57411  
funded child day-care for a specified period of time or upon a 57412  
continuous basis for an unspecified period of time. All contracts 57413  
for publicly funded child day-care shall be contingent upon the 57414  
availability of state and federal funds. The department of job and 57415  
family services shall prescribe a standard form to be used for all 57416  
contracts for the purchase of publicly funded child day-care, 57417  
regardless of the source of public funds used to purchase the 57418  
child day-care. To the extent permitted by federal law and 57419  
notwithstanding any other provision of the Revised Code that 57420  
regulates state or county contracts or contracts involving the 57421  
expenditure of state, county, or federal funds, all contracts for 57422  
publicly funded child day-care shall be entered into in accordance 57423  
with the provisions of this chapter and are exempt from any other 57424  
provision of the Revised Code that regulates state or county 57425  
contracts or contracts involving the expenditure of state, county, 57426  
or federal funds. 57427

(B) Each contract for publicly funded child day-care shall 57428  
specify at least the following: 57429

(1) That the provider of publicly funded child day-care 57430  
agrees to be paid for rendering services at the lowest of the rate 57431  
customarily charged by the provider for children enrolled for 57432  
child day-care, the reimbursement ceiling or rate of payment 57433  
established pursuant to section 5104.30 of the Revised Code, or a 57434  
rate the county department negotiates with the provider; 57435

(2) That, if a provider provides child day-care to an 57436  
individual potentially eligible for publicly funded child day-care 57437  
who is subsequently determined to be eligible, the county 57438  
department agrees to pay for all child day-care provided between 57439  
the date the county department receives the individual's completed 57440



application and the date the individual's eligibility is 57441  
determined; 57442

(3) Whether the county department of job and family services, 57443  
the provider, or a child day-care resource and referral service 57444  
organization will make eligibility determinations, whether the 57445  
provider or a child day-care resource and referral service 57446  
organization will be required to collect information to be used by 57447  
the county department to make eligibility determinations, and the 57448  
time period within which the provider or child day-care resource 57449  
and referral service organization is required to complete required 57450  
eligibility determinations or to transmit to the county department 57451  
any information collected for the purpose of making eligibility 57452  
determinations; 57453

(4) That the provider, other than a border state child 57454  
day-care provider or except as provided in division (B) of section 57455  
3301.37 of the Revised Code, shall continue to be licensed, 57456  
approved, or certified pursuant to this chapter ~~or sections~~ 57457  
~~3301.52 to 3301.59 of the Revised Code~~ and shall comply with all 57458  
standards and other requirements in this chapter ~~and those~~ 57459  
~~sections~~ and in rules adopted pursuant to this chapter ~~or those~~ 57460  
~~sections~~ for maintaining the provider's license, approval, or 57461  
certification; 57462

(5) That, in the case of a border state child day-care 57463  
provider, the provider shall continue to be licensed, certified, 57464  
or otherwise approved by the state in which the provider is 57465  
located and shall comply with all standards and other requirements 57466  
established by that state for maintaining the provider's license, 57467  
certificate, or other approval; 57468

(6) Whether the provider will be paid by the county 57469  
department of job and family services or the state department of 57470  
job and family services; 57471

(7) That the contract is subject to the availability of state 57472  
and federal funds. 57473

(C) Unless specifically prohibited by federal law, the county 57474  
department of job and family services shall give individuals 57475  
eligible for publicly funded child day-care the option of 57476  
obtaining certificates for payment that the individual may use to 57477  
purchase services from any provider qualified to provide publicly 57478  
funded child day-care under section 5104.31 of the Revised Code. 57479  
Providers of publicly funded child day-care may present these 57480  
certificates for payment for reimbursement in accordance with 57481  
rules that the director of job and family services shall adopt. 57482  
Only providers may receive reimbursement for certificates for 57483  
payment. The value of the certificate for payment shall be based 57484  
on the lowest of the rate customarily charged by the provider, the 57485  
reimbursement ceiling or rate of payment established pursuant to 57486  
section 5104.30 of the Revised Code, or a rate the county 57487  
department negotiates with the provider. The county department may 57488  
provide the certificates for payment to the individuals or may 57489  
contract with child day-care providers or child day-care resource 57490  
and referral service organizations that make determinations of 57491  
eligibility for publicly funded child day-care pursuant to 57492  
contracts entered into under section 5104.34 of the Revised Code 57493  
for the providers or resource and referral service organizations 57494  
to provide the certificates for payment to individuals whom they 57495  
determine are eligible for publicly funded child day-care. 57496

For each six-month period a provider of publicly funded child 57497  
day-care provides publicly funded child day-care to the child of 57498  
an individual given certificates ~~of~~ for payment, the individual 57499  
shall provide the provider certificates for days the provider 57500  
would have provided publicly funded child day-care to the child 57501  
had the child been present. County departments shall specify the 57502  
maximum number of days providers will be provided certificates of 57503

payment for days the provider would have provided publicly funded 57504  
child day-care had the child been present. The maximum number of 57505  
days shall not exceed ten days in a six-month period during which 57506  
publicly funded child day-care is provided to the child regardless 57507  
of the number of providers that provide publicly funded child 57508  
day-care to the child during that period. 57509

**Sec. 5107.02.** As used in this chapter: 57510

(A) "Adult" means an individual who is not a minor child. 57511

(B) "Assistance group" means a group of individuals treated 57512  
as a unit for purposes of determining eligibility for and the 57513  
amount of assistance provided under Ohio works first. 57514

(C) "Custodian" means an individual who has legal custody, as 57515  
defined in section 2151.011 of the Revised Code, of a minor child 57516  
or comparable status over a minor child created by a court of 57517  
competent jurisdiction in another state. 57518

(D) "Guardian" means an individual that is granted authority 57519  
by a probate court pursuant to Chapter 2111. of the Revised Code, 57520  
or a court of competent jurisdiction in another state, to exercise 57521  
parental rights over a minor child to the extent provided in the 57522  
court's order and subject to residual parental rights of the minor 57523  
child's parents. 57524

(E) "Minor child" means either of the following: 57525

(1) An individual who has not attained age eighteen; 57526

(2) An individual who has not attained age nineteen and is a 57527  
full-time student in a secondary school or in the equivalent level 57528  
of vocational or technical training. 57529

(F) "Minor head of household" means a minor child who is 57530  
either of the following: 57531

(1) ~~At~~ Is married, at least six months pregnant, and a member 57532

of an assistance group that does not include an adult;	57533
(2) A <u>Is married and is</u> a parent of a child included in the same assistance group that does not include an adult.	57534 57535
(G) "Ohio works first" means the program established by this chapter known as temporary assistance for needy families in Title IV-A.	57536 57537 57538
(H) "Payment standard" means the amount specified in rules adopted under section 5107.05 of the Revised Code that is the maximum amount of cash assistance an assistance group may receive under Ohio works first from state and federal funds.	57539 57540 57541 57542
(I) "Specified relative" means the following individuals who are age eighteen or older:	57543 57544
(1) The following individuals related by blood or adoption:	57545
(a) Grandparents, including grandparents with the prefix "great," "great-great," or "great-great-great";	57546 57547
(b) Siblings;	57548
(c) Aunts, uncles, nephews, and nieces, including such relatives with the prefix "great," "great-great," "grand," or "great-grand";	57549 57550 57551
(d) First cousins and first cousins once removed.	57552
(2) Stepparents and stepsiblings;	57553
(3) Spouses and former spouses of individuals named in division (I)(1) or (2) of this section.	57554 57555
(J) "Title IV-A" or "Title IV-D" means Title IV-A or Title IV-D of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as amended.	57556 57557 57558
<b>Sec. 5107.30.</b> (A) As used in this section:	57559
(1) "LEAP program" means the learning, earning, and parenting	57560

program. 57561

(2) "Teen" means a participant of Ohio works first who is 57562  
under age ~~twenty~~ eighteen or is age eighteen and in school and is 57563  
a natural or adoptive parent or is pregnant. 57564

(3) "School" means an educational program that is designed to 57565  
lead to the attainment of a high school diploma or the equivalent 57566  
of a high school diploma. 57567

(B) The director of job and family services may adopt rules 57568  
under section 5107.05 of the Revised Code, to the extent that such 57569  
rules are consistent with federal law, to do all of the following: 57570

(1) Define "good cause" and "the equivalent of a high school 57571  
diploma" for the purposes of this section; 57572

(2) Conduct ~~one or more special demonstration programs a~~ 57573  
program titled the "LEAP program" and establish requirements 57574  
governing the program. The purpose of the LEAP program is to 57575  
encourage teens to complete school. 57576

(3) Require every teen who is subject to LEAP program 57577  
requirements to attend school in accordance with the requirements 57578  
governing the program unless the teen shows good cause for not 57579  
attending school. The department shall provide, in addition to the 57580  
cash assistance payment provided under Ohio works first, an 57581  
incentive payment, in an amount determined by the department, to 57582  
every teen who is participating in the LEAP program and attends 57583  
school in accordance with the requirements governing the program. 57584  
The department shall reduce the cash assistance payment, in an 57585  
amount determined by the department, under Ohio works first to 57586  
every teen participating in the LEAP program who fails or refuses, 57587  
without good cause, to ~~attend school in accordance with~~ meet the 57588  
requirements governing the program. 57589

(4) Require every teen who is subject to LEAP program 57590  
requirements to enter into a written agreement with the county 57591

department of job and family services that provides all of the 57592  
following: 57593

(a) The teen, to be eligible to receive the incentive payment 57594  
under division (B)(3) of this section, must ~~attend school in~~ 57595  
~~accordance with~~ meet the requirements of the LEAP program. 57596

(b) The county department will provide the incentive payment 57597  
to the teen if the teen ~~attends school;~~ meets the requirements of  
the LEAP program. 57598  
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(c) The county department will reduce the cash assistance 57600  
payment under Ohio works first if the teen fails or refuses 57601  
without good cause to attend school in accordance with the 57602  
requirements governing the LEAP program. 57603

~~(5) Evaluate the demonstration programs established under 57604  
this section. In conducting the evaluations, the department of job 57605  
and family services shall select control groups of teens who are 57606  
otherwise subject to the LEAP program requirements. 57607~~

(C) A ~~teen~~ minor head of household who is participating in 57608  
the LEAP program shall be considered to be participating in a work 57609  
activity for the purpose of sections 5107.40 to 5107.69 of the 57610  
Revised Code. However, the ~~teen~~ minor head of household is not 57611  
subject to the requirements or sanctions of those sections, ~~unless~~ 57612  
~~the teen is over age eighteen and meets the LEAP program~~ 57613  
~~requirements by participating regularly in work activities,~~ 57614  
~~developmental activities, or alternative work activities under~~ 57615  
~~those sections.~~ 57616

(D) Subject to the availability of funds, county departments 57617  
of job and family services shall provide for LEAP participants to 57618  
receive support services the county department determines to be 57619  
necessary for LEAP participation. Support services may include 57620  
publicly funded child day-care under Chapter 5104. of the Revised 57621  
Code, transportation, and other services. 57622

**Sec. 5107.37.** ~~An~~ (A) Except as provided in division (B) of this section, an individual who resides in a county home, city infirmary, jail, or other public institution is not eligible to participate in Ohio works first. 57623  
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(B) Division (A) of this section does not apply to a minor child residing with the minor child's mother who participates in a prison nursery program established under section 5120.65 of the Revised Code. 57627  
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**Sec. 5107.40.** As used in sections 5107.40 to 5107.69 of the Revised Code: 57631  
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(A) "Alternative work activity" means an activity designed to promote self sufficiency and personal responsibility established by a county department of job and family services under section 5107.64 of the Revised Code. 57633  
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(B) "Developmental activity" means an activity designed to promote self sufficiency and personal responsibility established by a county department of job and family services under section 5107.62 of the Revised Code. 57637  
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(C) "High school equivalence diploma" means a diploma attesting to achievement of the equivalent of a high school education as measured by scores obtained on the tests of general educational development published by the American council on education. "High school equivalence diploma" includes a certificate of high school equivalence issued prior to January 1, 1994, attesting to the achievement of the equivalent of a high school education as measured by scores obtained on tests of general educational development. 57641  
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(D) "Work activity" means the following: 57650

(1) Unsubsidized employment activities established under 57651

section 5107.60 of the Revised Code;	57652
(2) The subsidized employment program established under section 5107.52 of the Revised Code;	57653 57654
(3) The work experience program established under section 5107.54 of the Revised Code;	57655 57656
(4) On-the-job training activities established under section 5107.60 of the Revised Code;	57657 57658
(5) The job search and readiness program established under section 5107.50 of the Revised Code;	57659 57660
(6) Community service activities established under section 5107.60 of the Revised Code;	57661 57662
(7) Vocational educational training activities established under section 5107.60 of the Revised Code;	57663 57664
(8) Jobs skills training activities established under section 5107.60 of the Revised Code that are directly related to employment;	57665 57666 57667
(9) Education activities established under section 5107.60 of the Revised Code that are directly related to employment for participants of Ohio works first who have not earned a high school diploma or high school equivalence diploma;	57668 57669 57670 57671
(10) Education activities established under section 5107.60 of the Revised Code for participants of Ohio works first who have not completed secondary school or received a high school equivalence diploma under which the participants attend a secondary school or a course of study leading to a high school equivalence diploma;	57672 57673 57674 57675 57676 57677
(11) Child-care service activities, including training, established under section 5107.60 of the Revised Code to aid another participant of Ohio works first assigned to a community service activity or other work activity;	57678 57679 57680 57681



(12) The education program established under section 5107.58 57682  
of the Revised Code that are operated pursuant to a federal waiver 57683  
granted by the United States secretary of health and human 57684  
services pursuant to a request made under former section 5101.09 57685  
of the Revised Code; 57686

(13) ~~Except as limited~~ To the extent provided by division (C) 57687  
of section 5107.30 of the Revised Code, the LEAP program 57688  
established under that section. 57689

**Sec. 5107.60.** In accordance with Title IV-A, federal 57690  
regulations, state law, the Title IV-A state plan prepared under 57691  
section 5101.80 of the Revised Code, and amendments to the plan, 57692  
county departments of job and family services shall establish and 57693  
administer the following work activities, in addition to the work 57694  
activities established under sections 5107.50, 5107.52, 5107.54, 57695  
and 5107.58 of the Revised Code, for minor heads of households and 57696  
adults participating in Ohio works first: 57697

(A) Unsubsidized employment activities, including activities 57698  
a county department determines are legitimate entrepreneurial 57699  
activities; 57700

(B) On-the-job training activities, including training to 57701  
become an employee of a child day-care center or type A family 57702  
day-care home, authorized provider of a certified type B family 57703  
day-care home, or in-home aide; 57704

(C) Community service activities including a program under 57705  
which a participant of Ohio works first who is the parent, 57706  
guardian, custodian, or specified relative responsible for the 57707  
care of a minor child enrolled in grade twelve or lower is 57708  
involved in the minor child's education on a regular basis; 57709

(D) Vocational educational training activities; 57710

(E) Jobs skills training activities that are directly related 57711

to employment;	57712
(F) Education activities that are directly related to employment for participants who have not earned a high school diploma or high school equivalence diploma;	57713 57714 57715
(G) Education activities for participants who have not completed secondary school or received a high school equivalence diploma under which the participants attend a secondary school or a course of study leading to a high school equivalence diploma, <u>including LEAP participation by a minor head of household;</u>	57716 57717 57718 57719 57720
(H) Child-care service activities aiding another participant assigned to a community service activity or other work activity. A county department may provide for a participant assigned to this work activity to receive training necessary to provide child-care services.	57721 57722 57723 57724 57725
<b>Sec. 5108.01.</b> As used in this chapter:	57726
(A) <del>"Assistance group" means a group of individuals treated as a unit for purposes of determining eligibility for the prevention, retention, and contingency program</del> <u>"County family services planning committee" means the county family services planning committee established under section 329.06 of the Revised Code or the board created by consolidation under division (C) of section 6301.06 of the Revised Code.</u>	57727 57728 57729 57730 57731 57732 57733
(B) "Prevention, retention, and contingency program" means the program established by this chapter and funded in part with federal funds provided under Title IV-A.	57734 57735 57736
(C) "Title IV-A" means Title IV-A of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as amended.	57737 57738
<b>Sec. 5108.03.</b> Under the prevention, retention, and contingency program, <del>a</del> <u>each</u> county department of job and family	57739 57740

services shall ~~provide~~ do both of the following in accordance with 57741  
the statement of policies the county department develops under 57742  
section 5108.04 of the Revised Code: 57743

(A) Provide benefits and services that individuals need to 57744  
overcome immediate barriers to achieving or maintaining self 57745  
sufficiency and personal responsibility; 57746

(B) Perform related administrative duties. ~~A county~~ 57747  
~~department shall provide the benefits and services in accordance~~ 57748  
~~with either the model design for the program that the department~~ 57749  
~~of job and family services develops under section 5108.05 of the~~ 57750  
~~Revised Code or the county department's own policies for the~~ 57751  
~~program developed under section 5108.06 of the Revised Code.~~ 57752

**Sec. ~~5108.06~~ 5108.04.** Each county department of job and 57753  
family services shall ~~either adopt the model design for a written~~ 57754  
statement of policies governing the prevention, retention, and 57755  
contingency program ~~the department of job and family services~~ 57756  
~~develops under section 5108.05 of the Revised Code or develop its~~ 57757  
~~own policies~~ for the program county. ~~To develop its own policies,~~ 57758  
~~a county department shall adopt a written statement of the~~ 57759  
~~policies governing the program. The policies may be a modification~~ 57760  
~~of the model design, different from the model design, or a~~ 57761  
~~combination.~~ The statement of policies shall be adopted not later 57762  
than October 1, 2003, and shall be updated at least every two 57763  
years thereafter. A county department may amend its statement of 57764  
policies to modify, terminate, and establish new policies. The 57765  
county director of job and family services shall sign and date the 57766  
statement of policies and any amendment to it. Neither the 57767  
statement of policies nor any amendment to it may have an 57768  
effective date that is earlier than the date of the county 57769  
director's signature. 57770

A Each county department of job and family services shall 57771

~~inform~~ provide the department of job and family services of 57772  
~~whether it has adopted the model design or developed its own~~ 57773  
~~policies for the prevention, retention, and contingency program.~~ 57774  
~~If a county department develops its own policies, it shall provide~~ 57775  
~~the department a written copy of the statement of policies and any~~ 57776  
~~amendments it adopts to the statement~~ not later than ten calendar 57777  
days after the statement or amendment's effective date. 57778

~~Sec. 5108.07~~ 5108.05. ~~The model design for the prevention,~~ 57779  
~~retention, and contingency program that the department of job and~~ 57780  
~~family services develops under section 5108.05 of the Revised Code~~ 57781  
~~and policies for the program that a county department of job and~~ 57782  
~~family services may develop under section 5108.06 of the Revised~~ 57783  
~~Code shall establish~~ In adopting a statement of policies under 57784  
section 5108.04 of the Revised Code for the county's prevention, 57785  
retention, and contingency program, each county department of job 57786  
and family services shall do all of the following: 57787

~~(A) Establish~~ or specify eligibility requirements for 57788  
~~assistance groups that apply for the program under section 5108.10~~ 57789  
~~of the Revised Code, benefits~~ all of the following: 57790

~~(1) Benefits~~ and services to be provided under the program to 57791  
~~assistance groups, administrative~~ that are allowable uses of 57792  
federal Title IV-A funds under 42 U.S.C. 601 and 604(a), except 57793  
that they may not be "assistance" as defined in 45 C.F.R. 57794  
260.31(a) but rather benefits and services that 45 C.F.R. 57795  
260.31(b) excludes from the definition of assistance; 57796

~~(2) Restrictions on the amount, duration, and frequency of~~ 57797  
the benefits and services; 57798

~~(3) Eligibility requirements for the benefits and services;~~ 57799

~~(4) Fair and equitable procedures for both of the following:~~ 57800

~~(a) The certification of eligibility for the benefits and~~ 57801

<u>services that do not have a financial need eligibility</u>	57802
<u>requirement;</u>	57803
<u>(b) The determination and verification of eligibility for the</u>	57804
<u>benefits and services that have a financial need eligibility</u>	57805
<u>requirement.</u>	57806
<u>(5) Objective criteria for the delivery of the benefits and</u>	57807
<u>services;</u>	57808
<u>(6) Administrative requirements, and other;</u>	57809
<u>(7) Other matters the department, in the case of the model</u>	57810
<u>design, or a county department, in the case of county policies,</u>	57811
<u>determine <u>determines</u> are necessary.</u>	57812
<u>The model design and a county department's policies may</u>	57813
<u>establish eligibility requirements for, and specify benefits and</u>	57814
<u>services to be provided to, types of groups, such as students in</u>	57815
<u>the same class, that share a common need for the benefits and</u>	57816
<u>services. If the model design or a county department's policies</u>	57817
<u>include such a provision, the model design or county department's</u>	57818
<u>policies shall require that each individual who is to receive the</u>	57819
<u>benefits and services meet the eligibility requirements</u>	57820
<u>established for the type of group of which the individual is a</u>	57821
<u>member. The model design or county department's policies also</u>	57822
<u>shall require that the county department providing the benefits</u>	57823
<u>and services certify the group's eligibility, specify the duration</u>	57824
<u>that the group is to receive the benefits and services, and</u>	57825
<u>maintain the eligibility information for each member of the group</u>	57826
<u>receiving the benefits and services.</u>	57827
<u>The model design and a county department's policies may</u>	57828
<u>specify benefits and services that a county department may provide</u>	57829
<u>for the general public, including billboards that promote the</u>	57830
<u>prevention, and reduction in the incidence, of out of wedlock</u>	57831
<u>pregnancies or encourage the formation and maintenance of</u>	57832

<del>two parent families.</del>	57833
<del>The model design and a county department's policies must be</del>	57834
<del>consistent with (B) Provide for the statement of policies to be</del>	57835
<del>consistent with all of the following:</del>	57836
<del>(1) The plan of cooperation the board of county commissioners</del>	57837
<del>develops under section 307.983 of the Revised Code;</del>	57838
<del>(2) The review and analysis of the county family services</del>	57839
<del>committee conducted in accordance with division (B)(2) of section</del>	57840
<del>329.06 of the Revised Code;</del>	57841
<del>(3) Title IV-A, federal regulations, state law, the Title</del>	57842
<del>IV-A state plan submitted to the United States secretary of health</del>	57843
<del>and human services under section 5101.80 of the Revised Code, and</del>	57844
<del>amendments to the plan. All benefits and services to be provided</del>	57845
<del>under the model design or a county department's policies must be</del>	57846
<del>allowable uses of federal Title IV A funds as specified in 42</del>	57847
<del>U.S.C.A. 604(a), except that they may not be "assistance" as</del>	57848
<del>defined in 45 C.F.R. 260.31(a). The benefits and services shall be</del>	57849
<del>benefits and services that 45 C.F.R. 260.31(b) excludes from the</del>	57850
<del>definition of assistance.</del>	57851
<del>(C) Either provide the public and local government entities</del>	57852
<del>at least thirty days to submit comments on, or have the county</del>	57853
<del>family services planning committee review, the statement of</del>	57854
<del>policies, including the design of the county's prevention,</del>	57855
<del>retention, and contingency program, before the county director</del>	57856
<del>signs and dates the statement of policies.</del>	57857
<del>Sec. 5108.051. A county department of job and family services</del>	57858
<del>is not required to follow division (C) of section 5108.05 of the</del>	57859
<del>Revised Code when amending its statement of policies under section</del>	57860
<del>5108.04 of the Revised Code. Division (C) of section 5108.05 of</del>	57861
<del>the Revised Code applies only when a county department adopts its</del>	57862

initial and updated statement of policies under section 5108.04 of 57863  
the Revised Code. 57864

Sec. 5108.06. In adopting a statement of policies under 57865  
section 5108.04 of the Revised Code for the county's prevention, 57866  
retention, and contingency program, a county department of job and 57867  
family services may specify both of the following: 57868

(A) Benefits and services to be provided under the program 57869  
that prevent and reduce the incidence of out-of-wedlock 57870  
pregnancies or encourage the formation and maintenance of 57871  
two-parent families as permitted by 45 C.F.R. 260.20(c) and (d); 57872

(B) How the county department will certify individuals' 57873  
eligibility for such benefits and services. 57874

Sec. 5108.07. (A) Each statement of policies adopted under 57875  
section 5108.04 of the Revised Code shall include the board of 57876  
county commissioners' certification that the county department of 57877  
job and family services complied with this chapter in adopting the 57878  
statement of policies. 57879

(B) The board of county commissioners shall revise its 57880  
certification under division (A) of this section if an amendment 57881  
to the statement of policies that the board considers to be 57882  
significant is adopted under section 5108.04 of the Revised Code. 57883

Sec. 5108.09. When a state hearing under division (B) of 57884  
section 5101.35 of the Revised Code or an administrative appeal 57885  
under division (C) of that section is held regarding the 57886  
prevention, retention, and contingency program, the hearing 57887  
officer, director of job and family services, or director's 57888  
designee shall base the decision in the hearing or appeal on the 57889  
following: 57890

(A) If the county department of job and family services 57891

~~involved in the hearing or appeal adopted the department of job and family services' model design for the program developed under section 5108.05 of the Revised Code, the model design:~~ 57892  
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~~(B) If the county department developed its own policies for the program, the county department's department of job and family services' written statement of policies adopted under section 5108.06 5108.04 of the Revised Code and any amendments the county department adopted to the statement if the county department provides a copy of the statement of policies and all amendments to the hearing officer, director, or director's designee at the hearing or appeal.~~ 57895  
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~~**Sec. 5108.10.** An assistance group seeking to participate in the prevention, retention, and contingency program shall apply to a county department of job and family services using Eligibility for a benefit or service under a county's prevention, retention, and contingency program shall be certified in accordance with the statement of policies adopted under section 5108.04 of the Revised Code if the benefit or service does not have a financial need eligibility requirement.~~ 57903  
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~~Eligibility for a benefit or service shall be determined in accordance with the statement of policies and based on an application containing information the county department of job and family services requires.~~ 57911  
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~~When if the benefit or service has a financial need eligibility requirement. When a county department receives an application for ~~participation in the prevention, retention, and contingency program~~ such benefits and services, it shall promptly make an investigation and record of the circumstances of the applicant in order to ascertain follow verification procedures established by the statement of policies to verify the facts surrounding the application and to obtain such other information~~ 57915  
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as may be required. On completion of the investigation 57923  
verification procedure, the county department shall determine 57924  
whether the applicant is eligible ~~to participate~~, for the benefits 57925  
or services ~~the applicant should receive~~, and the approximate date 57926  
when ~~participation is~~ the benefits or services are to begin. 57927

Sec. 5108.11. (A) To the extent permitted by section 307.982 57928  
of the Revised Code, a board of county commissioners may enter 57929  
into a written contract with a private or government entity for 57930  
the entity to do either or both of the following for the county's 57931  
prevention, retention, and contingency program: 57932

(1) Certify eligibility for benefits and services that do not 57933  
have a financial need eligibility requirement; 57934

(2) Accept applications and determine and verify eligibility 57935  
for benefits and services that have a financial need eligibility 57936  
requirement. 57937

(B) If a board of county commissioners enters into a contract 57938  
under division (A) of this section with a private or government 57939  
entity, the county department of job and family services shall do 57940  
all of the following: 57941

(1) Ensure that eligibility for benefits and services is 57942  
certified or determined and verified in accordance with the 57943  
statement of policies adopted under section 5108.04 of the Revised 57944  
Code; 57945

(2) Ensure that the private or government entity maintains 57946  
all records that are necessary for audits; 57947

(3) Monitor the private or government entity for compliance 57948  
with Title IV-A, this chapter of the Revised Code, and the 57949  
statement of policies; 57950

(4) Take actions that are necessary to recover any funds that 57951  
are not spent in accordance with Title IV-A or this chapter of the 57952

Revised Code. 57953

Sec. 5108.12. Each county department of job and family services is responsible for funds expended or claimed under the county's prevention, retention, and contingency program that the department of job and family services, auditor of state, United States department of health and human services, or other government entity determines is expended or claimed in a manner that federal or state law or policy does not permit. 57954  
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Sec. 5111.016. (A) As used in this section, "healthcheck" has the same meaning as in section 3313.714 of the Revised Code. 57961  
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(B) In accordance with federal law and regulations, the department of job and family services shall establish a combination of written and oral methods designed to provide information about healthcheck to all persons eligible for the program or their parents or guardians. The department shall ensure that its methods of providing information are effective. 57963  
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Each county department of job and family services or other entity that distributes or accepts applications for medical assistance shall prominently display in a conspicuous place the following notice: 57969  
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"Under state and federal law, if you are a Medicaid recipient, your child is entitled to a thorough medical examination provided through Healthcheck. Once this examination is completed, your child is entitled to receive, at no cost to you, any service determined to be medically necessary." 57973  
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(C) Before a healthcheck medical examination may be performed on a child, the department of job and family services shall do both of the following: 57978  
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(1) Inform the child's parent, through both oral and written communication, that the examination may include the following 57981  
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<u>components:</u>	57983
<u>(a) A mental evaluation;</u>	57984
<u>(b) A physical assessment;</u>	57985
<u>(c) An unclothed physical examination of the child's</u> <u>reproductive system, including a genital examination.</u>	57986 57987
<u>(2) Obtain the parent's consent to perform the examination.</u>	57988
<u>The department shall not require a parent to consent to a</u> <u>healthcheck medical examination for the parent's child as a</u> <u>condition of receipt of other medicaid services.</u>	57989 57990 57991
<b>Sec. 5111.0112.</b> The director of job and family services shall examine instituting a copayment program under medicaid. As part of the examination, the director shall determine which groups of medicaid recipients may be subjected to a copayment requirement under federal statutes and regulations <del>and which of those groups</del> <del>are appropriate for a copayment program designed to reduce</del> <del>inappropriate and excessive use of medical goods and services.</del> If, on completion of the examination, the director determines that it is feasible to institute such a copayment program, the director may seek approval from the United States secretary of health and human services to institute the copayment program. If necessary, the director may seek approval by applying for a waiver of federal statutes and regulations. If such approval is obtained, the director shall adopt rules in accordance with Chapter 119. of the Revised Code governing the copayment program.	57992 57993 57994 57995 57996 57997 57998 57999 58000 58001 58002 58003 58004 58005 58006
<u><b>Sec. 5111.0113.</b> Children who are in the temporary or</u> <u>permanent custody of a certified public or private nonprofit</u> <u>agency or institution or in adoptions subsidized under division</u> <u>(B) of section 5153.163 of the Revised Code are eligible for</u> <u>medical assistance through the medicaid program established under</u> <u>section 5111.01 of the Revised Code.</u>	58007 58008 58009 58010 58011 58012

Sec. 5111.02. (A) Under the medical assistance program: 58013

(1) Except as otherwise permitted by federal statute or 58014  
regulation and at the department's discretion, reimbursement by 58015  
the department of job and family services to a medical provider 58016  
for any medical service rendered under the program shall not 58017  
exceed the authorized reimbursement level for the same service 58018  
under the medicare program established under Title XVIII of the 58019  
"Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A. 301, as 58020  
amended. 58021

(2) Reimbursement for freestanding medical laboratory charges 58022  
shall not exceed the customary and usual fee for laboratory 58023  
profiles. 58024

(3) The department may deduct from payments for services 58025  
rendered by a medicaid provider under the medical assistance 58026  
program any amounts the provider owes the state as the result of 58027  
incorrect medical assistance payments the department has made to 58028  
the provider. 58029

(4) The department may conduct final fiscal audits in 58030  
accordance with the applicable requirements set forth in federal 58031  
laws and regulations and determine any amounts the provider may 58032  
owe the state. When conducting final fiscal audits, the department 58033  
shall consider generally accepted auditing standards, which 58034  
include the use of statistical sampling. 58035

(5) The number of days of inpatient hospital care for which 58036  
reimbursement is made on behalf of a recipient of medical 58037  
assistance to a hospital that is not paid under a 58038  
diagnostic-related-group prospective payment system shall not 58039  
exceed thirty days during a period beginning on the day of the 58040  
recipient's admission to the hospital and ending sixty days after 58041  
the termination of that hospital stay, except that the department 58042

may make exceptions to this limitation. The limitation does not 58043  
apply to children participating in the program for medically 58044  
handicapped children established under section 3701.023 of the 58045  
Revised Code. 58046

(B) The director of job and family services may adopt, amend, 58047  
or rescind rules under Chapter 119. of the Revised Code 58048  
establishing the amount, duration, and scope of medical services 58049  
to be included in the medical assistance program. Such rules shall 58050  
establish the conditions under which services are covered and 58051  
reimbursed, the method of reimbursement applicable to each covered 58052  
service, and the amount of reimbursement or, in lieu of such 58053  
amounts, methods by which such amounts are to be determined for 58054  
each covered service. Any rules that pertain to nursing facilities 58055  
or intermediate care facilities for the mentally retarded shall be 58056  
consistent with sections 5111.20 to 5111.33 of the Revised Code. 58057

~~(C) No health insuring corporation that has a contract to 58058  
provide health care services to recipients of medical assistance 58059  
shall restrict the availability to its enrollees of any 58060  
prescription drugs included in the Ohio medicaid drug formulary as 58061  
established under rules adopted by the director. 58062~~

~~(D)~~ The division of any reimbursement between a collaborating 58063  
physician or podiatrist and a clinical nurse specialist, certified 58064  
nurse-midwife, or certified nurse practitioner for services 58065  
performed by the nurse shall be determined and agreed on by the 58066  
nurse and collaborating physician or podiatrist. In no case shall 58067  
reimbursement exceed the payment that the physician or podiatrist 58068  
would have received had the physician or podiatrist provided the 58069  
entire service. 58070

**Sec. 5111.021.** Under the medical assistance program, any 58071  
amount determined to be owed the state by a final fiscal audit 58072  
conducted pursuant to division (A)(4) of section 5111.02 of the 58073

Revised Code, upon the issuance of an adjudication order pursuant 58074  
to Chapter 119. of the Revised Code that contains a finding that 58075  
there is a preponderance of the evidence that the provider will 58076  
liquidate assets or file bankruptcy in order to prevent payment of 58077  
the amount determined to be owed the state, becomes a lien upon 58078  
the real and personal property of the provider. Upon failure of 58079  
the provider to pay the amount to the state, the director of job 58080  
and family services shall file notice of the lien, for which there 58081  
shall be no charge, in the office of the county recorder of the 58082  
county in which it is ascertained that the provider owns real or 58083  
personal property. The director shall notify the provider by mail 58084  
of the lien, but absence of proof that the notice was sent does 58085  
not affect the validity of the lien. The lien is not valid as 58086  
against the claim of any mortgagee, pledgee, purchaser, judgment 58087  
creditor, or other lienholder of record at the time the notice is 58088  
filed. 58089

If the provider acquires real or personal property after 58090  
notice of the lien is filed, the lien shall not be valid as 58091  
against the claim of any mortgagee, pledgee, subsequent bona fide 58092  
purchaser for value, judgment creditor, or other lienholder of 58093  
record to such after-acquired property unless the notice of lien 58094  
is refiled after the property is acquired by the provider and 58095  
before the competing lien attaches to the after-acquired property 58096  
or before the conveyance to the subsequent bona fide purchaser for 58097  
value. 58098

When the amount has been paid, the provider may record with 58099  
the recorder notice of the payment. For recording such notice of 58100  
payment, the recorder shall charge and receive from the provider a 58101  
base fee of one dollar for services and a housing trust fund fee 58102  
of one dollar pursuant to section 317.36 of the Revised Code. 58103

In the event of a distribution of a provider's assets 58104  
pursuant to an order of any court under the law of this state 58105

including any receivership, assignment for benefit of creditors, 58106  
adjudicated insolvency, or similar proceedings, amounts then or 58107  
thereafter due the state under this chapter have the same priority 58108  
as provided by law for the payment of taxes due the state and 58109  
shall be paid out of the receivership trust fund or other such 58110  
trust fund in the same manner as provided for claims for unpaid 58111  
taxes due the state. 58112

If the attorney general finds after investigation that any 58113  
amount due the state under this chapter is uncollectable, in whole 58114  
or in part, the attorney general shall recommend to the director 58115  
the cancellation of all or part of the claim. The director may 58116  
thereupon effect the cancellation. 58117

**Sec. 5111.022.** (A) As used in this section: 58118

(1) "Community mental health facility" means a community 58119  
mental health facility that has a quality assurance program 58120  
accredited by the joint commission on accreditation of healthcare 58121  
organizations or is certified by the department of mental health 58122  
or department of job and family services. 58123

(2) "Mental health professional" means a person qualified to 58124  
work with mentally ill persons under the standards established by 58125  
the director of mental health pursuant to section 5119.611 of the 58126  
Revised Code. 58127

(B) The state ~~medicaid~~ plan for providing medical assistance 58128  
under Title XIX of the "Social Security Act," 49 Stat. 620, 42 58129  
U.S.C.A. 301, as amended, shall include provision of the following 58130  
mental health services when provided by community mental health 58131  
facilities described in division (B) of this section: 58132

(1) Outpatient mental health services, including, but not 58133  
limited to, preventive, diagnostic, therapeutic, rehabilitative, 58134  
and palliative interventions rendered to individuals in an 58135

individual or group setting by a mental health professional in 58136  
accordance with a plan of treatment appropriately established, 58137  
monitored, and reviewed; 58138

(2) Partial-hospitalization mental health services of three 58139  
to fourteen hours per service day, rendered by persons directly 58140  
supervised by a mental health professional; 58141

(3) Unscheduled, emergency mental health services of a kind 58142  
ordinarily provided to persons in crisis when rendered by persons 58143  
supervised by a mental health professional; 58144

(4) Subject to receipt of federal approval, assertive 58145  
community treatment and intensive home-based mental health 58146  
services. 58147

~~(B) Services shall be included in the state plan only when 58148~~  
~~provided by community mental health facilities that have quality 58149~~  
~~assurance programs accredited by the joint commission on 58150~~  
~~accreditation of healthcare organizations or certified by the 58151~~  
~~department of mental health or department of job and family 58152~~  
~~services.~~ 58153

(C) The comprehensive annual plan shall certify the 58154  
availability of sufficient unencumbered community mental health 58155  
state subsidy and local funds to match Title XIX federal medicaid 58156  
reimbursement funds earned by the community mental health 58157  
facilities. ~~Reimbursement for eligible services shall be based on 58158~~  
~~the prospective cost of providing the services as developed in 58159~~  
~~standards adopted as part of the comprehensive annual plan.~~ 58160

~~(D) As used in this section, "mental health professional" 58161~~  
~~means a person qualified to work with mentally ill persons under 58162~~  
~~the standards established by the director of mental health 58163~~  
~~pursuant to section 5119.611 of the Revised Code.~~ 58164

~~(E) With respect to services established by division (A) of 58165~~  
~~this section, the The department of job and family services shall 58166~~



enter into a separate contract with the department of mental 58167  
health under section 5111.91 of the Revised Code with regard to 58168  
the component of the medicaid program provided for by this 58169  
section. ~~The terms of the contract between the department of job~~ 58170  
~~and family services and the department of mental health shall~~ 58171  
~~specify both of the following:~~ 58172

~~(1) That the department of mental health and boards of~~ 58173  
~~alcohol, drug addiction, and mental health services shall provide~~ 58174  
~~state and local matching funds for Title XIX of the "Social~~ 58175  
~~Security Act," for reimbursement of services established by~~ 58176  
~~division (A) of this section;~~ 58177

~~(2) How the community mental health facilities described in~~ 58178  
~~division (B) of this section will be paid for providing the~~ 58179  
~~services established by division (A) of this section.~~ 58180

(E) Not later than May 1, 2004, the department of job and 58181  
family services shall request federal approval to provide 58182  
assertive community treatment and intensive home-based mental 58183  
health services under medicaid pursuant to this section. 58184

(F) On receipt of federal approval sought under division (E) 58185  
of this section, the director of job and family services shall 58186  
adopt rules in accordance with Chapter 119. of the Revised Code 58187  
establishing statewide access and acuity standards for partial 58188  
hospitalization mental health services and assertive community 58189  
treatment and intensive home-based mental health services provided 58190  
under medicaid pursuant to this section. The director shall 58191  
consult with the department of mental health in adopting the 58192  
rules. 58193

**Sec. 5111.025.** (A) In rules adopted under section 5111.02 of 58194  
the Revised Code, the director of job and family services shall 58195  
modify the manner or establish a new manner in which the following 58196  
are paid under medicaid: 58197

(1) Community mental health facilities for providing mental health services included in the state medicaid plan pursuant to section 5111.022 of the Revised Code; 58198  
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(2) Providers of alcohol and drug addiction services for providing alcohol and drug addiction services included in the medicaid program pursuant to rules adopted under section 5111.02 of the Revised Code. 58201  
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(B) In modifying the manner, or establishing a new manner, for medicaid to pay for the services specified in division (A) of this section, the director shall include a provision for obtaining federal financial participation for the costs that each board of alcohol, drug addiction, and mental health services incurs in its administration of those services. Except as provided in section 5111.92 of the Revised Code, the department of job and family services shall pay the federal financial participation obtained for such administrative costs to the board that incurs the administrative costs. 58205  
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(C) The director's authority to modify the manner, or to establish a new manner, for medicaid to pay for the services specified in division (A) of this section is not limited by any rules adopted under section 5111.02 or 5119.61 of the Revised Code that are in effect on the effective date of this section and govern the way medicaid pays for those services. This is the case regardless of what state agency adopted the rules. 58215  
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**Sec. 5111.03.** (A) No provider of services or goods contracting with the department of job and family services pursuant to the medicaid program shall, by deception, obtain or attempt to obtain payments under this chapter to which the provider is not entitled pursuant to the provider agreement, or the rules of the federal government or the department of job and family services relating to the program. No provider shall 58222  
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willfully receive payments to which the provider is not entitled, 58229  
or willfully receive payments in a greater amount than that to 58230  
which the provider is entitled; nor shall any provider falsify any 58231  
report or document required by state or federal law, rule, or 58232  
provider agreement relating to medicaid payments. As used in this 58233  
section, a provider engages in "deception" when the provider, 58234  
acting with actual knowledge of the representation or information 58235  
involved, acting in deliberate ignorance of the truth or falsity 58236  
of the representation or information involved, or acting in 58237  
reckless disregard of the truth or falsity of the representation 58238  
or information involved, deceives another or causes another to be 58239  
deceived by any false or misleading representation, by withholding 58240  
information, by preventing another from acquiring information, or 58241  
by any other conduct, act, or omission that creates, confirms, or 58242  
perpetuates a false impression in another, including a false 58243  
impression as to law, value, state of mind, or other objective or 58244  
subjective fact. No proof of specific intent to defraud is 58245  
required to show, for purposes of this section, that a provider 58246  
has engaged in deception. 58247

(B) Any provider who violates division (A) of this section 58248  
shall be liable, in addition to any other penalties provided by 58249  
law, for all of the following civil penalties: 58250

(1) Payment of interest on the amount of the excess payments 58251  
at the maximum interest rate allowable for real estate mortgages 58252  
under section 1343.01 of the Revised Code on the date the payment 58253  
was made to the provider for the period from the date upon which 58254  
payment was made, to the date upon which repayment is made to the 58255  
state; 58256

(2) Payment of an amount equal to three times the amount of 58257  
any excess payments; 58258

(3) Payment of a sum of not less than five thousand dollars 58259  
and not more than ten thousand dollars for each deceptive claim or 58260

falsification; 58261

(4) All reasonable expenses which the court determines have 58262  
been necessarily incurred by the state in the enforcement of this 58263  
section. 58264

(C) ~~In~~ As used in this division, "intermediate care facility 58265  
for the mentally retarded" and "nursing facility" have the same 58266  
meanings given in section 5111.20 of the Revised Code. 58267

In addition to the civil penalties provided in division (B) 58268  
of this section, the director of job and family services, upon the 58269  
conviction of, or the entry of a judgment in either a criminal or 58270  
civil action against, a medicaid provider or its owner, officer, 58271  
authorized agent, associate, manager, or employee in an action 58272  
brought pursuant to section 109.85 of the Revised Code, shall 58273  
terminate the provider agreement between the department and the 58274  
provider and stop reimbursement to the provider for services 58275  
rendered for a period of up to five years from the date of 58276  
conviction or entry of judgment. As used in this chapter, "owner" 58277  
means any person having at least five per cent ownership in the 58278  
medicaid provider. No such provider, owner, officer, authorized 58279  
agent, associate, manager, or employee shall own or provide 58280  
services to any other medicaid provider or risk contractor or 58281  
arrange for, render, or order services for medicaid recipients 58282  
during the period of termination as provided in division (C) of 58283  
this section, nor, during the period of termination as provided in 58284  
division (C) of this section, shall such provider, owner, officer, 58285  
authorized agent, associate, manager, or employee receive 58286  
reimbursement in the form of direct payments from the department 58287  
or indirect payments of medicaid funds in the form of salary, 58288  
shared fees, contracts, kickbacks, or rebates from or through any 58289  
participating provider or risk contractor. The provider agreement 58290  
shall not be terminated or reimbursement terminated if the 58291  
provider or owner can demonstrate that the provider or owner did 58292

not directly or indirectly sanction the action of its authorized 58293  
agent, associate, manager, or employee that resulted in the 58294  
conviction or entry of a judgment in a criminal or civil action 58295  
brought pursuant to section 109.85 of the Revised Code. Nothing in 58296  
this division prohibits any owner, officer, authorized agent, 58297  
associate, manager, or employee of a medicaid provider from 58298  
entering into a medicaid provider agreement if the person can 58299  
demonstrate that the person had no knowledge of an action of the 58300  
medicaid provider the person was formerly associated with that 58301  
resulted in the conviction or entry of a judgment in a criminal or 58302  
civil action brought pursuant to section 109.85 of the Revised 58303  
Code. 58304

~~Providers subject to sections 5111.20 to 5111.32 of the~~ 58305  
~~Revised Code Nursing facility or intermediate care facility for~~ 58306  
~~the mentally retarded providers~~ whose agreements are terminated 58307  
pursuant to this section may continue to receive reimbursement for 58308  
up to thirty days after the effective date of the termination if 58309  
the provider makes reasonable efforts to transfer recipients to 58310  
another facility or to alternate care and if federal funds are 58311  
provided for such reimbursement. 58312

(D) Any provider of services or goods contracting with the 58313  
department of job and family services pursuant to Title XIX of the 58314  
"Social Security Act," who, without intent, obtains payments under 58315  
this chapter in excess of the amount to which the provider is 58316  
entitled, thereby becomes liable for payment of interest on the 58317  
amount of the excess payments at the maximum real estate mortgage 58318  
rate on the date the payment was made to the provider for the 58319  
period from the date upon which payment was made to the date upon 58320  
which repayment is made to the state. 58321

(E) The attorney general on behalf of the state may commence 58322  
proceedings to enforce this section in any court of competent 58323  
jurisdiction; and the attorney general may settle or compromise 58324

any case brought under this section with the approval of the 58325  
department of job and family services. Notwithstanding any other 58326  
provision of law providing a shorter period of limitations, the 58327  
attorney general may commence a proceeding to enforce this section 58328  
at any time within six years after the conduct in violation of 58329  
this section terminates. 58330

(F) The authority, under state and federal law, of the 58331  
department of job and family services or a county department of 58332  
job and family services to recover excess payments made to a 58333  
provider is not limited by the availability of remedies under 58334  
sections 5111.11 and 5111.12 of the Revised Code for recovering 58335  
benefits paid on behalf of recipients of medical assistance. 58336

The penalties under this chapter apply to any overpayment, 58337  
billing, or falsification occurring on and after April 24, 1978. 58338  
All moneys collected by the state pursuant to this section shall 58339  
be deposited in the state treasury to the credit of the general 58340  
revenue fund. 58341

**Sec. 5111.06.** (A)(1) As used in this section: 58342

(a) "Provider" means any person, institution, or entity that 58343  
furnishes medicaid services under a provider agreement with the 58344  
department of job and family services pursuant to Title XIX of the 58345  
"Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A. 301, as 58346  
amended. 58347

(b) "Party" has the same meaning as in division (G) of 58348  
section 119.01 of the Revised Code. 58349

(c) "Adjudication" has the same meaning as in division (D) of 58350  
section 119.01 of the Revised Code. 58351

(2) This section does not apply to any action taken by the 58352  
department of job and family services under sections 5111.35 to 58353  
5111.62 of the Revised Code. 58354

(B) Except as provided in division (D) of this section, the department shall do either of the following by issuing an order pursuant to an adjudication conducted in accordance with Chapter 119. of the Revised Code:

(1) Enter into or refuse to enter into a provider agreement with a provider, or suspend, terminate, renew, or refuse to renew an existing provider agreement with a provider;

(2) Take any action based upon a final fiscal audit of a provider.

(C) Any party who is adversely affected by the issuance of an adjudication order under division (B) of this section may appeal to the court of common pleas of Franklin county in accordance with section 119.12 of the Revised Code.

(D) The department is not required to comply with division (B)(1) of this section whenever any of the following occur:

(1) The terms of a provider agreement require the provider to have a license, permit, or certificate issued by an official, board, commission, department, division, bureau, or other agency of state government other than the department of job and family services, and the license, permit, or certificate has been denied or revoked.

(2) The provider agreement is denied, terminated, or not renewed pursuant to division (C) or (E) of section 5111.03 of the Revised Code;

(3) The provider agreement is denied, terminated, or not renewed due to the provider's termination, suspension, or exclusion from the medicare program established under Title XVIII of the "Social Security Act," and the termination, suspension, or exclusion is binding on the provider's participation in the medicaid program;

(4) The provider agreement is denied, terminated, or not renewed due to the provider's pleading guilty to or being convicted of a criminal activity materially related to either the medicare or medicaid program;

(5) The provider agreement is denied, terminated, or suspended as a result of action by the United States department of health and human services and that action is binding on the provider's participation in the medicaid program.

(E) The department may withhold payments for services rendered by a medicaid provider under the medical assistance program during the pendency of proceedings initiated under division (B)(1) of this section. If the proceedings are initiated under division (B)(2) of this section, the department may withhold payments only to the extent that they equal amounts determined in a final fiscal audit as being due the state. This division does not apply if the department fails to comply with section 119.07 of the Revised Code, requests a continuance of the hearing, or does not issue a decision within thirty days after the hearing is completed. This division does not apply to nursing facilities and intermediate care facilities for the mentally retarded ~~subject to sections as defined in section 5111.20 to 5111.32~~ of the Revised Code.

**Sec. ~~5111.08~~ 5111.071.** Commencing in December, 1986, and every second December thereafter, the director of job and family services shall establish a dispensing fee, effective the following January, for licensed pharmacists who are providers under this chapter. The dispensing fee shall take into consideration the results of the survey conducted under section 5111.07 of the Revised Code.

**Sec. ~~5111.16~~ 5111.08.** In accordance with subsection (g) of



section 1927 of the "Social Security Act," 49 Stat. 320 (1935), 42 58415  
U.S.C.A. 1396r-8(g), as amended, the department of job and family 58416  
services shall establish an outpatient drug use review program to 58417  
assure that prescriptions obtained by recipients of medical 58418  
assistance under this chapter are appropriate, medically 58419  
necessary, and unlikely to cause adverse medical results. 58420

**Sec. 5111.082.** The director of job and family services, in 58421  
rules adopted under section 5111.02 of the Revised Code, may 58422  
establish and implement a supplemental drug rebate program under 58423  
which drug manufacturers may be required to provide the department 58424  
of job and family services a supplemental rebate as a condition of 58425  
having the drug manufacturers' drug products covered by the 58426  
medicaid program without prior approval. If necessary, the 58427  
director may apply to the United States secretary of health and 58428  
human services for a waiver of federal statutes and regulations to 58429  
establish the supplemental drug rebate program. 58430

If the director establishes a supplemental drug rebate 58431  
program, the director shall consult with drug manufacturers 58432  
regarding the establishment and implementation of the program. 58433

If the director establishes a supplemental drug rebate 58434  
program, the director shall exempt from the program and from prior 58435  
authorization or any other restriction all of a drug 58436  
manufacturer's drug products that have been approved by the United 58437  
States food and drug administration and for which there is no 58438  
generic equivalent for the treatment of either of the following: 58439

(A) Mental illness, as defined in section 5122.01 of the 58440  
Revised Code, including schizophrenia, major depressive disorder, 58441  
and bipolar disorder; 58442

(B) HIV or AIDS, both as defined in section 3701.24 of the 58443  
Revised Code. 58444

Sec. 5111.083. (A) Each time before the director of job and family services contracts with a person to administer the medicaid program's preferred drug list established under rules adopted under section 5111.02 of the Revised Code or supplemental drug rebate program established under section 5111.082 of the Revised Code, an advisory council consisting of the following members shall be appointed to review the proposals submitted by persons seeking the contract and to select the person who is to be awarded the contract:

(1) The director of job and family services;

(2) One member of the house of representatives who is a member of the majority party and one member of the house of representatives who is a member of the minority party, appointed by the speaker of the house of representatives;

(3) One member of the senate who is a member of the majority party and one member of the senate who is a member of the minority party, appointed by the president of the senate;

(4) One representative of patient advocates, appointed by the speaker of the house of representatives;

(5) One representative of patient advocates, appointed by the president of the senate;

(6) One representative of the Ohio state medical association, appointed by that association's executive director;

(7) One representative of large businesses, appointed by the president of the Ohio chamber of commerce;

(8) One representative of small businesses, appointed by the state director of the Ohio chapter of the national federation of independent businesses;

(9) One representative of local government, appointed by the

executive director of the county commissioners' association of Ohio. 58474  
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The advisory council shall elect a chairperson from among its members. 58476  
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(B) All of the following apply to an advisory council appointed under this section: 58478  
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(1) It is subject to the open meetings law under section 121.22 of the Revised Code. 58480  
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(2) Its members may vote to select the person to be awarded the contract to administer the medicaid program's preferred drug list or supplemental drug rebate program only if a quorum of the members is present at the meeting at which the vote is taken. 58482  
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(3) Its members shall not be reimbursed for their expenses incurred in their work on the advisory council. 58486  
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(4) It may seek grants, donations, or other funds to pay for its activities. 58488  
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(5) It shall cease to exist when it selects the person to be awarded the contract that the advisory council was appointed to select. 58490  
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(C) The department of job and family services shall provide to an advisory council appointed under this section copies of proposals submitted by each person seeking the contract to administer the medicaid program's preferred drug list or supplemental drug rebate program for which the advisory council was appointed. The department shall redact from each copy of each proposal it provides to an advisory council under this section any proprietary information included in the proposal. The person with whom the department contracts for that purpose shall be the person the advisory council selects. 58493  
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**Sec. 5111.111.** As used in this section, "home and 58503

community-based services" means services provided pursuant to a 58504  
waiver under section 1915 of the "Social Security Act," 49 Stat. 58505  
620 (1935), 42 U.S.C.A. 1396n, as amended. 58506

The department of job and family services may place a lien 58507  
against the property of a medical assistance recipient or 58508  
recipient's spouse, other than a recipient or spouse of a 58509  
recipient of home and community-based services, that the 58510  
department may recover as part of the program instituted under 58511  
section 5111.11 of the Revised Code. When medical assistance is 58512  
paid on behalf of any person in circumstances under which federal 58513  
law and regulations and this section permit the imposition of a 58514  
lien, the director of job and family services or a person 58515  
designated by the director may sign a certificate to the effect. 58516  
The county department of job and family services shall file for 58517  
recording and indexing the certificate, or a certified copy, in 58518  
the real estate mortgage records in the office of the county 58519  
recorder in every county in which real property of the recipient 58520  
or spouse is situated. From the time of filing the certificate in 58521  
the office of the county recorder, the lien attaches to all real 58522  
property of the recipient or spouse described therein for all 58523  
amounts of aid which are paid or which thereafter are paid, and 58524  
shall remain a lien until satisfied. 58525

Upon filing the certificate in the office of the recorder, 58526  
all persons are charged with notice of the lien and the rights of 58527  
the department of job and family services thereunder. 58528

The county recorder shall keep a record of every certificate 58529  
filed showing its date, the time of filing, the name and residence 58530  
of the recipient or spouse, and any release, waivers, or 58531  
satisfaction of the lien. 58532

The priority of the lien shall be established in accordance 58533  
with state and federal law. 58534

The department may waive the priority of its lien to provide 58535  
for the costs of the last illness as determined by the department, 58536  
administration, attorney fees, administrator fees, a sum for the 58537  
payment of the costs of burial, which shall be computed by 58538  
deducting from five hundred dollars whatever amount is available 58539  
for the same purpose from all other sources, and a similar sum for 58540  
the spouse of the decedent. 58541

Sec. 5111.151. (A) This section applies to eligibility 58542  
determinations for all cases involving medical assistance provided 58543  
pursuant to this chapter, qualified medicare beneficiaries, 58544  
specified low-income medicare beneficiaries, qualifying 58545  
individuals-1, qualifying individuals-2, and medical assistance 58546  
for covered families and children. 58547

(B) As used in this section: 58548

(1) "Trust" means any arrangement in which a grantor 58549  
transfers real or personal property to a trust with the intention 58550  
that it be held, managed, or administered by at least one trustee 58551  
for the benefit of the grantor or beneficiaries. "Trust" includes 58552  
any legal instrument or device similar to a trust. 58553

(2) "Legal instrument or device similar to a trust" includes, 58554  
but is not limited to, escrow accounts, investment accounts, 58555  
partnerships, contracts, and other similar arrangements that are 58556  
not called trusts under state law but are similar to a trust and 58557  
to which all of the following apply: 58558

(a) The property in the trust is held, managed, retained, or 58559  
administered by a trustee. 58560

(b) The trustee has an equitable, legal, or fiduciary duty to 58561  
hold, manage, retain, or administer the property for the benefit 58562  
of the beneficiary. 58563

(c) The trustee holds identifiable property for the 58564

<u>beneficiary.</u>	58565
<u>(3) "Grantor" is a person who creates a trust, including all</u>	58566
<u>of the following:</u>	58567
<u>(a) An individual;</u>	58568
<u>(b) An individual's spouse;</u>	58569
<u>(c) A person, including a court or administrative body, with</u>	58570
<u>legal authority to act in place of or on behalf of an individual</u>	58571
<u>or an individual's spouse;</u>	58572
<u>(d) A person, including a court or administrative body, that</u>	58573
<u>acts at the direction or on request of an individual or the</u>	58574
<u>individual's spouse.</u>	58575
<u>(4) "Beneficiary" is a person or persons, including a</u>	58576
<u>grantor, who benefits in some way from a trust.</u>	58577
<u>(5) "Trustee" is a person who manages a trust's principal and</u>	58578
<u>income for the benefit of the beneficiaries.</u>	58579
<u>(6) "Person" has the same meaning as in section 1.59 of the</u>	58580
<u>Revised Code and includes an individual, corporation, business</u>	58581
<u>trust, estate, trust, partnership, and association.</u>	58582
<u>(7) "Applicant" is an individual who applies for medical</u>	58583
<u>assistance benefits or the individual's spouse.</u>	58584
<u>(8) "Recipient" is an individual who receives medical</u>	58585
<u>assistance benefits or the individual's spouse.</u>	58586
<u>(9) "Revocable trust" is a trust that can be revoked by the</u>	58587
<u>grantor or the beneficiary, including all of the following, even</u>	58588
<u>if the terms of the trust state that it is irrevocable:</u>	58589
<u>(a) A trust that provides that the trust can be terminated</u>	58590
<u>only by a court;</u>	58591
<u>(b) A trust that terminates on the happening of an event, but</u>	58592
<u>only if the event occurs at the direction or control of the</u>	58593

<u>grantor, beneficiary, or trustee.</u>	58594
<u>(10) "Irrevocable trust" is a trust that cannot be revoked by the grantor or terminated by a court and that terminates only on the occurrence of an event outside of the control or direction of the beneficiary or grantor.</u>	58595 58596 58597 58598
<u>(11) "Payment" is any disbursement from the principal or income of the trust, including actual cash, noncash or property disbursements, or the right to use and occupy real property.</u>	58599 58600 58601
<u>(12) "Payments to or for the benefit of the applicant or recipient" is a payment to any person resulting in a direct or indirect benefit to the applicant or recipient.</u>	58602 58603 58604
<u>(13) "Testamentary trust" is a trust that is established by a will and does not take effect until after the death of the person who created the trust.</u>	58605 58606 58607
<u>(C) If an applicant or recipient is a beneficiary of a trust, the county department of job and family services shall determine what type of trust it is and shall treat the trust in accordance with the appropriate provisions of this section and rules adopted by the department of job and family services governing trusts. The county department of job and family services may determine that the trust or portion of the trust is one of the following:</u>	58608 58609 58610 58611 58612 58613 58614
<u>(1) A countable resource;</u>	58615
<u>(2) Countable income;</u>	58616
<u>(3) A countable resource and countable income;</u>	58617
<u>(4) Not a countable resource or countable income.</u>	58618
<u>(D)(1) A trust or legal instrument or device similar to a trust shall be considered a medicaid qualifying trust if all of the following apply:</u>	58619 58620 58621
<u>(a) The trust was established on or prior to August 10, 1993.</u>	58622

<u>(b) The trust was not established by a will.</u>	58623
<u>(c) The trust was established by an applicant or recipient.</u>	58624
<u>(d) The applicant or recipient is or may become the beneficiary of all or part of the trust.</u>	58625 58626
<u>(e) Payment from the trust is determined by one or more trustees who are permitted to exercise any discretion with respect to the distribution to the applicant or recipient.</u>	58627 58628 58629
<u>(2) If a trust meets the requirement of division (D)(1) of this section, the amount of the trust that is considered by the county department of job and family services as an available resource to the applicant or recipient shall be the maximum amount of payments permitted under the terms of the trust to be distributed to the applicant or recipient, assuming the full exercise of discretion by the trustee or trustees. The maximum amount shall include only amounts that are permitted to be distributed but are not distributed from either the income or principal of the trust.</u>	58630 58631 58632 58633 58634 58635 58636 58637 58638 58639
<u>(3) Amounts that are actually distributed from a Medicaid qualifying trust to a beneficiary for any purpose shall be treated in accordance with rules adopted by the department of job and family services governing income.</u>	58640 58641 58642 58643
<u>(4) Availability of a medicaid qualifying trust shall be considered without regard to any of the following:</u>	58644 58645
<u>(a) Whether or not the trust is irrevocable or was established for purposes other than to enable a grantor to qualify for medicaid, medical assistance for covered families and children, or as a qualified medicare beneficiary, specified low-income medicare beneficiary, qualifying individual-1, or qualifying individual-2;</u>	58646 58647 58648 58649 58650 58651
<u>(b) Whether or not the trustee actually exercises discretion.</u>	58652



(5) If any real or personal property is transferred to a 58653  
medicaid qualifying trust that is not distributable to the 58654  
applicant or recipient, the transfer shall be considered an 58655  
improper transfer of resources and shall be subject to rules 58656  
adopted by the department of job and family services governing 58657  
improper transfers of resources. 58658

(6) The baseline date for the look-back period for transfers 58659  
of assets involving a medicaid qualifying trust shall be the date 58660  
on which the applicant or recipient is both institutionalized and 58661  
first applies for medical assistance. The following conditions 58662  
also apply to look-back periods for transfers of assets involving 58663  
medicaid qualifying trusts: 58664

(a) If a medicaid qualifying trust is a revocable trust and a 58665  
portion of the trust is distributed to someone other than the 58666  
applicant or recipient for the benefit of someone other than the 58667  
applicant or recipient, the distribution shall be considered an 58668  
improper transfer of resources. The look-back period shall be 58669  
sixty months from the baseline date. The transfer shall be 58670  
considered to have taken place on the date on which the payment to 58671  
someone other than the applicant or recipient was made. 58672

(b) If a medicaid qualifying trust is an irrevocable trust 58673  
and a portion of the trust is not distributable to the applicant 58674  
or recipient, the trust shall be treated as an improper transfer 58675  
of resources. The look-back period shall be sixty months from the 58676  
baseline date. The transfer is considered to have been made as of 58677  
the later of the date the trust was established or the date on 58678  
which payment to the applicant or recipient was foreclosed. The 58679  
value of the assets shall not be reduced by any payments from the 58680  
trust that may be made from these unavailable assets at a later 58681  
date. 58682

(c) If a medicaid qualifying trust is an irrevocable trust 58683

and a portion or all of the trust may be disbursed to or for the 58684  
benefit of the applicant or recipient, any payment that is made to 58685  
another person other than the applicant or recipient shall be 58686  
considered an improper transfer of resources. The look-back period 58687  
shall be thirty-six months from the baseline date. The transfer 58688  
shall be considered to have been made as of the date of payment to 58689  
the other person. 58690

(E)(1) A trust or legal instrument or device similar to a 58691  
trust shall be considered a self-settled trust if all of the 58692  
following apply: 58693

(a) The trust was established on or after August 11, 1993. 58694

(b) The trust was not established by a will. 58695

(c) The trust was established by an applicant or recipient, 58696  
spouse of an applicant or recipient, or a person, including a 58697  
court or administrative body, with legal authority to act in place 58698  
of or on behalf of an applicant, recipient, or spouse, or acting 58699  
at the direction or on request of an applicant, recipient, or 58700  
spouse. 58701

(2) A trust that meets the requirements of division (E)(1) of 58702  
this section and is a revocable trust shall be treated by the 58703  
county department of job and family services as follows: 58704

(a) The corpus of the trust shall be considered a resource 58705  
available to the applicant or recipient. 58706

(b) Payments from the trust to or for the benefit of the 58707  
applicant or recipient shall be considered unearned income of the 58708  
applicant or recipient. 58709

(c) Any other payments from the trust shall be considered an 58710  
improper transfer of resources and shall be subject to rules 58711  
adopted by the department of job and family services governing 58712  
improper transfers of resources. 58713

(3) A trust that meets the requirements of division (E)(1) of this section and is an irrevocable trust shall be treated by the county department of job and family services as follows: 58714  
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(a) If there are any circumstances under which payment from the trust could be made to or for the benefit of the applicant or recipient, including a payment that can be made only in the future, the portion from which payments could be made shall be considered a resource available to the applicant or recipient. The county department of job and family services shall not take into account when payments can be made. 58717  
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(b) Any payment that is actually made to or for the benefit of the applicant or recipient from either the corpus or income shall be considered unearned income. 58724  
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(c) If a payment is made to someone other than to the applicant or recipient and the payment is not for the benefit of the applicant or recipient, the payment shall be considered an improper transfer of resources and shall be subject to rules adopted by the department of job and family services governing improper transfers of resources. 58727  
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(d) The date of the transfer shall be the later of the date of establishment of the trust or the date of the occurrence of the event. 58733  
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(e) When determining the value of the transferred resource under this provision, the value of the trust shall be its value on the date payment to the applicant or recipient was foreclosed. 58736  
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(f) Any income earned or other resources added subsequent to the foreclosure date shall be added to the total value of the trust. 58739  
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(g) Any payments to or for the benefit of the applicant or recipient after the foreclosure date but prior to the application 58742  
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date shall be subtracted from the total value. Any other payments shall not be subtracted from the value. 58744  
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(h) Any addition of resources after the foreclosure date shall be considered a separate transfer. 58746  
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(4) If a trust is funded with assets of another person or persons in addition to assets of the applicant or recipient, the applicable provisions of this section and rules adopted by the department of job and family services governing trusts shall apply only to the portion of the trust attributable to the applicant or recipient. 58748  
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(5) The availability of a self-settled trust shall be considered without regard to any of the following: 58754  
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(a) The purpose for which the trust is established; 58756

(b) Whether the trustees have exercised or may exercise discretion under the trust; 58757  
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(c) Any restrictions on when or whether distributions may be made from the trust; 58759  
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(d) Any restrictions on the use of distributions from the trust. 58761  
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(6) The baseline date for the look-back period for transfers of assets involving a self-settled trust shall be the date on which the applicant or recipient is both institutionalized and first applies for medical assistance. The following conditions also apply to look-back periods for transfers of assets involving self-settled trusts: 58763  
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(a) If a self-settled trust is a revocable trust and a portion of the trust is distributed to someone other than the applicant or recipient for the benefit of someone other than the applicant or recipient, the distribution shall be considered an improper transfer of resources. The look-back period shall be 58769  
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sixty months from the baseline date. The transfer shall be 58774  
considered to have taken place on the date on which the payment to 58775  
someone other than the applicant or recipient was made. 58776

(b) If a self-settled trust is an irrevocable trust and a 58777  
portion of the trust is not distributable to the applicant or 58778  
recipient, the trust shall be treated as an improper transfer of 58779  
resources. The look-back period shall be sixty months from the 58780  
baseline date. The transfer is considered to have been made as of 58781  
the later of the date the trust was established or the date on 58782  
which payment to the applicant or recipient was foreclosed. The 58783  
value of these assets shall not be reduced by any payments from 58784  
the trust that may be made from these unavailable assets at a 58785  
later date. 58786

(c) If a self-settled trust is an irrevocable trust and a 58787  
portion or all of the trust may be disbursed to or for the benefit 58788  
of the applicant or recipient, any payment that is made to another 58789  
person other than the applicant or recipient shall be considered 58790  
an improper transfer of resources. The look-back period shall be 58791  
thirty-six months from the baseline date. The transfer shall be 58792  
considered to have been made as of the date of payment to the 58793  
other person. 58794

(F) The principal or income from any of the following shall 58795  
be exempt from being counted as a resource by a county department 58796  
of job and family services: 58797

(1)(a) A special needs trust that meets all of the following 58798  
requirements: 58799

(i) The trust contains assets of an applicant or recipient 58800  
under sixty-five years of age and may contain the assets of other 58801  
individuals. 58802

(ii) The applicant or recipient is disabled as defined in 58803  
rules adopted by the department of job and family services. 58804

(iii) The trust is established for the benefit of the applicant or recipient by a parent, grandparent, legal guardian, or a court. 58805  
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(iv) The trust requires that on the death of the applicant or recipient the state will receive all amounts remaining in the trust up to an amount equal to the total amount of medical assistance paid on behalf of the applicant or recipient. 58808  
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(b) If a special needs trust meets the requirements of division (F)(1)(a) of this section and has been established for a disabled applicant or recipient under sixty-five years of age, the exemption for the trust granted pursuant to division (F) of this section shall continue after the disabled applicant or recipient becomes sixty-five years of age if the applicant or recipient continues to be disabled as defined in rules adopted by the department of job and family services. Except for income earned by the trust, the grantor shall not add to or otherwise augment the trust after the applicant or recipient attains sixty-five years of age. An addition or augmentation of the trust by the applicant or recipient with the applicant's own assets after the applicant or recipient attains sixty-five years of age shall be treated as an improper transfer of resources. 58812  
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(c) Cash distributions to the applicant or recipient shall be counted as unearned income. All other distributions from the trust shall be treated as provided in rules adopted by the department of job and family services governing in-kind income. 58826  
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(d) Transfers of assets to a special needs trust shall not be treated as an improper transfer of resources. Assets held prior to the transfer to the trust shall be considered as countable assets or countable income or countable assets and income. 58830  
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(2)(a) A qualifying income trust that meets all of the following requirements: 58834  
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<u>(i) The trust is composed only of pension, social security,</u>	58836
<u>and other income to the applicant or recipient, including</u>	58837
<u>accumulated interest in the trust.</u>	58838
<u>(ii) The income is received by the individual and the right</u>	58839
<u>to receive the income is not assigned or transferred to the trust.</u>	58840
<u>(iii) The trust requires that on the death of the applicant</u>	58841
<u>or recipient the state will receive all amounts remaining in the</u>	58842
<u>trust up to an amount equal to the total amount of medical</u>	58843
<u>assistance paid on behalf of the applicant or recipient.</u>	58844
<u>(b) No resources shall be used to establish or augment the</u>	58845
<u>trust.</u>	58846
<u>(c) If an applicant or recipient has irrevocably transferred</u>	58847
<u>or assigned the applicant's or recipient's right to receive income</u>	58848
<u>to the trust, the trust shall not be considered a qualifying</u>	58849
<u>income trust by the county department of job and family services.</u>	58850
<u>(d) Income placed in a qualifying income trust shall not be</u>	58851
<u>counted in determining an applicant's or recipient's eligibility</u>	58852
<u>for medical assistance. The recipient of the funds may place any</u>	58853
<u>income directly into a qualifying income trust without those funds</u>	58854
<u>adversely affecting the applicant's or recipient's eligibility for</u>	58855
<u>medical assistance. Income generated by the trust that remains in</u>	58856
<u>the trust shall not be considered as income to the applicant or</u>	58857
<u>recipient.</u>	58858
<u>(e) All income placed in a qualifying income trust shall be</u>	58859
<u>combined with any countable income not placed in the trust to</u>	58860
<u>arrive at a base income figure to be used for spend down</u>	58861
<u>calculations.</u>	58862
<u>(f) The base income figure shall be used for post-eligibility</u>	58863
<u>deductions, including personal needs allowance, monthly income</u>	58864
<u>allowance, family allowance, and medical expenses not subject to</u>	58865

third party payment. Any income remaining shall be used toward 58866  
payment of patient liability. Payments made from a qualifying 58867  
income trust shall not be combined with the base income figure for 58868  
post-eligibility calculations. 58869

(g) The base income figure shall be used when determining the 58870  
spend down budget for the applicant or recipient. Any income 58871  
remaining after allowable deductions are permitted as provided 58872  
under rules adopted by the department of job and family services 58873  
shall be considered the applicant's or recipient's spend down 58874  
liability. 58875

(3)(a) A pooled trust that meets all of the following 58876  
requirements: 58877

(i) The trust contains the assets of the applicant or 58878  
recipient of any age who is disabled as defined in rules adopted 58879  
by the department of job and family services. 58880

(ii) The trust is established and managed by a nonprofit 58881  
association. 58882

(iii) A separate account is maintained for each beneficiary 58883  
of the trust but, for purposes of investment and management of 58884  
funds, the trust pools the funds in these accounts. 58885

(iv) Accounts in the trust are established by the applicant 58886  
or recipient, the applicant's or recipient's parent, grandparent, 58887  
or legal guardian, or a court solely for the benefit of 58888  
individuals who are disabled. 58889

(v) The trust requires that, to the extent that any amounts 58890  
remaining in the beneficiary's account on the death of the 58891  
beneficiary are not retained by the trust, the trust pay to the 58892  
state the amounts remaining in the trust up to an amount equal to 58893  
the total amount of medical assistance paid on behalf of the 58894  
beneficiary. 58895



(b) Cash distributions to the applicant or recipient shall be counted as unearned income. All other distributions from the trust shall be treated as provided in rules adopted by the department of job and family services governing in-kind income. 58896  
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(c) Transfers of assets to a pooled trust shall not be treated as an improper transfer of resources. Assets held prior to the transfer to the trust shall be considered as countable assets, countable income, or countable assets and income. 58900  
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(4) A supplemental services trust that meets the requirements of section 1339.51 of the Revised Code and to which all of the following apply: 58904  
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(a) A person may establish a supplemental services trust pursuant to section 1339.51 of the Revised Code only for another person who is eligible to receive services through one of the following agencies: 58907  
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(i) The department of mental retardation and developmental disabilities; 58911  
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(ii) A county board of mental retardation and developmental disabilities; 58913  
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(iii) The department of mental health; 58915

(iv) A board of alcohol, drug addiction, and mental health services. 58916  
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(b) A county department of job and family services shall not determine eligibility for another agency's program. An applicant or recipient shall do one of the following: 58918  
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(i) Provide documentation from one of the agencies listed in division (F)(4)(a) of this section that establishes that the applicant or recipient was determined to be eligible for services from the agency at the time of the creation of the trust; 58921  
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(ii) Provide an order from a court of competent jurisdiction 58925

that states that the applicant or recipient was eligible for 58926  
services from one of the agencies listed in division (F)(4)(a) of 58927  
this section at the time of the creation of the trust. 58928

(c) At the time the trust is created, the trust principal 58929  
does not exceed the maximum amount permitted. The maximum amount 58930  
permitted in calendar year 2002 is two hundred fourteen thousand 58931  
dollars. Each year thereafter, the maximum amount permitted is the 58932  
prior year's amount plus two thousand dollars. 58933

(d) A county department of job and family services shall 58934  
review the trust to determine whether it complies with the 58935  
provisions of section 1339.51 of the Revised Code. 58936

(e) Payments from supplemental services trusts shall be 58937  
exempt as long as the payments are for supplemental services as 58938  
defined in rules adopted by the department of job and family 58939  
services. All supplemental services shall be purchased by the 58940  
trustee and shall not be purchased through direct cash payments to 58941  
the beneficiary. 58942

(f) If a trust is represented as a supplemental services 58943  
trust and a county department of job and family services 58944  
determines that the trust does not meet the requirements provided 58945  
in division (F)(4) of this section and section 1339.51 of the 58946  
Revised Code, the county department of job and family services 58947  
shall not consider it an exempt trust. 58948

(G)(1) A trust or legal instrument or device similar to a 58949  
trust shall be considered a trust established by an individual for 58950  
the benefit of the applicant or recipient if all of the following 58951  
apply: 58952

(a) The trust is created by a person other than the applicant 58953  
or recipient. 58954

(b) The trust names the applicant or recipient as a 58955  
beneficiary. 58956

(c) The trust is funded with assets or property in which the applicant or recipient has never held an ownership interest prior to the establishment of the trust. 58957  
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(2) Any portion of a trust that meets the requirements of division (G)(1) of this section shall be an available resource only if the trust permits the trustee to expend principal, corpus, or assets of the trust for the applicant's or recipient's medical care, care, comfort, maintenance, health, welfare, general well being, or any combination of these purposes. 58960  
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(3) A trust that meets the requirements of division (G)(1) of this section shall be considered an available resource even if the trust contains any of the following types of provisions: 58966  
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(a) A provision that prohibits the trustee from making payments that would supplant or replace medical assistance or other public assistance; 58969  
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(b) A provision that prohibits the trustee from making payments that would impact or have an effect on the applicant's or recipient's right, ability, or opportunity to receive medical assistance or other public assistance; 58972  
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(c) A provision that attempts to prevent the trust or its corpus or principal from being counted as an available resource. 58976  
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(4) A trust that meets the requirements of division (G)(1) of this section shall not be counted as an available resource if at least one of the following circumstances applies: 58978  
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(a) If a trust contains a clear statement requiring the trustee to preserve a portion of the trust for another beneficiary or remainderman, that portion of the trust shall not be counted as an available resource. Terms of a trust that grant discretion to preserve a portion of the trust shall not qualify as a clear statement requiring the trustee to preserve a portion of the 58981  
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trust. 58987

(b) If a trust contains a clear statement requiring the trustee to use a portion of the trust for a purpose other than medical care, care, comfort, maintenance, welfare, or general well being of the applicant or recipient, that portion of the trust shall not be counted as an available resource. Terms of a trust that grant discretion to limit the use of a portion of the trust shall not qualify as a clear statement requiring the trustee to use a portion of the trust for a particular purpose. 58988  
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(c) If a trust contains a clear statement limiting the trustee to making fixed periodic payments, the trust shall not be counted as an available resource and payments shall be treated in accordance with rules adopted by the department of job and family services governing income. Terms of a trust that grant discretion to limit payments shall not qualify as a clear statement requiring the trustee to make fixed periodic payments. 58996  
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(d) If a trust contains a clear statement that requires the trustee to terminate the trust if it is counted as an available resource, the trust shall not be counted as an available resource. Terms of a trust that grant discretion to terminate the trust do not qualify as a clear statement requiring the trustee to terminate the trust. 59003  
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(e) If a person obtains a judgment from a court of competent jurisdiction that expressly prevents the trustee from using part or all of the trust for the medical care, care, comfort, maintenance, welfare, or general well being of the applicant or recipient, the trust or that portion of the trust subject to the court order shall not be counted as a resource. 59009  
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(f) If a trust is specifically exempt from being counted as an available resource by a provision of the Revised Code, rules, or federal law, the trust shall not be counted as a resource. 59015  
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(g) If an applicant or recipient presents a final judgment from a court demonstrating that the applicant or recipient was unsuccessful in a civil action against the trustee to compel payments from the trust, the trust shall not be counted as an available resource. 59018  
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(h) If an applicant or recipient presents a final judgment from a court demonstrating that in a civil action against the trustee the applicant or recipient was only able to compel limited or periodic payments, the trust shall not be counted as an available resource and payments shall be treated in accordance with rules adopted by the department of job and family services governing income. 59023  
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(i) If an applicant or recipient provides written documentation showing that the cost of a civil action brought to compel payments from the trust would be cost prohibitive, the trust shall not be counted as an available resource. 59030  
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(5) Any actual payments to the applicant or recipient from a trust that meet the requirements of division (G)(1) of this section, including trusts that are not counted as an available resource, shall be treated as provided in rules adopted by the department of job and family services governing income. Payments to any person other than the applicant or recipient shall not be considered income to the applicant or recipient. Payments from the trust to a person other than the applicant or recipient shall not be considered an improper transfer of assets. 59034  
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Sec. 5111.16. (A) As part of the medicaid program, the department of job and family services shall establish a care management system. The department shall submit, if necessary, applications to the United States department of health and human services for waivers of federal medicaid requirements that would otherwise be violated in the implementation of the system. 59043  
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The department shall implement the care management system in some or all counties and shall designate the medicaid recipients who are required or permitted to participate in the system. In the case of individuals who receive medicaid on the basis of being aged, blind, or disabled, as specified in division (A)(2) of section 5111.01 of the Revised Code, all of the following apply:

(1) Not later than July 1, 2004, the department shall designate a portion of the individuals for participation in the care management system.

(2) Individuals shall not be designated for participation unless they reside in a county in which individuals who receive medicaid on another basis have been designated for participation.

(3) If, pursuant to division (B)(2) of this section, the department requires or permits the individuals to obtain health care services through managed care organizations, the department shall select the managed care organizations to be used by the individuals through a request for proposals process. The department shall issue its initial request for proposals not later than December 31, 2003.

(4) Individuals shall not be required to obtain health care services through managed care organizations unless they are at least twenty-one years of age.

(B) Under the care management system, the department may do both of the following:

(1) Require or permit participants in the system to obtain health care services from providers designated by the department;

(2) Subject to division (A)(4) of this section, require or permit participants in the system to obtain health care services through managed care organizations under contract with the department pursuant to section 5111.17 of the Revised Code.

(C) The director of job and family services may adopt rules in accordance with Chapter 119. of the Revised Code to implement this section. 59079  
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Sec. 5111.161. (A) As used in this section, "chronically ill child" means an individual who is not more than twenty-one years of age and meets the conditions specified in division (A)(2) of section 5111.01 of the Revised Code to be eligible for medicaid on the basis of being blind or disabled. 59082  
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(B) The department of job and family services shall develop a pilot program under which chronically ill children are included among the medicaid recipients who are required to participate in the care management system established under section 5111.16 of the Revised Code. The pilot program shall be implemented not later than October 1, 2004, or, if by that date the department has not received any necessary federal approval to implement the program, as soon as practicable after receiving the approval. The department shall operate the program until October 1, 2006, except that the department shall cease operation of the program before that date if either of the following is the case: 59087  
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(1) The department determines that requiring chronically ill children to participate in the care management system is not a cost-effective means of providing medicaid services; 59098  
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(2) The combined state and federal cost of the children's care coordination described in division (D) of this section reaches three million dollars. 59101  
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(C) The department shall ensure that the pilot program is operated in at least three counties selected by the department. In its consideration of the counties to be selected, the department may give priority to Hamilton county and Muskingum county. The department may extend its operation of the program into the areas 59104  
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surrounding the counties in which the program is operated. 59109

(D) The purpose of the pilot program shall be to determine whether occurrences of acute illnesses and hospitalizations among chronically ill children can be prevented or reduced by establishing a medical home for the children where care is administered proactively and in a manner that is accessible, continuous, family-centered, coordinated, and compassionate. In establishing a medical home for a chronically ill child, all of the following apply: 59110  
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(1) A physician shall serve as the care coordinator for the child. The care coordinator may be engaged in practice as a pediatrician certified in pediatrics by a medical specialty board of the American medical association or American osteopathic association, a pediatric subspecialist, or a provider for the bureau of children with medical handicaps within the department of health. If the physician is in a group practice, any member of the group practice may serve as the child's care coordinator. The duties of the care coordinator may be performed by a person acting under the supervision of the care coordinator. 59118  
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(2) The child may receive care from any health care practitioner appropriate to the child's needs, but the care coordinator shall direct and oversee the child's overall care. 59128  
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(3) The care coordinator shall establish a relationship of mutual responsibility with the child's parents or other persons who are responsible for the child. Under this relationship, the care coordinator shall commit to developing a long-term disease prevention strategy and providing disease management and education services, while the child's parents or other persons who are responsible for the child shall commit to participate fully in implementing the child's care management plan. 59131  
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(4) The medicaid program shall provide reimbursement for the 59139



reasonable and necessary costs of the services associated with 59140  
care coordination, including, but not limited to, case management, 59141  
care plan oversight, preventive care, health and behavioral care 59142  
assessment and intervention, and any service modifier that 59143  
reflects the provision of prolonged services or additional care. 59144

(E) The department shall conduct an evaluation of the pilot 59145  
program's effectiveness. As part of the evaluation, the department 59146  
shall maintain statistics on physician expenditures, hospital 59147  
expenditures, preventable hospitalizations, and other matters the 59148  
department considers necessary to conduct the evaluation. 59149

(F) The department shall adopt rules in accordance with 59150  
Chapter 119. of the Revised Code as necessary to implement this 59151  
section. The rules shall specify standards and procedures to be 59152  
used in designating the chronically ill children who are required 59153  
to participate in the pilot program. 59154

~~Sec. 5111.17. (A) On receipt of a waiver from the United~~ 59155  
~~States department of health and human services of any federal~~ 59156  
~~requirement that would otherwise be violated, the~~ The department 59157  
of job and family services may establish in some or all counties a 59158  
managed care system under which designated recipients of medical 59159  
assistance are required to obtain health care services from 59160  
providers designated by the department. 59161

~~(B) The department may enter into contracts with managed care~~ 59162  
~~organizations to authorize, including health insuring~~ 59163  
corporations, under which the organizations are authorized to 59164  
provide, or arrange for the provision of, health care services to 59165  
medical assistance recipients ~~participating in a~~ who are required 59166  
or permitted to obtain health care services through managed care 59167  
organizations as part of the care management system established 59168  
under ~~this~~ section 5111.16 of the Revised Code. 59169

~~(C) For the purpose of determining the amount the department~~ 59170

~~pays hospitals under section 5112.08 of the Revised Code and the amount of disproportionate share hospital payments paid by the medicare program established under Title XVIII of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A. 301, as amended, each managed care organization under contract with the department to provide hospital services to participating medical assistance recipients shall keep detailed records for each hospital with which it contracts about the cost to the hospital of providing the care, payments made by the organization to the hospital for the care, utilization of hospital services by medical assistance recipients participating in managed care, and other utilization data required by the department.~~

~~(D)~~(B) The director of job and family services may adopt rules in accordance with Chapter 119. of the Revised Code to implement this section.

**Sec. 5111.171.** (A) The department of job and family services may provide financial incentive awards to managed care organizations ~~that~~ under contract with the department ~~under~~ pursuant to section 5111.17 of the Revised Code ~~to provide health care services to participating medical assistance recipients and~~ that meet or exceed performance standards specified in provider agreements or rules adopted by the department. The department may specify in a contract with a managed care organization the amounts of financial incentive awards, methodology for distributing awards, types of awards, and standards for administration by the department.

(B) There is hereby created in the state treasury the health care compliance fund. The fund shall consist of all fines imposed on and collected from managed care organizations for failure to ~~meet~~ meet performance standards or other requirements specified in provider agreements or rules adopted by the department. All

investment earnings of the fund shall be credited to the fund. 59202  
Moneys credited to the fund shall be used solely for the following 59203  
purposes: 59204

(1) To reimburse managed care organizations that have paid 59205  
fines for failures to meet performance standards or other 59206  
requirements and that have come into compliance by meeting 59207  
requirements as specified by the department; 59208

(2) To provide financial incentive awards established 59209  
pursuant to division (A) of this section and specified in 59210  
contracts between managed care organizations and the department. 59211

Sec. 5111.172. When contracting under section 5111.17 of the 59212  
Revised Code with a managed care organization that is a health 59213  
insuring corporation, the department of job and family services 59214  
may require the health insuring corporation to provide coverage of 59215  
prescription drugs for medicaid recipients enrolled in the health 59216  
insuring corporation. In providing the required coverage, the 59217  
health insuring corporation may, subject to the department's 59218  
approval, use strategies for the management of drug utilization. 59219

Sec. 5111.173. The department of job and family services 59220  
shall appoint a temporary manager for a managed care organization 59221  
under contract with the department pursuant to section 5111.17 of 59222  
the Revised Code if the department determines that the managed 59223  
care organization has repeatedly failed to meet substantive 59224  
requirements specified in section 1903(m) of the "Social Security 59225  
Act," 79 Stat. 286 (1965), 42 U.S.C. 1396b(m), as amended; section 59226  
1932 of the Social Security Act, 42 U.S.C. 1396u-2, as amended; or 59227  
42 C.F.R. 438 Part I. The appointment of a temporary manager does 59228  
not preclude the department from imposing other sanctions 59229  
available to the department against the managed care organization. 59230

The managed care organization shall pay all costs of having 59231

the temporary manager perform the temporary manager's duties, 59232  
including all costs the temporary manager incurs in performing 59233  
those duties. If the temporary manager incurs costs or liabilities 59234  
on behalf of the managed care organization, the managed care 59235  
organization shall pay those costs and be responsible for those 59236  
liabilities. 59237

The appointment of a temporary manager is not subject to 59238  
Chapter 119. of the Revised Code, but the managed care 59239  
organization may request a reconsideration of the appointment. 59240  
Reconsiderations shall be requested and conducted in accordance 59241  
with rules the director of job and family services shall adopt in 59242  
accordance with Chapter 119. of the Revised Code. 59243

The appointment of a temporary manager does not cause the 59244  
managed care organization to lose the right to appeal, in 59245  
accordance with Chapter 119. of the Revised Code, any proposed 59246  
termination or any decision not to renew the managed care 59247  
organization's medicaid provider agreement or the right to 59248  
initiate the sale of the managed care organization or its assets. 59249

In addition to the rules required to be adopted under this 59250  
section, the director may adopt any other rules necessary to 59251  
implement this section. The rules shall be adopted in accordance 59252  
with Chapter 119. of the Revised Code. 59253

**Sec. 5111.174.** The department of job and family services may 59254  
disenroll some or all medicaid recipients enrolled in a managed 59255  
care organization under contract with the department pursuant to 59256  
section 5111.17 of the Revised Code if the department proposes to 59257  
terminate or not to renew the contract and determines that the 59258  
recipients' access to medically necessary services is jeopardized 59259  
by the proposal to terminate or not to renew the contract. The 59260  
disenrollment is not subject to Chapter 119. of the Revised Code, 59261  
but the managed care organization may request a reconsideration of 59262

the disenrollment. Reconsiderations shall be requested and 59263  
conducted in accordance with rules the director of job and family 59264  
services shall adopt in accordance with Chapter 119. of the 59265  
Revised Code. The request for, or conduct of, a reconsideration 59266  
regarding a proposed disenrollment shall not delay the 59267  
disenrollment. 59268

In addition to the rules required to be adopted under this 59269  
section, the director may adopt any other rules necessary to 59270  
implement this section. The rules shall be adopted in accordance 59271  
with Chapter 119. of the Revised Code. 59272

Sec. 5111.175. For the purpose of determining the amount the 59273  
department of job and family services pays hospitals under section 59274  
5112.08 of the Revised Code and the amount of disproportionate 59275  
share hospital payments paid by the medicare program established 59276  
under Title XVIII of the "Social Security Act," 79 Stat. 286 59277  
(1965), 42 U.S.C. 1396n, as amended, a managed care organization 59278  
under contract with the department pursuant to section 5111.17 of 59279  
the Revised Code authorizing the organization to provide, or 59280  
arrange for the provision of, hospital services to medicaid 59281  
recipients shall keep detailed records for each hospital with 59282  
which it contracts about the cost to the hospital of providing the 59283  
services, payments made by the organization to the hospital for 59284  
the services, utilization of hospital services by medicaid 59285  
recipients enrolled in the organization, and other utilization 59286  
data required by the department. 59287

Sec. 5111.20. As used in sections 5111.20 to ~~5111.32~~ 5111.34 59288  
of the Revised Code: 59289

(A) "Allowable costs" are those costs determined by the 59290  
department of job and family services to be reasonable and do not 59291  
include fines paid under sections 5111.35 to 5111.61 and section 59292

5111.99 of the Revised Code.	59293
(B) "Capital costs" means costs of ownership and nonextensive renovation.	59294 59295
(1) "Cost of ownership" means the actual expense incurred for all of the following:	59296 59297
(a) Depreciation and interest on any capital assets that cost five hundred dollars or more per item, including the following:	59298 59299
(i) Buildings;	59300
(ii) Building improvements that are not approved as nonextensive renovations under section 5111.25 or 5111.251 of the Revised Code;	59301 59302 59303
(iii) Equipment;	59304
(iv) Extensive renovations;	59305
(v) Transportation equipment.	59306
(b) Amortization and interest on land improvements and leasehold improvements;	59307 59308
(c) Amortization of financing costs;	59309
(d) Except as provided in division (I) of this section, lease and rent of land, building, and equipment.	59310 59311
The costs of capital assets of less than five hundred dollars per item may be considered costs of ownership in accordance with a provider's practice.	59312 59313 59314
(2) "Costs of nonextensive renovation" means the actual expense incurred for depreciation or amortization and interest on renovations that are not extensive renovations.	59315 59316 59317
(C) "Capital lease" and "operating lease" shall be construed in accordance with generally accepted accounting principles.	59318 59319
(D) "Case-mix score" means the measure determined under	59320

section 5111.231 of the Revised Code of the relative direct-care 59321  
resources needed to provide care and habilitation to a resident of 59322  
a nursing facility or intermediate care facility for the mentally 59323  
retarded. 59324

(E) "Date of licensure," for a facility originally licensed 59325  
as a nursing home under Chapter 3721. of the Revised Code, means 59326  
the date specific beds were originally licensed as nursing home 59327  
beds under that chapter, regardless of whether they were 59328  
subsequently licensed as residential facility beds under section 59329  
5123.19 of the Revised Code. For a facility originally licensed as 59330  
a residential facility under section 5123.19 of the Revised Code, 59331  
"date of licensure" means the date specific beds were originally 59332  
licensed as residential facility beds under that section. 59333

(1) If nursing home beds licensed under Chapter 3721. of the 59334  
Revised Code or residential facility beds licensed under section 59335  
5123.19 of the Revised Code were not required by law to be 59336  
licensed when they were originally used to provide nursing home or 59337  
residential facility services, "date of licensure" means the date 59338  
the beds first were used to provide nursing home or residential 59339  
facility services, regardless of the date the present provider 59340  
obtained licensure. 59341

(2) If a facility adds nursing home beds or residential 59342  
facility beds or extensively renovates all or part of the facility 59343  
after its original date of licensure, it will have a different 59344  
date of licensure for the additional beds or extensively renovated 59345  
portion of the facility, unless the beds are added in a space that 59346  
was constructed at the same time as the previously licensed beds 59347  
but was not licensed under Chapter 3721. or section 5123.19 of the 59348  
Revised Code at that time. 59349

(F) "Desk-reviewed" means that costs as reported on a cost 59350  
report submitted under section 5111.26 of the Revised Code have 59351  
been subjected to a desk review under division (A) of section 59352

5111.27 of the Revised Code and preliminarily determined to be allowable costs.	59353 59354
(G) "Direct care costs" means all of the following:	59355
(1)(a) Costs for registered nurses, licensed practical nurses, and nurse aides employed by the facility;	59356 59357
(b) Costs for direct care staff, administrative nursing staff, medical directors, social services staff, activities staff, psychologists and psychology assistants, social workers and counselors, habilitation staff, qualified mental retardation professionals, program directors, respiratory therapists, habilitation supervisors, and except as provided in division (G)(2) of this section, other persons holding degrees qualifying them to provide therapy;	59358 59359 59360 59361 59362 59363 59364 59365
(c) Costs of purchased nursing services;	59366
(d) Costs of quality assurance;	59367
(e) Costs of training and staff development, employee benefits, payroll taxes, and workers' compensation premiums or costs for self-insurance claims and related costs as specified in rules adopted by the director of job and family services in accordance with Chapter 119. of the Revised Code, for personnel listed in divisions (G)(1)(a), (b), and (d) of this section;	59368 59369 59370 59371 59372 59373
(f) Costs of consulting and management fees related to direct care;	59374 59375
(g) Allocated direct care home office costs.	59376
(2) In addition to the costs specified in division (G)(1) of this section, for intermediate care facilities for the mentally retarded only, direct care costs include both of the following:	59377 59378 59379
(a) Costs for physical therapists and physical therapy assistants, occupational therapists and occupational therapy assistants, speech therapists, and audiologists;	59380 59381 59382



(b) Costs of training and staff development, employee 59383  
benefits, payroll taxes, and workers' compensation premiums or 59384  
costs for self-insurance claims and related costs as specified in 59385  
rules adopted by the director of job and family services in 59386  
accordance with Chapter 119. of the Revised Code, for personnel 59387  
listed in division (G)(2)(a) of this section. 59388

(3) Costs of other direct-care resources that are specified 59389  
as direct care costs in rules adopted by the director of job and 59390  
family services in accordance with Chapter 119. of the Revised 59391  
Code. 59392

(H) "Fiscal year" means the fiscal year of this state, as 59393  
specified in section 9.34 of the Revised Code. 59394

(I) "Indirect care costs" means all reasonable costs other 59395  
than direct care costs, other protected costs, or capital costs. 59396  
"Indirect care costs" includes but is not limited to costs of 59397  
habilitation supplies, pharmacy consultants, medical and 59398  
habilitation records, program supplies, incontinence supplies, 59399  
food, enterals, dietary supplies and personnel, laundry, 59400  
housekeeping, security, administration, liability insurance, 59401  
bookkeeping, purchasing department, human resources, 59402  
communications, travel, dues, license fees, subscriptions, home 59403  
office costs not otherwise allocated, legal services, accounting 59404  
services, minor equipment, maintenance and repairs, help-wanted 59405  
advertising, informational advertising, ~~consumer satisfaction~~ 59406  
~~survey fees paid under section 173.55 of the Revised Code,~~ 59407  
start-up costs, organizational expenses, other interest, property 59408  
insurance, employee training and staff development, employee 59409  
benefits, payroll taxes, and workers' compensation premiums or 59410  
costs for self-insurance claims and related costs as specified in 59411  
rules adopted by the director of job and family services in 59412  
accordance with Chapter 119. of the Revised Code, for personnel 59413  
listed in this division. Notwithstanding division (B)(1) of this 59414

section, "indirect care costs" also means the cost of equipment, 59415  
including vehicles, acquired by operating lease executed before 59416  
December 1, 1992, if the costs are reported as administrative and 59417  
general costs on the facility's cost report for the cost reporting 59418  
period ending December 31, 1992. 59419

(J) "Inpatient days" means all days during which a resident, 59420  
regardless of payment source, occupies a bed in a nursing facility 59421  
or intermediate care facility for the mentally retarded that is 59422  
included in the facility's certified capacity under Title XIX of 59423  
the "Social Security Act," 49 Stat. 610 (1935), 42 U.S.C.A. 301, 59424  
as amended. Therapeutic or hospital leave days for which payment 59425  
is made under section 5111.33 of the Revised Code are considered 59426  
inpatient days proportionate to the percentage of the facility's 59427  
per resident per day rate paid for those days. 59428

(K) "Intermediate care facility for the mentally retarded" 59429  
means an intermediate care facility for the mentally retarded 59430  
certified as in compliance with applicable standards for the 59431  
medical assistance program by the director of health in accordance 59432  
with Title XIX of the "Social Security Act." 59433

(L) "Maintenance and repair expenses" means, except as 59434  
provided in division (X)(2) of this section, expenditures that are 59435  
necessary and proper to maintain an asset in a normally efficient 59436  
working condition and that do not extend the useful life of the 59437  
asset two years or more. "Maintenance and repair expenses" 59438  
includes but is not limited to the cost of ordinary repairs such 59439  
as painting and wallpapering. 59440

(M) "Nursing facility" means a facility, or a distinct part 59441  
of a facility, that is certified as a nursing facility by the 59442  
director of health in accordance with Title XIX of the "Social 59443  
Security Act," and is not an intermediate care facility for the 59444  
mentally retarded. "Nursing facility" includes a facility, or a 59445  
distinct part of a facility, that is certified as a nursing 59446

facility by the director of health in accordance with Title XIX of 59447  
the "Social Security Act," and is certified as a skilled nursing 59448  
facility by the director in accordance with Title XVIII of the 59449  
"Social Security Act." 59450

(N) "Other protected costs" means costs for medical supplies; 59451  
real estate, franchise, and property taxes; natural gas, fuel oil, 59452  
water, electricity, sewage, and refuse and hazardous medical waste 59453  
collection; allocated other protected home office costs; and any 59454  
additional costs defined as other protected costs in rules adopted 59455  
by the director of job and family services in accordance with 59456  
Chapter 119. of the Revised Code. 59457

(O) "Owner" means any person or government entity that has at 59458  
least five per cent ownership or interest, either directly, 59459  
indirectly, or in any combination, in a nursing facility or 59460  
intermediate care facility for the mentally retarded. 59461

(P) "Patient" includes "resident." 59462

(Q) Except as provided in divisions (Q)(1) and (2) of this 59463  
section, "per diem" means a nursing facility's or intermediate 59464  
care facility for the mentally retarded's actual, allowable costs 59465  
in a given cost center in a cost reporting period, divided by the 59466  
facility's inpatient days for that cost reporting period. 59467

(1) When calculating indirect care costs for the purpose of 59468  
establishing rates under section 5111.24 or 5111.241 of the 59469  
Revised Code, "per diem" means a facility's actual, allowable 59470  
indirect care costs in a cost reporting period divided by the 59471  
greater of the facility's inpatient days for that period or the 59472  
number of inpatient days the facility would have had during that 59473  
period if its occupancy rate had been eighty-five per cent. 59474

(2) When calculating capital costs for the purpose of 59475  
establishing rates under section 5111.25 or 5111.251 of the 59476  
Revised Code, "per diem" means a facility's actual, allowable 59477

capital costs in a cost reporting period divided by the greater of 59478  
the facility's inpatient days for that period or the number of 59479  
inpatient days the facility would have had during that period if 59480  
its occupancy rate had been ninety-five per cent. 59481

(R) "Provider" means a person or government entity that 59482  
operates a nursing facility or intermediate care facility for the 59483  
mentally retarded under a provider agreement. 59484

(S) "Provider agreement" means a contract between the 59485  
department of job and family services and a nursing facility or 59486  
intermediate care facility for the mentally retarded for the 59487  
provision of nursing facility services or intermediate care 59488  
facility services for the mentally retarded under the medical 59489  
assistance program. 59490

(T) "Purchased nursing services" means services that are 59491  
provided in a nursing facility by registered nurses, licensed 59492  
practical nurses, or nurse aides who are not employees of the 59493  
facility. 59494

(U) "Reasonable" means that a cost is an actual cost that is 59495  
appropriate and helpful to develop and maintain the operation of 59496  
patient care facilities and activities, including normal standby 59497  
costs, and that does not exceed what a prudent buyer pays for a 59498  
given item or services. Reasonable costs may vary from provider to 59499  
provider and from time to time for the same provider. 59500

(V) "Related party" means an individual or organization that, 59501  
to a significant extent, has common ownership with, is associated 59502  
or affiliated with, has control of, or is controlled by, the 59503  
provider. 59504

(1) An individual who is a relative of an owner is a related 59505  
party. 59506

(2) Common ownership exists when an individual or individuals 59507  
possess significant ownership or equity in both the provider and 59508

the other organization. Significant ownership or equity exists 59509  
when an individual or individuals possess five per cent ownership 59510  
or equity in both the provider and a supplier. Significant 59511  
ownership or equity is presumed to exist when an individual or 59512  
individuals possess ten per cent ownership or equity in both the 59513  
provider and another organization from which the provider 59514  
purchases or leases real property. 59515

(3) Control exists when an individual or organization has the 59516  
power, directly or indirectly, to significantly influence or 59517  
direct the actions or policies of an organization. 59518

(4) An individual or organization that supplies goods or 59519  
services to a provider shall not be considered a related party if 59520  
all of the following conditions are met: 59521

(a) The supplier is a separate bona fide organization. 59522

(b) A substantial part of the supplier's business activity of 59523  
the type carried on with the provider is transacted with others 59524  
than the provider and there is an open, competitive market for the 59525  
types of goods or services the supplier furnishes. 59526

(c) The types of goods or services are commonly obtained by 59527  
other nursing facilities or intermediate care facilities for the 59528  
mentally retarded from outside organizations and are not a basic 59529  
element of patient care ordinarily furnished directly to patients 59530  
by the facilities. 59531

(d) The charge to the provider is in line with the charge for 59532  
the goods or services in the open market and no more than the 59533  
charge made under comparable circumstances to others by the 59534  
supplier. 59535

(W) "Relative of owner" means an individual who is related to 59536  
an owner of a nursing facility or intermediate care facility for 59537  
the mentally retarded by one of the following relationships: 59538

(1) Spouse;	59539
(2) Natural parent, child, or sibling;	59540
(3) Adopted parent, child, or sibling;	59541
(4) Step-parent, step-child, step-brother, or step-sister;	59542
(5) Father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law;	59543 59544
(6) Grandparent or grandchild;	59545
(7) Foster caregiver, foster child, foster brother, or foster sister.	59546 59547
(X) "Renovation" and "extensive renovation" mean:	59548
(1) Any betterment, improvement, or restoration of a nursing facility or intermediate care facility for the mentally retarded started before July 1, 1993, that meets the definition of a renovation or extensive renovation established in rules adopted by the director of job and family services in effect on December 22, 1992.	59549 59550 59551 59552 59553 59554
(2) In the case of betterments, improvements, and restorations of nursing facilities and intermediate care facilities for the mentally retarded started on or after July 1, 1993:	59555 59556 59557 59558
(a) "Renovation" means the betterment, improvement, or restoration of a nursing facility or intermediate care facility for the mentally retarded beyond its current functional capacity through a structural change that costs at least five hundred dollars per bed. A renovation may include betterment, improvement, restoration, or replacement of assets that are affixed to the building and have a useful life of at least five years. A renovation may include costs that otherwise would be considered maintenance and repair expenses if they are an integral part of the structural change that makes up the renovation project.	59559 59560 59561 59562 59563 59564 59565 59566 59567 59568

"Renovation" does not mean construction of additional space for 59569  
beds that will be added to a facility's licensed or certified 59570  
capacity. 59571

(b) "Extensive renovation" means a renovation that costs more 59572  
than sixty-five per cent and no more than eighty-five per cent of 59573  
the cost of constructing a new bed and that extends the useful 59574  
life of the assets for at least ten years. 59575

For the purposes of division (X)(2) of this section, the cost 59576  
of constructing a new bed shall be considered to be forty thousand 59577  
dollars, adjusted for the estimated rate of inflation from January 59578  
1, 1993, to the end of the calendar year during which the 59579  
renovation is completed, using the consumer price index for 59580  
shelter costs for all urban consumers for the north central 59581  
region, as published by the United States bureau of labor 59582  
statistics. 59583

The department of job and family services may treat a 59584  
renovation that costs more than eighty-five per cent of the cost 59585  
of constructing new beds as an extensive renovation if the 59586  
department determines that the renovation is more prudent than 59587  
construction of new beds. 59588

**Sec. 5111.21.** (A) Subject to sections 5111.01, 5111.011, 59589  
5111.012, ~~and~~ 5111.02, and 5111.211 of the Revised Code, the 59590  
department of job and family services shall pay, as provided in 59591  
sections 5111.20 to 5111.32 of the Revised Code, the reasonable 59592  
costs of services provided to an eligible medicaid recipient by an 59593  
eligible nursing facility or intermediate care facility for the 59594  
mentally retarded. 59595

In order to be eligible for medical assistance payments, a 59596  
nursing facility or intermediate care facility for the mentally 59597  
retarded shall do all of the following: 59598

(1) Enter into a provider agreement with the department as provided in section 5111.22 of the Revised Code; 59599  
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(2) Apply for and maintain a valid license to operate if so required by law; 59601  
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(3) Comply with all applicable state and federal laws and rules. 59603  
59604

(B) A nursing facility that elects to obtain and maintain eligibility for payments under the ~~medicare~~ medicaid program established by ~~Title XVIII of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A. 301, as amended~~ may shall qualify all ~~or~~ part of the facility of the facility's medicaid-certified beds in the medicare program established by Title XVIII of the "Social Security Act," 79 Stat. 286 (1965), 42 U.S.C. 1395. The director of job and family services may adopt rules in accordance with Chapter 119. of the Revised Code to establish the time frame in which a nursing facility must comply with this requirement. 59605  
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Sec. 5111.211. (A) The department of mental retardation and developmental disabilities is responsible for the nonfederal share of claims submitted for services that are covered by the medicaid program and provided to an eligible medicaid recipient by an intermediate care facility for the mentally retarded if all of the following are the case: 59615  
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(1) The services are provided on or after July 1, 2003; 59621

(2) The facility receives initial certification by the director of health as an intermediate care facility for the mentally retarded on or after June 1, 2003; 59622  
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(3) The facility, or a portion of the facility, is licensed by the director of mental retardation and developmental disabilities as a residential facility under section 5123.19 of the Revised Code; 59625  
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(4) There is a valid provider agreement for the facility. 59629

(B) Each month, the department of job and family services shall invoice the department of mental retardation and developmental disabilities by interagency transfer voucher for the claims for which the department of mental retardation and developmental disabilities is responsible pursuant to this section. 59630  
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**Sec. 5111.22.** A provider agreement between the department of job and family services and a nursing facility or intermediate care facility for the mentally retarded shall contain the following provisions: 59636  
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(A) The department agrees to+ 59640

~~(1) Make make payments to the nursing facility or intermediate care facility for the mentally retarded for patients eligible for services under the medical assistance program as provided in sections 5111.20 to 5111.32 of the Revised Code. No payment shall be made for the day a recipient is discharged from the facility.~~ 59641  
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~~(2) Provide copies of rules governing the facility's participation as a provider in the medical assistance program. Whenever the director of job and family services files a proposed rule or proposed rule in revised form under division (D) of section 111.15 or division (B) of section 119.03 of the Revised Code, the department shall provide the facility with one copy of such rule. In the case of a rescission or proposed rescission of a rule, the department may provide the rule number and title instead of the rules rescinded or proposed to be rescinded.~~ 59647  
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(B) The provider agrees to: 59656

(1) Maintain eligibility as provided in section 5111.21 of the Revised Code; 59657  
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(2) Keep records relating to a cost reporting period for the greater of seven years after the cost report is filed or, if the department issues an audit report in accordance with division (B) of section 5111.27 of the Revised Code, six years after all appeal rights relating to the audit report are exhausted;

(3) File reports as required by the department;

(4) Open all records relating to the costs of its services for inspection and audit by the department;

(5) Open its premises for inspection by the department, the department of health, and any other state or local authority having authority to inspect;

(6) Supply to the department such information as it requires concerning the facility's services to patients who are or are eligible to be medicaid recipients;

(7) Comply with section 5111.31 of the Revised Code.

The provider agreement may contain other provisions that are consistent with law and considered necessary by the department.

A provider agreement shall be effective for no longer than twelve months, except that if federal statute or regulations authorize a longer term, it may be effective for a longer term so authorized. A provider agreement may be renewed only if the facility is certified by the department of health for participation in the medicaid program.

The department of job and family services, in accordance with rules adopted by the director pursuant to Chapter 119. of the Revised Code, may elect not to enter into, not to renew, or to terminate a provider agreement when the department determines that such an agreement would not be in the best interests of the recipients or of the state.

Sec. 5111.251. (A) The department of job and family services 59688  
shall pay each eligible intermediate care facility for the 59689  
mentally retarded for its reasonable capital costs, a per resident 59690  
per day rate established prospectively each fiscal year for each 59691  
intermediate care facility for the mentally retarded. Except as 59692  
otherwise provided in sections 5111.20 to 5111.32 of the Revised 59693  
Code, the rate shall be based on the facility's capital costs for 59694  
the calendar year preceding the fiscal year in which the rate will 59695  
be paid. The rate shall equal the sum of the following: 59696

(1) The facility's desk-reviewed, actual, allowable, per diem 59697  
cost of ownership for the preceding cost reporting period, limited 59698  
as provided in divisions (C) and (F) of this section; 59699

(2) Any efficiency incentive determined under division (B) of 59700  
this section; 59701

(3) Any amounts for renovations determined under division (D) 59702  
of this section; 59703

(4) Any amounts for return on equity determined under 59704  
division (I) of this section. 59705

Buildings shall be depreciated using the straight line method 59706  
over forty years or over a different period approved by the 59707  
department. Components and equipment shall be depreciated using 59708  
the straight line method over a period designated by the director 59709  
of job and family services in rules adopted in accordance with 59710  
Chapter 119. of the Revised Code, consistent with the guidelines 59711  
of the American hospital association, or over a different period 59712  
approved by the department of job and family services. Any rules 59713  
adopted under this division that specify useful lives of 59714  
buildings, components, or equipment apply only to assets acquired 59715  
on or after July 1, 1993. Depreciation for costs paid or 59716  
reimbursed by any government agency shall not be included in costs 59717

of ownership or renovation unless that part of the payment under 59718  
sections 5111.20 to 5111.32 of the Revised Code is used to 59719  
reimburse the government agency. 59720

(B) The department of job and family services shall pay to 59721  
each intermediate care facility for the mentally retarded an 59722  
efficiency incentive equal to fifty per cent of the difference 59723  
between any desk-reviewed, actual, allowable cost of ownership and 59724  
the applicable limit on cost of ownership payments under division 59725  
(C) of this section. For purposes of computing the efficiency 59726  
incentive, depreciation for costs paid or reimbursed by any 59727  
government agency shall be considered as a cost of ownership, and 59728  
the applicable limit under division (C) of this section shall 59729  
apply both to facilities with more than eight beds and facilities 59730  
with eight or fewer beds. The efficiency incentive paid to a 59731  
facility with eight or fewer beds shall not exceed three dollars 59732  
per patient day, adjusted annually for the inflation rate for the 59733  
twelve-month period beginning on the first day of July of the 59734  
calendar year preceding the calendar year that precedes the fiscal 59735  
year for which the efficiency incentive is determined and ending 59736  
on the thirtieth day of the following June, using the consumer 59737  
price index for shelter costs for all urban consumers for the 59738  
north central region, as published by the United States bureau of 59739  
labor statistics. 59740

(C) Cost of ownership payments to intermediate care 59741  
facilities for the mentally retarded with more than eight beds 59742  
shall not exceed the following limits: 59743

(1) For facilities with dates of licensure prior to January 59744  
1, 1958, not exceeding two dollars and fifty cents per patient 59745  
day; 59746

(2) For facilities with dates of licensure after December 31, 59747  
1957, but prior to January 1, 1968, not exceeding: 59748

(a) Three dollars and fifty cents per patient day if the cost of construction was three thousand five hundred dollars or more per bed;	59749 59750 59751
(b) Two dollars and fifty cents per patient day if the cost of construction was less than three thousand five hundred dollars per bed.	59752 59753 59754
(3) For facilities with dates of licensure after December 31, 1967, but prior to January 1, 1976, not exceeding:	59755 59756
(a) Four dollars and fifty cents per patient day if the cost of construction was five thousand one hundred fifty dollars or more per bed;	59757 59758 59759
(b) Three dollars and fifty cents per patient day if the cost of construction was less than five thousand one hundred fifty dollars per bed, but exceeds three thousand five hundred dollars per bed;	59760 59761 59762 59763
(c) Two dollars and fifty cents per patient day if the cost of construction was three thousand five hundred dollars or less per bed.	59764 59765 59766
(4) For facilities with dates of licensure after December 31, 1975, but prior to January 1, 1979, not exceeding:	59767 59768
(a) Five dollars and fifty cents per patient day if the cost of construction was six thousand eight hundred dollars or more per bed;	59769 59770 59771
(b) Four dollars and fifty cents per patient day if the cost of construction was less than six thousand eight hundred dollars per bed but exceeds five thousand one hundred fifty dollars per bed;	59772 59773 59774 59775
(c) Three dollars and fifty cents per patient day if the cost of construction was five thousand one hundred fifty dollars or less per bed, but exceeds three thousand five hundred dollars per	59776 59777 59778

bed;	59779
(d) Two dollars and fifty cents per patient day if the cost	59780
of construction was three thousand five hundred dollars or less	59781
per bed.	59782
(5) For facilities with dates of licensure after December 31,	59783
1978, but prior to January 1, 1980, not exceeding:	59784
(a) Six dollars per patient day if the cost of construction	59785
was seven thousand six hundred twenty-five dollars or more per	59786
bed;	59787
(b) Five dollars and fifty cents per patient day if the cost	59788
of construction was less than seven thousand six hundred	59789
twenty-five dollars per bed but exceeds six thousand eight hundred	59790
dollars per bed;	59791
(c) Four dollars and fifty cents per patient day if the cost	59792
of construction was six thousand eight hundred dollars or less per	59793
bed but exceeds five thousand one hundred fifty dollars per bed;	59794
(d) Three dollars and fifty cents per patient day if the cost	59795
of construction was five thousand one hundred fifty dollars or	59796
less but exceeds three thousand five hundred dollars per bed;	59797
(e) Two dollars and fifty cents per patient day if the cost	59798
of construction was three thousand five hundred dollars or less	59799
per bed.	59800
(6) For facilities with dates of licensure after December 31,	59801
1979, but prior to January 1, 1981, not exceeding:	59802
(a) Twelve dollars per patient day if the beds were	59803
originally licensed as residential facility beds by the department	59804
of mental retardation and developmental disabilities;	59805
(b) Six dollars per patient day if the beds were originally	59806
licensed as nursing home beds by the department of health.	59807
(7) For facilities with dates of licensure after December 31,	59808

1980, but prior to January 1, 1982, not exceeding:	59809
(a) Twelve dollars per patient day if the beds were	59810
originally licensed as residential facility beds by the department	59811
of mental retardation and developmental disabilities;	59812
(b) Six dollars and forty-five cents per patient day if the	59813
beds were originally licensed as nursing home beds by the	59814
department of health.	59815
(8) For facilities with dates of licensure after December 31,	59816
1981, but prior to January 1, 1983, not exceeding:	59817
(a) Twelve dollars per patient day if the beds were	59818
originally licensed as residential facility beds by the department	59819
of mental retardation and developmental disabilities;	59820
(b) Six dollars and seventy-nine cents per patient day if the	59821
beds were originally licensed as nursing home beds by the	59822
department of health.	59823
(9) For facilities with dates of licensure after December 31,	59824
1982, but prior to January 1, 1984, not exceeding:	59825
(a) Twelve dollars per patient day if the beds were	59826
originally licensed as residential facility beds by the department	59827
of mental retardation and developmental disabilities;	59828
(b) Seven dollars and nine cents per patient day if the beds	59829
were originally licensed as nursing home beds by the department of	59830
health.	59831
(10) For facilities with dates of licensure after December	59832
31, 1983, but prior to January 1, 1985, not exceeding:	59833
(a) Twelve dollars and twenty-four cents per patient day if	59834
the beds were originally licensed as residential facility beds by	59835
the department of mental retardation and developmental	59836
disabilities;	59837
(b) Seven dollars and twenty-three cents per patient day if	59838

the beds were originally licensed as nursing home beds by the 59839  
department of health. 59840

(11) For facilities with dates of licensure after December 59841  
31, 1984, but prior to January 1, 1986, not exceeding: 59842

(a) Twelve dollars and fifty-three cents per patient day if 59843  
the beds were originally licensed as residential facility beds by 59844  
the department of mental retardation and developmental 59845  
disabilities; 59846

(b) Seven dollars and forty cents per patient day if the beds 59847  
were originally licensed as nursing home beds by the department of 59848  
health. 59849

(12) For facilities with dates of licensure after December 59850  
31, 1985, but prior to January 1, 1987, not exceeding: 59851

(a) Twelve dollars and seventy cents per patient day if the 59852  
beds were originally licensed as residential facility beds by the 59853  
department of mental retardation and developmental disabilities; 59854

(b) Seven dollars and fifty cents per patient day if the beds 59855  
were originally licensed as nursing home beds by the department of 59856  
health. 59857

(13) For facilities with dates of licensure after December 59858  
31, 1986, but prior to January 1, 1988, not exceeding: 59859

(a) Twelve dollars and ninety-nine cents per patient day if 59860  
the beds were originally licensed as residential facility beds by 59861  
the department of mental retardation and developmental 59862  
disabilities; 59863

(b) Seven dollars and sixty-seven cents per patient day if 59864  
the beds were originally licensed as nursing home beds by the 59865  
department of health. 59866

(14) For facilities with dates of licensure after December 59867  
31, 1987, but prior to January 1, 1989, not exceeding thirteen 59868



dollars and twenty-six cents per patient day;	59869
(15) For facilities with dates of licensure after December 31, 1988, but prior to January 1, 1990, not exceeding thirteen dollars and forty-six cents per patient day;	59870 59871 59872
(16) For facilities with dates of licensure after December 31, 1989, but prior to January 1, 1991, not exceeding thirteen dollars and sixty cents per patient day;	59873 59874 59875
(17) For facilities with dates of licensure after December 31, 1990, but prior to January 1, 1992, not exceeding thirteen dollars and forty-nine cents per patient day;	59876 59877 59878
(18) For facilities with dates of licensure after December 31, 1991, but prior to January 1, 1993, not exceeding thirteen dollars and sixty-seven cents per patient day;	59879 59880 59881
(19) For facilities with dates of licensure after December 31, 1992, not exceeding fourteen dollars and twenty-eight cents per patient day.	59882 59883 59884
(D) Beginning January 1, 1981, regardless of the original date of licensure, the department of job and family services shall pay a rate for the per diem capitalized costs of renovations to intermediate care facilities for the mentally retarded made after January 1, 1981, not exceeding six dollars per patient day using 1980 as the base year and adjusting the amount annually until June 30, 1993, for fluctuations in construction costs calculated by the department using the "Dodge building cost indexes, northeastern and north central states," published by Marshall and Swift. The payment provided for in this division is the only payment that shall be made for the capitalized costs of a nonextensive renovation of an intermediate care facility for the mentally retarded. Nonextensive renovation costs shall not be included in cost of ownership, and a nonextensive renovation shall not affect the date of licensure for purposes of division (C) of this	59885 59886 59887 59888 59889 59890 59891 59892 59893 59894 59895 59896 59897 59898 59899

section. This division applies to nonextensive renovations 59900  
regardless of whether they are made by an owner or a lessee. If 59901  
the tenancy of a lessee that has made renovations ends before the 59902  
depreciation expense for the renovation costs has been fully 59903  
reported, the former lessee shall not report the undepreciated 59904  
balance as an expense. 59905

For a nonextensive renovation to qualify for payment under 59906  
this division, both of the following conditions must be met: 59907

(1) At least five years have elapsed since the date of 59908  
licensure or date of an extensive renovation of the portion of the 59909  
facility that is proposed to be renovated, except that this 59910  
condition does not apply if the renovation is necessary to meet 59911  
the requirements of federal, state, or local statutes, ordinances, 59912  
rules, or policies. 59913

(2) The provider has obtained prior approval from the 59914  
department of job and family services. The provider shall submit a 59915  
plan that describes in detail the changes in capital assets to be 59916  
accomplished by means of the renovation and the timetable for 59917  
completing the project. The time for completion of the project 59918  
shall be no more than eighteen months after the renovation begins. 59919  
The director of job and family services shall adopt rules in 59920  
accordance with Chapter 119. of the Revised Code that specify 59921  
criteria and procedures for prior approval of renovation projects. 59922  
No provider shall separate a project with the intent to evade the 59923  
characterization of the project as a renovation or as an extensive 59924  
renovation. No provider shall increase the scope of a project 59925  
after it is approved by the department of job and family services 59926  
unless the increase in scope is approved by the department. 59927

(E) The amounts specified in divisions (C) and (D) of this 59928  
section shall be adjusted beginning July 1, 1993, for the 59929  
estimated inflation for the twelve-month period beginning on the 59930  
first day of July of the calendar year preceding the calendar year 59931

that precedes the fiscal year for which rate will be paid and 59932  
ending on the thirtieth day of the following June, using the 59933  
consumer price index for shelter costs for all urban consumers for 59934  
the north central region, as published by the United States bureau 59935  
of labor statistics. 59936

(F)(1) For facilities of eight or fewer beds that have dates 59937  
of licensure or have been granted project authorization by the 59938  
department of mental retardation and developmental disabilities 59939  
before July 1, 1993, and for facilities of eight or fewer beds 59940  
that have dates of licensure or have been granted project 59941  
authorization after that date if the facilities demonstrate that 59942  
they made substantial commitments of funds on or before that date, 59943  
cost of ownership shall not exceed eighteen dollars and thirty 59944  
cents per resident per day. The eighteen-dollar and thirty-cent 59945  
amount shall be increased by the change in the "Dodge building 59946  
cost indexes, northeastern and north central states," published by 59947  
Marshall and Swift, during the period beginning June 30, 1990, and 59948  
ending July 1, 1993, and by the change in the consumer price index 59949  
for shelter costs for all urban consumers for the north central 59950  
region, as published by the United States bureau of labor 59951  
statistics, annually thereafter. 59952

(2) For facilities with eight or fewer beds that have dates 59953  
of licensure or have been granted project authorization by the 59954  
department of mental retardation and developmental disabilities on 59955  
or after July 1, 1993, for which substantial commitments of funds 59956  
were not made before that date, cost of ownership payments shall 59957  
not exceed the applicable amount calculated under division (F)(1) 59958  
of this section, if the department of job and family services 59959  
gives prior approval for construction of the facility or, 59960  
regardless of whether the department gives prior approval, if the 59961  
facility obtains a residential facility license under section 59962  
5123.19 of the Revised Code pursuant to section 5123.1910 of the 59963

Revised Code. If the department does not give prior approval, cost 59964  
of ownership payments shall not exceed the amount specified in 59965  
division (C) of this section unless the facility obtains a 59966  
residential facility license under section 5123.19 of the Revised 59967  
Code pursuant to section 5123.1910 of the Revised Code. 59968

(3) Notwithstanding divisions (D) and (F)(1) and (2) of this 59969  
section, the total payment for cost of ownership, cost of 59970  
ownership efficiency incentive, and capitalized costs of 59971  
renovations for an intermediate care facility for the mentally 59972  
retarded with eight or fewer beds shall not exceed the sum of the 59973  
limitations specified in divisions (C) and (D) of this section. 59974

(G) Notwithstanding any provision of this section or section 59975  
5111.24 of the Revised Code, the director of job and family 59976  
services may adopt rules in accordance with Chapter 119. of the 59977  
Revised Code that provide for a calculation of a combined maximum 59978  
payment limit for indirect care costs and cost of ownership for 59979  
intermediate care facilities for the mentally retarded with eight 59980  
or fewer beds. 59981

(H) After June 30, 1980, the owner of an intermediate care 59982  
facility for the mentally retarded operating under a provider 59983  
agreement shall provide written notice to the department of job 59984  
and family services at least forty-five days prior to entering 59985  
into any contract of sale for the facility or voluntarily 59986  
terminating participation in the medical assistance program. After 59987  
the date on which a transaction of sale is closed, the owner shall 59988  
refund to the department the amount of excess depreciation paid to 59989  
the facility by the department for each year the owner has 59990  
operated the facility under a provider agreement and prorated 59991  
according to the number of medicaid patient days for which the 59992  
facility has received payment. If an intermediate care facility 59993  
for the mentally retarded is sold after five or fewer years of 59994  
operation under a provider agreement, the refund to the department 59995

shall be equal to the excess depreciation paid to the facility. If 59996  
an intermediate care facility for the mentally retarded is sold 59997  
after more than five years but less than ten years of operation 59998  
under a provider agreement, the refund to the department shall 59999  
equal the excess depreciation paid to the facility multiplied by 60000  
twenty per cent, multiplied by the number of years less than ten 60001  
that a facility was operated under a provider agreement. If an 60002  
intermediate care facility for the mentally retarded is sold after 60003  
ten or more years of operation under a provider agreement, the 60004  
owner shall not refund any excess depreciation to the department. 60005  
For the purposes of this division, "depreciation paid to the 60006  
facility" means the amount paid to the intermediate care facility 60007  
for the mentally retarded for cost of ownership pursuant to this 60008  
section less any amount paid for interest costs. For the purposes 60009  
of this division, "excess depreciation" is the intermediate care 60010  
facility for the mentally retarded's depreciated basis, which is 60011  
the owner's cost less accumulated depreciation, subtracted from 60012  
the purchase price but not exceeding the amount of depreciation 60013  
paid to the facility. 60014

A cost report shall be filed with the department within 60015  
ninety days after the date on which the transaction of sale is 60016  
closed or participation is voluntarily terminated for an 60017  
intermediate care facility for the mentally retarded subject to 60018  
this division. The report shall show the accumulated depreciation, 60019  
the sales price, and other information required by the department. 60020  
The department shall provide for a bank, trust company, or savings 60021  
and loan association to hold in escrow the amount of the last two 60022  
monthly payments to an intermediate care facility for the mentally 60023  
retarded made pursuant to division (A)(1) of section 5111.22 of 60024  
the Revised Code before a sale or voluntary termination of 60025  
participation or, if the owner fails, within the time required by 60026  
this division, to notify the department before entering into a 60027  
contract of sale for the facility, the amount of the first two 60028

monthly payments made to the facility after the department learns 60029  
of the contract, regardless of whether a new owner is in 60030  
possession of the facility. If the amount the owner will be 60031  
required to refund under this section is likely to be less than 60032  
the amount of the two monthly payments otherwise put into escrow 60033  
under this division, the department shall take one of the 60034  
following actions instead of withholding the amount of the two 60035  
monthly payments: 60036

(1) In the case of an owner that owns other facilities that 60037  
participate in the medical assistance program, obtain a promissory 60038  
note in an amount sufficient to cover the amount likely to be 60039  
refunded; 60040

(2) In the case of all other owners, withhold the amount of 60041  
the last monthly payment to the intermediate care facility for the 60042  
mentally retarded or, if the owner fails, within the time required 60043  
by this division, to notify the department before entering into a 60044  
contract of sale for the facility, the amount of the first monthly 60045  
payment made to the facility after the department learns of the 60046  
contract, regardless of whether a new owner is in possession of 60047  
the facility. 60048

The department shall, within ninety days following the filing 60049  
of the cost report, audit the report and issue an audit report to 60050  
the owner. The department also may audit any other cost reports 60051  
for the facility that have been filed during the previous three 60052  
years. In the audit report, the department shall state its 60053  
findings and the amount of any money owed to the department by the 60054  
intermediate care facility for the mentally retarded. The findings 60055  
shall be subject to an adjudication conducted in accordance with 60056  
Chapter 119. of the Revised Code. No later than fifteen days after 60057  
the owner agrees to a settlement, any funds held in escrow less 60058  
any amounts due to the department shall be released to the owner 60059  
and amounts due to the department shall be paid to the department. 60060

If the amounts in escrow are less than the amounts due to the department, the balance shall be paid to the department within fifteen days after the owner agrees to a settlement. If the department does not issue its audit report within the ninety-day period, the department shall release any money held in escrow to the owner. For the purposes of this section, a transfer of corporate stock, the merger of one corporation into another, or a consolidation does not constitute a sale.

If an intermediate care facility for the mentally retarded is not sold or its participation is not terminated after notice is provided to the department under this division, the department shall order any payments held in escrow released to the facility upon receiving written notice from the owner that there will be no sale or termination of participation. After written notice is received from an intermediate care facility for the mentally retarded that a sale or termination of participation will not take place, the facility shall provide notice to the department at least forty-five days prior to entering into any contract of sale or terminating participation at any future time.

(I) The department of job and family services shall pay each eligible proprietary intermediate care facility for the mentally retarded a return on the facility's net equity computed at the rate of one and one-half times the average of interest rates on special issues of public debt obligations issued to the federal hospital insurance trust fund for the cost reporting period. No facility's return on net equity paid under this division shall exceed one dollar per patient day.

In calculating the rate for return on net equity, the department shall use the greater of the facility's inpatient days during the applicable cost reporting period or the number of inpatient days the facility would have had during that period if its occupancy rate had been ninety-five per cent.

(J)(1) Except as provided in division (J)(2) of this section, 60093  
if a provider leases or transfers an interest in a facility to 60094  
another provider who is a related party, the related party's 60095  
allowable cost of ownership shall include the lesser of the 60096  
following: 60097

(a) The annual lease expense or actual cost of ownership, 60098  
whichever is applicable; 60099

(b) The reasonable cost to the lessor or provider making the 60100  
transfer. 60101

(2) If a provider leases or transfers an interest in a 60102  
facility to another provider who is a related party, regardless of 60103  
the date of the lease or transfer, the related party's allowable 60104  
cost of ownership shall include the annual lease expense or actual 60105  
cost of ownership, whichever is applicable, subject to the 60106  
limitations specified in divisions (B) to (I) of this section, if 60107  
all of the following conditions are met: 60108

(a) The related party is a relative of owner; 60109

(b) In the case of a lease, if the lessor retains any 60110  
ownership interest, it is, except as provided in division 60111  
(J)(2)(d)(ii) of this section, in only the real property and any 60112  
improvements on the real property; 60113

(c) In the case of a transfer, the provider making the 60114  
transfer retains, except as provided in division (J)(2)(d)(iv) of 60115  
this section, no ownership interest in the facility; 60116

(d) The department of job and family services determines that 60117  
the lease or transfer is an arm's length transaction pursuant to 60118  
rules the department shall adopt in accordance with Chapter 119. 60119  
of the Revised Code no later than December 31, 2000. The rules 60120  
shall provide that a lease or transfer is an arm's length 60121  
transaction if all of the following, as applicable, apply: 60122



(i) In the case of a lease, once the lease goes into effect, 60123  
the lessor has no direct or indirect interest in the lessee or, 60124  
except as provided in division (J)(2)(b) of this section, the 60125  
facility itself, including interest as an owner, officer, 60126  
director, employee, independent contractor, or consultant, but 60127  
excluding interest as a lessor. 60128

(ii) In the case of a lease, the lessor does not reacquire an 60129  
interest in the facility except through the exercise of a lessor's 60130  
rights in the event of a default. If the lessor reacquires an 60131  
interest in the facility in this manner, the department shall 60132  
treat the facility as if the lease never occurred when the 60133  
department calculates its reimbursement rates for capital costs. 60134

(iii) In the case of a transfer, once the transfer goes into 60135  
effect, the provider that made the transfer has no direct or 60136  
indirect interest in the provider that acquires the facility or 60137  
the facility itself, including interest as an owner, officer, 60138  
director, employee, independent contractor, or consultant, but 60139  
excluding interest as a creditor. 60140

(iv) In the case of a transfer, the provider that made the 60141  
transfer does not reacquire an interest in the facility except 60142  
through the exercise of a creditor's rights in the event of a 60143  
default. If the provider reacquires an interest in the facility in 60144  
this manner, the department shall treat the facility as if the 60145  
transfer never occurred when the department calculates its 60146  
reimbursement rates for capital costs. 60147

(v) The lease or transfer satisfies any other criteria 60148  
specified in the rules. 60149

(e) Except in the case of hardship caused by a catastrophic 60150  
event, as determined by the department, or in the case of a lessor 60151  
or provider making the transfer who is at least sixty-five years 60152  
of age, not less than twenty years have elapsed since, for the 60153

same facility, allowable cost of ownership was determined most 60154  
recently under this division. 60155

**Sec. 5111.34.** (A) There is hereby created the nursing 60156  
facility reimbursement study council consisting of the following 60157  
~~seventeen~~ eighteen members: 60158

(1) The director of job and family services; 60159

(2) The deputy director of the office of Ohio health plans of 60160  
the department of job and family services; 60161

(3) An employee of the governor's office; 60162

(4) The director of health; 60163

(5) The director of aging; 60164

(6) Three members of the house of representatives, not more 60165  
than two of whom are members of the same political party, 60166  
appointed by the speaker of the house of representatives; 60167

(7) Three members of the senate, not more than two of whom 60168  
are members of the same political party, appointed by the 60169  
president of the senate; 60170

(8) One representative of medicaid recipients residing in 60171  
nursing facilities, appointed by the governor; 60172

(9) Two representatives of each of the following 60173  
organizations, appointed by their respective governing bodies: 60174

(a) The Ohio academy of nursing homes; 60175

(b) The association of Ohio philanthropic homes and housing 60176  
for the aging; 60177

(c) The Ohio health care association. 60178

Initial appointments of members described in divisions 60179  
(A)(6), (7), and ~~(8)~~(9) of this section shall be made no later 60180  
than ninety days after June 6, 2001, except that the initial 60181

appointments of the two additional members described in divisions 60182  
(A)(6) and (7) of this section added by Am. Sub. H.B. 405 of the 60183  
124th general assembly shall be made not later than ninety days 60184  
after ~~the effective date of this amendment~~ March 14, 2002. Initial 60185  
appointment of the member described in division (A)(8) of this 60186  
section shall be made not later than ninety days after the 60187  
effective date of this amendment. Vacancies in any of those 60188  
appointments shall be filled in the same manner as original 60189  
appointments. The members described in divisions (A)(6), (7), ~~and~~ 60190  
(8), and (9) of this section shall serve at the pleasure of the 60191  
official or governing body appointing the member. The members 60192  
described in divisions (A)(1), (2), (3), (4), and (5) of this 60193  
section shall serve for as long as they hold the position that 60194  
qualifies them for membership on the council. The speaker of the 60195  
house of representatives and the president of the senate jointly 60196  
shall appoint the chairperson of the council. Members of the 60197  
council shall serve without compensation. 60198

(B) The council shall review, on an ongoing basis, the system 60199  
established by sections 5111.20 to 5111.32 of the Revised Code for 60200  
reimbursing nursing facilities under the medical assistance 60201  
program. The council shall recommend any changes it determines are 60202  
necessary. The council shall issue a report of its activities, 60203  
findings, and recommendations to the governor, the speaker of the 60204  
house of representatives, and the president of the senate not 60205  
later than July 30, 2004. Thereafter, the council periodically 60206  
shall report its activities, findings, and recommendations to the 60207  
governor, the speaker of the house of representatives, and the 60208  
president of the senate. 60209

(C) The council shall meet quarterly. Its first quarterly 60210  
meeting after the effective date of this amendment shall be held 60211  
not later than August 1, 2003. 60212

**Sec. 5111.85.** (A) As used in this section, "medicaid waiver component" means a component of the medicaid program authorized by a waiver granted by the United States department of health and human services under section 1115 or 1915 of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A. 1315 or 1396n. "Medicaid waiver component" does not include a ~~managed~~ care management system established under section ~~5111.17~~ 5111.16 of the Revised Code.

(B) The director of job and family services may adopt rules under Chapter 119. of the Revised Code governing medicaid waiver components that establish all of the following:

(1) Eligibility requirements for the medicaid waiver components;

(2) The type, amount, duration, and scope of services the medicaid waiver components provide;

(3) The conditions under which the medicaid waiver components cover services;

(4) The amount the medicaid waiver components pay for services or the method by which the amount is determined;

(5) The manner in which the medicaid waiver components pay for services;

(6) Safeguards for the health and welfare of medicaid recipients receiving services under a medicaid waiver component;

(7) Procedures for enforcing the rules, including establishing corrective action plans for, and imposing financial and administrative sanctions on, persons and government entities that violate the rules. Sanctions shall include terminating medicaid provider agreements. The procedures shall include due process protections.

(8) Other policies necessary for the efficient administration of the medicaid waiver components. 60242  
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(C) The director of job and family services may adopt different rules for the different medicaid waiver components. The rules shall be consistent with the terms of the waiver authorizing the medicaid waiver component. 60244  
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(D) The director of job and family services may conduct reviews of the medicaid waiver components. The reviews may include physical inspections of records and sites where services are provided under the medicaid waiver components and interviews of providers and recipients of the services. If the director determines pursuant to a review that a person or government entity has violated a rule governing a medicaid waiver component, the director may establish a corrective action plan for the violator and impose fiscal, administrative, or both types of sanctions on the violator in accordance with rules adopted under division (B) of this section. 60248  
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**Sec. 5111.87.** (A) As used in this section and section 5111.871 of the Revised Code, "intermediate care facility for the mentally retarded" has the same meaning as in section 5111.20 of the Revised Code. 60259  
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(B) The director of job and family services may apply to the United States secretary of health and human services for ~~one~~ both of the following: 60263  
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(1) One or more medicaid waivers under which home and community-based services are provided to individuals with mental retardation or other developmental disability as an alternative to placement in an intermediate care facility for the mentally retarded; 60266  
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(2) One or more medicaid waivers that operate for three to 60271

<u>four years each and under which home and community-based services</u>	60272
<u>are provided in the form of either or both of the following:</u>	60273
<u>(a) Early intervention services for children under three</u>	60274
<u>years of age that are provided or arranged by county boards of</u>	60275
<u>mental retardation and developmental disabilities;</u>	60276
<u>(b) Therapeutic services for children who have autism and are</u>	60277
<u>under six years of age at the time of enrollment. Before the</u>	60278
<u>director applies</u>	60279
<u>(C) No individual may receive services under an autism</u>	60280
<u>component of the medicaid program established under a waiver</u>	60281
<u>sought under division (B)(2)(b) of this section for more than</u>	60282
<u>three years. An individual receiving intensive therapeutic</u>	60283
<u>services under such an autism component is forever ineligible to</u>	60284
<u>receive intensive therapeutic services, under any other component</u>	60285
<u>of the medicaid program.</u>	60286
<u>(D) The director of mental retardation and developmental</u>	60287
<u>disabilities may request that the director of job and family</u>	60288
<u>services apply for one or more medicaid waivers under this</u>	60289
<u>section.</u>	60290
<u>(E) Before applying for a waiver under this section, the</u>	60291
<u>director of job and family services shall seek, accept, and</u>	60292
<u>consider public comments.</u>	60293
<b>Sec. 5111.871.</b> The department of job and family services	60294
shall enter into a contract with the department of mental	60295
retardation and developmental disabilities under section 5111.91	60296
of the Revised Code with regard to <u>one or more of the component</u>	60297
<u>components</u> of the medicaid program established by the department	60298
of job and family services under one or more <u>of the medicaid</u>	60299
<u>wavers from the United States secretary of health and human</u>	60300
<u>services pursuant to section 1915 of the "Social Security Act,"</u> 49	60301

Stat. 620 (1935), 42 U.S.C.A. 1396n, as amended, to provide 60302  
eligible medicaid recipients with home and community based 60303  
services as an alternative to placement in an intermediate care 60304  
facility for the mentally retarded sought under section 5111.87 of 60305  
the Revised Code. The contract shall provide for the department of 60306  
mental retardation and developmental disabilities to administer 60307  
the ~~component~~ components in accordance with the terms of the 60308  
~~waiver~~ waivers. The directors of job and family services and 60309  
mental retardation and developmental disabilities shall adopt 60310  
rules in accordance with Chapter 119. of the Revised Code 60311  
governing the ~~component~~ components. 60312

If the department of mental retardation and developmental 60313  
disabilities or the department of job and family services denies 60314  
an individual's application for home and community-based services 60315  
provided under ~~this~~ any of these medicaid ~~component~~ components, 60316  
the department that denied the services shall give timely notice 60317  
to the individual that the individual may request a hearing under 60318  
section 5101.35 of the Revised Code. 60319

The departments of mental retardation and developmental 60320  
disabilities and job and family services may approve, reduce, 60321  
deny, or terminate a service included in the individualized 60322  
service plan developed for a medicaid recipient eligible for home 60323  
and community-based services provided under ~~this~~ any of these 60324  
medicaid ~~component~~ components. The departments shall consider the 60325  
recommendations a county board of mental retardation and 60326  
developmental disabilities makes under division (A)(1)(c) of 60327  
section 5126.055 of the Revised Code. If either department 60328  
approves, reduces, denies, or terminates a service, that 60329  
department shall give timely notice to the medicaid recipient that 60330  
the recipient may request a hearing under section 5101.35 of the 60331  
Revised Code. 60332

If supported living or residential services, as defined in 60333

section 5126.01 of the Revised Code, are to be provided under ~~this~~ 60334  
~~component~~ any of these components, any person or government entity 60335  
with a current, valid medicaid provider agreement and a current, 60336  
valid license under section 5123.19 or certificate under section 60337  
5123.045 or 5126.431 of the Revised Code may provide the services. 60338

**Sec. 5111.872.** When the department of mental retardation and 60339  
developmental disabilities allocates enrollment numbers to a 60340  
county board of mental retardation and developmental disabilities 60341  
for home and community-based services specified in division (B)(1) 60342  
of section 5111.87 of the Revised Code and provided under any of 60343  
the ~~component~~ components of the medicaid program that the 60344  
department administers under section 5111.871 of the Revised Code, 60345  
the department shall consider all of the following: 60346

(A) The number of individuals with mental retardation or 60347  
other developmental disability who are on a waiting list the 60348  
county board establishes under division (C) of section 5126.042 of 60349  
the Revised Code for those services and are given priority on the 60350  
waiting list pursuant to division (D) or (E) of that section; 60351

(B) The implementation component required by division (A)(4) 60352  
of section 5126.054 of the Revised Code of the county board's plan 60353  
approved under section 5123.046 of the Revised Code; 60354

(C) Anything else the department considers necessary to 60355  
enable county boards to provide those services to individuals in 60356  
accordance with the priority requirements of ~~division~~ divisions 60357  
(D) and (E) of section 5126.042 of the Revised Code. 60358

**Sec. 5111.873.** (A) Not later than the effective date of the 60359  
first of any medicaid waivers the United States secretary of 60360  
health and human services grants pursuant to a request made under 60361  
section 5111.87 of the Revised Code, the director of job and 60362  
family services shall adopt rules in accordance with Chapter 119. 60363



of the Revised Code establishing statewide fee schedules for home 60364  
and community-based services specified in division (B)(1) of 60365  
section 5111.87 of the Revised Code and provided under the 60366  
~~element~~ components of the medicaid program that the department 60367  
of mental retardation and developmental disabilities administers 60368  
under section 5111.871 of the Revised Code. The rules shall 60369  
provide for all of the following: 60370

(1) The department of mental retardation and developmental 60371  
disabilities arranging for the initial and ongoing collection of 60372  
cost information from a comprehensive, statistically valid sample 60373  
of persons and government entities providing the services at the 60374  
time the information is obtained; 60375

(2) The collection of consumer-specific information through 60376  
an assessment instrument the department of mental retardation and 60377  
developmental disabilities shall provide to the department of job 60378  
and family services; 60379

(3) With the information collected pursuant to divisions 60380  
(A)(1) and (2) of this section, an analysis of that information, 60381  
and other information the director determines relevant, methods 60382  
and standards for calculating the fee schedules that do all of the 60383  
following: 60384

(a) Assure that the fees are consistent with efficiency, 60385  
economy, and quality of care; 60386

(b) Consider the intensity of consumer resource need; 60387

(c) Recognize variations in different geographic areas 60388  
regarding the resources necessary to assure the health and welfare 60389  
of consumers; 60390

(d) Recognize variations in environmental supports available 60391  
to consumers. 60392

(B) As part of the process of adopting rules under this 60393

section, the director shall consult with the director of mental 60394  
retardation and developmental disabilities, representatives of 60395  
county boards of mental retardation and developmental 60396  
disabilities, persons who provide the home and community-based 60397  
services, and other persons and government entities the director 60398  
identifies. 60399

(C) The directors of job and family services and mental 60400  
retardation and developmental disabilities shall review the rules 60401  
adopted under this section at times they determine to ensure that 60402  
the methods and standards established by the rules for calculating 60403  
the fee schedules continue to do everything that division (A)(3) 60404  
of this section requires. 60405

Sec. 5111.88. (A) As used in this section, "nursing facility" 60406  
has the same meaning as in section 5111.20 of the Revised Code. 60407

(B) To the extent funds are available, the director of job 60408  
and family services may establish the Ohio access success project 60409  
to help medicaid recipients make the transition from residing in a 60410  
nursing facility to residing in a community setting. The program 60411  
may be established as a separate non-medicaid program or 60412  
integrated into a new or existing program of medicaid-funded home 60413  
and community-based services authorized by a waiver approved by 60414  
the United States department of health and human services. The 60415  
department may limit the number of program participants. 60416

To be eligible for benefits under the project, a medicaid 60417  
recipient must satisfy all of the following requirements: 60418

(1) Be a recipient of medicaid-funded nursing facility 60419  
services, at the time of applying for the benefits; 60420

(2) Have resided continuously in a nursing facility for not 60421  
less than eighteen months prior to applying to participate in the 60422  
project; 60423

<u>(3) Need the level of care provided by nursing facilities;</u>	60424
<u>(4) For participation in a non-medicaid program, receive</u>	60425
<u>services to remain in the community with a projected cost not</u>	60426
<u>exceeding eighty per cent of the average monthly medicaid cost of</u>	60427
<u>a medicaid recipient in a nursing facility;</u>	60428
<u>(5) For participation in a program established as part of a</u>	60429
<u>medicaid-funded home and community-based services waiver program,</u>	60430
<u>meet waiver enrollment criteria.</u>	60431
<u>(C) If the director establishes the Ohio access success</u>	60432
<u>project, the benefits provided under the project may include</u>	60433
<u>payment of all of the following:</u>	60434
<u>(1) The first month's rent in a community setting;</u>	60435
<u>(2) Rental deposits;</u>	60436
<u>(3) Utility deposits;</u>	60437
<u>(4) Moving expenses;</u>	60438
<u>(5) Other expenses not covered by the medicaid program that</u>	60439
<u>facilitate a medicaid recipient's move from a nursing facility to</u>	60440
<u>a community setting.</u>	60441
<u>(D) If the project is established as a non-medicaid program,</u>	60442
<u>no participant may receive more than two thousand dollars worth of</u>	60443
<u>benefits under the project.</u>	60444
<u>(E) The director may submit a request to the United States</u>	60445
<u>secretary of health and human services pursuant to section 1915 of</u>	60446
<u>the "Social Security Act," 79 Stat. 286 (1965), 42 U.S.C. 1396n,</u>	60447
<u>as amended, to create a medicaid home and community-based services</u>	60448
<u>waiver program to serve individuals who meet the criteria for</u>	60449
<u>participation in the Ohio access success project. The director may</u>	60450
<u>adopt rules under Chapter 119. of the Revised Code for the</u>	60451
<u>administration and operation of the program.</u>	60452

Sec. 5111.911. Any contract the department of job and family services enters into with the department of mental health or department of alcohol and drug addiction services under section 5111.91 of the Revised Code is subject to the approval of the director of budget and management and shall require or specify all of the following: 60453  
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(A) In the case of a contract with the department of mental health, that section 5111.912 of the Revised Code be complied with; 60459  
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(B) In the case of a contract with the department of alcohol and drug addiction services, that section 5111.913 of the Revised Code be complied with; 60462  
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(C) How providers will be paid for providing the services; 60465

(D) The department of mental health's or department of alcohol and drug addiction services' responsibilities for reimbursing providers, including program oversight and quality assurance. 60466  
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Sec. 5111.912. If the department of job and family services enters into a contract with the department of mental health under section 5111.91 of the Revised Code, the department of mental health and boards of alcohol, drug addiction, and mental health services shall pay the nonfederal share of any medicaid payment to a provider for services under the component, or aspect of the component, the department of mental health administers. 60470  
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Sec. 5111.913. If the department of job and family services enters into a contract with the department of alcohol and drug addiction services under section 5111.91 of the Revised Code, the department of alcohol and drug addiction services and boards of alcohol, drug addiction, and mental health services shall pay the 60477  
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nonfederal share of any medicaid payment to a provider for 60482  
services under the component, or aspect of the component, the 60483  
department of alcohol and drug addiction services administers. 60484

**Sec. 5111.92.** (A)(1) Except as provided in division (B) of 60485  
this section, if a state agency or political subdivision 60486  
administers one or more components of the medicaid program that 60487  
the United States department of health and human services 60488  
approved, and for which federal financial participation was 60489  
initially obtained, prior to January 1, 2002, or administers one 60490  
or more aspects of such a component, the department of job and 60491  
family services may retain or collect not more than ten per cent 60492  
of the federal financial participation the state agency or 60493  
political subdivision obtains through an approved, administrative 60494  
claim regarding the component or aspect of the component. If the 60495  
department retains or collects a percentage of such federal 60496  
financial participation, the percentage the department retains or 60497  
collects shall be specified in a contract the department enters 60498  
into with the state agency or political subdivision under section 60499  
5111.91 of the Revised Code. 60500

(2) Except as provided in division (B) of this section, if a 60501  
state agency or political subdivision administers one or more 60502  
components of the medicaid program that the United States 60503  
department of health and human services approved on or after 60504  
January 1, 2002, or administers one or more aspects of such a 60505  
component, the department of job and family services shall retain 60506  
or collect not less than three and not more than ten per cent of 60507  
the federal financial participation the state agency or political 60508  
subdivision obtains through an approved, administrative claim 60509  
regarding the component or aspect of the component. The percentage 60510  
the department retains or collects shall be specified in a 60511  
contract the department enters into with the state agency or 60512  
political subdivision under section 5111.91 of the Revised Code. 60513

(B) The department of job and family services may retain or 60514  
collect a percentage of federal financial participation under 60515  
divisions (A)(1) and (2) of this section only to the extent 60516  
permitted by federal statutes and regulations and shall not retain 60517  
or collect a percentage of federal financial participation 60518  
obtained pursuant to section 5126.058 of the Revised Code. 60519

(C) All amounts the department retains or collects under this 60520  
section shall be deposited into the health care services 60521  
administration fund created under section 5111.94 of the Revised 60522  
Code. 60523

**Sec. 5111.94.** (A) As used in this section, "vendor offset" 60524  
means a reduction of a medicaid payment to a medicaid provider to 60525  
correct a previous, incorrect medicaid payment to that provider. 60526

(B) There is hereby created in the state treasury the health 60527  
care services administration fund. Except as provided in division 60528  
(C) of this section, all the following shall be deposited into the 60529  
fund: 60530

(1) Amounts deposited into the fund pursuant to sections 60531  
5111.92 and 5111.93 of the Revised Code; 60532

(2) The amount of the state share of all money the department 60533  
of job and family services, in fiscal year 2003 and each fiscal 60534  
year thereafter, recovers pursuant to a tort action under the 60535  
department's right of recovery under section 5101.58 of the 60536  
Revised Code that exceeds the state share of all money the 60537  
department, in fiscal year 2002, recovers pursuant to a tort 60538  
action under that right of recovery; 60539

(3) Subject to division (D) of this section, the amount of 60540  
the state share of all money the department of job and family 60541  
services, in fiscal year 2003 and each fiscal year thereafter, 60542  
recovers through audits of medicaid providers that exceeds the 60543

state share of all money the department, in fiscal year 2002, 60544  
recovers through such audits; 60545

(4) ~~Until October 16, 2003, amounts~~ Amounts from assessments 60546  
on hospitals under section 5112.06 of the Revised Code and 60547  
intergovernmental transfers by governmental hospitals under 60548  
section 5112.07 of the Revised Code that are deposited into the 60549  
fund in accordance with the law. 60550

(C) No funds shall be deposited into the health care services 60551  
administration fund in violation of federal statutes or 60552  
regulations. 60553

(D) In determining under division (B)(3) of this section the 60554  
amount of money the department, in a fiscal year, recovers through 60555  
audits of medicaid providers, the amount recovered in the form of 60556  
vendor offset shall be excluded. 60557

(E) The director of job and family services shall use funds 60558  
available in the health care services administration fund to pay 60559  
for costs associated with the administration of the medicaid 60560  
program. 60561

**Sec. 5111.95.** (A) As used in this section: 60562

(1) "Applicant" means a person who is under final 60563  
consideration for employment or, after the effective date of this 60564  
section, an existing employee with a waiver agency in a full-time, 60565  
part-time, or temporary position that involves providing home and 60566  
community-based waiver services to a person with disabilities. 60567  
"Applicant" also means an existing employee with a waiver agency 60568  
in a full-time, part-time, or temporary position that involves 60569  
providing home and community-based waiver services to a person 60570  
with disabilities after the effective date of this section. 60571

(2) "Criminal records check" has the same meaning as in 60572  
section 109.572 of the Revised Code. 60573

(3) "Waiver agency" means a person or government entity that 60574  
is not certified under the medicare program and is accredited by 60575  
the community health accreditation program or the joint commission 60576  
on accreditation of health care organizations or a company that 60577  
provides home and community-based waiver services to persons with 60578  
disabilities through department of job and family services 60579  
administered home and community-based waiver programs. 60580

(4) "Home and community-based waiver services" means services 60581  
furnished under the provision of 42 C.F.R. 441, subpart G, that 60582  
permit individuals to live in a home setting rather than a nursing 60583  
facility or hospital. Home and community-based waiver services are 60584  
approved by the centers for medicare and medicaid for specific 60585  
populations and are not otherwise available under the medicaid 60586  
state plan. 60587

(B)(1) The chief administrator of a waiver agency shall 60588  
request that the superintendent of the bureau of criminal 60589  
identification and investigation conduct a criminal records check 60590  
with respect to each applicant. If an applicant for whom a 60591  
criminal records check request is required under this division 60592  
does not present proof of having been a resident of this state for 60593  
the five-year period immediately prior to the date the criminal 60594  
records check is requested or provide evidence that within that 60595  
five-year period the superintendent has requested information 60596  
about the applicant from the federal bureau of investigation in a 60597  
criminal records check, the chief administrator shall request that 60598  
the superintendent obtain information from the federal bureau of 60599  
investigation as part of the criminal records check of the 60600  
applicant. Even if an applicant for whom a criminal records check 60601  
request is required under this division presents proof of having 60602  
been a resident of this state for the five-year period, the chief 60603  
administrator may request that the superintendent include 60604  
information from the federal bureau of investigation in the 60605



criminal records check. 60606

(2) A person required by division (B)(1) of this section to request a criminal records check shall do both of the following: 60607  
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(a) Provide to each applicant for whom a criminal records check request is required under division (B)(1) of this section a copy of the form prescribed pursuant to division (C)(1) of section 109.572 of the Revised Code and a standard fingerprint impression sheet prescribed pursuant to division (C)(2) of that section, and obtain the completed form and impression sheet from the applicant; 60609  
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(b) Forward the completed form and impression sheet to the superintendent of the bureau of criminal identification and investigation. 60615  
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(3) An applicant provided the form and fingerprint impression sheet under division (B)(2)(a) of this section who fails to complete the form or provide fingerprint impressions shall not be employed in any position in a waiver agency for which a criminal records check is required by this section. 60618  
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(C)(1) Except as provided in rules adopted by the department of job and family services in accordance with division (F) of this section and subject to division (C)(2) of this section, no waiver agency shall employ a person in a position that involves providing home and community-based waiver services to persons with disabilities if the person has been convicted of or pleaded guilty to any of the following: 60623  
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(a) A violation of section 2903.01, 2903.02, 2903.03, 2903.04, 2903.041, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 2905.01, 2905.02, 2905.05, 2905.11, 2905.12, 2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 2907.09, 2907.21, 2907.22, 2907.23, 2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2911.01, 2911.02, 2911.11, 2911.12, 2911.13, 2913.02, 2913.03, 2913.04, 2913.11, 2913.21, 2913.31, 2913.40, 60630  
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2913.43, 2913.47, 2913.51, 2919.12, 2919.24, 2919.25, 2921.36, 60637  
2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.04, 2925.05, 60638  
2925.06, 2925.11, 2925.13, 2925.22, 2925.23, or 3716.11 of the 60639  
Revised Code, felonious sexual penetration in violation of former 60640  
section 2907.12 of the Revised Code, a violation of section 60641  
2905.04 of the Revised Code as it existed prior to July 1, 1996, a 60642  
violation of section 2919.23 of the Revised Code that would have 60643  
been a violation of section 2905.04 of the Revised Code as it 60644  
existed prior to July 1, 1996, had the violation been committed 60645  
prior to that date; 60646

(b) An existing or former law of this state, any other state, 60647  
or the United States that is substantially equivalent to any of 60648  
the offenses listed in division (C)(1)(a) of this section. 60649

(2)(a) A waiver agency may employ conditionally an applicant 60650  
for whom a criminal records check request is required under 60651  
division (B) of this section prior to obtaining the results of a 60652  
criminal records check regarding the individual, provided that the 60653  
agency shall request a criminal records check regarding the 60654  
individual in accordance with division (B)(1) of this section not 60655  
later than five business days after the individual begins 60656  
conditional employment. 60657

(b) A waiver agency that employs an individual conditionally 60658  
under authority of division (C)(2)(a) of this section shall 60659  
terminate the individual's employment if the results of the 60660  
criminal records check request under division (B) of this section, 60661  
other than the results of any request for information from the 60662  
federal bureau of investigation, are not obtained within the 60663  
period ending sixty days after the date the request is made. 60664  
Regardless of when the results of the criminal records check are 60665  
obtained, if the results indicate that the individual has been 60666  
convicted of or pleaded guilty to any of the offenses listed or 60667  
described in division (C)(1) of this section, the agency shall 60668

terminate the individual's employment unless the agency chooses to 60669  
employ the individual pursuant to division (F) of this section. 60670  
Termination of employment under this division shall be considered 60671  
just cause for discharge for purposes of division (D)(2) of 60672  
section 4141.29 of the Revised Code if the individual makes any 60673  
attempt to deceive the agency about the individual's criminal 60674  
record. 60675

(D)(1) Each waiver agency shall pay to the bureau of criminal 60676  
identification and investigation the fee prescribed pursuant to 60677  
division (C)(3) of section 109.572 of the Revised Code for each 60678  
criminal records check conducted pursuant to a request made under 60679  
division (B) of this section. 60680

(2) A waiver agency may charge an applicant a fee not 60681  
exceeding the amount the agency pays under division (D)(1) of this 60682  
section. An agency may collect a fee only if the agency notifies 60683  
the person at the time of initial application for employment of 60684  
the amount of the fee and that, unless the fee is paid, the person 60685  
will not be considered for employment. 60686

(E) The report of any criminal records check conducted 60687  
pursuant to a request made under this section is not a public 60688  
record for the purposes of section 149.43 of the Revised Code and 60689  
shall not be made available to any person other than the 60690  
following: 60691

(1) The individual who is the subject of the criminal records 60692  
check or the individual's representative; 60693

(2) The chief administrator of the agency requesting the 60694  
criminal records check or the administrator's representative; 60695

(3) A court, hearing officer, or other necessary individual 60696  
involved in a case dealing with a denial of employment of the 60697  
applicant or dealing with employment or unemployment benefits of 60698  
the applicant. 60699

(F) The department shall adopt rules in accordance with Chapter 119. of the Revised Code to implement this section. The rules shall specify circumstances under which a waiver agency may employ a person who has been convicted of or pleaded guilty to an offense listed or described in division (C)(1) of this section but meets personal character standards set by the department. 60700  
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(G) The chief administrator of a waiver agency shall inform each person, at the time of initial application for a position that involves providing home and community-based waiver services to a person with a disability, that the person is required to provide a set of fingerprint impressions and that a criminal records check is required to be conducted if the person comes under final consideration for employment. 60706  
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(H)(1) A person who, on the effective date of this section, is an employee of a waiver agency in a full-time, part-time, or temporary position that involves providing home and community-based waiver services to a person with disabilities shall comply with this section within sixty days after the effective date of this section unless division (H)(2) of this section applies. 60713  
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(2) This section shall not apply to a person to whom all of the following apply: 60720  
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(a) On the effective date of this section, the person is an employee of a waiver agency in a full-time, part-time, or temporary position that involves providing home and community-based waiver services to a person with disabilities. 60722  
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(b) The person previously had been the subject of a criminal background check relating to that position; 60726  
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(c) The person has been continuously employed in that position since that criminal background check had been conducted. 60728  
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Sec. 5111.96. (A) As used in this section: 60730

(1) "Anniversary date" means the later of the effective date of the provider agreement relating to the independent provider or sixty days after the effective date of this section. 60731  
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(2) "Criminal records check" has the same meaning as in section 109.572 of the Revised Code. 60734  
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(3) "The department" means the department of job and family services or its designee. 60736  
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(4) "Independent provider" means a person who is submitting an application for a provider agreement or who has a provider agreement as an independent provider in a department of job and family services administered home and community-based services program providing home and community-based waiver services to consumers with disabilities. 60738  
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(5) "Home and community-based waiver services" has the same meaning as in section 5111.95 of the Revised Code. 60744  
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(B)(1) The department shall inform each independent provider, at the time of initial application for a provider agreement that involves providing home and community-based waiver services to consumers with disabilities, that the independent provider is required to provide a set of fingerprint impressions and that a criminal records check is required to be conducted if the person is to become an independent provider in a department administered home and community-based waiver program. 60746  
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(2) Beginning on the effective date of this section, the department shall inform each enrolled medicaid independent provider on or before time of the anniversary date of the provider agreement that involves providing home and community-based waiver services to consumers with disabilities that the independent provider is required to provide a set of fingerprint impressions 60754  
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and that a criminal records check is required to be conducted. 60760

(C)(1) The department shall require the independent provider 60761  
to complete a criminal records check prior to entering into a 60762  
provider agreement with the independent provider and at least 60763  
annually thereafter. If an independent provider for whom a 60764  
criminal records check is required under this division does not 60765  
present proof of having been a resident of this state for the 60766  
five-year period immediately prior to the date the criminal 60767  
records check is requested or provide evidence that within that 60768  
five-year period the superintendent has requested information 60769  
about the applicant from the federal bureau of investigation in a 60770  
criminal records check, the department shall request the 60771  
independent provider obtain through the superintendent a criminal 60772  
records request from the federal bureau of investigation as part 60773  
of the criminal records check of the independent provider. Even if 60774  
an independent provider for whom a criminal records check request 60775  
is required under this division presents proof of having been a 60776  
resident of this state for the five-year period, the department 60777  
may request that the independent provider obtain information 60778  
through the superintendent from the federal bureau of 60779  
investigation in the criminal records check. 60780

(2) The department shall do both of the following: 60781

(a) Provide information to each independent provider for whom 60782  
a criminal records check request is required under division (C)(1) 60783  
of this section about requesting a copy of the form prescribed 60784  
pursuant to division (C)(1) of section 109.572 of the Revised Code 60785  
and a standard fingerprint impression sheet prescribed pursuant to 60786  
division (C)(2) of that section, and obtain the completed form and 60787  
impression sheet and fee from the independent provider; 60788

(b) Forward the completed form, impression sheet, and fee to 60789  
the superintendent of the bureau of criminal identification and 60790  
investigation. 60791

(3) An independent provider given information about obtaining the form and fingerprint impression sheet under division (C)(2)(a) of this section who fails to complete the form or provide fingerprint impressions shall not be approved as an independent provider. 60792  
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(D) Except as provided in rules adopted by the department in accordance with division (G) of this section, the department shall not issue a new provider agreement to, and shall terminate an existing provider agreement of, an independent provider if the person has been convicted of or pleaded guilty to any of the following: 60797  
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(1) A violation of section 2903.01, 2903.02, 2903.03, 2903.04, 2903.041, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 2905.01, 2905.02, 2905.05, 2905.11, 2905.12, 2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 2907.09, 2907.21, 2907.22, 2907.23, 2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2911.01, 2911.02, 2911.11, 2911.12, 2911.13, 2913.02, 2913.03, 2913.04, 2913.11, 2913.21, 2913.31, 2913.40, 2913.43, 2913.47, 2913.51, 2919.12, 2919.24, 2919.25, 2921.36, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.04, 2925.05, 2925.06, 2925.11, 2925.13, 2925.22, 2925.23, or 3716.11 of the Revised Code, felonious sexual penetration in violation of former section 2907.12 of the Revised Code, a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, a violation of section 2919.23 of the Revised Code that would have been a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, had the violation been committed prior to that date; 60803  
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(2) An existing or former law of this state, any other state, or the United States that is substantially equivalent to any of the offenses listed in division (D)(1) of this section. 60820  
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(E) Each independent provider shall pay to the bureau of criminal identification and investigation the fee prescribed pursuant to division (C)(3) of section 109.572 of the Revised Code for each criminal records check conducted pursuant to a request made under division (C) of this section. 60823  
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(F) The report of any criminal records check conducted by the bureau of criminal identification and investigation in accordance with section 109.572 of the Revised Code and pursuant to a request made under division (C) of this section is not a public record for the purposes of section 149.43 of the Revised Code and shall not be made available to any person other than the following: 60828  
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(1) The person who is the subject of the criminal records check or the person's representative; 60834  
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(2) The administrator at the department who is requesting the criminal records check or the administrator's representative; 60836  
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(3) Any court, hearing officer, or other necessary individual involved in a case dealing with a denial or termination of a provider agreement related to the criminal records check. 60838  
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(G) The department shall adopt rules in accordance with Chapter 119. of the Revised Code to implement this section. The rules shall specify circumstances under which the department may issue a provider agreement to an independent provider who has been convicted of or pleaded guilty to an offense listed or described in division (C)(1) of this section but meets personal character standards set by the department. 60841  
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**Sec. 5111.97.** (A) The director of job and family services may submit a request to the United States secretary of health and human services pursuant to section 1915 of the "Social Security Act," 79 Stat. 286 (1965), 42 U.S.C. 1396n, as amended, to obtain waivers of federal medicaid requirements that would otherwise be 60848  
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violated in the creation and implementation of two medicaid home 60853  
and community-based services programs to replace the Ohio home 60854  
care program being operated pursuant to rules adopted under 60855  
sections 5111.01 and 5111.02 of the Revised Code and a medicaid 60856  
waiver granted prior to the effective date of this section. In the 60857  
request, the director may specify the following: 60858

(1) That one of the replacement programs will provide home 60859  
and community-based services to individuals in need of nursing 60860  
facility care, including individuals enrolled in the Ohio home 60861  
care program; 60862

(2) That the other replacement program will provide services 60863  
to individuals in need of hospital care, including individuals 60864  
enrolled in the Ohio home care program; 60865

(3) That there will be a maximum number of individuals who 60866  
may be enrolled in the replacement programs in addition to the 60867  
number of individuals to be transferred from the Ohio home care 60868  
program; 60869

(4) That there will be a maximum amount the department may 60870  
expend each year for each individual enrolled in the replacement 60871  
programs; 60872

(5) That there will be a maximum aggregate amount the 60873  
department may expend each year for all individuals enrolled in 60874  
the replacement programs; 60875

(6) Any other requirement the director selects for the 60876  
replacement programs. 60877

(B) If the secretary grants the medicaid waivers requested, 60878  
the director may create and implement the replacement programs in 60879  
accordance with the provisions of the waivers granted. The 60880  
department of job and family services shall administer the 60881  
replacement programs. 60882

As the replacement programs are implemented, the director shall reduce the maximum number of individuals who may be enrolled in the Ohio home care program by the number of individuals who are transferred to the replacement programs. When all individuals who are eligible to be transferred to the replacement programs have been transferred, the director may submit to the secretary an amendment to the state medicaid plan to provide for the elimination of the Ohio home care program.

**Sec. 5112.03.** (A) The director of job and family services shall adopt, and may amend and rescind, rules in accordance with Chapter 119. of the Revised Code for the purpose of administering sections 5112.01 to 5112.21 of the Revised Code, including rules that do all of the following:

(1) Define as a "disproportionate share hospital" any hospital included under subsection (b) of section 1923 of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A. 1396r-4(b), as amended, and any other hospital the director determines appropriate;

(2) Prescribe the form for submission of cost reports under section 5112.04 of the Revised Code;

(3) Establish, in accordance with division (A) of section 5112.06 of the Revised Code, the assessment rate or rates to be applied to hospitals under that section;

(4) Establish schedules for hospitals to pay installments on their assessments under section 5112.06 of the Revised Code and for governmental hospitals to pay installments on their intergovernmental transfers under section 5112.07 of the Revised Code;

(5) Establish procedures to notify hospitals of adjustments made under division (B)(2)(b) of section 5112.06 of the Revised

Code in the amount of installments on their assessment;	60913
(6) Establish procedures to notify hospitals of adjustments made under division (D) of section 5112.09 of the Revised Code in the total amount of their assessment and to adjust for the remainder of the program year the amount of the installments on the assessments;	60914 60915 60916 60917 60918
(7) Establish, in accordance with section 5112.08 of the Revised Code, the methodology for paying hospitals under that section.	60919 60920 60921
The director shall consult with hospitals when adopting the rules required by divisions (A)(4) and (5) of this section in order to minimize hospitals' cash flow difficulties.	60922 60923 60924
(B) Rules adopted under this section may provide that "total facility costs" excludes costs associated with any of the following:	60925 60926 60927
(1) Recipients of the medical assistance program;	60928
(2) <u>Recipients of financial assistance provided under Chapter 5115. of the Revised Code;</u>	60929 60930
<u>(3)</u> Recipients of <del>disability assistance</del> medical assistance provided under Chapter 5115. of the Revised Code;	60931 60932
<del>(3)</del> <u>(4)</u> Recipients of the program for medically handicapped children established under section 3701.023 of the Revised Code;	60933 60934
<del>(4)</del> <u>(5)</u> Recipients of the medicare program established under Title XVIII of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A. 301, as amended:	60935 60936 60937
<del>(5)</del> <u>(6)</u> Recipients of Title V of the "Social Security Act";	60938
<del>(6)</del> <u>(7)</u> Any other category of costs deemed appropriate by the director in accordance with Title XIX of the "Social Security Act" and the rules adopted under that title.	60939 60940 60941

Sec. 5112.08. The director of job and family services shall 60942  
adopt rules under section 5112.03 of the Revised Code establishing 60943  
a methodology to pay hospitals that is sufficient to expend all 60944  
money in the indigent care pool. Under the rules: 60945

(A) The department of job and family services may classify 60946  
similar hospitals into groups and allocate funds for distribution 60947  
within each group. 60948

(B) The department shall establish a method of allocating 60949  
funds to hospitals, taking into consideration the relative amount 60950  
of indigent care provided by each hospital or group of hospitals. 60951  
The amount to be allocated shall be based on any combination of 60952  
the following indicators of indigent care that the director 60953  
considers appropriate: 60954

(1) Total costs, volume, or proportion of services to 60955  
recipients of the medical assistance program, including recipients 60956  
enrolled in health insuring corporations; 60957

(2) Total costs, volume, or proportion of services to 60958  
low-income patients in addition to recipients of the medical 60959  
assistance program, which may include recipients of Title V of the 60960  
"Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A. 301, as 60961  
amended, and disability recipients of financial or medical 60962  
assistance ~~established~~ provided under Chapter 5115. of the Revised 60963  
Code; 60964

(3) The amount of uncompensated care provided by the hospital 60965  
or group of hospitals; 60966

(4) Other factors that the director considers to be 60967  
appropriate indicators of indigent care. 60968

(C) The department shall distribute funds to each hospital or 60969  
group of hospitals in a manner that first may provide for an 60970  
additional distribution to individual hospitals that provide a 60971

high proportion of indigent care in relation to the total care 60972  
provided by the hospital or in relation to other hospitals. The 60973  
department shall establish a formula to distribute the remainder 60974  
of the funds. The formula shall be consistent with section 1923 of 60975  
the "Social Security Act," 42 U.S.C.A. 1396r-4, as amended, shall 60976  
be based on any combination of the indicators of indigent care 60977  
listed in division (B) of this section that the director considers 60978  
appropriate. 60979

(D) The department shall distribute funds to each hospital in 60980  
installments not later than ten working days after the deadline 60981  
established in rules for each hospital to pay an installment on 60982  
its assessment under section 5112.06 of the Revised Code. In the 60983  
case of a governmental hospital that makes intergovernmental 60984  
transfers, the department shall pay an installment under this 60985  
section not later than ten working days after the earlier of that 60986  
deadline or the deadline established in rules for the governmental 60987  
hospital to pay an installment on its intergovernmental transfer. 60988  
If the amount in the hospital care assurance program fund and the 60989  
hospital care assurance match fund created under section 5112.18 60990  
of the Revised Code is insufficient to make the total 60991  
distributions for which hospitals are eligible to receive in any 60992  
period, the department shall reduce the amount of each 60993  
distribution by the percentage by which the amount is 60994  
insufficient. The department shall distribute to hospitals any 60995  
amounts not distributed in the period in which they are due as 60996  
soon as moneys are available in the funds. 60997

**Sec. 5112.17.** (A) As used in this section: 60998

(1) "Federal poverty guideline" means the official poverty 60999  
guideline as revised annually by the United States secretary of 61000  
health and human services in accordance with section 673 of the 61001  
"Community Service Block Grant Act," 95 Stat. 511 (1981), 42 61002

U.S.C.A. 9902, as amended, for a family size equal to the size of 61003  
the family of the person whose income is being determined. 61004

(2) "Third-party payer" means any private or public entity or 61005  
program that may be liable by law or contract to make payment to 61006  
or on behalf of an individual for health care services. 61007  
"Third-party payer" does not include a hospital. 61008

(B) Each hospital that receives funds distributed under 61009  
sections 5112.01 to 5112.21 of the Revised Code shall provide, 61010  
without charge to the individual, basic, medically necessary 61011  
hospital-level services to individuals who are residents of this 61012  
state, are not recipients of the medical assistance program, and 61013  
whose income is at or below the federal poverty guideline. 61014  
Recipients of disability financial assistance and recipients of 61015  
disability medical assistance provided under Chapter 5115. of the 61016  
Revised Code qualify for services under this section. The director 61017  
of job and family services shall adopt rules under section 5112.03 61018  
of the Revised Code specifying the hospital services to be 61019  
provided under this section. 61020

(C) Nothing in this section shall be construed to prevent a 61021  
hospital from requiring an individual to apply for eligibility 61022  
under the medical assistance program before the hospital processes 61023  
an application under this section. Hospitals may bill any 61024  
third-party payer for services rendered under this section. 61025  
Hospitals may bill the medical assistance program, in accordance 61026  
with Chapter 5111. of the Revised Code and the rules adopted under 61027  
that chapter, for services rendered under this section if the 61028  
individual becomes a recipient of the program. Hospitals may bill 61029  
individuals for services under this section if all of the 61030  
following apply: 61031

(1) The hospital has an established post-billing procedure 61032  
for determining the individual's income and canceling the charges 61033  
if the individual is found to qualify for services under this 61034

section. 61035

(2) The initial bill, and at least the first follow-up bill, 61036  
is accompanied by a written statement that does all of the 61037  
following: 61038

(a) Explains that individuals with income at or below the 61039  
federal poverty guideline are eligible for services without 61040  
charge; 61041

(b) Specifies the federal poverty guideline for individuals 61042  
and families of various sizes at the time the bill is sent; 61043

(c) Describes the procedure required by division (C)(1) of 61044  
this section. 61045

(3) The hospital complies with any additional rules the 61046  
department adopts under section 5112.03 of the Revised Code. 61047

Notwithstanding division (B) of this section, a hospital 61048  
providing care to an individual under this section is subrogated 61049  
to the rights of any individual to receive compensation or 61050  
benefits from any person or governmental entity for the hospital 61051  
goods and services rendered. 61052

(D) Each hospital shall collect and report to the department, 61053  
in the form and manner prescribed by the department, information 61054  
on the number and identity of patients served pursuant to this 61055  
section. 61056

(E) This section applies beginning May 22, 1992, regardless 61057  
of whether the department has adopted rules specifying the 61058  
services to be provided. Nothing in this section alters the scope 61059  
or limits the obligation of any governmental entity or program, 61060  
including the program awarding reparations to victims of crime 61061  
under sections 2743.51 to 2743.72 of the Revised Code and the 61062  
program for medically handicapped children established under 61063  
section 3701.023 of the Revised Code, to pay for hospital services 61064

in accordance with state or local law. 61065

**Sec. 5112.31.** The department of job and family services 61066  
shall: 61067

(A) For the purpose of providing home and community-based 61068  
services for mentally retarded and developmentally disabled 61069  
persons, annually assess each intermediate care facility for the 61070  
mentally retarded a franchise permit fee equal to nine dollars and 61071  
~~twenty-four~~ sixty-three cents multiplied by the product of the 61072  
following: 61073

(1) The number of beds certified under Title XIX of the 61074  
"Social Security Act" on the first day of May of the calendar year 61075  
in which the assessment is determined pursuant to division (A) of 61076  
section 5112.33 of the Revised Code; 61077

(2) The number of days in the fiscal year beginning on the 61078  
first day of July of the same calendar year. 61079

(B) ~~Not later than~~ Beginning July 1, ~~1996~~ 2005, and the first 61080  
day of each July thereafter, adjust fees determined under division 61081  
(A) of this section in accordance with the composite inflation 61082  
factor established in rules adopted under section 5112.39 of the 61083  
Revised Code. 61084

If the United States secretary of health and human services 61085  
determines that the franchise permit fee established by sections 61086  
5112.30 to 5112.39 of the Revised Code would be an impermissible 61087  
health care-related tax under section 1903(w) of the "Social 61088  
Security Act," 42 U.S.C.A. 1396b(w), as amended, the department 61089  
shall take all necessary actions to cease implementation of those 61090  
sections in accordance with rules adopted under section 5112.39 of 61091  
the Revised Code. 61092

**Sec. 5112.99.** (A) The director of job and family services 61093  
shall impose a penalty ~~of one hundred dollars~~ for each day that a 61094



hospital fails to report the information required under section 61095  
5112.04 of the Revised Code on or before the dates specified in 61096  
that section. The amount of the penalty shall be established by 61097  
the director in rules adopted under section 5112.03 of the Revised 61098  
Code. 61099

(B) In addition to any other remedy available to the 61100  
department of job and family services under law to collect unpaid 61101  
assessments and transfers, the director shall impose a penalty of 61102  
ten per cent of the amount due, ~~not to exceed twenty thousand~~ 61103  
~~dollars,~~ on any hospital that fails to pay assessments or make 61104  
intergovernmental transfers by the dates required by rules adopted 61105  
under section 5112.03 of the Revised Code. 61106

(C) The director shall waive the penalties provided for in 61107  
divisions (A) and (B) of this section for good cause shown by the 61108  
hospital. 61109

(D) All penalties imposed under this section shall be 61110  
deposited into the ~~general revenue~~ health care administration fund 61111  
created by section 5111.94 of the Revised Code. 61112

**Sec. 5115.01.** (A) ~~There is hereby established~~ The director of 61113  
job and family services shall establish the disability financial 61114  
assistance program. ~~Except as provided in division (D) of this~~ 61115  
~~section, a disability assistance recipient shall receive financial~~ 61116  
~~assistance. Except as provided in section 5115.11 of the Revised~~ 61117  
~~Code, a disability assistance recipient also shall receive~~ 61118  
~~disability assistance medical assistance.~~ 61119

~~Except as provided by division (B) of this section, a person~~ 61120  
~~who meets all of the following requirements is~~ (B) Subject to all 61121  
other eligibility requirements established by this chapter and the 61122  
rules adopted under it for the disability financial assistance 61123  
program, a person may be eligible for disability financial 61124  
assistance only if one of the following applies: 61125

(1) The person is ~~ineligible to participate in the Ohio works~~ 61126  
~~first program established under Chapter 5107. of the Revised Code~~ 61127  
~~and to receive supplemental security income provided pursuant to~~ 61128  
~~Title XVI of the Social Security Act, 86 Stat. 1475 (1972), 42~~ 61129  
~~U.S.C.A. 1383, as amended;~~ 61130

~~(2) The person is at least one of the following:~~ 61131

~~(a) Under age eighteen;~~ 61132

~~(b) Age sixty or older;~~ 61133

~~(c) Pregnant;~~ 61134

~~(d) Unable unable to do any substantial or gainful activity~~ 61135  
~~by reason of a medically determinable physical or mental~~ 61136  
~~impairment that can be expected to result in death or has lasted~~ 61137  
~~or can be expected to last for not less than nine months;~~ 61138

~~(e) A resident of a residential treatment center certified as~~ 61139  
~~an alcohol or drug addiction program by the department of alcohol~~ 61140  
~~and drug addiction services under section 3793.06 of the Revised~~ 61141  
~~Code.~~ 61142

~~(f) Medication dependent as determined by a physician, as~~ 61143  
~~defined in section 4730.01 of the Revised Code, who has certified~~ 61144  
~~to the county department of job and family services that the~~ 61145  
~~person is receiving ongoing treatment for a chronic medical~~ 61146  
~~condition requiring continuous prescription medication for an~~ 61147  
~~indefinite, long term period of time and for whom the loss of the~~ 61148  
~~medication would result in a significant risk of medical emergency~~ 61149  
~~and loss of employability lasting at least nine months.~~ 61150

~~(3) The (2) On the day before the effective date of this~~ 61151  
~~amendment, the person meets the eligibility requirements~~ 61152  
~~established in rules adopted under section 5115.05 of the Revised~~ 61153  
~~Code was sixty years of age or older and one of the following is~~ 61154  
~~the case:~~ 61155

(a) The person was receiving or was scheduled to begin receiving financial assistance under this chapter on the basis of being sixty years of age or older; 61156  
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(b) An eligibility determination was pending regarding the person's application to receive financial assistance under this chapter on the basis of being sixty years of age or older and, on or after the effective date of this amendment, the person receives a determination of eligibility based on that application. 61159  
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~~(B)(1) A person is ineligible for disability assistance if the person is ineligible to participate in the Ohio works first program because of any of the following:~~ 61164  
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~~(a) Section 5101.83, 5107.14, or 5107.16 of the Revised Code;~~ 61167

~~(b) The time limit established by section 5107.18 of the Revised Code;~~ 61168  
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~~(c) Failure to comply with an application or verification procedure;~~ 61170  
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~~(d) The fraud control program established pursuant to 45 C.F.R. 235.112, as in effect July 1, 1996.~~ 61172  
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~~(2) A person under age eighteen is ineligible for disability assistance pursuant to division (B)(1)(a) of this section only if the person caused the assistance group to be ineligible to participate in the Ohio works first program or resides with a person age eighteen or older who was a member of the same ineligible assistance group. A person age eighteen or older is ineligible for disability assistance pursuant to division (B)(1)(a) of this section regardless of whether the person caused the assistance group to be ineligible to participate in the Ohio works first program.~~ 61174  
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~~(C) The county department of job and family services that serves the county in which a person receiving disability~~ 61184  
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~~assistance pursuant to division (A)(2)(c) of this section 61186  
participates in an alcohol or drug addiction program shall 61187  
designate a representative payee for purposes of receiving and 61188  
distributing financial assistance provided under the disability 61189  
assistance program to the person. 61190~~

~~(D) A person eligible for disability assistance pursuant to 61191  
division (A)(2)(f) of this section shall not receive financial 61192  
assistance. 61193~~

~~(E) The director of job and family services shall adopt rules 61194  
in accordance with section 111.15 of the Revised Code defining 61195  
terms and establishing standards for determining whether a person 61196  
meets a condition of disability assistance eligibility pursuant to 61197  
this section. 61198~~

**Sec. 5115.04 5115.02.** (A) An individual is not eligible for 61199  
disability financial assistance under this chapter if ~~either~~ any 61200  
of the following apply: 61201

~~(A)(1) The individual is eligible to participate in the Ohio 61202  
works first program established under Chapter 5107. of the Revised 61203  
Code; eligible to receive supplemental security income provided 61204  
pursuant to Title XVI of the "Social Security Act," 86 Stat. 1475 61205  
(1972), 42 U.S.C. 1383, as amended; or eligible to participate in 61206  
or receive assistance through another state or federal program 61207  
that provides financial assistance similar to disability financial 61208  
assistance, as determined by the director of job and family 61209  
services; 61210~~

~~(2) The individual is ineligible to participate in the Ohio 61211  
works first program because of any of the following: 61212~~

~~(a) The time limit established by section 5107.18 of the 61213  
Revised Code; 61214~~

~~(b) Failure to comply with an application or verification 61215~~

<u>procedure;</u>	61216
<u>(c) The fraud control provisions of section 5101.83 of the Revised Code or the fraud control program established pursuant to 45 C.F.R. 235.112, as in effect July 1, 1996;</u>	61217 61218 61219
<u>(d) The self-sufficiency contract provisions of sections 5107.14 and 5107.16 of the Revised Code;</u>	61220 61221
<u>(e) The minor parent provisions of section 5107.24 of the Revised Code;</u>	61222 61223
<u>(f) The provisions of section 5107.26 of the Revised Code regarding termination of employment without just cause.</u>	61224 61225
<u>(3) The individual, or any of the other individuals included in determining the individual's eligibility, is involved in a strike, as defined in section 5107.10 of the Revised Code;</u>	61226 61227 61228
<u>(4) For the purpose of avoiding consideration of property in determinations of the individual's eligibility for disability financial assistance or a greater amount of assistance, the individual has transferred property during the two years preceding application for or most recent redetermination of eligibility for disability assistance;</u>	61229 61230 61231 61232 61233 61234
<u>(5) The individual is a child and does not live with the child's parents, guardians, or other persons standing in place of parents, unless the child is emancipated by being married, by serving in the armed forces, or by court order;</u>	61235 61236 61237 61238
<u>(6) The individual reside in a county home, city infirmary, jail, or public institution;</u>	61239 61240
<u>(7) The individual is a fugitive felon as defined in section 5101.26 of the Revised Code;</u>	61241 61242
<del>(B)</del> <u>(8) The individual is violating a condition of probation, a community control sanction, parole, or a post-release control sanction imposed under federal or state law.</u>	61243 61244 61245

(B)(1) As used in division (B)(2) of this section, 61246  
"assistance group" has the same meaning as in section 5107.02 of 61247  
the Revised Code. 61248

(2) Ineligibility under division (A)(2)(c) or (d) of this 61249  
section applies as follows: 61250

(a) In the case of an individual who is under eighteen years 61251  
of age, the individual is ineligible only if the individual caused 61252  
the assistance group to be ineligible to participate in the Ohio 61253  
works first program or resides with an individual eighteen years 61254  
of age or older who was a member of the same ineligible assistance 61255  
group. 61256

(b) In the case of an individual who is eighteen years of age 61257  
or older, the individual is ineligible regardless of whether the 61258  
individual caused the assistance group to be ineligible to 61259  
participate in the Ohio works first program. 61260

**Sec. 5115.03.** (A) The director of job and family services 61261  
shall ~~do both of the following:~~ 61262

~~(A) Adopt~~ adopt rules in accordance with section 111.15 of 61263  
the Revised Code governing the ~~administration of~~ disability 61264  
assistance, ~~including the administration of~~ financial assistance 61265  
and ~~disability assistance medical assistance~~ program. The rules 61266  
shall be ~~binding on county departments of job and family services.~~ 61267

~~(B) Make investigations to determine whether disability~~ 61268  
assistance is being administered in compliance with the Revised 61269  
Code and rules adopted by the director. may establish or specify 61270  
any or all of the following: 61271

(1) Maximum payment amounts under the disability financial 61272  
assistance program, based on state appropriations for the program; 61273

(2) Limits on the length of time an individual may receive 61274  
disability financial assistance; 61275

<u>(3) Limits on the total number of individuals in the state</u>	61276
<u>who may receive disability financial assistance;</u>	61277
<u>(4) Income, resource, citizenship, age, residence, living</u>	61278
<u>arrangement, and other eligibility requirements for disability</u>	61279
<u>financial assistance;</u>	61280
<u>(5) Procedures for disregarding amounts of earned and</u>	61281
<u>unearned income for the purpose of determining eligibility for</u>	61282
<u>disability financial assistance and the amount of assistance to be</u>	61283
<u>provided;</u>	61284
<u>(6) Procedures for including the income and resources, or a</u>	61285
<u>certain amount of the income and resources, of a member of an</u>	61286
<u>individual's family when determining eligibility for disability</u>	61287
<u>financial assistance and the amount of assistance to be provided.</u>	61288
<u>(B) In establishing or specifying eligibility requirements</u>	61289
<u>for disability financial assistance, the director shall exclude</u>	61290
<u>the value of any tuition payment contract entered into under</u>	61291
<u>section 3334.09 of the Revised Code or any scholarship awarded</u>	61292
<u>under section 3334.18 of the Revised Code and the amount of</u>	61293
<u>payments made by the Ohio tuition trust authority under section</u>	61294
<u>3334.09 of the Revised Code pursuant to the contract or</u>	61295
<u>scholarship. The director shall not require any individual to</u>	61296
<u>terminate a tuition payment contract entered into under Chapter</u>	61297
<u>3334. of the Revised Code as a condition of eligibility for</u>	61298
<u>disability financial assistance. The director shall consider as</u>	61299
<u>income any refund paid under section 3334.10 of the Revised Code.</u>	61300
<u>(C) Notwithstanding section 3109.01 of the Revised Code, when</u>	61301
<u>a disability financial assistance applicant or recipient who is at</u>	61302
<u>least eighteen but under twenty-two years of age resides with the</u>	61303
<u>applicant's or recipient's parents, the income of the parents</u>	61304
<u>shall be taken into account in determining the applicant's or</u>	61305
<u>recipient's financial eligibility. In the rules adopted under this</u>	61306

section, the director shall specify procedures for determining the amount of income to be attributed to applicants and recipients in this age category. 61307  
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(D) For purposes of limiting the cost of the disability financial assistance program, the director may do either or both of the following: 61310  
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(1) Adopt rules in accordance with section 111.15 of the Revised Code that revise the program's eligibility requirements, the maximum payment amounts, or any other requirement or standard established or specified in the rules adopted by the director; 61313  
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(2) Suspend acceptance of applications for disability financial assistance. While a suspension is in effect, no person shall receive a determination or redetermination of eligibility for disability financial assistance unless the person was receiving the assistance during the month immediately preceding the suspension's effective date or the person submitted an application prior to the suspension's effective date and receives a determination of eligibility based on that application. The director may adopt rules in accordance with section 111.15 of the Revised Code establishing requirements and specifying procedures applicable to the suspension of acceptance of applications. 61317  
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**Sec. 5115.02 5115.04.** (A) The department of job and family services shall supervise and administer the disability financial assistance program, except that the department may require county departments of job and family services to perform any administrative function specified in rules adopted by the director of job and family services, ~~including making determinations of financial eligibility and initial determinations of whether an applicant meets a condition of eligibility under division (A)(2)(d) of section 5115.01 of the Revised Code, distributing financial assistance payments, reimbursing providers of medical~~ 61328  
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~~services for services provided to disability assistance recipients, and any other function specified in the rules. The department may also require county departments to make a final determination of whether an applicant meets a condition for eligibility under division (A)(2)(a), (b), (c), (e), or (f) of section 5115.01 of the Revised Code. The department shall make the final determination of whether an applicant meets a condition of eligibility under division (A)(2)(d) of section 5115.01 of the Revised Code.~~ 61338  
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(B) If the department requires county departments to perform administrative functions under this section, the director shall adopt rules in accordance with section 111.15 of the Revised Code governing the performance of the functions to be performed by county departments. County departments shall perform the functions in accordance with the rules. The director shall conduct investigations to determine whether disability financial assistance is being administered in compliance with the Revised Code and rules adopted by the director. 61347  
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(C) If disability financial assistance payments ~~or medical services reimbursements~~ are made by the county department of job and family services, the department shall advance sufficient funds to provide the county treasurer with the amount estimated for the payments ~~or reimbursements~~. Financial assistance payments shall be distributed in accordance with sections 117.45, 319.16, and 329.03 of the Revised Code. 61356  
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**Sec. 5115.05.** (A) The director of job and family services shall adopt rules in accordance with section 111.15 of the Revised Code establishing application and verification procedures, reapplication procedures, and ~~income, resource, citizenship, age, residence, living arrangement, assistance group composition, and other eligibility requirements~~ the director considers necessary in 61363  
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~~the administration of the application process for disability 61369  
financial assistance. The rules may provide for disregarding 61370  
amounts of earned and unearned income for the purpose of 61371  
determining whether an assistance group is eligible for assistance 61372  
and the amount of assistance provided under this chapter. The 61373  
rules also may provide that the income and resources, or a certain 61374  
amount of the income and resources, of a member of an assistance 61375  
group's family group will be included in determining whether the 61376  
assistance group is eligible for aid and the amount of aid 61377  
provided under this chapter. 61378~~

~~If financial assistance under this chapter is to be paid by 61379  
the auditor of state through the medium of direct deposit, the 61380  
application shall be accompanied by information the auditor needs 61381  
to make direct deposits. 61382~~

~~The department of job and family services may require 61383  
recipients of disability financial assistance to participate in a 61384  
reapplication process two months after initial approval for 61385  
assistance has been determined and at such other times as 61386  
specified in the department requires rules. 61387~~

~~If a recipient of disability assistance, or the spouse of or 61388  
member of the assistance group of a recipient, becomes possessed 61389  
of resources or income in excess of the amount allowed under rules 61390  
adopted under this section, or if other changes occur that affect 61391  
the person's eligibility or need for assistance, the recipient 61392  
shall notify the department or county department of job and family 61393  
services within the time limits specified in the rules. Failure of 61394  
a recipient to report possession of excess resources or income or 61395  
a change affecting eligibility or need within those time limits 61396  
shall be considered prima facie evidence of intent to defraud 61397  
under section 5115.15 of the Revised Code. 61398~~

~~Each applicant for or recipient of disability assistance 61399  
shall make reasonable efforts to secure support from persons 61400~~

~~responsible for the applicant's or recipient's support, and from 61401  
other sources, as a means of preventing or reducing the provision 61402  
of disability assistance at public expense. The department or 61403  
county department may provide assistance to the applicant or 61404  
recipient in securing other forms of financial or medical 61405  
assistance. 61406~~

~~Notwithstanding section 3109.01 of the Revised Code, when a 61407  
disability assistance applicant or recipient who is at least 61408  
eighteen but under twenty two years of age resides with the 61409  
applicant's or recipient's parents, the income of the parents 61410  
shall be taken into account in determining the applicant's or 61411  
recipient's financial eligibility. The director shall adopt rules 61412  
for determining the amount of income to be attributed to the 61413  
assistance group of applicants in this age category. 61414~~

~~(B) Any person who applies for disability financial 61415  
assistance under this section shall receive a voter registration 61416  
application under section 3503.10 of the Revised Code. 61417~~

~~**Sec. 5115.07 5115.06.** Financial assistance Assistance under 61418  
the disability financial assistance program may be given by 61419  
warrant, direct deposit, or, if provided by the director of job 61420  
and family services pursuant to section 5101.33 of the Revised 61421  
Code, by electronic benefit transfer. It shall be inalienable 61422  
whether by way of assignment, charge, or otherwise, and is exempt 61423  
from attachment, garnishment, or other like process. ~~Any~~ 61424~~

~~Any direct deposit shall be made to a financial institution 61425  
and account designated by the recipient. ~~The If disability~~ 61426  
financial assistance is to be paid by the auditor of state through 61427  
direct deposit, the application for assistance shall be 61428  
accompanied by information the auditor needs to make direct 61429  
deposits. 61430~~

~~The director of job and family services may adopt rules for 61431~~

designation of financial institutions and accounts. ~~No~~ 61432

~~No~~ financial institution shall impose any charge for direct 61433  
deposit of disability ~~assistance~~ financial assistance payments 61434  
that it does not charge all customers for similar services. 61435

~~The department of job and family services shall establish~~ 61436  
~~financial assistance payment amounts based on state~~ 61437  
~~appropriations.~~ 61438

~~Disability assistance may be given to persons living in their~~ 61439  
~~own homes or other suitable quarters, but shall not be given to~~ 61440  
~~persons who reside in a county home, city infirmary, jail, or~~ 61441  
~~public institution. Disability assistance shall not be given to an~~ 61442  
~~unemancipated child unless the child lives with the child's~~ 61443  
~~parents, guardians, or other persons standing in place of parents.~~ 61444  
~~For the purpose of this section, a child is emancipated if the~~ 61445  
~~child is married, serving in the armed forces, or has been~~ 61446  
~~emancipated by court order.~~ 61447

~~No person shall be eligible for disability assistance if, for~~ 61448  
~~the purpose of avoiding consideration of property in~~ 61449  
~~determinations of the person's eligibility for disability~~ 61450  
~~assistance or a greater amount of assistance, the person has~~ 61451  
~~transferred property during the two years preceding application~~ 61452  
~~for or most recent redetermination of eligibility for disability~~ 61453  
~~assistance.~~ 61454

**Sec. 5115.13 5115.07.** The acceptance of disability financial 61455  
assistance under ~~this chapter~~ the disability financial assistance 61456  
program constitutes an assignment to the department of job and 61457  
family services of any rights an individual receiving disability 61458  
the assistance has to financial support from any other person, 61459  
~~excluding medical support assigned pursuant to section 5101.59 of~~ 61460  
~~the Revised Code. The rights to support assigned to the department~~ 61461  
pursuant to this section constitute an obligation of the person 61462

responsible for providing the support to the state for the amount 61463  
of disability financial assistance payments to the recipient or 61464  
recipients whose needs are included in determining the amount of 61465  
~~disability~~ assistance received. Support payments assigned to the 61466  
state pursuant to this section shall be collected by the county 61467  
department of job and family services and reimbursements for 61468  
disability financial assistance payments shall be credited to the 61469  
state treasury. 61470

**Sec. 5115.10.** (A) The director of job and family services 61471  
shall establish a disability ~~assistance~~ medical assistance program 61472  
~~shall consist of a system of managed primary care. Until July 1,~~ 61473  
~~1992, the program shall also include limited hospital services,~~ 61474  
~~except that if prior to that date hospitals are required by~~ 61475  
~~section 5112.17 of the Revised Code to provide medical services~~ 61476  
~~without charge to persons specified in that section, the program~~ 61477  
~~shall cease to include hospital services at the time the~~ 61478  
~~requirement of section 5112.17 of the Revised Code takes effect.~~ 61479

~~The department of job and family services may require~~ 61480  
~~disability assistance medical assistance recipients to enroll in~~ 61481  
~~health insuring corporations or other managed care programs, or~~ 61482  
~~may limit the number or type of health care providers from which a~~ 61483  
~~recipient may receive services.~~ 61484

~~The director of job and family services shall adopt rules~~ 61485  
~~governing the disability assistance medical assistance program~~ 61486  
~~established under this division. The rules shall specify all of~~ 61487  
~~the following:~~ 61488

~~(1) Services that will be provided under the system of~~ 61489  
~~managed primary care;~~ 61490

~~(2) Hospital services that will be provided during the period~~ 61491  
~~that hospital services are provided under the program;~~ 61492

~~(3) The maximum authorized amount, scope, duration, or limit of payment for services.~~ 61493  
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~~(B) The director of job and family services shall designate medical services providers for the disability assistance medical assistance program. The first such designation shall be made not later than September 30, 1991. Services under the program shall be provided only by providers designated by the director. The director may require that, as a condition of being designated a disability assistance medical assistance provider, a provider enter into a provider agreement with the state department.~~ 61495  
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~~(C) As long as the disability assistance medical assistance program continues to include hospital services, the department or a county director of job and family services may, pursuant to rules adopted under this section, approve an application for disability assistance medical assistance for emergency inpatient hospital services when care has been given to a person who had not completed a sworn application for disability assistance at the time the care was rendered, if all of the following apply:~~ 61503  
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~~(1) The person files an application for disability assistance within sixty days after being discharged from the hospital or, if the conditions of division (D) of this section are met, while in the hospital;~~ 61511  
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~~(2) The person met all eligibility requirements for disability assistance at the time the care was rendered;~~ 61515  
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~~(3) The care given to the person was a medical service within the scope of disability assistance medical assistance as established under rules adopted by the director of job and family services.~~ 61517  
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~~(D) If a person files an application for disability assistance medical assistance for emergency inpatient hospital services while in the hospital, a face to face interview shall be~~ 61521  
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~~conducted with the applicant while the applicant is in the 61524  
hospital to determine whether the applicant is eligible for the 61525  
assistance. If the hospital agrees to reimburse the county 61526  
department of job and family services for all actual costs 61527  
incurred by the department in conducting the interview, the 61528  
interview shall be conducted by an employee of the county 61529  
department. If, at the request of the hospital, the county 61530  
department designates an employee of the hospital to conduct the 61531  
interview, the interview shall be conducted by the hospital 61532  
employee. 61533~~

~~(E) The department of job and family services may assume 61534  
responsibility for peer review of expenditures for disability 61535  
assistance medical assistance (B) Subject to all other eligibility 61536  
requirements established by this chapter and the rules adopted 61537  
under it for the disability medical assistance program, a person 61538  
may be eligible for disability medical assistance only if the 61539  
person is medication dependent, as determined by the department of 61540  
job and family services. 61541~~

~~(C) The director shall adopt rules under section 111.15 of 61542  
the Revised Code for purposes of implementing division (B) of this 61543  
section. The rules may specify or establish any or all of the 61544  
following: 61545~~

~~(1) Standards for determining whether a person is medication 61546  
dependent, including standards under which a person may qualify as 61547  
being medication dependent only if it is determined that both of 61548  
the following are the case: 61549~~

~~(a) The person is receiving ongoing treatment for a chronic 61550  
medical condition that requires continuous prescription medication 61551  
for an indefinite, long-term period of time; 61552~~

~~(b) Loss of the medication would result in a significant risk 61553  
of medical emergency and loss of employability lasting at least 61554~~

nine months. 61555

(2) A requirement that a person's medical condition be certified by an individual authorized under Chapter 4731. of the Revised Code to practice medicine and surgery or osteopathic medicine and surgery; 61556  
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(3) Limitations on the chronic medical conditions and prescription medications that may qualify a person as being medication dependent. 61560  
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~~Sec. 5115.11. If a member of an assistance group receiving disability assistance under this chapter~~ An individual who 61563  
qualifies for the medical assistance program established under 61564  
Chapter 5111. of the Revised Code, ~~the member~~ shall receive 61565  
medical assistance through that program rather than through the 61566  
disability ~~assistance~~ medical assistance program. 61567  
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An individual is ineligible for disability medical assistance if, for the purpose of avoiding consideration of property in determinations of the individual's eligibility for disability medical assistance or a greater amount of assistance, the person has transferred property during the two years preceding application for or most recent redetermination of eligibility for disability medical assistance. 61569  
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Sec. 5115.12. (A) The director of job and family services shall adopt rules in accordance with section 111.15 of the Revised Code governing the disability medical assistance program. The rules may establish or specify any or all of the following: 61576  
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(1) Income, resource, citizenship, age, residence, living arrangement, and other eligibility requirements; 61580  
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(2) Health services to be included in the program; 61582

(3) The maximum authorized amount, scope, duration, or limit 61583



<u>of payment for services;</u>	61584
<u>(4) Limits on the length of time an individual may receive disability medical assistance;</u>	61585
<u>(5) Limits on the total number of individuals in the state who may receive disability medical assistance.</u>	61586
<u>(B) For purposes of limiting the cost of the disability medical assistance program, the director may do either of the following:</u>	61587
<u>(1) Adopt rules in accordance with section 111.15 of the Revised Code that revise the program's eligibility requirements; the maximum authorized amount, scope, duration, or limit of payment for services included in the program; or any other requirement or standard established or specified by rules adopted under division (A) of this section or under section 5115.10 of the Revised Code;</u>	61588
<u>(2) Suspend acceptance of applications for disability medical assistance. While a suspension is in effect, no person shall receive a determination or redetermination of eligibility for disability medical assistance unless the person was receiving the assistance during the month immediately preceding the suspension's effective date or the person submitted an application prior to the suspension's effective date and receives a determination of eligibility based on that application. The director may adopt rules in accordance with section 111.15 of the Revised Code establishing requirements and specifying procedures applicable to the suspension of acceptance of applications.</u>	61589
<u>Sec. 5115.13. (A) The department of job and family services shall supervise and administer the disability medical program, except as follows:</u>	61590
<u>(1) The department may require county departments of job and</u>	61591
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family services to perform any administrative function specified 61614  
in rules adopted by the director of job and family services. 61615

(2) The director may contract with any private or public 61616  
entity in this state to perform any administrative function or to 61617  
administer any or all of the program. 61618

(B) If the department requires county departments to perform 61619  
administrative functions, the director of job and family services 61620  
shall adopt rules in accordance with section 111.15 of the Revised 61621  
Code governing the performance of the functions to be performed by 61622  
county departments. County departments shall perform the functions 61623  
in accordance with the rules. 61624

If the director contracts with a private or public entity to 61625  
perform administrative functions or to administer any or all of 61626  
the program, the director may either adopt rules in accordance 61627  
with section 111.15 of the Revised Code or include provisions in 61628  
the contract governing the performance of the functions by the 61629  
private or public entity. Entities under contract shall perform 61630  
the functions in accordance with the requirements established by 61631  
the director. 61632

(C) Whenever division (A)(1) or (2) of this section is 61633  
implemented, the director shall conduct investigations to 61634  
determine whether disability medical assistance is being 61635  
administered in compliance with the Revised Code and rules adopted 61636  
by the director or in accordance with the terms of the contract. 61637

**Sec. 5115.14.** (A) The director of job and family services 61638  
shall adopt rules in accordance with section 111.15 of the Revised 61639  
Code establishing application and verification procedures, 61640  
reapplication procedures, and other requirements the director 61641  
considers necessary in the administration of the application 61642  
process for disability medical assistance. 61643

(B) Any person who applies for disability medical assistance 61644  
shall receive a voter registration application under section 61645  
3503.10 of the Revised Code. 61646

**Sec. 5115.20.** (A) The department of job and family services 61647  
shall establish a disability advocacy program and each county 61648  
department of job and family services shall establish a disability 61649  
advocacy program unit or join with other county departments of job 61650  
and family services to establish a joint county disability 61651  
advocacy program unit. Through the program the department and 61652  
county departments shall cooperate in efforts to assist applicants 61653  
for and recipients of assistance under ~~this chapter~~ the disability 61654  
financial assistance program and the disability medical assistance 61655  
program, who might be eligible for supplemental security income 61656  
benefits under Title XVI of the "Social Security Act," 86 Stat. 61657  
1475 (1972), 42 U.S.C.A. 1383, as amended, in applying for those 61658  
benefits. ~~The~~ 61659

As part of their disability advocacy programs, the state 61660  
department and county departments may enter into contracts for the 61661  
~~services to applicants for and recipients of assistance under this~~ 61662  
~~chapter who might be eligible for supplemental security income~~ 61663  
~~benefits with~~ of persons and ~~governmental~~ government entities that 61664  
in the judgment of the department or county department have 61665  
demonstrated expertise in representing persons seeking 61666  
supplemental security income benefits. Each contract shall require 61667  
the person or entity with which a department contracts to assess 61668  
each person referred to it by the department to determine whether 61669  
the person appears to be eligible for supplemental security income 61670  
benefits, and, if the person appears to be eligible, assist the 61671  
person in applying and represent the person in any proceeding of 61672  
the social security administration, including any appeal or 61673  
~~reconsideration~~ of a denial of benefits. The department or county 61674

department shall provide to the person or entity with which it 61675  
contracts all records in its possession relevant to the 61676  
application for supplemental security income benefits. The 61677  
department shall require a county department with relevant records 61678  
to submit them to the person or entity. 61679

(B) Each applicant for or recipient of disability financial 61680  
assistance or disability medical assistance ~~under this chapter~~ 61681  
who, in the judgment of the department or a county department 61682  
might be eligible for supplemental security benefits, ~~must~~ shall, 61683  
as a condition of eligibility for assistance, apply for such 61684  
benefits if directed to do so by the department or county 61685  
department. 61686

(C) ~~Each~~ With regard to applicants for and recipients of 61687  
disability financial assistance or disability medical assistance, 61688  
each county department of job and family services shall do all of 61689  
the following: 61690

(1) Identify applicants ~~for~~ and recipients ~~of assistance~~ 61691  
~~under this chapter~~ who might be eligible for supplemental security 61692  
income benefits; 61693

(2) Assist applicants ~~for~~ and recipients ~~of assistance under~~ 61694  
~~this chapter~~ in securing documentation of disabling conditions or 61695  
refer them for such assistance to a person or government ~~agency~~ 61696  
entity with which the department or county department has 61697  
contracted under division (A) of this section; 61698

(3) Inform applicants ~~for~~ and recipients ~~of assistance under~~ 61699  
~~this chapter~~ of available sources of representation, which may 61700  
include a person or government entity with which the department or 61701  
county department has contracted under division (A) of this 61702  
section, and of their right to represent themselves in 61703  
reconsiderations and appeals of social security administration 61704  
decisions that deny them supplemental security income benefits. 61705

The county department may require the applicants and recipients, 61706  
as a condition of eligibility for assistance, to pursue 61707  
reconsiderations and appeals of social security administration 61708  
decisions that deny them supplemental security income benefits, 61709  
and shall assist applicants and recipients as necessary to obtain 61710  
such benefits or refer them to a person or government ~~agency~~ 61711  
entity with which the department or county department has 61712  
contracted under division (A) of this section. 61713

(4) Require applicants ~~for~~ and recipients ~~of assistance under~~ 61714  
~~this chapter~~ who, in the judgment of the county department, are or 61715  
may be aged, blind, or disabled, to apply for medical assistance 61716  
under Chapter 5111. of the Revised Code, make determinations when 61717  
appropriate as to eligibility for medical assistance, and refer 61718  
their applications when necessary to the disability determination 61719  
unit established in accordance with division (F) of this section 61720  
for expedited review; 61721

(5) Require each applicant ~~for~~ and ~~each~~ recipient ~~of~~ 61722  
~~assistance under this chapter~~ who in the judgment of the 61723  
department or the county department might be eligible for 61724  
supplemental security income benefits, as a condition of 61725  
eligibility for disability financial assistance or disability 61726  
medical assistance ~~under this chapter~~, to execute a written 61727  
authorization for the secretary of health and human services to 61728  
withhold benefits due that individual and pay to the director of 61729  
job and family services or the director's designee an amount 61730  
sufficient to reimburse the state and county shares of interim 61731  
assistance furnished to the individual. For the purposes of 61732  
division (C)(5) of this section, "benefits" and "interim 61733  
assistance" have the meanings given in Title XVI of the "Social 61734  
Security Act." 61735

(D) The director of job and family services shall adopt rules 61736  
in accordance with ~~Chapter 119.~~ section 111.15 of the Revised Code 61737

for the effective administration of the disability advocacy 61738  
program. The rules shall include all of the following: 61739

(1) Methods to be used in collecting information from and 61740  
disseminating it to county departments, including the following: 61741

(a) The number of individuals in the county who are disabled 61742  
recipients of disability financial assistance or disability 61743  
medical assistance ~~under this chapter in the county;~~ 61744

(b) The final decision made either by the social security 61745  
administration or by a court for each application or 61746  
reconsideration in which an individual was assisted pursuant to 61747  
this section. 61748

(2) The type and process of training to be provided by the 61749  
department of job and family services to the employees of the 61750  
county department of job and family services who perform duties 61751  
under this section; 61752

(3) Requirements for the written authorization required by 61753  
division (C)(5) of this section. 61754

(E) The department shall provide basic and continuing 61755  
training to employees of the county department of job and family 61756  
services who perform duties under this section. Training shall 61757  
include but not be limited to all processes necessary to obtain 61758  
federal disability benefits, and methods of advocacy. 61759

(F) The department shall establish a disability determination 61760  
unit and develop guidelines for expediting reviews of applications 61761  
for medical assistance under Chapter 5111. of the Revised Code for 61762  
persons who have been referred to the unit under division (C)(4) 61763  
of this section. The department shall make determinations of 61764  
eligibility for medical assistance for any such person within the 61765  
time prescribed by federal regulations. 61766

(G) The department may, under rules the director of job and 61767

family services adopts in accordance with section 111.15 of the Revised Code, pay a portion of the federal reimbursement described in division (C)(5) of this section to persons or ~~agencies~~ government entities that assist or represent assistance recipients in reconsiderations and appeals of social security administration decisions denying them supplemental security income benefits.

(H) The director shall conduct investigations to determine whether disability advocacy programs are being administered in compliance with the Revised Code and the rules adopted by the director pursuant to this section.

Sec. 5115.22. (A) If a recipient of disability financial assistance or disability medical assistance, or an individual whose income and resources are included in determining the recipient's eligibility for the assistance, becomes possessed of resources or income in excess of the amount allowed to retain eligibility, or if other changes occur that affect the recipient's eligibility or need for assistance, the recipient shall notify the state or county department of job and family services within the time limits specified in rules adopted by the director of job and family services in accordance with section 111.15 of the Revised Code. Failure of a recipient to report possession of excess resources or income or a change affecting eligibility or need within those time limits shall be considered prima-facie evidence of intent to defraud under section 5115.23 of the Revised Code.

(B) As a condition of eligibility for disability financial assistance or disability medical assistance, and as a means of preventing or reducing the provision of assistance at public expense, each applicant for or recipient of the assistance shall make reasonable efforts to secure support from persons responsible for the applicant's or recipient's support, and from other sources, including any federal program designed to provide

assistance to individuals with disabilities. The state or county 61799  
department of job and family services may provide assistance to 61800  
the applicant or recipient in securing other forms of financial 61801  
assistance. 61802

**Sec. ~~5115.15~~ 5115.23.** As used in this section, "erroneous 61803  
payments" means disability financial assistance payments, 61804  
~~including~~ or disability ~~assistance~~ medical assistance payments, 61805  
made to persons who are not entitled to receive them, including 61806  
payments made as a result of misrepresentation or fraud, and 61807  
payments made due to an error by the recipient or by the county 61808  
department of job and family services that made the payment. 61809

The department of job and family services shall adopt rules 61810  
in accordance with section 111.15 of the Revised Code specifying 61811  
the circumstances under which action is to be taken under this 61812  
section to recover erroneous payments. The department, or a county 61813  
department of job and family services at the request of the 61814  
department, shall take action to recover erroneous payments in the 61815  
circumstances specified in the rules. The department or county 61816  
department may institute a civil action to recover erroneous 61817  
payments. 61818

Whenever disability financial assistance or disability 61819  
medical assistance has been furnished to a recipient for whose 61820  
support another person is responsible, the other person shall, in 61821  
addition to the liability otherwise imposed, as a consequence of 61822  
failure to support the recipient, be liable for all ~~disability~~ 61823  
assistance furnished the recipient. The value of the assistance so 61824  
furnished may be recovered in a civil action brought by the county 61825  
department of job and family services. 61826

Each county department of job and family services shall 61827  
retain fifty per cent of the erroneous payments it recovers under 61828  
this section. The department of job and family services shall 61829



receive the remaining fifty per cent. 61830

**Sec. 5119.61.** Any provision in this chapter that refers to a 61831  
board of alcohol, drug addiction, and mental health services also 61832  
refers to the community mental health board in an alcohol, drug 61833  
addiction, and mental health service district that has a community 61834  
mental health board. 61835

The director of mental health with respect to all facilities 61836  
and programs established and operated under Chapter 340. of the 61837  
Revised Code for mentally ill and emotionally disturbed persons, 61838  
shall do all of the following: 61839

(A) Adopt rules pursuant to Chapter 119. of the Revised Code 61840  
that may be necessary to carry out the purposes of Chapter 340. 61841  
and sections 5119.61 to 5119.63 of the Revised Code. 61842

(1) The rules shall include all of the following: 61843

(a) Rules governing a community mental health agency's 61844  
services under section 340.091 of the Revised Code to an 61845  
individual referred to the agency under division (C)(2) of section 61846  
173.35 of the Revised Code; 61847

(b) For the purpose of division (A)(16) of section 340.03 of 61848  
the Revised Code, rules governing the duties of mental health 61849  
agencies and boards of alcohol, drug addiction, and mental health 61850  
services under section 3722.18 of the Revised Code regarding 61851  
referrals of individuals with mental illness or severe mental 61852  
disability to adult care facilities and effective arrangements for 61853  
ongoing mental health services for the individuals. The rules 61854  
shall do at least the following: 61855

(i) Provide for agencies and boards to participate fully in 61856  
the procedures owners and managers of adult care facilities must 61857  
follow under division (A)(2) of section 3722.18 of the Revised 61858  
Code; 61859

(ii) Specify the manner in which boards are accountable for ensuring that ongoing mental health services are effectively arranged for individuals with mental illness or severe mental disability who are referred by the board or mental health agency under contract with the board to an adult care facility.

(c) Rules governing a board of alcohol, drug addiction, and mental health services when making a report to the director of health under section 3722.17 of the Revised Code regarding the quality of care and services provided by an adult care facility to a person with mental illness or a severe mental disability.

(2) Rules may be adopted to govern the method of paying a community mental health facility ~~described, as defined in division (B) of~~ section 5111.022 of the Revised Code, for providing services ~~established by~~ listed in division ~~(A)(B)~~ of that section. Such rules must be consistent with the contract entered into between the departments of job and family services and mental health under ~~division (E) of that~~ section 5111.91 of the Revised Code and include requirements ensuring appropriate service utilization.

(B) Review and evaluate, and, taking into account the findings and recommendations of the board of alcohol, drug addiction, and mental health services of the district served by the program and the requirements and priorities of the state mental health plan, including the needs of residents of the district now residing in state mental institutions, approve and allocate funds to support community programs, and make recommendations for needed improvements to boards of alcohol, drug addiction, and mental health services;

(C) Withhold state and federal funds for any program, in whole or in part, from a board of alcohol, drug addiction, and mental health services in the event of failure of that program to

comply with Chapter 340. or section 5119.61, 5119.611, 5119.612, 61891  
or 5119.62 of the Revised Code or rules of the department of 61892  
mental health. The director shall identify the areas of 61893  
noncompliance and the action necessary to achieve compliance. The 61894  
director shall offer technical assistance to the board to achieve 61895  
compliance. The director shall give the board a reasonable time 61896  
within which to comply or to present its position that it is in 61897  
compliance. Before withholding funds, a hearing shall be conducted 61898  
to determine if there are continuing violations and that either 61899  
assistance is rejected or the board is unable to achieve 61900  
compliance. Subsequent to the hearing process, if it is determined 61901  
that compliance has not been achieved, the director may allocate 61902  
all or part of the withheld funds to a public or private agency to 61903  
provide the services not in compliance until the time that there 61904  
is compliance. The director shall establish rules pursuant to 61905  
Chapter 119. of the Revised Code to implement this division. 61906

(D) Withhold state or federal funds from a board of alcohol, 61907  
drug addiction, and mental health services that denies available 61908  
service on the basis of religion, race, color, creed, sex, 61909  
national origin, age, disability as defined in section 4112.01 of 61910  
the Revised Code, developmental disability, or the inability to 61911  
pay; 61912

(E) Provide consultative services to community mental health 61913  
agencies with the knowledge and cooperation of the board of 61914  
alcohol, drug addiction, and mental health services; 61915

(F) Provide to boards of alcohol, drug addiction, and mental 61916  
health services state or federal funds, in addition to those 61917  
allocated under section 5119.62 of the Revised Code, for special 61918  
programs or projects the director considers necessary but for 61919  
which local funds are not available; 61920

(G) Establish criteria by which a board of alcohol, drug 61921  
addiction, and mental health services reviews and evaluates the 61922

quality, effectiveness, and efficiency of services provided 61923  
through its community mental health plan. The criteria shall 61924  
include requirements ensuring appropriate service utilization. The 61925  
department shall assess a board's evaluation of services and the 61926  
compliance of each board with this section, Chapter 340. or 61927  
section 5119.62 of the Revised Code, and other state or federal 61928  
law and regulations. The department, in cooperation with the 61929  
board, periodically shall review and evaluate the quality, 61930  
effectiveness, and efficiency of services provided through each 61931  
board. The department shall collect information that is necessary 61932  
to perform these functions. 61933

(H) Develop and operate a community mental health information 61934  
system. 61935

Boards of alcohol, drug abuse, and mental health services 61936  
shall submit information requested by the department in the form 61937  
and manner prescribed by the department. Information collected by 61938  
the department shall include, but not be limited to, all of the 61939  
following: 61940

(1) Information regarding units of services provided in whole 61941  
or in part under contract with a board, including diagnosis and 61942  
special needs, demographic information, the number of units of 61943  
service provided, past treatment, financial status, and service 61944  
dates in accordance with rules adopted by the department in 61945  
accordance with Chapter 119. of the Revised Code; 61946

(2) Financial information other than price or price-related 61947  
data regarding expenditures of boards and community mental health 61948  
agencies, including units of service provided, budgeted and actual 61949  
expenses by type, and sources of funds. 61950

Boards shall submit the information specified in division 61951  
(H)(1) of this section no less frequently than annually for each 61952  
client, and each time the client's case is opened or closed. The 61953

department shall not collect any information for the purpose of 61954  
identifying by name any person who receives a service through a 61955  
board of alcohol, drug addiction, and mental health services, 61956  
except as required by state or federal law to validate appropriate 61957  
reimbursement. For the purposes of division (H)(1) of this 61958  
section, the department shall use an identification system that is 61959  
consistent with applicable nationally recognized standards. 61960

(I) Review each board's community mental health plan 61961  
submitted pursuant to section 340.03 of the Revised Code and 61962  
approve or disapprove it in whole or in part. Periodically, in 61963  
consultation with representatives of boards and after considering 61964  
the recommendations of the medical director, the director shall 61965  
issue criteria for determining when a plan is complete, criteria 61966  
for plan approval or disapproval, and provisions for conditional 61967  
approval. The factors that the director considers may include, but 61968  
are not limited to, the following: 61969

(1) The mental health needs of all persons residing within 61970  
the board's service district, especially severely mentally 61971  
disabled children, adolescents, and adults; 61972

(2) The demonstrated quality, effectiveness, efficiency, and 61973  
cultural relevance of the services provided in each service 61974  
district, the extent to which any services are duplicative of 61975  
other available services, and whether the services meet the needs 61976  
identified above; 61977

(3) The adequacy of the board's accounting for the 61978  
expenditure of funds. 61979

If the director disapproves all or part of any plan, the 61980  
director shall provide the board an opportunity to present its 61981  
position. The director shall inform the board of the reasons for 61982  
the disapproval and of the criteria that must be met before the 61983  
plan may be approved. The director shall give the board a 61984

reasonable time within which to meet the criteria, and shall offer 61985  
technical assistance to the board to help it meet the criteria. 61986

If the approval of a plan remains in dispute thirty days 61987  
prior to the conclusion of the fiscal year in which the board's 61988  
current plan is scheduled to expire, the board or the director may 61989  
request that the dispute be submitted to a mutually agreed upon 61990  
third-party mediator with the cost to be shared by the board and 61991  
the department. The mediator shall issue to the board and the 61992  
department recommendations for resolution of the dispute. Prior to 61993  
the conclusion of the fiscal year in which the current plan is 61994  
scheduled to expire, the director, taking into consideration the 61995  
recommendations of the mediator, shall make a final determination 61996  
and approve or disapprove the plan, in whole or in part. 61997

**Sec. 5119.611.** (A) A board of alcohol, drug addiction, and 61998  
mental health services may not contract with a community mental 61999  
health agency under division (A)(8)(a) of section 340.03 of the 62000  
Revised Code to provide community mental health services included 62001  
in the board's community mental health plan unless the services 62002  
are certified by the director of mental health under this section. 62003

A community mental health agency that seeks the director's 62004  
certification of its community mental health services shall submit 62005  
an application to the director. On receipt of the application, the 62006  
director may visit and shall evaluate the agency to determine 62007  
whether its services satisfy the standards established by rules 62008  
adopted under division (C) of this section. The director shall 62009  
make the evaluation, and, if the director visits the agency, shall 62010  
make the visit, in cooperation with the board of alcohol, drug 62011  
addiction, and mental health services with which the agency seeks 62012  
to contract. 62013

If the director determines that a community mental health 62014  
agency's services satisfy the standards, the director shall 62015

certify the services. 62016

If the director determines that a community mental health 62017  
agency's services do not satisfy the standards, the director shall 62018  
identify the areas of noncompliance, specify what action is 62019  
necessary to satisfy the standards, and offer technical assistance 62020  
to the board of alcohol, drug addiction, and mental health 62021  
services so that the board may assist the agency in satisfying the 62022  
standards. The director shall give the agency a reasonable time 62023  
within which to demonstrate that its services satisfy the 62024  
standards or to bring the services into compliance with the 62025  
standards. If the director concludes that the services continue to 62026  
fail to satisfy the standards, the director may request that the 62027  
board reallocate the funds for the community mental health 62028  
services the agency was to provide to another community mental 62029  
health agency whose community mental health services satisfy the 62030  
standards. If the board does not reallocate those funds in a 62031  
reasonable period of time, the director may withhold state and 62032  
federal funds for the community mental health services and 62033  
allocate those funds directly to a community mental health agency 62034  
whose community mental health services satisfy the standards. 62035

(B) Each community mental health agency seeking certification 62036  
of its community mental health services under this section shall 62037  
pay a fee for the certification review required by this section. 62038  
Fees shall be paid into the sale of goods and services fund 62039  
created pursuant to section 5119.161 of the Revised Code. 62040

(C) The director shall adopt rules in accordance with Chapter 62041  
119. of the Revised Code to implement this section. The rules 62042  
shall do all of the following: 62043

(1) Establish certification standards for community mental 62044  
health services, including assertive community treatment and 62045  
intensive home-based mental health services, that are consistent 62046  
with nationally recognized applicable standards and facilitate 62047

participation in federal assistance programs. The rules shall 62048  
include as certification standards only requirements that improve 62049  
the quality of services or the health and safety of clients of 62050  
community mental health services. The standards shall address at a 62051  
minimum all of the following: 62052

(a) Reporting major unusual incidents to the director; 62053

(b) Procedures for applicants for and clients of community 62054  
mental health services to file grievances and complaints; 62055

(c) Seclusion; 62056

(d) Restraint; 62057

(e) Development of written policies addressing the rights of 62058  
clients, including all of the following: 62059

(i) The right to a copy of the written policies addressing 62060  
client rights; 62061

(ii) The right at all times to be treated with consideration 62062  
and respect for the client's privacy and dignity; 62063

(iii) The right to have access to the client's own 62064  
psychiatric, medical, or other treatment records unless access is 62065  
specifically restricted in the client's treatment plan for clear 62066  
treatment reasons; 62067

(iv) The right to have a client rights officer provided by 62068  
the agency or board of alcohol, drug addiction, and mental health 62069  
services advise the client of the client's rights, including the 62070  
client's rights under Chapter 5122. of the Revised Code if the 62071  
client is committed to the agency or board. 62072

(2) Establish standards for qualifications of mental health 62073  
professionals as defined in section 340.02 of the Revised Code and 62074  
personnel who provide the community mental health services; 62075

(3) Establish the process for certification of community 62076  
mental health services; 62077



(4) Set the amount of certification review fees based on a portion of the cost of performing the review;	62078 62079
(5) Specify the type of notice and hearing to be provided prior to a decision on whether to reallocate funds.	62080 62081
<u>(D) The rules adopted under division (C)(1) of this section to establish certification standards for assertive community treatment and intensive home-based mental health services shall be adopted not later than July 1, 2004.</u>	62082 62083 62084 62085
<b>Sec. 5123.01.</b> As used in this chapter:	62086
(A) "Chief medical officer" means the licensed physician appointed by the managing officer of an institution for the mentally retarded with the approval of the director of mental retardation and developmental disabilities to provide medical treatment for residents of the institution.	62087 62088 62089 62090 62091
(B) "Chief program director" means a person with special training and experience in the diagnosis and management of the mentally retarded, certified according to division (C) of this section in at least one of the designated fields, and appointed by the managing officer of an institution for the mentally retarded with the approval of the director to provide habilitation and care for residents of the institution.	62092 62093 62094 62095 62096 62097 62098
(C) "Comprehensive evaluation" means a study, including a sequence of observations and examinations, of a person leading to conclusions and recommendations formulated jointly, with dissenting opinions if any, by a group of persons with special training and experience in the diagnosis and management of persons with mental retardation or a developmental disability, which group shall include individuals who are professionally qualified in the fields of medicine, psychology, and social work, together with such other specialists as the individual case may require.	62099 62100 62101 62102 62103 62104 62105 62106 62107

(D) "Education" means the process of formal training and 62108  
instruction to facilitate the intellectual and emotional 62109  
development of residents. 62110

(E) "Habilitation" means the process by which the staff of 62111  
the institution assists the resident in acquiring and maintaining 62112  
those life skills that enable the resident to cope more 62113  
effectively with the demands of the resident's own person and of 62114  
the resident's environment and in raising the level of the 62115  
resident's physical, mental, social, and vocational efficiency. 62116  
Habilitation includes but is not limited to programs of formal, 62117  
structured education and training. 62118

(F) "Habilitation center services" means services provided by 62119  
a habilitation center certified by the department of mental 62120  
retardation and developmental disabilities under section 5123.041 62121  
of the Revised Code and covered by the medicaid program pursuant 62122  
to rules adopted under section 5111.041 of the Revised Code. 62123

(G) "Health officer" means any public health physician, 62124  
public health nurse, or other person authorized or designated by a 62125  
city or general health district. 62126

(H) "Home and community-based services" means medicaid-funded 62127  
home and community-based services specified in division (B)(1) of 62128  
section 5111.87 of the Revised Code provided under a the medicaid 62129  
~~component~~ components the department of mental retardation and 62130  
developmental disabilities administers pursuant to section 62131  
5111.871 of the Revised Code. 62132

(I) "Indigent person" means a person who is unable, without 62133  
substantial financial hardship, to provide for the payment of an 62134  
attorney and for other necessary expenses of legal representation, 62135  
including expert testimony. 62136

(J) "Institution" means a public or private facility, or a 62137  
part of a public or private facility, that is licensed by the 62138

appropriate state department and is equipped to provide 62139  
residential habilitation, care, and treatment for the mentally 62140  
retarded. 62141

(K) "Licensed physician" means a person who holds a valid 62142  
certificate issued under Chapter 4731. of the Revised Code 62143  
authorizing the person to practice medicine and surgery or 62144  
osteopathic medicine and surgery, or a medical officer of the 62145  
government of the United States while in the performance of the 62146  
officer's official duties. 62147

(L) "Managing officer" means a person who is appointed by the 62148  
director of mental retardation and developmental disabilities to 62149  
be in executive control of an institution for the mentally 62150  
retarded under the jurisdiction of the department. 62151

(M) "Medicaid" has the same meaning as in section 5111.01 of 62152  
the Revised Code. 62153

(N) "Medicaid case management services" means case management 62154  
services provided to an individual with mental retardation or 62155  
other developmental disability that the state medicaid plan 62156  
requires. 62157

(O) "Mentally retarded person" means a person having 62158  
significantly subaverage general intellectual functioning existing 62159  
concurrently with deficiencies in adaptive behavior, manifested 62160  
during the developmental period. 62161

(P) "Mentally retarded person subject to institutionalization 62162  
by court order" means a person eighteen years of age or older who 62163  
is at least moderately mentally retarded and in relation to whom, 62164  
because of the person's retardation, either of the following 62165  
conditions exist: 62166

(1) The person represents a very substantial risk of physical 62167  
impairment or injury to self as manifested by evidence that the 62168  
person is unable to provide for and is not providing for the 62169

person's most basic physical needs and that provision for those 62170  
needs is not available in the community; 62171

(2) The person needs and is susceptible to significant 62172  
habilitation in an institution. 62173

(Q) "A person who is at least moderately mentally retarded" 62174  
means a person who is found, following a comprehensive evaluation, 62175  
to be impaired in adaptive behavior to a moderate degree and to be 62176  
functioning at the moderate level of intellectual functioning in 62177  
accordance with standard measurements as recorded in the most 62178  
current revision of the manual of terminology and classification 62179  
in mental retardation published by the American association on 62180  
mental retardation. 62181

(R) As used in this division, "substantial functional 62182  
limitation," "developmental delay," and "established risk" have 62183  
the meanings established pursuant to section 5123.011 of the 62184  
Revised Code. 62185

"Developmental disability" means a severe, chronic disability 62186  
that is characterized by all of the following: 62187

(1) It is attributable to a mental or physical impairment or 62188  
a combination of mental and physical impairments, other than a 62189  
mental or physical impairment solely caused by mental illness as 62190  
defined in division (A) of section 5122.01 of the Revised Code. 62191

(2) It is manifested before age twenty-two. 62192

(3) It is likely to continue indefinitely. 62193

(4) It results in one of the following: 62194

(a) In the case of a person under three years of age, at 62195  
least one developmental delay or an established risk; 62196

(b) In the case of a person at least three years of age but 62197  
under six years of age, at least two developmental delays or an 62198  
established risk; 62199

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

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

(S) "Developmentally disabled person" means a person with a developmental disability.

(T) "State institution" means an institution that is tax-supported and under the jurisdiction of the department.

(U) "Residence" and "legal residence" have the same meaning as "legal settlement," which is acquired by residing in Ohio for a period of one year without receiving general assistance prior to July 17, 1995, under former Chapter 5113. of the Revised Code, ~~disability~~ financial assistance under Chapter 5115. of the Revised Code, or assistance from a private agency that maintains records of assistance given. A person having a legal settlement in the state shall be considered as having legal settlement in the assistance area in which the person resides. No adult person coming into this state and having a spouse or minor children residing in another state shall obtain a legal settlement in this state as long as the spouse or minor children are receiving public assistance, care, or support at the expense of the other state or its subdivisions. For the purpose of determining the legal settlement of a person who is living in a public or private institution or in a home subject to licensing by the department of

job and family services, the department of mental health, or the 62231  
department of mental retardation and developmental disabilities, 62232  
the residence of the person shall be considered as though the 62233  
person were residing in the county in which the person was living 62234  
prior to the person's entrance into the institution or home. 62235  
Settlement once acquired shall continue until a person has been 62236  
continuously absent from Ohio for a period of one year or has 62237  
acquired a legal residence in another state. A woman who marries a 62238  
man with legal settlement in any county immediately acquires the 62239  
settlement of her husband. The legal settlement of a minor is that 62240  
of the parents, surviving parent, sole parent, parent who is 62241  
designated the residential parent and legal custodian by a court, 62242  
other adult having permanent custody awarded by a court, or 62243  
guardian of the person of the minor, provided that: 62244

(1) A minor female who marries shall be considered to have 62245  
the legal settlement of her husband and, in the case of death of 62246  
her husband or divorce, she shall not thereby lose her legal 62247  
settlement obtained by the marriage. 62248

(2) A minor male who marries, establishes a home, and who has 62249  
resided in this state for one year without receiving general 62250  
assistance prior to July 17, 1995, under former Chapter 5113. of 62251  
the Revised Code, ~~disability~~ financial assistance under Chapter 62252  
5115. of the Revised Code, or assistance from a private agency 62253  
that maintains records of assistance given shall be considered to 62254  
have obtained a legal settlement in this state. 62255

(3) The legal settlement of a child under eighteen years of 62256  
age who is in the care or custody of a public or private child 62257  
caring agency shall not change if the legal settlement of the 62258  
parent changes until after the child has been in the home of the 62259  
parent for a period of one year. 62260

No person, adult or minor, may establish a legal settlement 62261  
in this state for the purpose of gaining admission to any state 62262

institution. 62263

(V)(1) "Resident" means, subject to division (R)(2) of this 62264  
section, a person who is admitted either voluntarily or 62265  
involuntarily to an institution or other facility pursuant to 62266  
section 2945.39, 2945.40, 2945.401, or 2945.402 of the Revised 62267  
Code subsequent to a finding of not guilty by reason of insanity 62268  
or incompetence to stand trial or under this chapter who is under 62269  
observation or receiving habilitation and care in an institution. 62270

(2) "Resident" does not include a person admitted to an 62271  
institution or other facility under section 2945.39, 2945.40, 62272  
2945.401, or 2945.402 of the Revised Code to the extent that the 62273  
reference in this chapter to resident, or the context in which the 62274  
reference occurs, is in conflict with any provision of sections 62275  
2945.37 to 2945.402 of the Revised Code. 62276

(W) "Respondent" means the person whose detention, 62277  
commitment, or continued commitment is being sought in any 62278  
proceeding under this chapter. 62279

(X) "Working day" and "court day" mean Monday, Tuesday, 62280  
Wednesday, Thursday, and Friday, except when such day is a legal 62281  
holiday. 62282

(Y) "Prosecutor" means the prosecuting attorney, village 62283  
solicitor, city director of law, or similar chief legal officer 62284  
who prosecuted a criminal case in which a person was found not 62285  
guilty by reason of insanity, who would have had the authority to 62286  
prosecute a criminal case against a person if the person had not 62287  
been found incompetent to stand trial, or who prosecuted a case in 62288  
which a person was found guilty. 62289

(Z) "Court" means the probate division of the court of common 62290  
pleas. 62291

**Sec. 5123.051.** (A) If the department of mental retardation 62292

and developmental disabilities determines pursuant to an audit 62293  
conducted under section 5123.05 of the Revised Code or a 62294  
reconciliation conducted under section 5123.18 or ~~5111.252~~ 62295  
5123.199 of the Revised Code that money is owed the state by a 62296  
provider of a service or program, the department may enter into a 62297  
payment agreement with the provider. The agreement shall include 62298  
the following: 62299

(1) A schedule of installment payments whereby the money owed 62300  
the state is to be paid in full within a period not to exceed one 62301  
year; 62302

(2) A provision that the provider may pay the entire balance 62303  
owed at any time during the term of the agreement; 62304

(3) A provision that if any installment is not paid in full 62305  
within forty-five days after it is due, the entire balance owed is 62306  
immediately due and payable; 62307

(4) Any other terms and conditions that are agreed to by the 62308  
department and the provider. 62309

(B) The department may include a provision in a payment 62310  
agreement that requires the provider to pay interest on the money 62311  
owed the state. The department, in its discretion, shall determine 62312  
whether to require the payment of interest and, if it so requires, 62313  
the rate of interest. Neither the obligation to pay interest nor 62314  
the rate of interest is subject to negotiation between the 62315  
department and the provider. 62316

(C) If the provider fails to pay any installment in full 62317  
within forty-five days after its due date, the department shall 62318  
certify the entire balance owed to the attorney general for 62319  
collection under section 131.02 of the Revised Code. The 62320  
department may withhold funds from payments made to a provider 62321  
under section 5123.18 or ~~5111.252~~ 5123.199 of the Revised Code to 62322  
satisfy a judgment secured by the attorney general. 62323



(D) The purchase of service fund is hereby created. Money 62324  
credited to the fund shall be used solely for purposes of section 62325  
5123.05 of the Revised Code. 62326

**Sec. 5123.19.** (A) As used in this section and in sections 62327  
5123.191, 5123.194, 5123.196, 5123.198, 5123.1910, and 5123.20 of 62328  
the Revised Code: 62329

(1)(a) "Residential facility" means a home or facility in 62330  
which a mentally retarded or developmentally disabled person 62331  
resides, except the home of a relative or legal guardian in which 62332  
a mentally retarded or developmentally disabled person resides, a 62333  
respite care home certified under section 5126.05 of the Revised 62334  
Code, a county home or district home operated pursuant to Chapter 62335  
5155. of the Revised Code, or a dwelling in which the only 62336  
mentally retarded or developmentally disabled residents are in an 62337  
independent living arrangement or are being provided supported 62338  
living. 62339

(b) "Intermediate care facility for the mentally retarded" 62340  
means a residential facility that is considered an intermediate 62341  
care facility for the mentally retarded for the purposes of 62342  
Chapter 5111. of the Revised Code. 62343

(2) "Political subdivision" means a municipal corporation, 62344  
county, or township. 62345

(3) "Independent living arrangement" means an arrangement in 62346  
which a mentally retarded or developmentally disabled person 62347  
resides in an individualized setting chosen by the person or the 62348  
person's guardian, which is not dedicated principally to the 62349  
provision of residential services for mentally retarded or 62350  
developmentally disabled persons, and for which no financial 62351  
support is received for rendering such service from any 62352  
governmental agency by a provider of residential services. 62353

(4) "Supported living" has the same meaning as in section 62354  
5126.01 of the Revised Code. 62355

(5) "Licensee" means the person or government agency that has 62356  
applied for a license to operate a residential facility and to 62357  
which the license was issued under this section. 62358

(B) Every person or government agency desiring to operate a 62359  
residential facility shall apply for licensure of the facility to 62360  
the director of mental retardation and developmental disabilities 62361  
unless the residential facility is subject to section 3721.02, 62362  
3722.04, 5103.03, or 5119.20 of the Revised Code. Notwithstanding 62363  
Chapter 3721. of the Revised Code, a nursing home that is 62364  
certified as an intermediate care facility for the mentally 62365  
retarded under Title XIX of the "Social Security Act," 79 Stat. 62366  
286 (1965), 42 U.S.C.A. 1396, as amended, shall apply for 62367  
licensure of the portion of the home that is certified as an 62368  
intermediate care facility for the mentally retarded. 62369

(C) The Subject to section 5123.196 of the Revised Code, the 62370  
director of mental retardation and developmental disabilities 62371  
shall license the operation of residential facilities. An initial 62372  
license shall be issued for a period that does not exceed one 62373  
year, unless the director denies the license under division (D) of 62374  
this section. A license shall be renewed for a period that does 62375  
not exceed three years, unless the director refuses to renew the 62376  
license under division (D) of this section. The director, when 62377  
issuing or renewing a license, shall specify the period for which 62378  
the license is being issued or renewed. A license remains valid 62379  
for the length of the licensing period specified by the director, 62380  
unless the license is terminated, revoked, or voluntarily 62381  
surrendered. 62382

(D) If it is determined that an applicant or licensee is not 62383  
in compliance with a provision of this chapter that applies to 62384

residential facilities or the rules adopted under such a 62385  
provision, the director may deny issuance of a license, refuse to 62386  
renew a license, terminate a license, revoke a license, issue an 62387  
order for the suspension of admissions to a facility, issue an 62388  
order for the placement of a monitor at a facility, issue an order 62389  
for the immediate removal of residents, or take any other action 62390  
the director considers necessary consistent with the director's 62391  
authority under this chapter regarding residential facilities. In 62392  
the director's selection and administration of the sanction to be 62393  
imposed, all of the following apply: 62394

(1) The director may deny, refuse to renew, or revoke a 62395  
license, if the director determines that the applicant or licensee 62396  
has demonstrated a pattern of serious noncompliance or that a 62397  
violation creates a substantial risk to the health and safety of 62398  
residents of a residential facility. 62399

(2) The director may terminate a license if more than twelve 62400  
consecutive months have elapsed since the residential facility was 62401  
last occupied by a resident or a notice required by division (J) 62402  
of this section is not given. 62403

(3) The director may issue an order for the suspension of 62404  
admissions to a facility for any violation that may result in 62405  
sanctions under division (D)(1) of this section and for any other 62406  
violation specified in rules adopted under division (G)(2) of this 62407  
section. If the suspension of admissions is imposed for a 62408  
violation that may result in sanctions under division (D)(1) of 62409  
this section, the director may impose the suspension before 62410  
providing an opportunity for an adjudication under Chapter 119. of 62411  
the Revised Code. The director shall lift an order for the 62412  
suspension of admissions when the director determines that the 62413  
violation that formed the basis for the order has been corrected. 62414

(4) The director may order the placement of a monitor at a 62415  
residential facility for any violation specified in rules adopted 62416

under division (G)(2) of this section. The director shall lift the 62417  
order when the director determines that the violation that formed 62418  
the basis for the order has been corrected. 62419

(5) If the director determines that two or more residential 62420  
facilities owned or operated by the same person or government 62421  
entity are not being operated in compliance with a provision of 62422  
this chapter that applies to residential facilities or the rules 62423  
adopted under such a provision, and the director's findings are 62424  
based on the same or a substantially similar action, practice, 62425  
circumstance, or incident that creates a substantial risk to the 62426  
health and safety of the residents, the director shall conduct a 62427  
survey as soon as practicable at each residential facility owned 62428  
or operated by that person or government entity. The director may 62429  
take any action authorized by this section with respect to any 62430  
facility found to be operating in violation of a provision of this 62431  
chapter that applies to residential facilities or the rules 62432  
adopted under such a provision. 62433

(6) When the director initiates license revocation 62434  
proceedings, no opportunity for submitting a plan of correction 62435  
shall be given. The director shall notify the licensee by letter 62436  
of the initiation of such proceedings. The letter shall list the 62437  
deficiencies of the residential facility and inform the licensee 62438  
that no plan of correction will be accepted. The director shall 62439  
also notify each affected resident, the resident's guardian if the 62440  
resident is an adult for whom a guardian has been appointed, the 62441  
resident's parent or guardian if the resident is a minor, and the 62442  
county board of mental retardation and developmental disabilities. 62443

(7) Pursuant to rules which shall be adopted in accordance 62444  
with Chapter 119. of the Revised Code, the director may order the 62445  
immediate removal of residents from a residential facility 62446  
whenever conditions at the facility present an immediate danger of 62447  
physical or psychological harm to the residents. 62448

(8) In determining whether a residential facility is being operated in compliance with a provision of this chapter that applies to residential facilities or the rules adopted under such a provision, or whether conditions at a residential facility present an immediate danger of physical or psychological harm to the residents, the director may rely on information obtained by a county board of mental retardation and developmental disabilities or other governmental agencies.

(9) In proceedings initiated to deny, refuse to renew, or revoke licenses, the director may deny, refuse to renew, or revoke a license regardless of whether some or all of the deficiencies that prompted the proceedings have been corrected at the time of the hearing.

(E) The director shall establish a program under which public notification may be made when the director has initiated license revocation proceedings or has issued an order for the suspension of admissions, placement of a monitor, or removal of residents. The director shall adopt rules in accordance with Chapter 119. of the Revised Code to implement this division. The rules shall establish the procedures by which the public notification will be made and specify the circumstances for which the notification must be made. The rules shall require that public notification be made if the director has taken action against the facility in the eighteen-month period immediately preceding the director's latest action against the facility and the latest action is being taken for the same or a substantially similar violation of a provision of this chapter that applies to residential facilities or the rules adopted under such a provision. The rules shall specify a method for removing or amending the public notification if the director's action is found to have been unjustified or the violation at the residential facility has been corrected.

(F)(1) Except as provided in division (F)(2) of this section,

appeals from proceedings initiated to impose a sanction under 62481  
division (D) of this section shall be conducted in accordance with 62482  
Chapter 119. of the Revised Code. 62483

(2) Appeals from proceedings initiated to order the 62484  
suspension of admissions to a facility shall be conducted in 62485  
accordance with Chapter 119. of the Revised Code, unless the order 62486  
was issued before providing an opportunity for an adjudication, in 62487  
which case all of the following apply: 62488

(a) The licensee may request a hearing not later than ten 62489  
days after receiving the notice specified in section 119.07 of the 62490  
Revised Code. 62491

(b) If a timely request for a hearing is made, the hearing 62492  
shall commence not later than thirty days after the department 62493  
receives the request. 62494

(c) After commencing, the hearing shall continue 62495  
uninterrupted, except for Saturdays, Sundays, and legal holidays, 62496  
unless other interruptions are agreed to by the licensee and the 62497  
director. 62498

(d) If the hearing is conducted by a hearing examiner, the 62499  
hearing examiner shall file a report and recommendations not later 62500  
than ten days after the close of the hearing. 62501

(e) Not later than five days after the hearing examiner files 62502  
the report and recommendations, the licensee may file objections 62503  
to the report and recommendations. 62504

(f) Not later than fifteen days after the hearing examiner 62505  
files the report and recommendations, the director shall issue an 62506  
order approving, modifying, or disapproving the report and 62507  
recommendations. 62508

(g) Notwithstanding the pendency of the hearing, the director 62509  
shall lift the order for the suspension of admissions when the 62510

director determines that the violation that formed the basis for 62511  
the order has been corrected. 62512

(G) In accordance with Chapter 119. of the Revised Code, the 62513  
director shall adopt and may amend and rescind rules for licensing 62514  
and regulating the operation of residential facilities, including 62515  
intermediate care facilities for the mentally retarded. The rules 62516  
for intermediate care facilities for the mentally retarded may 62517  
differ from those for other residential facilities. The rules 62518  
shall establish and specify the following: 62519

(1) Procedures and criteria for issuing and renewing 62520  
licenses, including procedures and criteria for determining the 62521  
length of the licensing period that the director must specify for 62522  
each license when it is issued or renewed; 62523

(2) Procedures and criteria for denying, refusing to renew, 62524  
terminating, and revoking licenses and for ordering the suspension 62525  
of admissions to a facility, placement of a monitor at a facility, 62526  
and the immediate removal of residents from a facility; 62527

(3) Fees for issuing and renewing licenses; 62528

(4) Procedures for surveying residential facilities; 62529

(5) Requirements for the training of residential facility 62530  
personnel; 62531

(6) Classifications for the various types of residential 62532  
facilities; 62533

(7) Certification procedures for licensees and management 62534  
contractors that the director determines are necessary to ensure 62535  
that they have the skills and qualifications to properly operate 62536  
or manage residential facilities; 62537

(8) The maximum number of persons who may be served in a 62538  
particular type of residential facility; 62539

(9) Uniform procedures for admission of persons to and 62540

transfers and discharges of persons from residential facilities; 62541

(10) Other standards for the operation of residential 62542  
facilities and the services provided at residential facilities; 62543

(11) Procedures for waiving any provision of any rule adopted 62544  
under this section. 62545

(H) Before issuing a license, the director of the department 62546  
or the director's designee shall conduct a survey of the 62547  
residential facility for which application is made. The director 62548  
or the director's designee shall conduct a survey of each licensed 62549  
residential facility at least once during the period the license 62550  
is valid and may conduct additional inspections as needed. A 62551  
survey includes but is not limited to an on-site examination and 62552  
evaluation of the residential facility, its personnel, and the 62553  
services provided there. 62554

In conducting surveys, the director or the director's 62555  
designee shall be given access to the residential facility; all 62556  
records, accounts, and any other documents related to the 62557  
operation of the facility; the licensee; the residents of the 62558  
facility; and all persons acting on behalf of, under the control 62559  
of, or in connection with the licensee. The licensee and all 62560  
persons on behalf of, under the control of, or in connection with 62561  
the licensee shall cooperate with the director or the director's 62562  
designee in conducting the survey. 62563

Following each survey, unless the director initiates a 62564  
license revocation proceeding, the director or the director's 62565  
designee shall provide the licensee with a report listing any 62566  
deficiencies, specifying a timetable within which the licensee 62567  
shall submit a plan of correction describing how the deficiencies 62568  
will be corrected, and, when appropriate, specifying a timetable 62569  
within which the licensee must correct the deficiencies. After a 62570  
plan of correction is submitted, the director or the director's 62571



designee shall approve or disapprove the plan. A copy of the 62572  
report and any approved plan of correction shall be provided to 62573  
any person who requests it. 62574

The director shall initiate disciplinary action against any 62575  
department employee who notifies or causes the notification to any 62576  
unauthorized person of an unannounced survey of a residential 62577  
facility by an authorized representative of the department. 62578

(I) In addition to any other information which may be 62579  
required of applicants for a license pursuant to this section and 62580  
except as provided in section 5123.1910 of the Revised Code, the 62581  
director shall require each applicant to provide a copy of an 62582  
approved plan for a proposed residential facility pursuant to 62583  
section 5123.042 of the Revised Code. This division does not apply 62584  
to renewal of a license. 62585

(J) A licensee shall notify the owner of the building in 62586  
which the licensee's residential facility is located of any 62587  
significant change in the identity of the licensee or management 62588  
contractor before the effective date of the change if the licensee 62589  
is not the owner of the building. 62590

Pursuant to rules which shall be adopted in accordance with 62591  
Chapter 119. of the Revised Code, the director may require 62592  
notification to the department of any significant change in the 62593  
ownership of a residential facility or in the identity of the 62594  
licensee or management contractor. If the director determines that 62595  
a significant change of ownership is proposed, the director shall 62596  
consider the proposed change to be an application for development 62597  
by a new operator pursuant to section 5123.042 of the Revised Code 62598  
and shall advise the applicant within sixty days of such 62599  
notification that the current license shall continue in effect or 62600  
a new license will be required pursuant to this section. If the 62601  
director requires a new license, the director shall permit the 62602  
facility to continue to operate under the current license until 62603

the new license is issued, unless the current license is revoked, 62604  
refused to be renewed, or terminated in accordance with Chapter 62605  
119. of the Revised Code. 62606

(K) A county board of mental retardation and developmental 62607  
disabilities, the legal rights service, and any interested person 62608  
may file complaints alleging violations of statute or department 62609  
rule relating to residential facilities with the department. All 62610  
complaints shall be in writing and shall state the facts 62611  
constituting the basis of the allegation. The department shall not 62612  
reveal the source of any complaint unless the complainant agrees 62613  
in writing to waive the right to confidentiality or until so 62614  
ordered by a court of competent jurisdiction. 62615

The department shall adopt rules in accordance with Chapter 62616  
119. of the Revised Code establishing procedures for the receipt, 62617  
referral, investigation, and disposition of complaints filed with 62618  
the department under this division. 62619

(L) The department shall establish procedures for the 62620  
notification of interested parties of the transfer or interim care 62621  
of residents from residential facilities that are closing or are 62622  
losing their license. 62623

(M) Before issuing a license under this section to a 62624  
residential facility that will accommodate at any time more than 62625  
one mentally retarded or developmentally disabled individual, the 62626  
director shall, by first class mail, notify the following: 62627

(1) If the facility will be located in a municipal 62628  
corporation, the clerk of the legislative authority of the 62629  
municipal corporation; 62630

(2) If the facility will be located in unincorporated 62631  
territory, the clerk of the appropriate board of county 62632  
commissioners and the clerk of the appropriate board of township 62633  
trustees. 62634

The director shall not issue the license for ten days after mailing the notice, excluding Saturdays, Sundays, and legal holidays, in order to give the notified local officials time in which to comment on the proposed issuance.

Any legislative authority of a municipal corporation, board of county commissioners, or board of township trustees that receives notice under this division of the proposed issuance of a license for a residential facility may comment on it in writing to the director within ten days after the director mailed the notice, excluding Saturdays, Sundays, and legal holidays. If the director receives written comments from any notified officials within the specified time, the director shall make written findings concerning the comments and the director's decision on the issuance of the license. If the director does not receive written comments from any notified local officials within the specified time, the director shall continue the process for issuance of the license.

(N) Any person may operate a licensed residential facility that provides room and board, personal care, habilitation services, and supervision in a family setting for at least six but not more than eight persons with mental retardation or a developmental disability as a permitted use in any residential district or zone, including any single-family residential district or zone, of any political subdivision. These residential facilities may be required to comply with area, height, yard, and architectural compatibility requirements that are uniformly imposed upon all single-family residences within the district or zone.

(O) Any person may operate a licensed residential facility that provides room and board, personal care, habilitation services, and supervision in a family setting for at least nine but not more than sixteen persons with mental retardation or a

developmental disability as a permitted use in any multiple-family residential district or zone of any political subdivision, except that a political subdivision that has enacted a zoning ordinance or resolution establishing planned unit development districts may exclude these residential facilities from such districts, and a political subdivision that has enacted a zoning ordinance or resolution may regulate these residential facilities in multiple-family residential districts or zones as a conditionally permitted use or special exception, in either case, under reasonable and specific standards and conditions set out in the zoning ordinance or resolution to:

(1) Require the architectural design and site layout of the residential facility and the location, nature, and height of any walls, screens, and fences to be compatible with adjoining land uses and the residential character of the neighborhood;

(2) Require compliance with yard, parking, and sign regulation;

(3) Limit excessive concentration of these residential facilities.

(P) This section does not prohibit a political subdivision from applying to residential facilities nondiscriminatory regulations requiring compliance with health, fire, and safety regulations and building standards and regulations.

(Q) Divisions (N) and (O) of this section are not applicable to municipal corporations that had in effect on June 15, 1977, an ordinance specifically permitting in residential zones licensed residential facilities by means of permitted uses, conditional uses, or special exception, so long as such ordinance remains in effect without any substantive modification.

(R)(1) The director may issue an interim license to operate a residential facility to an applicant for a license under this

section if either of the following is the case: 62698

(a) The director determines that an emergency exists 62699  
requiring immediate placement of persons in a residential 62700  
facility, that insufficient licensed beds are available, and that 62701  
the residential facility is likely to receive a permanent license 62702  
under this section within thirty days after issuance of the 62703  
interim license. 62704

(b) The director determines that the issuance of an interim 62705  
license is necessary to meet a temporary need for a residential 62706  
facility. 62707

(2) To be eligible to receive an interim license, an 62708  
applicant must meet the same criteria that must be met to receive 62709  
a permanent license under this section, except for any differing 62710  
procedures and time frames that may apply to issuance of a 62711  
permanent license. 62712

(3) An interim license shall be valid for thirty days and may 62713  
be renewed by the director for a period not to exceed one hundred 62714  
fifty days. 62715

(4) The director shall adopt rules in accordance with Chapter 62716  
119. of the Revised Code as the director considers necessary to 62717  
administer the issuance of interim licenses. 62718

(S) Notwithstanding rules adopted pursuant to this section 62719  
establishing the maximum number of persons who may be served in a 62720  
particular type of residential facility, a residential facility 62721  
shall be permitted to serve the same number of persons being 62722  
served by the facility on the effective date of such rules or the 62723  
number of persons for which the facility is authorized pursuant to 62724  
a current application for a certificate of need with a letter of 62725  
support from the department of mental retardation and 62726  
developmental disabilities and which is in the review process 62727  
prior to April 4, 1986. 62728

(T) The director or the director's designee may enter at any 62729  
time, for purposes of investigation, any home, facility, or other 62730  
structure that has been reported to the director or that the 62731  
director has reasonable cause to believe is being operated as a 62732  
residential facility without a license issued under this section. 62733

The director may petition the court of common pleas of the 62734  
county in which an unlicensed residential facility is located for 62735  
an order enjoining the person or governmental agency operating the 62736  
facility from continuing to operate without a license. The court 62737  
may grant the injunction on a showing that the person or 62738  
governmental agency named in the petition is operating a 62739  
residential facility without a license. The court may grant the 62740  
injunction, regardless of whether the residential facility meets 62741  
the requirements for receiving a license under this section. 62742

Sec. 5123.196. (A) Except as provided in divisions (E) and 62743  
(F) of this section, the director of mental retardation and 62744  
developmental disabilities shall not issue a license under section 62745  
5123.19 of the Revised Code on or after July 1, 2003, if issuance 62746  
will result in there being more beds in all residential facilities 62747  
licensed under that section than is permitted under division (B) 62748  
of this section. 62749

(B) The maximum number of beds for the purpose of division 62750  
(A) of this section shall not exceed ten thousand eight hundred 62751  
thirty-eight minus, except as provided in division (C) of this 62752  
section, both of the following: 62753

(1) The number of such beds that cease to be residential 62754  
facility beds on or after July 1, 2003, because a residential 62755  
facility license is revoked, terminated, or not renewed for any 62756  
reason or is surrendered in accordance with section 5123.19 of the 62757  
Revised Code and after the issuance of an adjudication order 62758  
pursuant to Chapter 119. of the Revised Code; 62759

(2) The number of such beds for which a licensee voluntarily converts to use for supported living on or after July 1, 2003. 62760  
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(C) The director is not required to reduce the maximum number of beds pursuant to division (B) of this section by a bed that ceases to be a residential facility bed if the director determines that the bed is needed to provide services to an individual with mental retardation or a developmental disability who resided in the residential facility in which the bed was located. 62762  
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(D) The director shall maintain an up-to-date written record of the maximum number of residential facility beds provided for by division (B) of this section. 62768  
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(E) If required by section 5123.1910 of the Revised Code to issue a license under section 5123.19 of the Revised Code, the director shall issue the license regardless of whether issuance will result in there being more beds in all residential facilities licensed under that section than is permitted under division (B) of this section. 62771  
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(F) The director may issue an interim license under division (R) of section 5123.19 of the Revised Code and issue, pursuant to rules adopted under division (G)(11) of that section, a waiver allowing a residential facility to admit more residents than the facility is licensed to admit regardless of whether the interim license or waiver will result in there being more beds in all residential facilities licensed under that section than is permitted under division (B) of this section. 62777  
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**Sec. 5123.198.** (A) As used in this section, "date of the commitment" means the date that an individual specified in division (B) of this section begins to reside in a state-operated intermediate care facility for the mentally retarded after being committed to the facility pursuant to sections 5123.71 to 5123.76 62785  
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<u>of the Revised Code.</u>	62790
<u>(B) Except as provided in division (C) of this section,</u>	62791
<u>whenever a resident of a residential facility is committed to a</u>	62792
<u>state-operated intermediate care facility for the mentally</u>	62793
<u>retarded pursuant to sections 5123.71 to 5123.76 of the Revised</u>	62794
<u>Code, the department of mental retardation and developmental</u>	62795
<u>disabilities, pursuant to an adjudication order issued in</u>	62796
<u>accordance with Chapter 119. of the Revised Code, shall reduce by</u>	62797
<u>one the number of residents for which the facility in which the</u>	62798
<u>resident resided is licensed.</u>	62799
<u>(C) The department shall not reduce under division (B) of</u>	62800
<u>this section the number of residents for which a residential</u>	62801
<u>facility is licensed if any of the following are the case:</u>	62802
<u>(1) The resident of the residential facility who is committed</u>	62803
<u>to a state-operated intermediate care facility for the mentally</u>	62804
<u>retarded resided in the residential facility because of the</u>	62805
<u>closure, on or after the effective date of this section, of</u>	62806
<u>another state-operated intermediate care facility for the mentally</u>	62807
<u>retarded;</u>	62808
<u>(2) The residential facility admits within ninety days of the</u>	62809
<u>date of the commitment an individual who resides on the date of</u>	62810
<u>the commitment in a state-operated intermediate care facility for</u>	62811
<u>the mentally retarded or another residential facility;</u>	62812
<u>(3) The department fails to do either of the following within</u>	62813
<u>ninety days of the date of the commitment:</u>	62814
<u>(a) Identify an individual to whom all of the following</u>	62815
<u>applies:</u>	62816
<u>(i) Resides on the date of the commitment in a state-operated</u>	62817
<u>intermediate care facility for the mentally retarded or another</u>	62818
<u>residential facility;</u>	62819



(ii) Has indicated to the department an interest in 62820  
relocating to the residential facility or has a parent or guardian 62821  
who has indicated to the department an interest for the individual 62822  
to relocate to the residential facility; 62823

(iii) The department determines the individual has needs that 62824  
the residential facility can meet. 62825

(b) Provide the residential facility with information about 62826  
the individual identified under division (C)(2)(a) of this section 62827  
that the residential facility needs in order to determine whether 62828  
the facility can meet the individual's needs. 62829

(4) If the department completes the actions specified in 62830  
divisions (C)(3)(a) and (b) of this section not later than ninety 62831  
days after the date of the commitment and except as provided in 62832  
division (D) of this section, the residential facility does all of 62833  
the following not later than ninety days after the date of the 62834  
commitment: 62835

(a) Evaluates the information provided by the department; 62836

(b) Assesses the identified individual's needs; 62837

(c) Determines that the residential facility cannot meet the 62838  
identified individual's needs. 62839

(5) If the department completes the actions specified in 62840  
divisions (C)(3)(a) and (b) of this section not later than ninety 62841  
days after the date of the commitment and the residential facility 62842  
determines that the residential facility can meet the identified 62843  
individual's needs, the individual, or a parent or guardian of the 62844  
individual, refuses placement in the residential facility. 62845

(D) The department may reduce under division (B) of this 62846  
section the number of residents for which a residential facility 62847  
is licensed even though the residential facility completes the 62848  
actions specified in division (C)(4) of this section not later 62849

than ninety days after the date of the commitment if all of the 62850  
following are the case: 62851

(1) The department disagrees with the residential facility's 62852  
determination that the residential facility cannot meet the 62853  
identified individual's needs. 62854

(2) The department issues a written decision pursuant to the 62855  
uniform procedures for admissions, transfers, and discharges 62856  
established by rules adopted under division (G)(9) of section 62857  
5123.19 of the Revised Code that the residential facility should 62858  
admit the identified individual. 62859

(3) After the department issues the written decision 62860  
specified in division (D)(2) of this section, the residential 62861  
facility refuses to admit the identified individual. 62862

(E) A residential facility that admits, refuses to admit, 62863  
transfers, or discharges a resident under this section shall 62864  
comply with the uniform procedures for admissions, transfers, and 62865  
discharges established by rules adopted under division (G)(9) of 62866  
section 5123.19 of the Revised Code. 62867

(F) The department of mental retardation and developmental 62868  
disabilities may notify the department of job and family services 62869  
of any reduction under this section in the number of residents for 62870  
which a residential facility that is an intermediate care facility 62871  
for the mentally retarded is licensed. On receiving the notice, 62872  
the department of job and family services may transfer to the 62873  
department of mental retardation and developmental disabilities 62874  
the savings in the nonfederal share of medicaid expenditures for 62875  
each fiscal year after the year of the commitment to be used for 62876  
costs of the resident's care in the state-operated intermediate 62877  
care facility for the mentally retarded. In determining the amount 62878  
saved, the department of job and family services shall consider 62879  
medicaid payments for the remaining residents of the facility in 62880

<u>which the resident resided.</u>	62881
<b>Sec. <del>5111.252</del> <u>5123.199</u>.</b> (A) As used in this section:	62882
(1) "Contractor" means a person or government agency that has entered into a contract with the department of mental retardation and developmental disabilities under this section.	62883 62884 62885
(2) "Government agency" and "residential services" have the same meanings as in section 5123.18 of the Revised Code.	62886 62887
(3) <u>"Intermediate care facility for the mentally retarded" has the same meaning as in section 5111.20 of the Revised Code.</u>	62888 62889
<u>(4)</u> "Respite care services" has the same meaning as in section 5123.171 of the Revised Code.	62890 62891
(B) The department of mental retardation and developmental disabilities may enter into a contract with a person or government agency to do any of the following:	62892 62893 62894
(1) Provide residential services in an intermediate care facility for the mentally retarded to an individual who meets the criteria for admission to such a facility but is not eligible for assistance under <del>this chapter</del> <u>Chapter 5111. of the Revised Code</u> due to unliquidated assets subject to final probate action;	62895 62896 62897 62898 62899
(2) Provide respite care services in an intermediate care facility for the mentally retarded;	62900 62901
(3) Provide residential services in a facility for which the person or government agency has applied for, but has not received, certification and payment as an intermediate care facility for the mentally retarded if the person or government agency is making a good faith effort to bring the facility into compliance with requirements for certification and payment as an intermediate care facility for the mentally retarded. In assigning payment amounts to such contracts, the department shall take into account costs incurred in attempting to meet certification requirements.	62902 62903 62904 62905 62906 62907 62908 62909 62910

(4) Reimburse an intermediate care facility for the mentally retarded for costs not otherwise reimbursed under ~~this chapter~~ Chapter 5111. of the Revised Code for clothing for individuals who are mentally retarded or developmentally disabled. Reimbursement under such contracts shall not exceed a maximum amount per individual per year specified in rules that the department shall adopt in accordance with Chapter 119. of the Revised Code.

(C) The amount paid to a contractor under divisions (B)(1) to (3) of this section shall not exceed the reimbursement that would be made under ~~this chapter~~ Chapter 5111. of the Revised Code by the department of job and family services for the same goods and services.

(D) The department of mental retardation and developmental disabilities shall adopt rules as necessary to implement this section, including rules establishing standards and procedures for the submission of cost reports by contractors and the department's conduct of audits and reconciliations regarding the contracts. The rules shall be adopted in accordance with Chapter 119. of the Revised Code.

**Sec. 5123.1910.** (A) The director of mental retardation and developmental disabilities shall issue one or more residential facility licenses under section 5123.19 of the Revised Code to an applicant without requiring the applicant to have plans submitted, reviewed, or approved under section 5123.042 of the Revised Code for the residential facility if all of the following requirements are met:

(1) The applicant satisfies the requirements for the license established by section 5123.19 of the Revised Code and rules adopted under that section, other than any rule that requires an applicant for a residential facility license to have plans submitted, reviewed, or approved under section 5123.042 of the

Revised Code for the residential facility. 62942

(2) The applicant operates at least one residential facility licensed under section 5123.19 of the Revised Code on the effective date of this section. 62943  
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(3) The applicant provides services to individuals with mental retardation or a developmental disability who have a chronic, medically complex, or technology-dependent condition that requires special supervision or care, the majority of whom received habilitation services from the applicant before attaining eighteen years of age. 62946  
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(4) The applicant has created directly or through a corporate affiliate a research center that has the mission of funding, promoting, and carrying on scientific research in the public interest related to individuals with mental retardation or a developmental disability for the purpose of improving the lives of such individuals. 62952  
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(5) If the applicant seeks two or more residential facility licenses, the residential facilities for which a license is sought after the effective date of this section are located on the same or adjoining property sites. 62958  
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(6) The residential facilities for which the applicant seeks licensure have not more than eight beds each and forty-eight beds total. 62962  
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(7) The applicant, one or more of the applicant's corporate affiliates, or both employ or contract for, on a full-time basis, at least one licensed physician who is certified by the American board of pediatrics or would be eligible for certification from that board if the physician passed an examination necessary to obtain certification from that board. 62965  
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(8) The applicant, one or more of the applicant's corporate affiliates, or both have educational facilities suitable for the 62971  
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instruction of individuals under eighteen years of age with mental 62973  
retardation or a developmental disability who have a medically 62974  
complex or technology-dependent condition. 62975

(9) The applicant has a policy for giving individuals with 62976  
mental retardation or a developmental disability who meet all of 62977  
the following conditions priority over all others in admissions to 62978  
one of the residential facilities licensed under section 5123.19 62979  
of the Revised Code that the applicant operates on the effective 62980  
date of this section: 62981

(a) Are under eighteen years of age; 62982

(b) Have a chronic, medically complex, or 62983  
technology-dependent condition that requires special supervision 62984  
or care; 62985

(c) Are eligible for medicaid; 62986

(d) Reside in a nursing home, as defined in section 3721.01 62987  
of the Revised Code, or a hospital, as defined in section 3727.01, 62988  
prior to being admitted to the residential facility. 62989

(B) The director shall issue one or more residential facility 62990  
licenses under section 5123.19 of the Revised Code to an applicant 62991  
who meets all of the requirements of this section regardless of 62992  
whether the requirements for approval of a plan for a proposed 62993  
residential facility established by rules adopted under section 62994  
5123.042 of the Revised Code are met. 62995

**Sec. 5123.38.** (A) Except as provided in division (B) and (C) 62996  
of this section, if an individual receiving supported living or 62997  
home and community-based services, as defined in section 5126.01 62998  
of the Revised Code, funded by a county board of mental 62999  
retardation and developmental disabilities is committed to a 63000  
state-operated intermediate care facility for the mentally 63001  
retarded pursuant to sections 5123.71 to 5123.76 of the Revised 63002

Code, the department of mental retardation and developmental 63003  
disabilities shall use the funds otherwise allocated to the county 63004  
board as the nonfederal share of medicaid expenditures for the 63005  
individual's care in the state-operated facility. 63006

(B) Division (A) of this section does not apply if the county 63007  
board, not later than ninety days after the date of the commitment 63008  
of a person receiving supported services, commences funding of 63009  
supported living for an individual who resides in a state-operated 63010  
intermediate care facility for the mentally retarded on the date 63011  
of the commitment or another eligible individual designated by the 63012  
department. 63013

(C) Division (A) of this section does not apply if the county 63014  
board, not later than ninety days after the date of the commitment 63015  
of a person receiving home and community-based services, commences 63016  
funding of home and community-based services for an individual who 63017  
resides in a state-operated intermediate care facility for the 63018  
mentally retarded on the date of the commitment or another 63019  
eligible individual designated by the department. 63020

**Sec. 5123.60.** (A) A legal rights service is hereby created 63021  
and established to protect and advocate the rights of mentally ill 63022  
persons, mentally retarded persons, developmentally disabled 63023  
persons, and other disabled persons who may be represented by the 63024  
service pursuant to division (L) of this section; to receive and 63025  
act upon complaints concerning institutional and hospital 63026  
practices and conditions of institutions for mentally retarded or 63027  
developmentally disabled persons and hospitals for the mentally 63028  
ill; and to assure that all persons detained, hospitalized, 63029  
discharged, or institutionalized, and all persons whose detention, 63030  
hospitalization, discharge, or institutionalization is sought or 63031  
has been sought under this chapter or Chapter 5122. of the Revised 63032  
Code are fully informed of their rights and adequately represented 63033

by counsel in proceedings under this chapter or Chapter 5122. of 63034  
the Revised Code and in any proceedings to secure the rights of 63035  
those persons. Notwithstanding the definitions of "mentally 63036  
retarded person" and "developmentally disabled person" in section 63037  
5123.01 of the Revised Code, the legal rights service shall 63038  
determine who is a mentally retarded or developmentally disabled 63039  
person for purposes of this section and sections 5123.601 to 63040  
5123.604 of the Revised Code. 63041

(B) In regard to those persons detained, hospitalized, or 63042  
institutionalized under Chapter 5122. of the Revised Code, the 63043  
legal rights service shall undertake formal representation only of 63044  
those persons who are involuntarily detained, hospitalized, or 63045  
institutionalized pursuant to sections 5122.10 to 5122.15 of the 63046  
Revised Code, and those voluntarily detained, hospitalized, or 63047  
institutionalized who are minors, who have been adjudicated 63048  
incompetent, who have been detained, hospitalized, or 63049  
institutionalized in a public hospital, or who have requested 63050  
representation by the legal rights service. If a person referred 63051  
to in division (A) of this section voluntarily requests in writing 63052  
that the legal rights service terminate participation in the 63053  
person's case, such involvement shall cease. 63054

(C) Any person voluntarily hospitalized or institutionalized 63055  
in a public hospital under division (A) of section 5122.02 of the 63056  
Revised Code, after being fully informed of the person's rights 63057  
under division (A) of this section, may, by written request, waive 63058  
assistance by the legal rights service if the waiver is knowingly 63059  
and intelligently made, without duress or coercion. 63060

The waiver may be rescinded at any time by the voluntary 63061  
patient or resident, or by the voluntary patient's or resident's 63062  
legal guardian. 63063

(D)(1) The legal rights service commission is hereby created 63064  
for the purposes of appointing an administrator of the legal 63065



rights service, advising the administrator, assisting the 63066  
administrator in developing a budget, advising the administrator 63067  
in establishing and annually reviewing a strategic plan, creating 63068  
a procedure for filing and determination of grievances against the 63069  
legal rights service, and establishing general policy guidelines, 63070  
including guidelines for the commencement of litigation, for the 63071  
legal rights service. The commission may adopt rules to carry 63072  
these purposes into effect and may receive and act upon appeals of 63073  
personnel decisions by the administrator. 63074

(2) The commission shall consist of seven members. One 63075  
member, who shall serve as chairperson, shall be appointed by the 63076  
chief justice of the supreme court, three members shall be 63077  
appointed by the speaker of the house of representatives, and 63078  
three members shall be appointed by the president of the senate. 63079  
At least two members shall have experience in the field of 63080  
developmental disabilities, and at least two members shall have 63081  
experience in the field of mental health. No member shall be a 63082  
provider or related to a provider of services to mentally 63083  
retarded, developmentally disabled, or mentally ill persons. 63084

(3) Terms of office of the members of the commission shall be 63085  
for three years, each term ending on the same day of the month of 63086  
the year as did the term which it succeeds. Each member shall 63087  
serve subsequent to the expiration of the member's term until a 63088  
successor is appointed and qualifies, or until sixty days has 63089  
elapsed, whichever occurs first. No member shall serve more than 63090  
two consecutive terms. 63091

All vacancies in the membership of the commission shall be 63092  
filled in the manner prescribed for regular appointments to the 63093  
commission and shall be limited to the unexpired terms. 63094

(4) The commission shall meet at least four times each year. 63095  
Members shall be reimbursed for their necessary and actual 63096  
expenses incurred in the performance of their official duties. 63097

(5) The administrator of the legal rights service shall be 63098  
~~appointed for a five year term, subject to removal for mental or~~ 63099  
~~physical incapacity to perform the duties of the office,~~ 63100  
~~conviction of violation of any law relating to the administrator's~~ 63101  
~~powers and duties, or other good cause shown~~ serve at the pleasure 63102  
of the commission. 63103

The administrator shall be a person who has had special 63104  
training and experience in the type of work with which the legal 63105  
rights service is charged. If the administrator is not an 63106  
attorney, the administrator shall seek legal counsel when 63107  
appropriate. The salary of the administrator shall be established 63108  
in accordance with section 124.14 of the Revised Code. 63109

(E) The legal rights service shall be completely independent 63110  
of the department of mental health and the department of mental 63111  
retardation and developmental disabilities and, notwithstanding 63112  
section 109.02 of the Revised Code, shall also be independent of 63113  
the office of the attorney general. The administrator of the legal 63114  
rights service, staff, and attorneys designated by the 63115  
administrator to represent persons detained, hospitalized, or 63116  
institutionalized under this chapter or Chapter 5122. of the 63117  
Revised Code shall have ready access to the following: 63118

(1) During normal business hours and at other reasonable 63119  
times, all records relating to expenditures of state and federal 63120  
funds or to the commitment, care, treatment, and habilitation of 63121  
all persons represented by the legal rights service, including 63122  
those who may be represented pursuant to division (L) of this 63123  
section, or persons detained, hospitalized, institutionalized, or 63124  
receiving services under this chapter or Chapter 340., 5119., 63125  
5122., or 5126. of the Revised Code that are records maintained by 63126  
the following entities providing services for those persons: 63127  
departments; institutions; hospitals; community residential 63128  
facilities; boards of alcohol, drug addiction, and mental health 63129

services; county boards of mental retardation and developmental 63130  
disabilities; contract agencies of those boards; and any other 63131  
entity providing services to persons who may be represented by the 63132  
service pursuant to division (L) of this section; 63133

(2) Any records maintained in computerized data banks of the 63134  
departments or boards or, in the case of persons who may be 63135  
represented by the service pursuant to division (L) of this 63136  
section, any other entity that provides services to those persons; 63137

(3) During their normal working hours, personnel of the 63138  
departments, facilities, boards, agencies, institutions, 63139  
hospitals, and other service-providing entities; 63140

(4) At any time, all persons detained, hospitalized, or 63141  
institutionalized; persons receiving services under this chapter 63142  
or Chapter 340., 5119., 5122., or 5126. of the Revised Code; and 63143  
persons who may be represented by the service pursuant to division 63144  
(L) of this section. 63145

(F) The administrator of the legal rights service shall do 63146  
the following: 63147

(1) Administer and organize the work of the legal rights 63148  
service and establish administrative or geographic divisions as 63149  
the administrator considers necessary, proper, and expedient; 63150

(2) Adopt and promulgate rules that are not in conflict with 63151  
rules adopted by the commission and prescribe duties for the 63152  
efficient conduct of the business and general administration of 63153  
the legal rights service; 63154

(3) Appoint and discharge employees, and hire experts, 63155  
consultants, advisors, or other professionally qualified persons 63156  
as the administrator considers necessary to carry out the duties 63157  
of the legal rights service; 63158

(4) Apply for and accept grants of funds, and accept 63159

charitable gifts and bequests;	63160
(5) Prepare and submit a budget to the general assembly for the operation of the legal rights service; <u>At least thirty days prior to submitting the budget to the general assembly, the administrator shall provide a copy of the budget to the commission for review and comment. When submitting the budget to the general assembly, the administrator shall include a copy of any written comments returned by the commission to the administrator.</u>	63161 63162 63163 63164 63165 63166 63167
(6) Enter into contracts and make expenditures necessary for the efficient operation of the legal rights service;	63168 63169
(7) Annually prepare a report of activities and submit copies of the report to the governor, the chief justice of the supreme court, the president of the senate, the speaker of the house of representatives, the director of mental health, and the director of mental retardation and developmental disabilities, and make the report available to the public;	63170 63171 63172 63173 63174 63175
<u>(8) Upon request of the commission or of the chairperson of the commission, report to the commission on specific litigation issues or activities.</u>	63176 63177 63178
(G)(1) The legal rights service may act directly or contract with other organizations or individuals for the provision of the services envisioned under this section.	63179 63180 63181
(2) Whenever possible, the administrator shall attempt to facilitate the resolution of complaints through administrative channels. Subject to division (G)(3) of this section, if attempts at administrative resolution prove unsatisfactory, the administrator may pursue any legal, administrative, and other appropriate remedies or approaches that may be necessary to accomplish the purposes of this section.	63182 63183 63184 63185 63186 63187 63188
(3) The administrator may not pursue a class action lawsuit under division (G)(2) of this section when attempts at	63189 63190

administrative resolution of a complaint prove unsatisfactory 63191  
under that division unless both of the following have first 63192  
occurred: 63193

(a) At least four members of the commission, by their 63194  
affirmative vote, have consented to the pursuit of the class 63195  
action lawsuit; 63196

(b) At least five members of the commission are present at 63197  
the meeting of the commission at which that consent is obtained. 63198

(4) ~~Relationships~~ Subject to division (G)(5) of this section, 63199  
relationships between personnel and the agents of the legal rights 63200  
service and its clients shall be fiduciary relationships, and all 63201  
communications shall be confidential, as if between attorney and 63202  
client. 63203

(5) Any person who has been represented by the legal rights 63204  
service or who has applied for and been denied representation and 63205  
who files a grievance with the service concerning the 63206  
representation or application may appeal the decision of the 63207  
service on the grievance to the commission. The person may appeal 63208  
notwithstanding any objections of the person's legal guardian. The 63209  
commission may examine any records relevant to the appeal and 63210  
shall maintain the confidentiality of any records that are 63211  
required to be kept confidential. 63212

(H) The legal rights service, on the order of the 63213  
administrator, with the approval by an affirmative vote of at 63214  
least four members of the commission, may compel by subpoena the 63215  
appearance and sworn testimony of any person the administrator 63216  
reasonably believes may be able to provide information or to 63217  
produce any documents, books, records, papers, or other 63218  
information necessary to carry out its duties. 63219

(I) The legal rights service may conduct public hearings. 63220

(J) The legal rights service may request from any 63221

governmental agency any cooperation, assistance, services, or data 63222  
that will enable it to perform its duties. 63223

(K) In any malpractice action filed against the administrator 63224  
of the legal rights service, a member of the staff of the legal 63225  
rights service, or an attorney designated by the administrator to 63226  
perform legal services under division (E) of this section, the 63227  
state shall, when the administrator, member, or attorney has acted 63228  
in good faith and in the scope of employment, indemnify the 63229  
administrator, member, or attorney for any judgment awarded or 63230  
amount negotiated in settlement, and for any court costs or legal 63231  
fees incurred in defense of the claim. 63232

This division does not limit or waive, and shall not be 63233  
construed to limit or waive, any defense that is available to the 63234  
legal rights service, its administrator or employees, persons 63235  
under a personal services contract with it, or persons designated 63236  
under division (E) of this section, including, but not limited to, 63237  
any defense available under section 9.86 of the Revised Code. 63238

(L) In addition to providing services to mentally ill, 63239  
mentally retarded, or developmentally disabled persons, when a 63240  
grant authorizing the provision of services to other individuals 63241  
is accepted pursuant to division (F)(4) of this section, the legal 63242  
rights service and its ombudsperson section may provide advocacy 63243  
or ombudsperson services to those other individuals and exercise 63244  
any other authority granted by this section or sections 5123.601 63245  
to 5123.604 of the Revised Code on behalf of those individuals. 63246  
Determinations of whether an individual is eligible for services 63247  
under this division shall be made by the legal rights service. 63248

**Sec. 5123.801.** If neither a discharged resident, nor a 63249  
resident granted trial visit, nor the persons requesting the 63250  
resident's trial visit or discharge are financially able to bear 63251  
the expense of the resident's trial visit or discharge, the 63252

managing officer of an institution under the control of the 63253  
department of mental retardation and developmental disabilities 63254  
may then provide actual traveling and escort expenses to the 63255  
township of which the resident resided at the time of 63256  
institutionalization. The amount payable shall be charged to the 63257  
current expense fund of the institution. 63258

The expense of the return of a resident on trial visit from 63259  
an institution, if it cannot be paid by the responsible relatives, 63260  
shall be borne by the county of institutionalization. 63261

~~The managing officer of the institution shall take all proper 63262  
measures for the apprehension of an escaped resident. The expense 63263  
of the return of an escaped resident shall be borne by the 63264  
institution where the resident is institutionalized. 63265~~

The managing officer of the institution shall provide 63266  
sufficient and proper clothing for traveling if neither the 63267  
resident nor the persons requesting the resident's trial visit or 63268  
discharge are financially able to provide that clothing. 63269

Sec. 5123.851. When a resident institutionalized pursuant to 63270  
this chapter is discharged from the institution, the managing 63271  
officer of the institution may provide the resident with all 63272  
personal items that were purchased in implementing the resident's 63273  
habilitation plan established pursuant to section 5123.85 of the 63274  
Revised Code. The personal items may be provided to the resident, 63275  
regardless of the source of the funds that were used to purchase 63276  
the items. 63277

**Sec. 5126.01.** As used in this chapter: 63278

(A) As used in this division, "adult" means an individual who 63279  
is eighteen years of age or over and not enrolled in a program or 63280  
service under Chapter 3323. of the Revised Code and an individual 63281  
sixteen or seventeen years of age who is eligible for adult 63282

services under rules adopted by the director of mental retardation 63283  
and developmental disabilities pursuant to Chapter 119. of the 63284  
Revised Code. 63285

(1) "Adult services" means services provided to an adult 63286  
outside the home, except when they are provided within the home 63287  
according to an individual's assessed needs and identified in an 63288  
individual service plan, that support learning and assistance in 63289  
the area of self-care, sensory and motor development, 63290  
socialization, daily living skills, communication, community 63291  
living, social skills, or vocational skills. 63292

(2) "Adult services" includes all of the following: 63293

(a) Adult day habilitation services; 63294

(b) Adult day care; 63295

(c) Prevocational services; 63296

(d) Sheltered employment; 63297

(e) Educational experiences and training obtained through 63298  
entities and activities that are not expressly intended for 63299  
individuals with mental retardation and developmental 63300  
disabilities, including trade schools, vocational or technical 63301  
schools, adult education, job exploration and sampling, unpaid 63302  
work experience in the community, volunteer activities, and 63303  
spectator sports; 63304

(f) Community employment services and supported employment 63305  
services. 63306

(B)(1) "Adult day habilitation services" means adult services 63307  
that do the following: 63308

(a) Provide access to and participation in typical activities 63309  
and functions of community life that are desired and chosen by the 63310  
general population, including such activities and functions as 63311  
opportunities to experience and participate in community 63312



exploration, companionship with friends and peers, leisure 63313  
activities, hobbies, maintaining family contacts, community 63314  
events, and activities where individuals without disabilities are 63315  
involved; 63316

(b) Provide supports or a combination of training and 63317  
supports that afford an individual a wide variety of opportunities 63318  
to facilitate and build relationships and social supports in the 63319  
community. 63320

(2) "Adult day habilitation services" includes all of the 63321  
following: 63322

(a) Personal care services needed to ensure an individual's 63323  
ability to experience and participate in vocational services, 63324  
educational services, community activities, and any other adult 63325  
day habilitation services; 63326

(b) Skilled services provided while receiving adult day 63327  
habilitation services, including such skilled services as behavior 63328  
management intervention, occupational therapy, speech and language 63329  
therapy, physical therapy, and nursing services; 63330

(c) Training and education in self-determination designed to 63331  
help the individual do one or more of the following: develop 63332  
self-advocacy skills, exercise the individual's civil rights, 63333  
acquire skills that enable the individual to exercise control and 63334  
responsibility over the services received, and acquire skills that 63335  
enable the individual to become more independent, integrated, or 63336  
productive in the community; 63337

(d) Recreational and leisure activities identified in the 63338  
individual's service plan as therapeutic in nature or assistive in 63339  
developing or maintaining social supports; 63340

(e) Counseling and assistance provided to obtain housing, 63341  
including such counseling as identifying options for either rental 63342  
or purchase, identifying financial resources, assessing needs for 63343

environmental modifications, locating housing, and planning for 63344  
ongoing management and maintenance of the housing selected; 63345

(f) Transportation necessary to access adult day habilitation 63346  
services; 63347

(g) Habilitation management, as described in section 5126.14 63348  
of the Revised Code. 63349

(3) "Adult day habilitation services" does not include 63350  
activities that are components of the provision of residential 63351  
services, family support services, or supported living services. 63352

(C) "Community employment services" or "supported employment 63353  
services" means job training and other services related to 63354  
employment outside a sheltered workshop. "Community employment 63355  
services" or "supported employment services" include all of the 63356  
following: 63357

(1) Job training resulting in the attainment of competitive 63358  
work, supported work in a typical work environment, or 63359  
self-employment; 63360

(2) Supervised work experience through an employer paid to 63361  
provide the supervised work experience; 63362

(3) Ongoing work in a competitive work environment at a wage 63363  
commensurate with workers without disabilities; 63364

(4) Ongoing supervision by an employer paid to provide the 63365  
supervision. 63366

(D) As used in this division, "substantial functional 63367  
limitation," "developmental delay," and "established risk" have 63368  
the meanings established pursuant to section 5123.011 of the 63369  
Revised Code. 63370

"Developmental disability" means a severe, chronic disability 63371  
that is characterized by all of the following: 63372

(1) It is attributable to a mental or physical impairment or 63373

a combination of mental and physical impairments, other than a 63374  
mental or physical impairment solely caused by mental illness as 63375  
defined in division (A) of section 5122.01 of the Revised Code; 63376

(2) It is manifested before age twenty-two; 63377

(3) It is likely to continue indefinitely; 63378

(4) It results in one of the following: 63379

(a) In the case of a person under age three, at least one 63380  
developmental delay or an established risk; 63381

(b) In the case of a person at least age three but under age 63382  
six, at least two developmental delays or an established risk; 63383

(c) In the case of a person age six or older, a substantial 63384  
functional limitation in at least three of the following areas of 63385  
major life activity, as appropriate for the person's age: 63386  
self-care, receptive and expressive language, learning, mobility, 63387  
self-direction, capacity for independent living, and, if the 63388  
person is at least age sixteen, capacity for economic 63389  
self-sufficiency. 63390

(5) It causes the person to need a combination and sequence 63391  
of special, interdisciplinary, or other type of care, treatment, 63392  
or provision of services for an extended period of time that is 63393  
individually planned and coordinated for the person. 63394

(E) "Early childhood services" means a planned program of 63395  
habilitation designed to meet the needs of individuals with mental 63396  
retardation or other developmental disabilities who have not 63397  
attained compulsory school age. 63398

(F)(1) "Environmental modifications" means the physical 63399  
adaptations to an individual's home, specified in the individual's 63400  
service plan, that are necessary to ensure the individual's 63401  
health, safety, and welfare or that enable the individual to 63402  
function with greater independence in the home, and without which 63403

the individual would require institutionalization. 63404

(2) "Environmental modifications" includes such adaptations 63405  
as installation of ramps and grab-bars, widening of doorways, 63406  
modification of bathroom facilities, and installation of 63407  
specialized electric and plumbing systems necessary to accommodate 63408  
the individual's medical equipment and supplies. 63409

(3) "Environmental modifications" does not include physical 63410  
adaptations or improvements to the home that are of general 63411  
utility or not of direct medical or remedial benefit to the 63412  
individual, including such adaptations or improvements as 63413  
carpeting, roof repair, and central air conditioning. 63414

(G) "Family support services" means the services provided 63415  
under a family support services program operated under section 63416  
5126.11 of the Revised Code. 63417

(H) "Habilitation" means the process by which the staff of 63418  
the facility or agency assists an individual with mental 63419  
retardation or other developmental disability in acquiring and 63420  
maintaining those life skills that enable the individual to cope 63421  
more effectively with the demands of the individual's own person 63422  
and environment, and in raising the level of the individual's 63423  
personal, physical, mental, social, and vocational efficiency. 63424  
Habilitation includes, but is not limited to, programs of formal, 63425  
structured education and training. 63426

(I) "Habilitation center services" means services provided by 63427  
a habilitation center certified by the department of mental 63428  
retardation and developmental disabilities under section 5123.041 63429  
of the Revised Code and covered by the medicaid program pursuant 63430  
to rules adopted under section 5111.041 of the Revised Code. 63431

(J) "Home and community-based services" means medicaid-funded 63432  
home and community-based services specified in division (B)(1) of 63433  
section 5111.87 of the Revised Code and provided under a the 63434

medicaid ~~component~~ components the department of mental retardation 63435  
and developmental disabilities administers pursuant to section 63436  
5111.871 of the Revised Code. 63437

(K) "Medicaid" has the same meaning as in section 5111.01 of 63438  
the Revised Code. 63439

(L) "Medicaid case management services" means case management 63440  
services provided to an individual with mental retardation or 63441  
other developmental disability that the state medicaid plan 63442  
requires. 63443

(M) "Mental retardation" means a mental impairment manifested 63444  
during the developmental period characterized by significantly 63445  
subaverage general intellectual functioning existing concurrently 63446  
with deficiencies in the effectiveness or degree with which an 63447  
individual meets the standards of personal independence and social 63448  
responsibility expected of the individual's age and cultural 63449  
group. 63450

(N) "Residential services" means services to individuals with 63451  
mental retardation or other developmental disabilities to provide 63452  
housing, food, clothing, habilitation, staff support, and related 63453  
support services necessary for the health, safety, and welfare of 63454  
the individuals and the advancement of their quality of life. 63455  
"Residential services" includes program management, as described 63456  
in section 5126.14 of the Revised Code. 63457

(O) "Resources" means available capital and other assets, 63458  
including moneys received from the federal, state, and local 63459  
governments, private grants, and donations; appropriately 63460  
qualified personnel; and appropriate capital facilities and 63461  
equipment. 63462

(P) "Service and support administration" means the duties 63463  
performed by a service and support administrator pursuant to 63464  
section 5126.15 of the Revised Code. 63465

(Q)(1) "Specialized medical, adaptive, and assistive equipment, supplies, and supports" means equipment, supplies, and supports that enable an individual to increase the ability to perform activities of daily living or to perceive, control, or communicate within the environment.

(2) "Specialized medical, adaptive, and assistive equipment, supplies, and supports" includes the following:

(a) Eating utensils, adaptive feeding dishes, plate guards, mylatex straps, hand splints, reaches, feeder seats, adjustable pointer sticks, interpreter services, telecommunication devices for the deaf, computerized communications boards, other communication devices, support animals, veterinary care for support animals, adaptive beds, supine boards, prone boards, wedges, sand bags, sidelayers, bolsters, adaptive electrical switches, hand-held shower heads, air conditioners, humidifiers, emergency response systems, folding shopping carts, vehicle lifts, vehicle hand controls, other adaptations of vehicles for accessibility, and repair of the equipment received.

(b) Nondisposable items not covered by medicaid that are intended to assist an individual in activities of daily living or instrumental activities of daily living.

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

(S)(1) "Supported living" means services provided for as long as twenty-four hours a day to an individual with mental

retardation or other developmental disability through any public 63497  
or private resources, including moneys from the individual, that 63498  
enhance the individual's reputation in community life and advance 63499  
the individual's quality of life by doing the following: 63500

(a) Providing the support necessary to enable an individual 63501  
to live in a residence of the individual's choice, with any number 63502  
of individuals who are not disabled, or with not more than three 63503  
individuals with mental retardation and developmental disabilities 63504  
unless the individuals are related by blood or marriage; 63505

(b) Encouraging the individual's participation in the 63506  
community; 63507

(c) Promoting the individual's rights and autonomy; 63508

(d) Assisting the individual in acquiring, retaining, and 63509  
improving the skills and competence necessary to live successfully 63510  
in the individual's residence. 63511

(2) "Supported living" includes the provision of all of the 63512  
following: 63513

(a) Housing, food, clothing, habilitation, staff support, 63514  
professional services, and any related support services necessary 63515  
to ensure the health, safety, and welfare of the individual 63516  
receiving the services; 63517

(b) A combination of life-long or extended-duration 63518  
supervision, training, and other services essential to daily 63519  
living, including assessment and evaluation and assistance with 63520  
the cost of training materials, transportation, fees, and 63521  
supplies; 63522

(c) Personal care services and homemaker services; 63523

(d) Household maintenance that does not include modifications 63524  
to the physical structure of the residence; 63525

(e) Respite care services; 63526

(f) Program management, as described in section 5126.14 of the Revised Code. 63527  
63528

**Sec. 5126.042.** (A) As used in this section: 63529

~~(1) "Emergency", "emergency"~~ means any situation that creates 63530  
for an individual with mental retardation or developmental 63531  
disabilities a risk of substantial self-harm or substantial harm 63532  
to others if action is not taken within thirty days. An 63533  
"emergency" may include one or more of the following situations: 63534

~~(a)(1)~~ Loss of present residence for any reason, including 63535  
legal action; 63536

~~(b)(2)~~ Loss of present caretaker for any reason, including 63537  
serious illness of the caretaker, change in the caretaker's 63538  
status, or inability of the caretaker to perform effectively for 63539  
the individual; 63540

~~(c)(3)~~ Abuse, neglect, or exploitation of the individual; 63541

~~(d)(4)~~ Health and safety conditions that pose a serious risk 63542  
to the individual or others of immediate harm or death; 63543

~~(e)(5)~~ Change in the emotional or physical condition of the 63544  
individual that necessitates substantial accommodation that cannot 63545  
be reasonably provided by the individual's existing caretaker. 63546

~~(2) "Medicaid" has the same meaning as in section 5111.01 of the Revised Code.~~ 63547  
63548

(B) If a county board of mental retardation and developmental 63549  
disabilities determines that available resources are not 63550  
sufficient to meet the needs of all individuals who request 63551  
programs and services and may be offered the programs and 63552  
services, it shall establish waiting lists for services. The board 63553  
may establish priorities for making placements on its waiting 63554  
lists according to an individual's emergency status and shall 63555



establish priorities in accordance with ~~division~~ divisions (D) and 63556  
(E) of this section. 63557

The individuals who may be placed on a waiting list include 63558  
individuals with a need for services on an emergency basis and 63559  
individuals who have requested services for which resources are 63560  
not available. 63561

Except for an individual who is to receive priority for 63562  
services pursuant to division (D)(3) of this section, an 63563  
individual who currently receives a service but would like to 63564  
change to another service shall not be placed on a waiting list 63565  
but shall be placed on a service substitution list. The board 63566  
shall work with the individual, service providers, and all 63567  
appropriate entities to facilitate the change in service as 63568  
expeditiously as possible. The board may establish priorities for 63569  
making placements on its service substitution lists according to 63570  
an individual's emergency status. 63571

In addition to maintaining waiting lists and service 63572  
substitution lists, a board shall maintain a long-term service 63573  
planning registry for individuals who wish to record their 63574  
intention to request in the future a service they are not 63575  
currently receiving. The purpose of the registry is to enable the 63576  
board to document requests and to plan appropriately. The board 63577  
may not place an individual on the registry who meets the 63578  
conditions for receipt of services on an emergency basis. 63579

(C) A county board shall establish a separate waiting list 63580  
for each of the following categories of services, and may 63581  
establish separate waiting lists within the waiting lists: 63582

(1) Early childhood services; 63583

(2) Educational programs for preschool and school age 63584  
children; 63585

(3) Adult services; 63586

(4) Service and support administration;	63587
(5) Residential services and supported living;	63588
(6) Transportation services;	63589
(7) Other services determined necessary and appropriate for persons with mental retardation or a developmental disability according to their individual habilitation or service plans;	63590 63591 63592
(8) Family support services provided under section 5126.11 of the Revised Code.	63593 63594
(D) Except as provided in division <del>(F)</del> (G) of this section, a county board shall do, as priorities, all of the following in accordance with the assessment component, approved under section 5123.046 of the Revised Code, of the county board's plan developed under section 5126.054 of the Revised Code:	63595 63596 63597 63598 63599
(1) For the purpose of obtaining additional federal medicaid funds for home and community-based services, medicaid case management services, and habilitation center services, do both of the following:	63600 63601 63602 63603
(a) Give an individual who is eligible for home and community-based services and meets both of the following requirements priority over any other individual on a waiting list established under division (C) of this section for home and community-based services that include supported living, residential services, or family support services:	63604 63605 63606 63607 63608 63609
(i) Is twenty-two years of age or older;	63610
(ii) Receives supported living or family support services.	63611
(b) Give an individual who is eligible for home and community-based services and meets both of the following requirements priority over any other individual on a waiting list established under division (C) of this section for home and community-based services that include adult services:	63612 63613 63614 63615 63616

(i) Resides in the individual's own home or the home of the individual's family and will continue to reside in that home after enrollment in home and community-based services; 63617  
63618  
63619

(ii) Receives adult services from the county board. 63620

(2) As federal medicaid funds become available pursuant to division (D)(1) of this section, give an individual who is eligible for home and community-based services and meets any of the following requirements priority for such services over any other individual on a waiting list established under division (C) of this section: 63621  
63622  
63623  
63624  
63625  
63626

(a) Does not receive residential services or supported living, either needs services in the individual's current living arrangement or will need services in a new living arrangement, and has a primary caregiver who is sixty years of age or older; 63627  
63628  
63629  
63630

(b) Is less than twenty-two years of age and has at least one of the following service needs that are unusual in scope or intensity: 63631  
63632  
63633

(i) Severe behavior problems for which a behavior support plan is needed; 63634  
63635

(ii) An emotional disorder for which anti-psychotic medication is needed; 63636  
63637

(iii) A medical condition that leaves the individual dependent on life-support medical technology; 63638  
63639

(iv) A condition affecting multiple body systems for which a combination of specialized medical, psychological, educational, or habilitation services are needed; 63640  
63641  
63642

(v) A condition the county board determines to be comparable in severity to any condition described in division (D)(2)(b)(i) to (iv) of this section and places the individual at significant risk of institutionalization. 63643  
63644  
63645  
63646

(c) Is twenty-two years of age or older, does not receive residential services or supported living, and is determined by the county board to have intensive needs for home and community-based services on an in-home or out-of-home basis.

(3) In fiscal years 2002 and 2003, give an individual who is eligible for home and community-based services, resides in an intermediate care facility for the mentally retarded or nursing facility, chooses to move to another setting with the help of home and community-based services, and has been determined by the department of mental retardation and developmental disabilities to be capable of residing in the other setting, priority over any other individual on a waiting list established under division (C) of this section for home and community-based services who does not meet these criteria. The department of mental retardation and developmental disabilities shall identify the individuals to receive priority under division (D)(3) of this section, assess the needs of the individuals, and notify the county boards that are to provide the individuals priority under division (D)(3) of this section of the individuals identified by the department and the individuals' assessed needs.

(E) Except as provided in division (G) of this section and for a number of years and beginning on a date specified in rules adopted under division (K) of this section, a county board shall give an individual who is eligible for home and community-based services, resides in a nursing facility, and chooses to move to another setting with the help of home and community-based services, priority over any other individual on a waiting list established under division (C) of this section for home and community-based services who does not meet these criteria.

(F) If two or more individuals on a waiting list established under division (C) of this section for home and community-based services have priority for the services pursuant to division

(D)(1) or (2) or (E) of this section, a county board may use, 63679  
until December 31, ~~2003~~ 2005, criteria specified in rules adopted 63680  
under division ~~(J)~~(K)(2) of this section in determining the order 63681  
in which the individuals with priority will be offered the 63682  
services. Otherwise, the county board shall offer the home and 63683  
community-based services to such individuals in the order they are 63684  
placed on the waiting list. 63685

~~(F)~~(G)(1) No individual may receive priority for services 63686  
pursuant to division (D) or (E) of this section over an individual 63687  
placed on a waiting list established under division (C) of this 63688  
section on an emergency status. 63689

(2) No more than four hundred individuals in the state may 63690  
receive priority for services during the ~~2002~~ 2004 and ~~2003~~ 2005 63691  
biennium pursuant to division (D)(2)(b) of this section. 63692

(3) No more than a total of seventy-five individuals in the 63693  
state may receive priority for services during state fiscal years 63694  
2002 and 2003 pursuant to division (D)(3) of this section. 63695

~~(G)~~(4) No more than forty individuals in the state may 63696  
receive priority for services pursuant to division (E) of this 63697  
section for each year that priority category is in effect as 63698  
specified in rules adopted under division (K) of this section. 63699

(H) Prior to establishing any waiting list under this 63700  
section, a county board shall develop and implement a policy for 63701  
waiting lists that complies with this section and rules adopted 63702  
under division ~~(J)~~(K) of this section. 63703

Prior to placing an individual on a waiting list, the county 63704  
board shall assess the service needs of the individual in 63705  
accordance with all applicable state and federal laws. The county 63706  
board shall place the individual on the appropriate waiting list 63707  
and may place the individual on more than one waiting list. The 63708  
county board shall notify the individual of the individual's 63709

placement and position on each waiting list on which the 63710  
individual is placed. 63711

At least annually, the county board shall reassess the 63712  
service needs of each individual on a waiting list. If it 63713  
determines that an individual no longer needs a program or 63714  
service, the county board shall remove the individual from the 63715  
waiting list. If it determines that an individual needs a program 63716  
or service other than the one for which the individual is on the 63717  
waiting list, the county board shall provide the program or 63718  
service to the individual or place the individual on a waiting 63719  
list for the program or service in accordance with the board's 63720  
policy for waiting lists. 63721

When a program or service for which there is a waiting list 63722  
becomes available, the county board shall reassess the service 63723  
needs of the individual next scheduled on the waiting list to 63724  
receive that program or service. If the reassessment demonstrates 63725  
that the individual continues to need the program or service, the 63726  
board shall offer the program or service to the individual. If it 63727  
determines that an individual no longer needs a program or 63728  
service, the county board shall remove the individual from the 63729  
waiting list. If it determines that an individual needs a program 63730  
or service other than the one for which the individual is on the 63731  
waiting list, the county board shall provide the program or 63732  
service to the individual or place the individual on a waiting 63733  
list for the program or service in accordance with the board's 63734  
policy for waiting lists. The county board shall notify the 63735  
individual of the individual's placement and position on the 63736  
waiting list on which the individual is placed. 63737

~~(H)~~(I) A child subject to a determination made pursuant to 63738  
section 121.38 of the Revised Code who requires the home and 63739  
community-based services provided through ~~the~~ a medicaid component 63740  
that the department of mental retardation and developmental 63741

disabilities administers under section 5111.871 of the Revised Code shall receive services through that medicaid component. For all other services, a child subject to a determination made pursuant to section 121.38 of the Revised Code shall be treated as an emergency by the county boards and shall not be subject to a waiting list.

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

~~(J)~~(K)(1) The department of mental retardation and developmental disabilities shall adopt rules in accordance with Chapter 119. of the Revised Code governing waiting lists established under this section. The rules shall include procedures to be followed to ensure that the due process rights of individuals placed on waiting lists are not violated.

(2) As part of the rules adopted under this division, the department shall adopt, ~~not later than December 31, 2001,~~ rules establishing criteria a county board may use under division ~~(E)~~(F) of this section in determining the order in which individuals with priority for home and community-based services will be offered the services. The rules shall also specify conditions under which a county board, when there is no individual with priority for home and community-based services pursuant to division (D)(1) or (2) or (E) of this section available and appropriate for the services, may offer the services to an individual on a waiting list for the services but not given such priority for the services. The rules adopted under division ~~(J)~~(K)(2) of this section shall cease to have effect December 31, ~~2003~~ 2005.

~~(K)~~(3) As part of the rules adopted under this division, the

department shall adopt rules specifying both of the following for 63774  
the priority category established under division (E) of this 63775  
section: 63776

(a) The number of years, which shall not exceed five, that 63777  
the priority category will be in effect; 63778

(b) The date that the priority category is to go into effect. 63779

(L) The following shall take precedence over the applicable 63780  
provisions of this section: 63781

(1) Medicaid rules and regulations; 63782

(2) Any specific requirements that may be contained within a 63783  
medicaid state plan amendment or waiver program that a county 63784  
board has authority to administer or with respect to which it has 63785  
authority to provide services, programs, or supports. 63786

Sec. 5126.058. (A) The director of job and family services 63787  
shall seek federal financial participation for the administrative 63788  
costs for the following that each county board of mental 63789  
retardation and developmental disabilities incurs pursuant to its 63790  
medicaid local administrative authority under section 5126.055 of 63791  
the Revised Code and claims in accordance with rules adopted under 63792  
this section: 63793

(1) Home and community-based services; 63794

(2) Habilitation center services; 63795

(3) Service and support administration provided in 63796  
conjunction with any of the services listed in divisions (A)(1) 63797  
and (2) of this section. 63798

(B) The administrative costs for which the director shall 63799  
seek federal financial participation under this section shall 63800  
include all of the following: 63801

(1) Business management; 63802



<u>(2) Contract management;</u>	63803
<u>(3) General administration;</u>	63804
<u>(4) Personnel management.</u>	63805
<u>(C) Except as provided in division (D) of this section,</u>	63806
<u>federal financial participation obtained pursuant to a claim made</u>	63807
<u>under this section shall be paid to the county board that makes</u>	63808
<u>the claim.</u>	63809
<u>(D) The department of mental retardation and development</u>	63810
<u>disabilities shall collect one per cent of the federal financial</u>	63811
<u>participation obtained pursuant to each claim made under this</u>	63812
<u>section. The amount the department collects under this division</u>	63813
<u>shall be deposited into the ODMR/DD administrative and oversight</u>	63814
<u>fund created under section 5123.0412 of the Revised Code.</u>	63815
<u>(E) The director of job and family services shall adopt rules</u>	63816
<u>in accordance with Chapter 119. of the Revised Code as necessary</u>	63817
<u>for the implementation of this section. The director shall adopt</u>	63818
<u>the rules in consultation with the director of mental retardation</u>	63819
<u>and developmental disabilities. The rules shall be consistent with</u>	63820
<u>federal regulations governing the medicaid program and shall</u>	63821
<u>comply with all of the following:</u>	63822
<u>(1) A county board may not claim more than fifteen per cent</u>	63823
<u>of its administrative costs for home and community-based services</u>	63824
<u>and habilitation center services.</u>	63825
<u>(2) A county board may not claim more than fifty per cent of</u>	63826
<u>its administrative costs for service and support administration</u>	63827
<u>provided in conjunction with any of the services listed in</u>	63828
<u>division (A)(1) or (2) of this section.</u>	63829
<u>(3) A county board shall verify the administrative costs for</u>	63830
<u>which it seeks federal financial participation in accordance with</u>	63831
<u>a time study or actual billing provided for by the rules.</u>	63832

(4) A county board may make a claim for administrative costs 63833  
incurred before, on, or after the effective date of this section. 63834

**Sec. 5126.11.** (A) As used in this section, "respite care" 63835  
means appropriate, short-term, temporary care that is provided to 63836  
a mentally retarded or developmentally disabled person to sustain 63837  
the family structure or to meet planned or emergency needs of the 63838  
family. 63839

(B) Subject to rules adopted by the director of mental 63840  
retardation and developmental disabilities, and subject to the 63841  
availability of money from state and federal sources, the county 63842  
board of mental retardation and developmental disabilities shall 63843  
establish a family support services program. Under such a program, 63844  
the board shall make payments to an individual with mental 63845  
retardation or other developmental disability or the family of an 63846  
individual with mental retardation or other developmental 63847  
disability who desires to remain in and be supported in the family 63848  
home. Payments shall be made for all or part of costs incurred or 63849  
estimated to be incurred for services that would promote 63850  
self-sufficiency and normalization, prevent or reduce 63851  
inappropriate institutional care, and further the unity of the 63852  
family by enabling the family to meet the special needs of the 63853  
individual and to live as much like other families as possible. 63854  
Payments may be made in the form of reimbursement for expenditures 63855  
or in the form of vouchers to be used to purchase services. 63856

(C) Payment shall not be made under this section to an 63857  
individual or the individual's family if the individual is living 63858  
in a residential facility that is providing residential services 63859  
under contract with the department of mental retardation and 63860  
developmental disabilities or a county board. 63861

(D) Payments may be made for the following services: 63862

- (1) Respite care, in or out of the home; 63863
- (2) Counseling, supervision, training, and education of the 63864  
individual, the individual's caregivers, and members of the 63865  
individual's family that aid the family in providing proper care 63866  
for the individual, provide for the special needs of the family, 63867  
and assist in all aspects of the individual's daily living; 63868
- (3) Special diets, purchase or lease of special equipment, or 63869  
modifications of the home, if such diets, equipment, or 63870  
modifications are necessary to improve or facilitate the care and 63871  
living environment of the individual; 63872
- (4) Providing support necessary for the individual's 63873  
continued skill development, including such services as 63874  
development of interventions to cope with unique problems that may 63875  
occur within the complexity of the family, enrollment of the 63876  
individual in special summer programs, provision of appropriate 63877  
leisure activities, and other social skills development 63878  
activities; 63879
- (5) Any other services that are consistent with the purposes 63880  
specified in division (B) of this section and specified in the 63881  
individual's service plan. 63882
- (E) In order to be eligible for payments under a family 63883  
support services program, the individual or the individual's 63884  
family must reside in the county served by the county board, and 63885  
the individual must be in need of habilitation. Payments shall be 63886  
adjusted for income in accordance with the payment schedule 63887  
established in rules adopted under this section. Payments shall be 63888  
made only after the county board has taken into account all other 63889  
available assistance for which the individual or family is 63890  
eligible. 63891
- (F) Before incurring expenses for a service for which payment 63892  
will be sought under a family support services program, the 63893

individual or family shall apply to the county board for a 63894  
determination of eligibility and approval of the service. The 63895  
service need not be provided in the county served by the county 63896  
board. After being determined eligible and receiving approval for 63897  
the service, the individual or family may incur expenses for the 63898  
service or use the vouchers received from the county board for the 63899  
purchase of the service. 63900

If the county board refuses to approve a service, an appeal 63901  
may be made in accordance with rules adopted by the department 63902  
under this section. 63903

(G) To be reimbursed for expenses incurred for approved 63904  
services, the individual or family shall submit to the county 63905  
board a statement of the expenses incurred accompanied by any 63906  
evidence required by the board. To redeem vouchers used to 63907  
purchase approved services, the entity that provided the service 63908  
shall submit to the county board evidence that the service was 63909  
provided and a statement of the charges. The county board shall 63910  
make reimbursements and redeem vouchers no later than forty-five 63911  
days after it receives the statements and evidence required by 63912  
this division. 63913

(H) A county board shall consider the following objectives in 63914  
carrying out a family support services program: 63915

(1) Enabling individuals to return to their families from an 63916  
institution under the jurisdiction of the department of mental 63917  
retardation and developmental disabilities; 63918

(2) Enabling individuals found to be subject to 63919  
institutionalization by court order under section 5123.76 of the 63920  
Revised Code to remain with their families with the aid of 63921  
payments provided under this section; 63922

(3) Providing services to eligible children and adults 63923  
currently residing in the community; 63924

(4) Providing services to individuals with developmental disabilities who are not receiving other services from the board.	63925 63926
(I) The director shall adopt, and may amend and rescind, rules for the implementation of family support services programs by county boards. Such rules shall include the following:	63927 63928 63929
(1) A payment schedule adjusted for income;	63930
(2) A formula for distributing to county boards the money appropriated for family support services;	63931 63932
(3) Standards for supervision, training, and quality control in the provision of respite care services;	63933 63934
(4) Eligibility standards and procedures for providing temporary emergency respite care;	63935 63936
(5) Procedures for hearing and deciding appeals made under division (F) of this section;	63937 63938
(6) Requirements to be followed by county boards regarding reports submitted under division (K) of this section.	63939 63940
Rules adopted under divisions (I)(1) and (2) of this section shall be adopted in accordance with section 111.15 of the Revised Code. Rules adopted under divisions (I)(3) to (6) of this section shall be adopted in accordance with Chapter 119. of the Revised Code.	63941 63942 63943 63944 63945
(J) All individuals certified by the superintendent of the county board as eligible for temporary emergency respite care in accordance with rules adopted under this section shall be considered eligible for temporary emergency respite care for not more than five days to permit the determination of eligibility for family support services. The requirements of divisions (E) and (F) of this section do not apply to temporary emergency respite care.	63946 63947 63948 63949 63950 63951 63952
(K) <del>On the first day of July of each year, the</del> The department of mental retardation and developmental disabilities shall	63953 63954

distribute to county boards money appropriated for family support 63955  
services in quarterly installments of equal amounts. The 63956  
installments shall be made not later than the thirtieth day of 63957  
September, the thirty-first day of December, the thirty-first day 63958  
of March, and the thirtieth day of June. A county board shall use 63959  
no more than seven per cent of the funds for administrative costs. 63960  
Each county board shall submit reports to the department on 63961  
payments made under this section. The reports shall be submitted 63962  
at those times and in the manner specified in rules adopted under 63963  
this section. 63964

(L) The county board shall not be required to make payments 63965  
for family support services at a level that exceeds available 63966  
state and federal funds for such payments. 63967

**Sec. 5126.12.** (A) As used in this section: 63968

(1) "Approved school age class" means a class operated by a 63969  
county board of mental retardation and developmental disabilities 63970  
and funded by the department of education under section 3317.20 of 63971  
the Revised Code. 63972

(2) "Approved preschool unit" means a class or unit operated 63973  
by a county board of mental retardation and developmental 63974  
disabilities and approved ~~by the state board of education~~ under 63975  
division (B) of section 3317.05 of the Revised Code. 63976

(3) "Active treatment" means a continuous treatment program, 63977  
which includes aggressive, consistent implementation of a program 63978  
of specialized and generic training, treatment, health services, 63979  
and related services, that is directed toward the acquisition of 63980  
behaviors necessary for an individual with mental retardation or 63981  
other developmental disability to function with as much 63982  
self-determination and independence as possible and toward the 63983  
prevention of deceleration, regression, or loss of current optimal 63984  
functional status. 63985

(4) "Eligible for active treatment" means that an individual 63986  
with mental retardation or other developmental disability resides 63987  
in an intermediate care facility for the mentally retarded 63988  
certified under Title XIX of the "Social Security Act," ~~49~~ 79 63989  
Stat. ~~620~~ 286 (~~1935~~ 1965), 42 U.S.C. ~~301~~ 1396, as amended; resides 63990  
in a state institution operated by the department of mental 63991  
retardation and developmental disabilities; or is enrolled in a 63992  
home and community-based services ~~waiver program administered by~~ 63993  
~~the department of mental retardation and developmental~~ 63994  
~~disabilities as part of the medical assistance program established~~ 63995  
~~under section 5111.01 of the Revised Code.~~ 63996

(5) "Community alternative funding system" means the program 63997  
under which habilitation center services are reimbursed under the 63998  
medicaid program pursuant to section 5111.041 of the Revised Code 63999  
and rules adopted under that section. 64000

(6) "Traditional adult services" means vocational and 64001  
nonvocational activities conducted within a sheltered workshop or 64002  
adult activity center or supportive home services. 64003

(B) Each county board of mental retardation and developmental 64004  
disabilities shall certify to the director of mental retardation 64005  
and developmental disabilities all of the following: 64006

(1) On or before the fifteenth day of October, the average 64007  
daily membership for the first full week of programs and services 64008  
during October receiving: 64009

(a) Early childhood services provided pursuant to section 64010  
5126.05 of the Revised Code for children who are less than three 64011  
years of age on the thirtieth day of September of the academic 64012  
year; 64013

(b) Special education for handicapped children in approved 64014  
school age classes; 64015

(c) Adult services for persons sixteen years of age and older operated pursuant to section 5126.05 and division (B) of section 5126.051 of the Revised Code. Separate counts shall be made for the following:

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

(ii) Persons enrolled in traditional adult services who are eligible for and enrolled in active treatment under the community alternative funding system;

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

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

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

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

The department of mental retardation and developmental disabilities shall adopt rules defining full-time equivalent enrollees and for determining the average daily membership therefrom, except that certification of average daily membership in approved school age classes shall be in accordance with rules adopted by the state board of education. The average daily



membership figure shall be determined by dividing the amount 64046  
representing the sum of the number of enrollees in each program or 64047  
service in the week for which the certification is made by the 64048  
number of days the program or service was offered in that week. No 64049  
enrollee may be counted in average daily membership for more than 64050  
one program or service. 64051

(2) By the fifteenth day of December, the number of children 64052  
enrolled in approved preschool units on the first day of December; 64053

(3) On or before the thirtieth day of March, an itemized 64054  
report of all income and operating expenditures for the 64055  
immediately preceding calendar year, in the format specified by 64056  
the department of mental retardation and developmental 64057  
disabilities; 64058

(4) By the fifteenth day of February, a report of the total 64059  
annual cost per enrollee for operation of programs and services in 64060  
the preceding calendar year. The report shall include a grand 64061  
total of all programs operated, the cost of the individual 64062  
programs, and the sources of funds applied to each program. 64063

(5) That each required certification and report is in 64064  
accordance with rules established by the department of mental 64065  
retardation and developmental disabilities and the state board of 64066  
education for the operation and subsidization of the programs and 64067  
services. 64068

(C) To compute payments under this section to the board for 64069  
the fiscal year, the department of mental retardation and 64070  
developmental disabilities shall use the certification of average 64071  
daily membership required by division (B)(1) of this section 64072  
exclusive of the average daily membership in any approved school 64073  
age class and the number in any approved preschool unit. 64074

(D) The department shall pay each county board for each 64075  
fiscal year an amount equal to nine hundred fifty dollars times 64076

the certified number of persons who on the first day of December 64077  
of the academic year are under three years of age and are not in 64078  
an approved preschool unit. For persons who are at least age 64079  
sixteen and are not in an approved school age class, the 64080  
department shall pay each county board for each fiscal year the 64081  
following amounts: 64082

(1) One thousand dollars times the certified average daily 64083  
membership of persons enrolled in traditional adult services who 64084  
are eligible for but not enrolled in active treatment under the 64085  
community alternative funding system; 64086

(2) One thousand two hundred dollars times the certified 64087  
average daily membership of persons enrolled in traditional adult 64088  
services who are eligible for and enrolled in active treatment 64089  
under the community alternative funding system; 64090

(3) No less than one thousand five hundred dollars times the 64091  
certified average daily membership of persons enrolled in 64092  
traditional adult services but who are not eligible for active 64093  
treatment under the community alternative funding system; 64094

(4) No less than one thousand five hundred dollars times the 64095  
certified average daily membership of persons participating in 64096  
community employment services. 64097

(E) The department shall distribute this subsidy to county 64098  
boards in ~~semiannual~~ quarterly installments of equal amounts. The 64099  
installments shall be made not later than the thirtieth day of 64100  
September, the thirty-first day of ~~August and December,~~ the 64101  
thirty-first day of ~~January~~ March, and the thirtieth day of June. 64102

(F) The director of mental retardation and developmental 64103  
disabilities shall make efforts to obtain increases in the 64104  
subsidies for early childhood services and adult services so that 64105  
the amount of the subsidies is equal to at least fifty per cent of 64106  
the statewide average cost of those services minus any applicable 64107

federal reimbursements for those services. The director shall 64108  
advise the director of budget and management of the need for any 64109  
such increases when submitting the biennial appropriations request 64110  
for the department. 64111

(G) In determining the reimbursement of a county board for 64112  
the provision of service and support administration, family 64113  
support services, and other services required or approved by the 64114  
director for which children three through twenty-one years of age 64115  
are eligible, the department shall include the average daily 64116  
membership in approved school age or preschool units. The 64117  
department, in accordance with this section and upon receipt and 64118  
approval of the certification required by this section and any 64119  
other information it requires to enable it to determine a board's 64120  
payments, shall pay the agency providing the specialized training 64121  
the amounts payable under this section. 64122

**Sec. 5126.121.** Each county board of mental retardation and 64123  
developmental disabilities may be eligible to receive a subsidy 64124  
from the department of mental retardation and developmental 64125  
disabilities for the employment of a business manager as provided 64126  
in this section. The department shall adopt rules in accordance 64127  
with Chapter 119. of the Revised Code specifying standards for the 64128  
employment of such a business manager. The rules shall include the 64129  
minimum education and experience requirements for the position of 64130  
business manager and shall specify requirements for courses in 64131  
fiscal and business management that are annually sponsored or 64132  
certified by the department and that are applicable to the 64133  
position and designed to teach effective business practices. Each 64134  
county board of mental retardation and developmental disabilities 64135  
that employs a business manager in accordance with the standards 64136  
adopted under this section may receive a subsidy from the 64137  
department. 64138

The department shall distribute this subsidy to eligible county boards in quarterly installments of equal amounts. The installments shall be made not later than the thirtieth day of September, the thirty-first day of December, the thirty-first day of March, and the thirtieth day of June.

**Sec. 5126.15.** (A) A county board of mental retardation and developmental disabilities shall provide service and support administration to each individual three years of age or older who is eligible for service and support administration if the individual requests, or a person on the individual's behalf requests, service and support administration. A board shall provide service and support administration to each individual receiving home and community-based services. A board may provide, in accordance with the service coordination requirements of 34 C.F.R. 303.23, service and support administration to an individual under three years of age eligible for early intervention services under 34 C.F.R. part 303. A board may provide service and support administration to an individual who is not eligible for other services of the board. Service and support administration shall be provided in accordance with rules adopted under section 5126.08 of the Revised Code.

A board may provide service and support administration by directly employing service and support administrators or by contracting with entities for the performance of service and support administration. Individuals employed or under contract as service and support administrators shall not be in the same collective bargaining unit as employees who perform duties that are not administrative.

Individuals employed by a board as service and support administrators shall not be assigned responsibilities for implementing other services for individuals and shall not be

employed by or serve in a decision-making or policy-making 64170  
capacity for any other entity that provides programs or services 64171  
to individuals with mental retardation or developmental 64172  
disabilities. An individual employed as a conditional status 64173  
service and support administrator shall perform the duties of 64174  
service and support administration only under the supervision of a 64175  
management employee who is a service and support administration 64176  
supervisor or a professional employee who is a service and support 64177  
administrator. 64178

(B) The individuals employed by or under contract with a 64179  
board to provide service and support administration shall do all 64180  
of the following: 64181

(1) Establish an individual's eligibility for the services of 64182  
the county board of mental retardation and developmental 64183  
disabilities; 64184

(2) Assess individual needs for services; 64185

(3) Develop individual service plans with the active 64186  
participation of the individual to be served, other persons 64187  
selected by the individual, and, when applicable, the provider 64188  
selected by the individual, and recommend the plans for approval 64189  
by the department of mental retardation and developmental 64190  
disabilities when services included in the plans are funded 64191  
through medicaid; 64192

(4) Establish budgets for services based on the individual's 64193  
assessed needs and preferred ways of meeting those needs; 64194

(5) Assist individuals in making selections from among the 64195  
providers they have chosen; 64196

(6) Ensure that services are effectively coordinated and 64197  
provided by appropriate providers; 64198

(7) Establish and implement an ongoing system of monitoring 64199

the implementation of individual service plans to achieve 64200  
consistent implementation and the desired outcomes for the 64201  
individual; 64202

(8) Perform quality assurance reviews as a distinct function 64203  
of service and support administration; 64204

(9) Incorporate the results of quality assurance reviews and 64205  
identified trends and patterns of unusual incidents and major 64206  
unusual incidents into amendments of an individual's service plan 64207  
for the purpose of improving and enhancing the quality and 64208  
appropriateness of services rendered to the individual; 64209

(10) Ensure that each individual receiving services has a 64210  
designated person who is responsible on a continuing basis for 64211  
providing the individual with representation, advocacy, advice, 64212  
and assistance related to the day-to-day coordination of services 64213  
in accordance with the individual's service plan. The service and 64214  
support administrator shall give the individual receiving services 64215  
an opportunity to designate the person to provide daily 64216  
representation. If the individual declines to make a designation, 64217  
the administrator shall make the designation. In either case, the 64218  
individual receiving services may change at any time the person 64219  
designated to provide daily representation. 64220

(C) Subject to available funds, the department of mental 64221  
retardation and developmental disabilities shall pay a county 64222  
board an annual subsidy for service and support administration. 64223  
The amount of the subsidy shall be equal to the greater of twenty 64224  
thousand dollars or two hundred dollars times the board's 64225  
certified average daily membership. The payments shall be made in 64226  
~~semiannual~~ quarterly installments of equal amounts, which shall be 64227  
made no later than the thirtieth day of September, the 64228  
thirty-first day of August and December, the thirty-first day of 64229  
January March, and the thirtieth day of June. Funds received shall 64230  
be used solely for service and support administration. 64231

Sec. 5126.18. (A) As used in this section:	64232
(1) "County board" means a county board of mental retardation and developmental disabilities.	64233 64234
(2) Notwithstanding section 5126.01 of the Revised Code, "adult services" means the following services, as they are identified on individual information forms submitted by county boards to the department of mental retardation and developmental disabilities for the purpose of subsidies paid to county boards under section 5126.12 of the Revised Code, provided to an individual with mental retardation or other developmental disability who is at least twenty-two years of age:	64235 64236 64237 64238 64239 64240 64241 64242
(a) Assessment;	64243
(b) Home service;	64244
(c) Adult program;	64245
(d) Community employment services;	64246
(e) Retirement.	64247
(3) "Adult services enrollment" means a county board's average daily membership in adult services, exclusive of such services provided to individuals served solely through service and support administration provided pursuant to section 5126.15 of the Revised Code or family support services provided pursuant to section 5126.11 of the Revised Code.	64248 64249 64250 64251 64252 64253
(4) "Taxable value" means the taxable value of a county board certified under division (B)(1) of this section.	64254 64255
(5) "Per-mill yield" of a county board means the quotient obtained by dividing (a) the taxable value of the county board by (b) one thousand.	64256 64257 64258
(6) "Local adult services cost" means a county board's expenditures for adult services, excluding all federal and state	64259 64260

reimbursements and subsidy allocations received by such boards and 64261  
expended for such services, as certified under section 5126.12 of 64262  
the Revised Code. 64263

(7) "Statewide average millage" means one thousand multiplied 64264  
by the quotient obtained by dividing (a) the total of the local 64265  
adult services costs of all county boards by (b) the total of the 64266  
taxable values of all county boards. 64267

(8) "County yield" of a county board means the product 64268  
obtained by multiplying (a) the statewide average millage by (b) 64269  
the per-mill yield of the county board. 64270

(9) "County yield per enrollee" of a county board means the 64271  
quotient obtained by dividing (a) the county yield of the county 64272  
board by (b) the adult enrollment of the county board. 64273

(10) "Statewide yield per enrollee" means the quotient 64274  
obtained by dividing (a) the sum of the county yields of all 64275  
county boards by (b) the sum of the adult enrollments of all 64276  
county boards. 64277

(11) "Local tax effort for adult services" of a county board 64278  
means one thousand multiplied by the quotient obtained by dividing 64279  
(a) the local adult services cost of the county board by (b) the 64280  
taxable value of the county board. 64281

(12) "Funding percentage" for a fiscal year means the 64282  
percentage that the amount appropriated to the department for the 64283  
purpose of making payments under this section in the fiscal year 64284  
is of the amount computed under division (C)(3) of this section 64285  
for the fiscal year. 64286

(13) "Funding-adjusted required millage" for a fiscal year 64287  
means the statewide average millage multiplied by the funding 64288  
percentage for that fiscal year. 64289

(B)(1) On the request of the director of mental retardation 64290



and developmental disabilities, the tax commissioner shall provide 64291  
to the department of mental retardation and developmental 64292  
disabilities information specifying the taxable value of property 64293  
on each county's tax list of real and public utility property and 64294  
tax list of personal property for the most recent tax year for 64295  
which such information is available. The director may request any 64296  
other tax information necessary for the purposes of this section. 64297

(2) On the request of the director, each county board shall 64298  
report the county board's adult services enrollment and local 64299  
adult services cost. 64300

(C) Each year, the department of mental retardation and 64301  
developmental disabilities shall compute the following: 64302

(1) For each county board, the amount, if any, by which the 64303  
statewide yield per enrollee exceeds the county yield per 64304  
enrollee; 64305

(2) For each county board, the amount of any excess computed 64306  
under division (C)(1) of this section multiplied by the adult 64307  
services enrollment of the county board; 64308

(3) The sum of the amounts computed under division (C)(2) of 64309  
this section for all county boards. 64310

(D) From money appropriated for the purpose, the department, ~~on or before the thirtieth day of September of each year,~~ shall 64311  
provide for payment to each county board of the amount computed 64312  
for that county board under division (C)(2) of this section, 64313  
subject to any reduction or adjustment under division (E), (F), or 64314  
(G) of this section. The department shall make the payments in 64315  
quarterly installments of equal amounts. The installments shall be 64316  
made not later than the thirtieth day of September, thirty-first 64317  
day of December, thirty-first day of March, and thirtieth day of 64318  
June. 64319  
64320

(E) If a county board's local tax effort for adult services 64321

is less than the funding-adjusted required millage, the director 64322  
shall reduce the amount of payment otherwise computed under 64323  
division (C)(2) of this section so that the amount paid, after the 64324  
reduction, is the same percentage of the amount computed under 64325  
division (C)(2) of this section as the county board's local tax 64326  
effort for adult services is of the funding-adjusted required 64327  
millage. 64328

If the director reduces the amount of a county board's 64329  
payment under this division, the department, not later than the 64330  
fifteenth day of July, shall notify the county board of the 64331  
reduction and the amount of the reduction. The notice shall 64332  
include a statement that the county board may request to be 64333  
exempted from the reduction by filing a request with the director, 64334  
in the manner and form prescribed by the director, within 64335  
twenty-one days after such notification is issued. The board may 64336  
present evidence of its attempt to obtain passage of levies or any 64337  
other extenuating circumstances the board considers relevant. If 64338  
the county board requests a hearing before the director to present 64339  
such evidence, the director shall conduct a hearing on the request 64340  
unless the director exempts the board from the reduction on the 64341  
basis of the evidence presented in the request filed by the board. 64342  
Upon receiving a properly and timely filed request for exemption, 64343  
but not later than the thirty-first day of August, the director 64344  
shall determine whether the county board shall be exempted from 64345  
all or a part of the reduction. The director may exempt the board 64346  
from all or part of the reduction if the director finds that the 64347  
board has made good faith efforts to obtain passage of tax levies 64348  
or that there are extenuating circumstances. 64349

(F) If a payment is reduced under division (E) of this 64350  
section and the director does not exempt the county board from the 64351  
reduction, the amount of the reduction shall be apportioned among 64352  
all county boards entitled to payments under this section for 64353

which payments were not so reduced. The amount apportioned to each 64354  
county board shall be proportionate to the amount of the board's 64355  
payment as computed under division (C)(2) of this section. 64356

(G) If, for any fiscal year, the amount appropriated to the 64357  
department for the purpose of this section is less than the amount 64358  
computed under division (C)(3) of this section for the fiscal 64359  
year, the department shall adjust the amount of each payment as 64360  
computed under divisions (C)(2), (E), and (F) of this section by 64361  
multiplying that amount by the funding percentage. 64362

(H) The payments authorized by this section are supplemental 64363  
to all other funds that may be received by a county board. A 64364  
county board shall use the payments solely to pay the nonfederal 64365  
share of medicaid expenditures that division (A) of section 64366  
5126.057 of the Revised Code requires the county board to pay. 64367

**Sec. 5126.44.** (A) The department of mental retardation and 64368  
developmental disabilities, in accordance with Chapter 119. of the 64369  
Revised Code, shall adopt rules for making allocations for 64370  
counties and distributing to county boards of mental retardation 64371  
and developmental disabilities money to be used for planning, 64372  
development, contracting for, and providing supported living. The 64373  
rules shall provide for an allocation to be made for each county 64374  
on an equitable basis, taking into account any factors that 64375  
indicate need for supported living for residents of the county. 64376

(B) The department shall annually allocate for each county an 64377  
amount determined in accordance with the rules adopted under this 64378  
section. Except as provided in division (C) of this section, the 64379  
department shall distribute the amount allocated for the county to 64380  
each county board. Money shall be distributed to county boards in 64381  
~~two quarterly~~ installments ~~annually~~, which shall be paid no later 64382  
~~than the last day of July and the last day of December~~ thirtieth 64383  
day of September, the thirty-first day of December, the 64384

thirty-first day of March, and the thirtieth day of June. In the 64385  
case of a county that has not adopted a resolution under division 64386  
(B) of section 5126.40 of the Revised Code, the department shall 64387  
use the money allocated for the county to provide supported living 64388  
under section 5123.182 of the Revised Code. 64389

(C) The department shall not distribute money to a county 64390  
board for residential services that are being provided by a 64391  
provider under contract with the department on the effective date 64392  
of this amendment unless the provider and the county board agree 64393  
to enter into a contract between the provider and the county board 64394  
under which the provider will provide the services as supported 64395  
living. If the conversion of a contract occurs under this 64396  
division, the provisions of section 5126.451 shall apply as though 64397  
the contract was transferred under that section. 64398

(D) Pursuant to section 5126.05 of the Revised Code, the 64399  
county board shall annually adopt a separate budget for money 64400  
distributed to it under this section. The board shall cause the 64401  
money to be deposited in a fund created pursuant to division (F) 64402  
of section 5705.09 of the Revised Code which shall be known as the 64403  
"community mental retardation and developmental disabilities 64404  
residential services and supported living fund." The fund shall 64405  
consist of this money and any other money for residential services 64406  
or supported living that the board causes to be deposited in the 64407  
fund. A county board is not required to use any other money for 64408  
residential services or supported living. A county board may 64409  
establish a reserve balance account within this fund pursuant to 64410  
division (C)(2) of section 5705.28 of the Revised Code. 64411

(E) The department of mental retardation and developmental 64412  
disabilities may adopt rules under Chapter 119. of the Revised 64413  
Code establishing procedures for an annual reconciliation of state 64414  
funds that have been deposited in the reserve balance account. The 64415  
rules may provide for the return of state funds to the appropriate 64416

department account when the funds have been unexpended for a 64417  
period of two years. 64418

(F) A county board may use up to ten per cent of the amount 64419  
distributed to it under this section for the administrative costs 64420  
of developing, arranging, and contracting for supported living and 64421  
for costs of staff training and support. Annually, each county 64422  
board shall report to the department all revenue and expenditures 64423  
pertaining to supported living. The report shall be made in 64424  
conjunction with the annual report of expenditures submitted 64425  
pursuant to section 5126.12 of the Revised Code. The report shall 64426  
list the names of the individuals served, the total number of 64427  
individuals served on a monthly basis in the preceding calendar 64428  
year, the types of services provided, the total cost of the 64429  
services, and the sources of revenue used to cover the cost. 64430

**Sec. 5139.01.** (A) As used in this chapter: 64431

(1) "Commitment" means the transfer of the physical custody 64432  
of a child or youth from the court to the department of youth 64433  
services. 64434

(2) "Permanent commitment" means a commitment that vests 64435  
legal custody of a child in the department of youth services. 64436

(3) "Legal custody," insofar as it pertains to the status 64437  
that is created when a child is permanently committed to the 64438  
department of youth services, means a legal status in which the 64439  
department has the following rights and responsibilities: the 64440  
right to have physical possession of the child; the right and duty 64441  
to train, protect, and control the child; the responsibility to 64442  
provide the child with food, clothing, shelter, education, and 64443  
medical care; and the right to determine where and with whom the 64444  
child shall live, subject to the minimum periods of, or periods 64445  
of, institutional care prescribed in sections 2152.13 to 2152.18 64446  
of the Revised Code; provided, that these rights and 64447

responsibilities are exercised subject to the powers, rights, 64448  
duties, and responsibilities of the guardian of the person of the 64449  
child, and subject to any residual parental rights and 64450  
responsibilities. 64451

(4) Unless the context requires a different meaning, 64452  
"institution" means a state facility that is created by the 64453  
general assembly and that is under the management and control of 64454  
the department of youth services or a private entity with which 64455  
the department has contracted for the institutional care and 64456  
custody of felony delinquents. 64457

(5) "Full-time care" means care for twenty-four hours a day 64458  
for over a period of at least two consecutive weeks. 64459

(6) "Placement" means the conditional release of a child 64460  
under the terms and conditions that are specified by the 64461  
department of youth services. The department shall retain legal 64462  
custody of a child released pursuant to division (C) of section 64463  
2152.22 of the Revised Code or division (C) of section 5139.06 of 64464  
the Revised Code until the time that it discharges the child or 64465  
until the legal custody is terminated as otherwise provided by 64466  
law. 64467

(7) "Home placement" means the placement of a child in the 64468  
home of the child's parent or parents or in the home of the 64469  
guardian of the child's person. 64470

(8) "Discharge" means that the department of youth services' 64471  
legal custody of a child is terminated. 64472

(9) "Release" means the termination of a child's stay in an 64473  
institution and the subsequent period during which the child 64474  
returns to the community under the terms and conditions of 64475  
supervised release. 64476

(10) "Delinquent child" has the same meaning as in section 64477  
2152.02 of the Revised Code. 64478

(11) "Felony delinquent" means any child who is at least 64479  
~~twelve~~ ten years of age but less than eighteen years of age and 64480  
who is adjudicated a delinquent child for having committed an act 64481  
that if committed by an adult would be a felony. "Felony 64482  
delinquent" includes any adult who is between the ages of eighteen 64483  
and twenty-one and who is in the legal custody of the department 64484  
of youth services for having committed an act that if committed by 64485  
an adult would be a felony. 64486

(12) "Juvenile traffic offender" has the same meaning as in 64487  
section 2152.02 of the Revised Code. 64488

(13) "Public safety beds" means all of the following: 64489

(a) Felony delinquents who have been committed to the 64490  
department of youth services for the commission of an act, other 64491  
than a violation of section 2911.01 or 2911.11 of the Revised 64492  
Code, that is a category one offense or a category two offense and 64493  
who are in the care and custody of an institution or have been 64494  
diverted from care and custody in an institution and placed in a 64495  
community corrections facility; 64496

(b) Felony delinquents who, while committed to the department 64497  
of youth services and in the care and custody of an institution or 64498  
a community corrections facility, are adjudicated delinquent 64499  
children for having committed in that institution or community 64500  
corrections facility an act that if committed by an adult would be 64501  
a misdemeanor or a felony; 64502

(c) Children who satisfy all of the following: 64503

(i) They are at least ~~twelve~~ ten years of age but less than 64504  
eighteen years of age. 64505

(ii) They are adjudicated delinquent children for having 64506  
committed acts that if committed by an adult would be a felony. 64507

(iii) They are committed to the department of youth services 64508

by the juvenile court of a county that has had one-tenth of one 64509  
per cent or less of the statewide adjudications for felony 64510  
delinquents as averaged for the past four fiscal years. 64511

(iv) They are in the care and custody of an institution or a 64512  
community corrections facility. 64513

(d) Felony delinquents who, while committed to the department 64514  
of youth services and in the care and custody of an institution, ~~commit in that institution an act that if committed by an adult~~ 64515  
~~would be a felony, who~~ are serving disciplinary time for having 64516  
committed ~~that~~ an act described in division (A)(19)(a), (b), or 64518  
(c) of this section, and who have been institutionalized or 64519  
institutionalized in a secure facility for the minimum period of 64520  
time specified in divisions (A)(1)(b) to (e) of section 2152.16 of 64521  
the Revised Code. 64522

(e) Felony delinquents who are subject to and serving a 64523  
three-year period of commitment order imposed by a juvenile court 64524  
pursuant to divisions (A) and (B) of section 2152.17 of the 64525  
Revised Code for an act, other than a violation of section 2911.11 64526  
of the Revised Code, that would be a category one offense or 64527  
category two offense if committed by an adult. 64528

(f) Felony delinquents who are described in divisions 64529  
(A)(13)(a) to (e) of this section, who have been granted a 64530  
judicial release to court supervision under division (B) of 64531  
section 2152.22 of the Revised Code or a judicial release to the 64532  
department of youth services supervision under division (C) of 64533  
that section from the commitment to the department of youth 64534  
services for the act described in divisions (A)(13)(a) to (e) of 64535  
this section, who have violated the terms and conditions of that 64536  
release, and who, pursuant to an order of the court of the county 64537  
in which the particular felony delinquent was placed on release 64538  
that is issued pursuant to division (D) of section 2152.22 of the 64539  
Revised Code, have been returned to the department for 64540



institutionalization or institutionalization in a secure facility. 64541

(g) Felony delinquents who have been committed to the custody 64542  
of the department of youth services, who have been granted 64543  
supervised release from the commitment pursuant to section 5139.51 64544  
of the Revised Code, who have violated the terms and conditions of 64545  
that supervised release, and who, pursuant to an order of the 64546  
court of the county in which the particular child was placed on 64547  
supervised release issued pursuant to division (F) of section 64548  
5139.52 of the Revised Code, have had the supervised release 64549  
revoked and have been returned to the department for 64550  
institutionalization. A felony delinquent described in this 64551  
division shall be a public safety bed only for the time during 64552  
which the felony delinquent is institutionalized as a result of 64553  
the revocation subsequent to the initial thirty-day period of 64554  
institutionalization required by division (F) of section 5139.52 64555  
of the Revised Code. 64556

~~(14) "State target youth" means twenty five per cent of the 64557  
projected total number of felony delinquents for each year of a 64558  
biennium, factoring in revocations and recommitments. 64559~~

~~(15)~~ Unless the context requires a different meaning, 64560  
"community corrections facility" means a county or multicounty 64561  
rehabilitation center for felony delinquents who have been 64562  
committed to the department of youth services and diverted from 64563  
care and custody in an institution and placed in the 64564  
rehabilitation center pursuant to division (E) of section 5139.36 64565  
of the Revised Code. 64566

~~(16)~~(15) "Secure facility" means any facility that is 64567  
designed and operated to ensure that all of its entrances and 64568  
exits are under the exclusive control of its staff and to ensure 64569  
that, because of that exclusive control, no child who has been 64570  
institutionalized in the facility may leave the facility without 64571  
permission or supervision. 64572

~~(17)~~(16) "Community residential program" means a program that satisfies both of the following:

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

(b) It provides twenty-four-hour care, supervision, and programs for felony delinquents who are in residence.

~~(18)~~(17) "Category one offense" and "category two offense" have the same meanings as in section 2151.26 of the Revised Code.

~~(19)~~(18) "Disciplinary time" means additional time that the department of youth services requires a felony delinquent to serve in an institution, that delays the ~~person's~~ or felony delinquent's planned release, and that the department imposes upon the ~~person~~ ~~or~~ felony delinquent following the conduct of an internal due process hearing for having committed any of the following acts while committed to the department and in the care and custody of an institution:

(a) An act that if committed by an adult would be a felony;

(b) An act that if committed by an adult would be a misdemeanor;

(c) An act that is not described in division (A)~~(19)~~(18)(a) or (b) of this section and that violates an institutional rule of conduct of the department.

~~(20)~~(19) "Unruly child" has the same meaning as in section 2151.022 of the Revised Code.

~~(21)~~(20) "Revocation" means the act of revoking a child's supervised release for a violation of a term or condition of the child's supervised release in accordance with section 5139.52 of the Revised Code.

~~(22)~~(21) "Release authority" means the release authority of

the department of youth services that is established by section 64603  
5139.50 of the Revised Code. 64604

~~(23)~~(22) "Supervised release" means the event of the release 64605  
of a child under this chapter from an institution and the period 64606  
after that release during which the child is supervised and 64607  
assisted by an employee of the department of youth services under 64608  
specific terms and conditions for reintegration of the child into 64609  
the community. 64610

~~(24)~~(23) "Victim" means the person identified in a police 64611  
report, complaint, or information as the victim of an act that 64612  
would have been a criminal offense if committed by an adult and 64613  
that provided the basis for adjudication proceedings resulting in 64614  
a child's commitment to the legal custody of the department of 64615  
youth services. 64616

~~(25)~~(24) "Victim's representative" means a member of the 64617  
victim's family or another person whom the victim or another 64618  
authorized person designates in writing, pursuant to section 64619  
5139.56 of the Revised Code, to represent the victim with respect 64620  
to proceedings of the release authority of the department of youth 64621  
services and with respect to other matters specified in that 64622  
section. 64623

~~(26)~~(25) "Member of the victim's family" means a spouse, 64624  
child, stepchild, sibling, parent, stepparent, grandparent, other 64625  
relative, or legal guardian of a child but does not include a 64626  
person charged with, convicted of, or adjudicated a delinquent 64627  
child for committing a criminal or delinquent act against the 64628  
victim or another criminal or delinquent act arising out of the 64629  
same conduct, criminal or delinquent episode, or plan as the 64630  
criminal or delinquent act committed against the victim. 64631

~~(27)~~(26) "Judicial release to court supervision" means a 64632  
release of a child from institutional care or institutional care 64633

in a secure facility that is granted by a court pursuant to 64634  
division (B) of section 2152.22 of the Revised Code during the 64635  
period specified in that division. 64636

~~(28)~~(27) "Judicial release to department of youth services 64637  
supervision" means a release of a child from institutional care or 64638  
institutional care in a secure facility that is granted by a court 64639  
pursuant to division (C) of section 2152.22 of the Revised Code 64640  
during the period specified in that division. 64641

~~(29)~~(28) "Juvenile justice system" includes all of the 64642  
functions of the juvenile courts, the department of youth 64643  
services, any public or private agency whose purposes include the 64644  
prevention of delinquency or the diversion, adjudication, 64645  
detention, or rehabilitation of delinquent children, and any of 64646  
the functions of the criminal justice system that are applicable 64647  
to children. 64648

~~(30)~~(29) "Metropolitan county criminal justice services 64649  
agency" means an agency that is established pursuant to division 64650  
(A) of section 181.54 of the Revised Code. 64651

~~(31)~~(30) "Administrative planning district" means a district 64652  
that is established pursuant to division (A) or (B) of section 64653  
181.56 of the Revised Code. 64654

~~(32)~~(31) "Criminal justice coordinating council" means a 64655  
criminal justice services agency that is established pursuant to 64656  
division (D) of section 181.56 of the Revised Code. 64657

~~(33)~~(32) "Comprehensive plan" means a document that 64658  
coordinates, evaluates, and otherwise assists, on an annual or 64659  
multi-year basis, all of the functions of the juvenile justice 64660  
systems of the state or a specified area of the state, that 64661  
conforms to the priorities of the state with respect to juvenile 64662  
justice systems, and that conforms with the requirements of all 64663  
federal criminal justice acts. These functions include, but are 64664

not limited to, all of the following: 64665

(a) Delinquency; 64666

(b) Identification, detection, apprehension, and detention of persons charged with delinquent acts; 64667  
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(c) Assistance to crime victims or witnesses, except that the comprehensive plan does not include the functions of the attorney general pursuant to sections 109.91 and 109.92 of the Revised Code; 64669  
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(d) Adjudication or diversion of persons charged with delinquent acts; 64673  
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(e) Custodial treatment of delinquent children; 64675

(f) Institutional and noninstitutional rehabilitation of delinquent children. 64676  
64677

(B) There is hereby created the department of youth services. 64678  
The governor shall appoint the director of the department with the advice and consent of the senate. The director shall hold office during the term of the appointing governor but subject to removal at the pleasure of the governor. Except as otherwise authorized in section 108.05 of the Revised Code, the director shall devote the director's entire time to the duties of the director's office and shall hold no other office or position of trust or profit during the director's term of office. 64679  
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The director is the chief executive and administrative officer of the department and has all the powers of a department head set forth in Chapter 121. of the Revised Code. The director may adopt rules for the government of the department, the conduct of its officers and employees, the performance of its business, and the custody, use, and preservation of the department's records, papers, books, documents, and property. The director shall be an appointing authority within the meaning of Chapter 64687  
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124. of the Revised Code. Whenever this or any other chapter or 64695  
section of the Revised Code imposes a duty on or requires an 64696  
action of the department, the duty or action shall be performed by 64697  
the director or, upon the director's order, in the name of the 64698  
department. 64699

**Sec. 5139.04.** The department of youth services shall do all 64700  
of the following: 64701

(A) Support service districts through a central 64702  
administrative office that shall have as its administrative head a 64703  
deputy director who shall be appointed by the director of the 64704  
department. When a vacancy occurs in the office of that deputy 64705  
director, an assistant deputy director shall act as that deputy 64706  
director until the vacancy is filled. The position of deputy 64707  
director and assistant deputy director described in this division 64708  
shall be in the unclassified civil service of the state. 64709

(B) Receive custody of all children committed to it under 64710  
Chapter 2152. of the Revised Code, cause a study to be made of 64711  
those children, and issue any orders, as it considers best suited 64712  
to the needs of any of those children and the interest of the 64713  
public, for the treatment of each of those children; 64714

(C) Obtain personnel necessary for the performance of its 64715  
duties; 64716

~~(D) Train or provide for training of probation and youth 64717  
correction workers; 64718~~

~~(E)~~ Adopt rules that regulate its organization and operation, 64719  
that implement sections 5139.34 and 5139.41 to ~~5139.45~~ 5139.43 of 64720  
the Revised Code, and that pertain to the administration of other 64721  
sections of this chapter; 64722

~~(F)~~(E) Submit reports of its operations to the governor and 64723  
the general assembly by the thirty-first day of January of each 64724

odd-numbered year; 64725

~~(G)(F)~~ Conduct a program of research in diagnosis, training, 64726  
and treatment of delinquent children to evaluate the effectiveness 64727  
of the department's services and to develop more adequate methods; 64728

~~(H)~~ Receive reports from the juvenile courts under division 64729  
~~(C)(3)(b)~~ of section 5139.43 of the Revised Code and prepare an 64730  
annual report of state juvenile court statistics and information 64731  
based upon those reports. The department shall make available a 64732  
copy of the annual report to the governor and members of the 64733  
general assembly upon request. 64734

~~(I)(G)~~ Develop a standard form for the disposition 64735  
investigation report that a juvenile court is required pursuant to 64736  
section 2152.18 of the Revised Code to complete and provide to the 64737  
department when the court commits a child to the legal custody of 64738  
the department; 64739

~~(J)(H)~~ Do all other acts necessary or desirable to carry out 64740  
this chapter. 64741

**Sec. 5139.33.** (A) The department of youth services shall make 64742  
grants in accordance with this section to encourage counties to 64743  
use community-based programs and services for juveniles who are 64744  
adjudicated delinquent children for the commission of acts that 64745  
would be felonies if committed by an adult. 64746

(B) Each county seeking a grant under this section shall file 64747  
an application with the department of youth services. The 64748  
application shall be filed at the time and in accordance with 64749  
procedures established by the department in rules adopted under 64750  
this section. Each application shall be accompanied by a plan 64751  
designed to reduce the county's commitment percentage, or to 64752  
enable it to maintain or attain a commitment percentage that is 64753  
equal to or below the statewide average commitment percentage. A 64754

county's commitment percentage is the percentage determined by 64755  
dividing the number of juveniles the county committed to the 64756  
department during the year by the number of juveniles who were 64757  
eligible to be committed. The statewide average commitment 64758  
percentage is the percentage determined by dividing the number of 64759  
juveniles in the state committed to the department during the year 64760  
by the number of juveniles who were eligible to be committed. 64761  
These percentages shall be determined by the department using the 64762  
most reliable data available to it. 64763

Each plan shall include a method of ensuring equal access for 64764  
minority youth to the programs and services for which the grant 64765  
will be used. 64766

The department shall review each application and plan to 64767  
ensure that the requirements of this division are satisfied. Any 64768  
county applying for a grant under this section that received a 64769  
grant under this section during the preceding year and that failed 64770  
to meet its commitment goals for that year shall make the changes 64771  
in its plan that the department requires in order to continue to 64772  
be eligible for grants under this section. 64773

(C) Subject to division (E) of this section, the amounts 64774  
appropriated for the purpose of making grants under this section 64775  
shall be distributed annually on a per capita basis among the 64776  
counties that have complied with division (B) of this section. 64777

(D) The department shall adopt rules to implement this 64778  
section. The rules shall include, but are not limited to, 64779  
procedures and schedules for submitting applications and plans 64780  
under this section, including procedures allowing joint-county 64781  
applications and plans; and procedures for monitoring and 64782  
evaluating the effectiveness of the programs and services financed 64783  
with grant money, the enhancement of the use of local facilities 64784  
and services, and the adequacy of the supervision and treatment 64785  
provided to juveniles by those programs and services. 64786



(E)(1) Three months prior to the implementation of the felony delinquent care and custody program described in section 5139.43 of the Revised Code, each county that is entitled to a grant under this section shall receive its grant money for the fiscal year or the remainder of its grant money for the fiscal year, other than any grant money to which it is entitled and that is set aside by the department of youth services for purposes of division (E)(2) of this section. The grant money so distributed shall be paid in a lump sum.

(2) During the first twelve months that the felony delinquent care and custody program described in section 5139.43 of the Revised Code is implemented in a county, any grant or the remainder of any grant to which a county is entitled and that is payable from the appropriation made to the department of youth services for community sanctions shall be distributed as follows:

(a) In the first quarter of the twelve-month period, the county shall receive one hundred per cent of the quarterly distribution.

(b) In the second quarter of the twelve-month period, the county shall receive seventy-five per cent of the quarterly distribution.

(c) In the third quarter of the twelve-month period, the county shall receive fifty per cent of the quarterly distribution.

(d) In the fourth quarter of the twelve-month period, the county shall receive twenty-five per cent of the quarterly distribution.

(3) Grant moneys received pursuant to divisions (E)(1) and (2) of this section shall be transmitted by the juvenile court of the recipient county to the county treasurer, shall be deposited by the county treasurer into the felony delinquent care and custody fund created pursuant to division ~~(C)~~(B)(1) of section

5139.43 of the Revised Code, and shall be used by the juvenile court in accordance with division ~~(C)~~(B)(2) of that section. The grant moneys shall be in addition to, and shall not be used to reduce, any usual annual increase in county funding that the juvenile court is eligible to receive or the current level of county funding of the juvenile court and of any programs or services for delinquent children, unruly children, or juvenile traffic offenders.

(4) One year after the commencement of its operation of the felony delinquent care and custody program described in section 5139.43 of the Revised Code, the department shall not make any further grants under this section.

**Sec. 5139.34.** (A) Funds may be appropriated to the department of youth services for the purpose of granting state subsidies to counties. A county or the juvenile court that serves a county shall use state subsidies granted to the county pursuant to this section only in accordance with divisions ~~(C)~~(B)(2)(a) and (3)(a) of section 5139.43 of the Revised Code and the rules pertaining to the state subsidy funds that the department adopts pursuant to division ~~(E)~~(D) of section 5139.04 of the Revised Code. The department shall not grant financial assistance pursuant to this section for the provision of care and services for children in a ~~foster care~~ placement facility unless the facility has been certified, licensed, or approved by a state or national agency with certification, licensure, or approval authority, including, but not limited to, the department of job and family services, department of education, department of mental health, ~~or~~ department of mental retardation and developmental disabilities, or American Correctional Association. For the purposes of this section, ~~foster care~~ placement facilities do not include a state institution or a county or district children's home.

The department also shall not grant financial assistance 64849  
pursuant to this section for the provision of care and services 64850  
for children, including, but not limited to, care and services in 64851  
a detention facility, in another facility, or in out-of-home 64852  
placement, unless the minimum standards applicable to the care and 64853  
services that the department prescribes in rules adopted pursuant 64854  
to division ~~(E)~~(D) of section 5139.04 of the Revised Code have 64855  
been satisfied. 64856

(B) The department of youth services shall apply the 64857  
following formula to determine the amount of the annual grant that 64858  
each county is to receive pursuant to division (A) of this 64859  
section, subject to the appropriation for this purpose to the 64860  
department made by the general assembly: 64861

(1) Each county shall receive a basic annual grant of fifty 64862  
thousand dollars. 64863

(2) The sum of the basic annual grants provided under 64864  
division (B)(1) of this section shall be subtracted from the total 64865  
amount of funds appropriated to the department of youth services 64866  
for the purpose of making grants pursuant to division (A) of this 64867  
section to determine the remaining portion of the funds 64868  
appropriated. The remaining portion of the funds appropriated 64869  
shall be distributed on a per capita basis to each county that has 64870  
a population of more than twenty-five thousand for that portion of 64871  
the population of the county that exceeds twenty-five thousand. 64872

(C)(1) Prior to a county's receipt of an annual grant 64873  
pursuant to this section, the juvenile court that serves the 64874  
county shall prepare, submit, and file in accordance with division 64875  
~~(C)~~(B)(3)(a) of section 5139.43 of the Revised Code an annual 64876  
grant agreement and application for funding that is for the 64877  
combined purposes of, and that satisfies the requirements of, this 64878  
section and section 5139.43 of the Revised Code. In addition to 64879

the subject matters described in division ~~(C)~~(B)(3)(a) of section 64880  
5139.43 of the Revised Code or in the rules that the department 64881  
adopts to implement that division, the annual grant agreement and 64882  
application for funding shall address fiscal accountability and 64883  
performance matters pertaining to the programs, care, and services 64884  
that are specified in the agreement and application and for which 64885  
state subsidy funds granted pursuant to this section will be used. 64886

(2) The county treasurer of each county that receives an 64887  
annual grant pursuant to this section shall deposit the state 64888  
subsidy funds so received into the county's felony delinquent care 64889  
and custody fund created pursuant to division ~~(C)~~(B)(1) of section 64890  
5139.43 of the Revised Code. Subject to exceptions prescribed in 64891  
section 5139.43 of the Revised Code that may apply to the 64892  
disbursement, the department shall disburse the state subsidy 64893  
funds to which ~~each county is entitled as follows:~~ 64894

~~(a) Except as provided in division (C)(2)(b) of this section,~~ 64895  
~~the department shall disburse the state subsidy funds to which a~~ 64896  
~~county is entitled in a lump sum payment that shall be made in~~ 64897  
~~July of each calendar year.~~ 64898

~~(b) In the case of state subsidy funds to which a county is~~ 64899  
~~entitled for fiscal year 1998, the department shall disburse the~~ 64900  
~~state subsidy funds to the county in two distinct payments in~~ 64901  
~~accordance with this division. The department shall disburse~~ 64902  
~~seventy five per cent of those state subsidy funds to the county~~ 64903  
~~in July 1997. After the department reviews and reconciles the~~ 64904  
~~applicable reports that the juvenile court of the county is~~ 64905  
~~required to prepare and submit to the department pursuant to~~ 64906  
~~section 5139.43 of the Revised Code, the department shall disburse~~ 64907  
~~to the county in October 1997, the remainder of the state subsidy~~ 64908  
~~funds to which the county is entitled.~~ 64909

(3) Upon an order of the juvenile court that serves a county 64910  
and subject to appropriation by the board of county commissioners 64911

of that county, a county treasurer shall disburse from the 64912  
county's felony delinquent care and custody fund the state subsidy 64913  
funds granted to the county pursuant to this section for use only 64914  
in accordance with this section, the applicable provisions of 64915  
section 5139.43 of the Revised Code, and the county's approved 64916  
annual grant agreement and application for funding. 64917

(4) The moneys in a county's felony delinquent care and 64918  
custody fund that represent state subsidy funds granted pursuant 64919  
to this section are subject to appropriation by the board of 64920  
county commissioners of the county; shall be disbursed by the 64921  
county treasurer as required by division (C)(3) of this section; 64922  
shall be used in the manners referred to in division (C)(3) of 64923  
this section; shall not revert to the county general fund at the 64924  
end of any fiscal year; shall carry over in the felony delinquent 64925  
care and custody fund from the end of any fiscal year to the next 64926  
fiscal year; shall be in addition to, and shall not be used to 64927  
reduce, any usual annual increase in county funding that the 64928  
juvenile court is eligible to receive or the current level of 64929  
county funding of the juvenile court and of any programs, care, or 64930  
services for alleged or adjudicated delinquent children, unruly 64931  
children, or juvenile traffic offenders or for children who are at 64932  
risk of becoming delinquent children, unruly children, or juvenile 64933  
traffic offenders; and shall not be used to pay for the care and 64934  
custody of felony delinquents who are in the care and custody of an 64935  
institution pursuant to a commitment, recommitment, or revocation 64936  
of a release on parole by the juvenile court of that county or who 64937  
are in the care and custody of a community corrections facility 64938  
pursuant to a placement by the department with the consent of the 64939  
juvenile court as described in division (E) of section 5139.36 of 64940  
the Revised Code. 64941

(5) As a condition of the continued receipt of state subsidy 64942  
funds pursuant to this section, each county and the juvenile court 64943

that serves each county that receives an annual grant pursuant to 64944  
this section shall comply with divisions ~~(C)~~(B)(3)(b), (c), and 64945  
(d) of section 5139.43 of the Revised Code. 64946

**Sec. 5139.36.** (A) In accordance with this section and the 64947  
rules adopted under it and from funds appropriated to the 64948  
department of youth services for the purposes of this section, the 64949  
department shall make grants that provide financial resources to 64950  
operate community corrections facilities for felony delinquents. 64951

(B)(1) Each community corrections facility that intends to 64952  
seek a grant under this section shall file an application with the 64953  
department of youth services at the time and in accordance with 64954  
the procedures that the department shall establish by rules 64955  
adopted in accordance with Chapter 119. of the Revised Code. In 64956  
addition to other items required to be included in the 64957  
application, a plan that satisfies both of the following shall be 64958  
included: 64959

(a) It reduces the number of felony delinquents committed to 64960  
the department from the county or counties associated with the 64961  
community corrections facility. 64962

(b) It ensures equal access for minority felony delinquents 64963  
to the programs and services for which a potential grant would be 64964  
used. 64965

(2) The department of youth services shall review each 64966  
application submitted pursuant to division (B)(1) of this section 64967  
to determine whether the plan described in that division, the 64968  
community corrections facility, and the application comply with 64969  
this section and the rules adopted under it. 64970

(C) To be eligible for a grant under this section and for 64971  
continued receipt of moneys comprising a grant under this section, 64972  
a community corrections facility shall satisfy at least all of the 64973

following requirements: 64974

(1) Be constructed, reconstructed, improved, or financed by 64975  
the Ohio building authority pursuant to section 307.021 of the 64976  
Revised Code and Chapter 152. of the Revised Code for the use of 64977  
the department of youth services and be designated as a community 64978  
corrections facility; 64979

(2) Have written standardized criteria governing the types of 64980  
felony delinquents that are eligible for the programs and services 64981  
provided by the facility; 64982

(3) Have a written standardized intake screening process and 64983  
an intake committee that at least performs both of the following 64984  
tasks: 64985

(a) Screens all eligible felony delinquents who are being 64986  
considered for admission to the facility in lieu of commitment to 64987  
the department; 64988

(b) Notifies, within ten days after the date of the referral 64989  
of a felony delinquent to the facility, the committing court 64990  
whether the felony delinquent will be admitted to the facility. 64991

(4) Comply with all applicable fiscal and program rules that 64992  
the department adopts in accordance with Chapter 119. of the 64993  
Revised Code and demonstrate that felony delinquents served by the 64994  
facility have been or will be diverted from a commitment to the 64995  
department. 64996

(D) The department of youth services shall determine the 64997  
method of distribution of the funds appropriated for grants under 64998  
this section to community corrections facilities. 64999

~~(E) With the consent of a committing court and of a community 65000  
corrections facility that has received a grant under this section,  
the department of youth services may place in that facility a 65001  
felony delinquent who has been committed to the department. During 65002  
65003~~

~~the period in which the felony delinquent is in that facility, the~~ 65004  
~~felony delinquent~~ (1) The department of youth services shall adopt 65005  
rules in accordance with Chapter 119. of the Revised Code to 65006  
establish the minimum occupancy threshold of community corrections 65007  
facilities. 65008

(2) The department may make referrals for the placement of 65009  
children in its custody to a community corrections facility if the 65010  
community corrections facility is not meeting the minimum 65011  
occupancy threshold established by the department. At least 65012  
forty-five days prior to the referral of a child, the department 65013  
shall notify the committing court of its intent to place the child 65014  
in a community corrections facility. The court shall have thirty 65015  
days after the receipt of the notice to approve or disapprove the 65016  
placement. If the court does not respond to the notice of the 65017  
placement within that thirty-day period, the department shall 65018  
proceed with the placement and debit the county in accordance with 65019  
sections 5139.41 to 5139.43 of the Revised Code. A child placed in 65020  
a community corrections facility pursuant to this division shall 65021  
remain in the legal custody of the department of youth services 65022  
during the period in which the child is in the community 65023  
corrections facility. 65024

(3) Counties that are not associated with a community 65025  
corrections facility may refer children to a community corrections 65026  
facility with the consent of the facility. The department of youth 65027  
services shall debit the county that makes the referral in 65028  
accordance with sections 5139.41 to 5139.43 of the Revised Code. 65029

(F) If the board or other governing body of a community 65030  
corrections facility establishes an advisory board, the board or 65031  
other governing authority of the community corrections facility 65032  
shall reimburse the members of the advisory board for their actual 65033  
and necessary expenses incurred in the performance of their 65034  
official duties on the advisory board. The members of advisory 65035



boards shall serve without compensation. 65036

~~Sec. 5139.41. On and after January 1, 1995, the~~ The 65037  
appropriation made to the department of youth services for care 65038  
and custody of felony delinquents shall be expended in accordance 65039  
with ~~a formula~~ the following procedure that the department shall 65040  
~~develop~~ use for each year of a biennium. The ~~formula~~ procedure 65041  
shall be consistent with sections 5139.41 to ~~5139.45~~ 5139.43 of 65042  
the Revised Code and shall be developed in accordance with the 65043  
following guidelines: 65044

~~(A) The department shall set aside at least three per cent~~ 65045  
~~but not more than five per cent of the appropriation for purposes~~ 65046  
~~of funding the contingency program described in section 5139.45 of~~ 65047  
~~the Revised Code and of use in accordance with that section.~~ 65048

~~(B)(1) After setting aside the amount described in division~~ 65049  
~~(A) of this section, the department shall set aside twenty five~~ 65050  
~~per cent of the remainder of the appropriation and use that amount~~ 65051  
~~for the purpose described in division (B)(2) of this section and~~ 65052  
~~to pay certain of the operational costs associated with, and to~~ 65053  
~~provide cash flow for, the following:~~ 65054

~~(a) Institutions;~~ 65055

~~(b) The diagnosis, care, or treatment of felony delinquents~~ 65056  
~~at institutions, facilities, or centers pursuant to contracts~~ 65057  
~~entered into under section 5139.08 of the Revised Code;~~ 65058

~~(c) Community corrections facilities constructed,~~ 65059  
~~reconstructed, improved, or financed as described in section~~ 65060  
~~5139.36 of the Revised Code for the purpose of providing~~ 65061  
~~alternative placement and services for felony delinquents who have~~ 65062  
~~been diverted from care and custody in institutions.~~ 65063

~~(2) The department may use a portion of the twenty five per~~ 65064  
~~cent of the remainder of the appropriation set aside pursuant to~~ 65065

~~division (B)(1) of this section for administrative expenses 65066  
incurred by the department in connection with the felony 65067  
delinquent care and custody program described in section 5139.43 65068  
of the Revised Code and the associated contingency program 65069  
described in section 5139.45 of the Revised Code. 65070~~

~~(C) After setting aside the amounts described in divisions 65071  
(A) and (B)(1) of this section, the department shall set aside the 65072  
amount of the appropriation that is equal to twenty five per cent 65073  
of the amount that is calculated by multiplying the per diem cost 65074  
for the care and custody of felony delinquents, as determined 65075  
pursuant to division (D) of section 5139.42 of the Revised Code, 65076  
by the number of bed days that the department projects for 65077  
occupancy in community corrections facilities described in 65078  
division (B)(1)(c) of this section. The department shall use the 65079  
amount of the appropriation that is set aside pursuant to this 65080  
division to pay the percentage of the per diem cost for the care 65081  
and custody of felony delinquents who are in the care and custody 65082  
of community corrections facilities described in division 65083  
(B)(1)(c) of this section for which the department is responsible 65084  
under sections 5139.41 to 5139.45 of the Revised Code. 65085~~

~~(D) After setting aside the amounts described in divisions 65086  
(A) to (C) of this section, the department shall set aside the 65087  
amount of the appropriation that is necessary to pay seventy five 65088  
per cent of the per diem cost of public safety beds and shall use 65089  
that amount for the purpose of paying that per diem cost. 65090~~

~~(E) After setting aside the amounts described in divisions 65091  
(A) to (D) of this section, the department shall use the remainder 65092  
of the appropriation in connection with the felony delinquent care 65093  
and custody program described in section 5139.43 of the Revised 65094  
Code, except that, for fiscal year 2002 and fiscal year 2003 and 65095  
only for those two fiscal years, the total number of beds 65096  
available to all counties via public safety beds and county 65097~~

~~allocations shall not be less than the total beds used by all the 65098  
counties during fiscal year 2000 funded by care and custody 65099  
chargebacks (Line Item 401) and as public safety beds. 65100~~

~~(F) If the department's appropriation for a fiscal year is 65101  
subsequently revised by law or its expenditures ordered to be 65102  
reduced by executive order under section 126.05 of the Revised 65103  
Code, the department may adjust the amounts described in divisions 65104  
(A) to (E) of this section in a manner consistent with the 65105  
revision or reduction. The line item appropriation for the care 65106  
and custody of felony delinquents shall provide funding for 65107  
operational costs for the following: 65108~~

~~(1) Institutions and the diagnosis, care, or treatment of 65109  
felony delinquents at facilities pursuant to contracts entered 65110  
into under section 5139.08 of the Revised Code; 65111~~

~~(2) Community corrections facilities constructed, 65112  
reconstructed, improved, or financed as described in section 65113  
5139.36 of the Revised Code for the purpose of providing 65114  
alternative placement and services for felony delinquents who have 65115  
been diverted from care and custody in institutions; 65116~~

~~(3) County juvenile courts that administer programs and 65117  
services for prevention, early intervention, diversion, treatment, 65118  
and rehabilitation services and programs that are provided for 65119  
alleged or adjudicated unruly or delinquent children or for 65120  
children who are at risk of becoming unruly or delinquent 65121  
children; 65122~~

~~(4) Administrative expenses the department incurs in 65123  
connection with the felony delinquent care and custody programs 65124  
described in section 5139.43 of the Revised Code. 65125~~

~~(B) From the appropriated line item for the care and custody 65126  
of felony delinquents, the department, with the advice of the 65127  
RECLAIM advisory committee established under section 5139.44 of 65128~~

the Revised Code, shall allocate annual operational funds for 65129  
county juvenile programs, institutional care and custody, 65130  
community corrections facilities care and custody, and 65131  
administrative expenses incurred by the department associated with 65132  
felony delinquent care and custody programs. The department, with 65133  
the advice of the RECLAIM advisory committee, shall adjust these 65134  
allocations, when modifications to this line item are made by 65135  
legislative or executive action. 65136

(C) The department shall divide county juvenile program 65137  
allocations among county juvenile courts that administer programs 65138  
and services for prevention, early intervention, diversion, 65139  
treatment, and rehabilitation that are provided for alleged or 65140  
adjudicated unruly or delinquent children or for children who are 65141  
at risk of becoming unruly or delinquent children. The department 65142  
shall base funding on the county's previous year's ratio of the 65143  
department's institutional and community correctional facilities 65144  
commitments to that county's four year average of felony 65145  
adjudications, divided by statewide ratios of commitments to 65146  
felony adjudications, as specified in the following formula: 65147

(1) The department shall give to each county a proportional 65148  
allocation of commitment credits. The proportional allocation of 65149  
commitment credits shall be calculated by the following 65150  
procedures: 65151

(a) The department shall determine for each county and for 65152  
the state a four year average of felony adjudications. 65153

(b) The department shall determine for each county and for 65154  
the state the number of charged bed days, for both the department 65155  
and community correctional facilities, from the previous year. 65156

(c) The department shall divide the statewide total number of 65157  
charged bed days by the statewide total number of felony 65158  
adjudications, which quotient shall then be multiplied by a factor 65159

determined by the department. 65160

(d) The department shall calculate the county's allocation of credits by multiplying the number of adjudications for each court by the result determined pursuant to division (C)(1)(c) of this section. 65161  
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65164

(2) The department shall subtract from the allocation determined pursuant to division (C)(1) of this section a credit for every chargeable bed day a youth stays in a department institution and two-thirds of credit for every chargeable bed day a youth stays in a community correctional facility. At the end of the year, the department shall divide the amount of remaining credits of that county's allocation by the total number of remaining credits to all counties, to determine the county's percentage, which shall then be applied to the total county allocation to determine the county's payment for the fiscal year. 65165  
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(3) The department shall pay counties three times during the fiscal year to allow for credit reporting and audit adjustments, and modifications to the appropriated line item for the care and custody of felony delinquents, as described in this section. The department shall pay fifty per cent of the payment by the fifteenth of July of each fiscal year, twenty-five per cent by the fifteenth of January of that fiscal year, and twenty-five per cent of the payment by the fifteenth of June of that fiscal year. 65175  
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(D) In fiscal year 2004, the payment of county juvenile programs shall be based on the following procedure: 65183  
65184

(1) The department shall divide the funding earned by each court in fiscal year 2003 by the aggregate funding of all courts, resulting in a percentage. 65185  
65186  
65187

(2) The department shall apply the percentage determined under division (D)(1) of this section to the total county juvenile program allocation for fiscal year 2004 to determine each court's 65188  
65189  
65190

total payment. 65191

(3) The department shall make payments in accordance with the 65192  
schedule established in division (C)(3) of this section. 65193

**Sec. 5139.43.** (A) The department of youth services shall 65194  
operate a felony delinquent care and custody program ~~with the~~ 65195  
~~remainder of the appropriation described in division (E) of~~ 65196  
~~section 5139.41 of the Revised Code. The program that shall be~~ 65197  
operated in accordance with the formula developed pursuant to 65198  
~~sections section 5139.41 and 5139.42 of the Revised Code, subject~~ 65199  
to the conditions specified in this section, ~~and in conjunction~~ 65200  
~~with the contingency program described in section 5139.45 of the~~ 65201  
~~Revised Code.~~ 65202

(B)(1) ~~The department of youth services annually shall~~ 65203  
~~allocate to each county a portion of the remainder of the~~ 65204  
~~appropriation described in division (E) of section 5139.41 of the~~ 65205  
~~Revised Code. The portion to be allocated to each county shall be~~ 65206  
~~determined by multiplying the county's percentage determined under~~ 65207  
~~division (E) of section 5139.42 of the Revised Code by the amount~~ 65208  
~~of that remainder. The department shall divide the portion to be~~ 65209  
~~allocated to each county by twelve or, if in a particular fiscal~~ 65210  
~~year the felony delinquent care and custody program is in effect~~ 65211  
~~in a county less than twelve months, by the number of months the~~ 65212  
~~program is in effect in that county to determine the monthly~~ 65213  
~~allocation to that county.~~ 65214

~~(2)(a) Except as provided in divisions (B)(2)(b) and (E) of~~ 65215  
~~this section, the department shall reduce the monthly allocation~~ 65216  
~~for each fiscal year to each county as determined under division~~ 65217  
~~(B)(1) of this section by both of the following:~~ 65218

~~(i) Seventy five per cent of the amount determined by~~ 65219  
~~multiplying the per diem cost for the care and custody of felony~~ 65220  
~~delinquents, as determined pursuant to division (D) of section~~ 65221

~~5139.42 of the Revised Code, by the number of felony delinquents 65222  
who have been adjudicated delinquent children and, except as 65223  
otherwise provided in divisions (B)(2)(a) and (3) of this section, 65224  
who are in the care and custody of an institution pursuant to a 65225  
commitment, recommitment, or revocation of a release by the 65226  
juvenile court of that county; 65227~~

~~(ii) Fifty per cent of the amount determined by multiplying 65228  
the per diem cost for the care and custody of felony delinquents, 65229  
as determined pursuant to division (D) of section 5139.42 of the 65230  
Revised Code, by the number of felony delinquents who have been 65231  
adjudicated delinquent children and, except as otherwise provided 65232  
in division (B)(3) of this section, who are in the care and 65233  
custody of a community corrections facility pursuant to a 65234  
placement by the department with the consent of the juvenile court 65235  
of that county as described in division (E) of section 5139.36 of 65236  
the Revised Code. 65237~~

~~Public safety beds shall not be included in the number of 65238  
felony delinquents who have been adjudicated delinquent children 65239  
by a juvenile court in making the seventy five per cent reduction 65240  
described in division (B)(2)(a)(i) of this section. The department 65241  
shall bear the care and custody costs associated with public 65242  
safety beds. 65243~~

~~(b) If a county has exhausted its current and future monthly 65244  
allocations for the current fiscal year as determined under 65245  
division (B)(1) of this section, the department shall bear the 65246  
remainder of the amounts calculated under divisions (B)(2)(a)(i) 65247  
and (ii) of this section for the care and custody of felony 65248  
delinquents who are in the care and custody of an institution 65249  
pursuant to a commitment, recommitment, or revocation of a release 65250  
or in the care and custody of a community corrections facility by 65251  
debiting, in accordance with division (C)(2) of section 5139.45 of 65252  
the Revised Code, the amount of the appropriation for care and 65253~~

~~eustody of felony delinquents that was set aside for the 65254  
contingency program pursuant to division (A) of section 5139.41 of 65255  
the Revised Code. 65256~~

~~(3)(a) Subject to divisions (B)(2)(b) and (4) and (C)(3)(b) 65257  
and (c) of this section and subject to the special provisions of 65258  
division (B)(3)(b) of this section pertaining to monthly 65259  
allocations under divisions (B)(1) and (2)(a) of this section for 65260  
the month of June, after the application of division (B)(2)(a) of 65261  
this section and on or before the fifteenth day of the following 65262  
month, the department shall disburse to the juvenile court of each 65263  
county the remainder of the monthly allocation of that county as 65264  
determined pursuant to divisions (B)(1) and (2)(a) of this 65265  
section. 65266~~

~~(b)(i) For the monthly allocation for the month of June of 65267  
each fiscal year, the department shall estimate for each county 65268  
the number of felony delinquents described in divisions 65269  
(B)(2)(a)(i) and (ii) of this section rather than use the actual 65270  
number of those felony delinquents, shall use the estimated number 65271  
of those felony delinquents in making the seventy five per cent 65272  
and fifty per cent reductions described in those divisions, and 65273  
shall encumber the remainder of the estimated monthly allocation 65274  
of each county for the month of June, as determined pursuant to 65275  
divisions (B)(1), (2)(a), and (3)(b)(i) of this section, for 65276  
disbursement in the month of July of the next fiscal year in 65277  
accordance with division (B)(3)(b)(ii) of this section. If the 65278  
total of the seventy five per cent and fifty per cent reductions 65279  
described in division (B)(2)(a) of this section exceeds the 65280  
estimated monthly allocation of a county for the month of June as 65281  
so determined, the department may cover the amount of the excess 65282  
by debiting, in accordance with division (C)(2) of section 5139.45 65283  
of the Revised Code, the amount of the appropriation for care and 65284  
eustody of felony delinquents that was set aside for the 65285~~



~~contingency program pursuant to division (A) of section 5139.41 of  
the Revised Code.~~ 65286  
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~~(ii) In the month of July of each new fiscal year, the  
department shall reconcile for each county the estimated  
reductions that occurred pursuant to divisions (B)(2)(a) and  
(3)(b)(i) of this section and the reductions that should have  
occurred pursuant to division (B)(2)(a) of this section by using  
the actual number of felony delinquents described in divisions  
(B)(2)(a)(i) and (ii) of this section for the month of June of the  
prior fiscal year. After that reconciliation occurs, subject to  
divisions (B)(2)(b) and (4) and (C)(3)(b) and (c) of this section,  
the department shall disburse to each county the remainder of its  
monthly allocation for the month of June of the prior fiscal year  
as adjusted pursuant to the reconciliation and division  
(B)(3)(b)(ii) of this section.~~ 65288  
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~~In connection with the adjustments in the monthly allocations  
for the month of June of the prior fiscal year, if the encumbered  
monthly allocations of one or more counties for that month exceed  
or are less than the monthly allocations for that month to which  
those counties are entitled under divisions (B)(1) and (2)(a) of  
this section by using the actual number of felony delinquents  
described in divisions (B)(2)(a)(i) and (ii) of this section  
rather than the estimated number of those felony delinquents, the  
department may make the necessary adjustments in the monthly  
allocations of those counties for the month of June of the prior  
fiscal year within the total of the moneys for monthly allocations  
for that month that were encumbered for all of the counties. If  
that total amount is insufficient to make the requisite monthly  
allocations for that month to all counties in accordance with  
divisions (B)(1) and (2)(a) of this section, the department shall  
cover the insufficiency by debiting, in accordance with division  
(C)(2) of section 5139.45 of the Revised Code, the amount of the~~ 65301  
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~~appropriation for care and custody of felony delinquents that was 65318  
set aside for the contingency program pursuant to division (A) of 65319  
section 5139.41 of the Revised Code. 65320~~

~~(4) Notwithstanding the general disbursement requirements of 65321  
division (B)(3)(a) and (b)(ii) of this section, if a juvenile 65322  
court fails to comply with division (C)(3)(d) of this section and 65323  
the department is not able to reconcile fiscal accounting as a 65324  
consequence of that failure, the department is not required to 65325  
make any disbursement in accordance with division (B)(3)(a) or 65326  
(b)(ii) of this section to the juvenile court until it complies 65327  
with division (C)(3)(d) of this section. 65328~~

~~(C)(1) Each juvenile court shall use the moneys disbursed to 65329  
it by the department of youth services pursuant to division (B) of 65330  
this section 5139.41 of the Revised Code in accordance with the 65331  
applicable provisions of division ~~(C)~~(B)(2) of this section and 65332  
shall transmit the moneys to the county treasurer for deposit in 65333  
accordance with this division. The county treasurer shall create 65334  
in the county treasury a fund that shall be known as the felony 65335  
delinquent care and custody fund and shall deposit in that fund 65336  
the moneys disbursed to the juvenile court pursuant to division 65337  
(B) of ~~this~~ section 5139.41 of the Revised Code. The county 65338  
treasurer also shall deposit into that fund the state subsidy 65339  
funds granted to the county pursuant to section 5139.34 of the 65340  
Revised Code. The moneys disbursed to the juvenile court pursuant 65341  
to division (B) of ~~this~~ section 5139.41 of the Revised Code and 65342  
deposited pursuant to this division in the felony delinquent care 65343  
and custody fund shall not be commingled with any other county 65344  
funds except state subsidy funds granted to the county pursuant to 65345  
section 5139.34 of the Revised Code; shall not be used for any 65346  
capital construction projects; upon an order of the juvenile court 65347  
and subject to appropriation by the board of county commissioners, 65348  
shall be disbursed to the juvenile court for use in accordance 65349~~

with the applicable provisions of division ~~(C)~~(B)(2) of this 65350  
section; shall not revert to the county general fund at the end of 65351  
any fiscal year; and shall carry over in the felony delinquent 65352  
care and custody fund from the end of any fiscal year to the next 65353  
fiscal year. The moneys disbursed to the juvenile court pursuant 65354  
to division (B) of ~~this~~ section 5139.41 of the Revised Code and 65355  
deposited pursuant to this division in the felony delinquent care 65356  
and custody fund shall be in addition to, and shall not be used to 65357  
reduce, any usual annual increase in county funding that the 65358  
juvenile court is eligible to receive or the current level of 65359  
county funding of the juvenile court and of any programs or 65360  
services for delinquent children, unruly children, or juvenile 65361  
traffic offenders. 65362

(2)(a) A county and the juvenile court that serves the county 65363  
shall use the moneys in its felony delinquent care and custody 65364  
fund in accordance with rules that the department of youth 65365  
services adopts pursuant to division ~~(E)~~(D) of section 5139.04 of 65366  
the Revised Code and as follows: 65367

(i) The moneys in the fund that represent state subsidy funds 65368  
granted to the county pursuant to section 5139.34 of the Revised 65369  
Code shall be used to aid in the support of prevention, early 65370  
intervention, diversion, treatment, and rehabilitation programs 65371  
that are provided for alleged or adjudicated unruly children or 65372  
delinquent children or for children who are at risk of becoming 65373  
unruly children or delinquent children. The county shall not use 65374  
for capital improvements more than fifteen per cent of the moneys 65375  
in the fund that represent the applicable annual grant of those 65376  
state subsidy funds. 65377

(ii) The moneys in the fund that were disbursed to the 65378  
juvenile court pursuant to division (B) of ~~this~~ section 5139.41 of 65379  
the Revised Code and deposited pursuant to division ~~(C)~~(B)(1) of 65380  
this section in the fund shall be used to provide programs and 65381

services for the training, treatment, or rehabilitation of felony 65382  
delinquents that are alternatives to their commitment to the 65383  
department, including, but not limited to, community residential 65384  
programs, day treatment centers, services within the home, and 65385  
electronic monitoring, and shall be used in connection with 65386  
training, treatment, rehabilitation, early intervention, or other 65387  
programs or services for any delinquent child, unruly child, or 65388  
juvenile traffic offender who is under the jurisdiction of the 65389  
juvenile court. ~~For purposes of division (C)(2)(a)(ii) of this 65390~~  
~~section, a delinquent child includes a child who is so adjudicated 65391~~  
~~for the commission of an act that if committed by an adult would 65392~~  
~~be a misdemeanor or felony. 65393~~

~~If, during the previous state fiscal year, the county did not 65394~~  
~~exceed in any month its monthly allocation as determined pursuant 65395~~  
~~to division (B)(1) of this section in connection with felony 65396~~  
~~delinquents described in divisions (B)(2)(a)(i) and (ii) of this 65397~~  
~~section, the moneys in the fund that were disbursed to the 65398~~  
~~juvenile court pursuant to division (B) of this section and 65399~~  
~~deposited pursuant to division (C)(1) of this section in the The 65400~~  
fund also may be used for prevention, early intervention, 65401  
diversion, treatment, and rehabilitation programs that are 65402  
provided for alleged or adjudicated unruly children, delinquent 65403  
children, or juvenile traffic offenders or for children who are at 65404  
risk of becoming unruly children, delinquent children, or juvenile 65405  
traffic offenders. Consistent with division ~~(C)~~(B)(1) of this 65406  
section, a county and the juvenile court of a county shall not use 65407  
any of those moneys for capital construction projects. 65408

(iii) The county and the juvenile court that serves the 65409  
county may not use moneys in the fund for the provision of care 65410  
and services for children, including, but not limited to, care and 65411  
services in a detention facility, in another facility, or in 65412  
out-of-home placement, unless the minimum standards that apply to 65413

the care and services and that the department prescribes in rules 65414  
adopted pursuant to division ~~(E)~~(D) of section 5139.04 of the 65415  
Revised Code have been satisfied. 65416

(b) Each juvenile court shall comply with division 65417  
~~(C)~~(B)(3)(d) of this section as implemented by the department. ~~If~~ 65418  
~~a juvenile court fails to comply with that division and the~~ 65419  
~~department is not able to reconcile fiscal accounting as a~~ 65420  
~~consequence of the failure, the provisions of division (B)(4) of~~ 65421  
~~this section shall apply.~~ 65422

(3) In accordance with rules adopted by the department 65423  
pursuant to division ~~(E)~~(D) of section 5139.04 of the Revised 65424  
Code, each juvenile court and the county served by that juvenile 65425  
court shall do all of the following that apply: 65426

(a) The juvenile court shall prepare an annual grant 65427  
agreement and application for funding that satisfies the 65428  
requirements of this section and section 5139.34 of the Revised 65429  
Code and that pertains to the use, upon an order of the juvenile 65430  
court and subject to appropriation by the board of county 65431  
commissioners, of the moneys in its felony delinquent care and 65432  
custody fund for specified programs, care, and services as 65433  
described in division ~~(C)~~(B)(2)(a) of this section, shall submit 65434  
that agreement and application to the county family and children 65435  
first council, the regional family and children first council, or 65436  
the local intersystem services to children cluster as described in 65437  
sections 121.37 and 121.38 of the Revised Code, whichever is 65438  
applicable, and shall file that agreement and application with the 65439  
department for its approval. The annual grant agreement and 65440  
application for funding shall include a method of ensuring equal 65441  
access for minority youth to the programs, care, and services 65442  
specified in it. 65443

The department may approve an annual grant agreement and 65444  
application for funding only if the juvenile court involved has 65445

complied with the preparation, submission, and filing requirements 65446  
described in division ~~(C)~~(B)(3)(a) of this section. If the 65447  
juvenile court complies with those requirements and the department 65448  
approves that agreement and application, the juvenile court and 65449  
the county served by the juvenile court may expend the state 65450  
subsidy funds granted to the county pursuant to section 5139.34 of 65451  
the Revised Code only in accordance with division ~~(C)~~(B)(2)(a) of 65452  
this section, the rules pertaining to state subsidy funds that the 65453  
department adopts pursuant to division ~~(E)~~(D) of section 5139.04 65454  
of the Revised Code, and the approved agreement and application. 65455

(b) By the thirty-first day of August of each year, the 65456  
juvenile court shall file with the department a report that 65457  
contains all of the statistical and other information for each 65458  
month of the prior state fiscal year ~~that will permit the~~ 65459  
~~department to prepare the report described in division (D) of this~~ 65460  
~~section and the annual report described in division (H) of section~~ 65461  
~~5139.04 of the Revised Code.~~ If the juvenile court fails to file 65462  
the report required by division ~~(C)~~(B)(3)(b) of this section by 65463  
the thirty-first day of August of any year, the department shall 65464  
not disburse any payment of state subsidy funds to which the 65465  
county otherwise is entitled pursuant to section 5139.34 of the 65466  
Revised Code and shall not disburse pursuant to division (B)~~(3)(a)~~ 65467  
~~or (b)(ii) of this section the remainder of 5139.41 of the Revised~~ 65468  
~~Code~~ the applicable ~~monthly~~ allocation ~~of the county~~ until the 65469  
juvenile court fully complies with division ~~(C)~~(B)(3)(b) of this 65470  
section. 65471

(c) If the department requires the juvenile court to prepare 65472  
monthly statistical reports ~~for use under section 5139.42 of the~~ 65473  
~~Revised Code~~ and to submit the reports on forms provided by the 65474  
department, the juvenile court shall file those reports with the 65475  
department on the forms so provided. If the juvenile court fails 65476  
to prepare and submit those monthly statistical reports within the 65477

department's timelines, the department shall not disburse any 65478  
payment of state subsidy funds to which the county otherwise is 65479  
entitled pursuant to section 5139.34 of the Revised Code and shall 65480  
not disburse pursuant to division ~~(B)(3)(a) or (b)(ii)~~ of ~~this~~ 65481  
~~section the remainder of 5139.41 of the Revised Code~~ the 65482  
applicable ~~monthly~~ allocation ~~of the county~~ until the juvenile 65483  
court fully complies with division ~~(C)~~(B)(3)(c) of this section. 65484  
If the juvenile court fails to prepare and submit those monthly 65485  
statistical reports within one hundred eighty days of the date the 65486  
department establishes for their submission, the department shall 65487  
not disburse any payment of state subsidy funds to which the 65488  
county otherwise is entitled pursuant to section 5139.34 of the 65489  
Revised Code and shall not disburse pursuant to division ~~(B)(3)(a)~~ 65490  
~~or (b)(ii)~~ of ~~this~~ section ~~the remainder of 5139.41 of the Revised~~ 65491  
Code the applicable ~~monthly~~ allocation ~~of the county~~, and the 65492  
state subsidy funds and the remainder of the applicable ~~monthly~~ 65493  
allocation shall revert to the department. If a juvenile court 65494  
states in a monthly statistical report that the juvenile court 65495  
adjudicated within a state fiscal year five hundred or more 65496  
children to be delinquent children for committing acts that would 65497  
be felonies if committed by adults and if the department 65498  
determines that the data in the report may be inaccurate, the 65499  
juvenile court shall have an independent auditor or other 65500  
qualified entity certify the accuracy of the data on a date 65501  
determined by the department. 65502

(d) If the department requires the juvenile court and the 65503  
county to participate in a fiscal monitoring program or another 65504  
monitoring program that is conducted by the department to ensure 65505  
compliance by the juvenile court and the county with division 65506  
~~(C)~~(B) of this section, the juvenile court and the county shall 65507  
participate in the program and fully comply with any guidelines 65508  
for the performance of audits adopted by the department pursuant 65509  
to that program and all requests made by the department pursuant 65510

to that program for information necessary to reconcile fiscal 65511  
accounting. If an audit that is performed pursuant to a fiscal 65512  
monitoring program or another monitoring program described in this 65513  
division determines that the juvenile court or the county used 65514  
moneys in the county's felony delinquent care and custody fund for 65515  
expenses that are not authorized under division ~~(C)~~(B) of this 65516  
section, within forty-five days after the department notifies the 65517  
county of the unauthorized expenditures, the county either shall 65518  
repay the amount of the unauthorized expenditures from the county 65519  
general revenue fund to the state's general revenue fund or shall 65520  
file a written appeal with the department. If an appeal is timely 65521  
filed, the director of the department shall render a decision on 65522  
the appeal and shall notify the appellant county or its juvenile 65523  
court of that decision within forty-five days after the date that 65524  
the appeal is filed. If the director denies an appeal, the 65525  
county's fiscal agent shall repay the amount of the unauthorized 65526  
expenditures from the county general revenue fund to the state's 65527  
general revenue fund within thirty days after receiving the 65528  
director's notification of the appeal decision. If the county 65529  
fails to make the repayment within that thirty-day period and if 65530  
the unauthorized expenditures pertain to moneys allocated under 65531  
sections 5139.41 to ~~5139.45~~ 5139.43 of the Revised Code, the 65532  
department shall deduct the amount of the unauthorized 65533  
expenditures from the next ~~monthly~~ allocation of those moneys to 65534  
the county in accordance with this section or from the allocations 65535  
that otherwise would be made under those sections to the county 65536  
during the next state fiscal year in accordance with this section 65537  
and shall return that deducted amount to the state's general 65538  
revenue fund. If the county fails to make the repayment within 65539  
that thirty-day period and if the unauthorized expenditures 65540  
pertain to moneys granted pursuant to section 5139.34 of the 65541  
Revised Code, the department shall deduct the amount of the 65542  
unauthorized expenditures from the next annual grant to the county 65543



pursuant to that section and shall return ~~than~~ that deducted 65544  
amount to the state's general revenue fund. 65545

~~(D) On or prior to the first day of December of each year,~~ 65546  
~~the department of youth services shall submit to the joint~~ 65547  
~~legislative committee on juvenile corrections overcrowding a~~ 65548  
~~report that pertains to the operation of sections 5139.34 and~~ 65549  
~~5139.41 to 5139.45 of the Revised Code during the immediately~~ 65550  
~~preceding state fiscal year and that includes, but is not limited~~ 65551  
~~to, the following:~~ 65552

~~(1) A description of the programs, care, and services that~~ 65553  
~~were financed under those sections in each county;~~ 65554

~~(2) The number of felony delinquents, other delinquent~~ 65555  
~~children, unruly children, and juvenile traffic offenders served~~ 65556  
~~by the programs, care, and services in each county;~~ 65557

~~(3) The total number of children adjudicated in each juvenile~~ 65558  
~~court as felony delinquents;~~ 65559

~~(4) The total number of felony delinquents who were committed~~ 65560  
~~by the juvenile court of each county to the department and who~~ 65561  
~~were in the care and custody of an institution or a community~~ 65562  
~~corrections facility;~~ 65563

~~(5) A breakdown of the felony delinquents described in~~ 65564  
~~division (D)(4) of this section on the basis of the types and~~ 65565  
~~degrees of felonies committed, the ages of the felony delinquents~~ 65566  
~~at the time they committed the felonies, and the sex and race of~~ 65567  
~~the felony delinquents.~~ 65568

~~(E)~~(C) The determination of which county a reduction of the 65569  
monthly care and custody allocation will be charged against for a 65570  
particular youth shall be made as outlined below for all youths 65571  
who do not qualify as public safety beds. The determination of 65572  
which county a reduction of the monthly care and custody 65573  
allocation will be charged against shall be made as follows until 65574

each youth is released: 65575

(1) In the event of a commitment, the reduction shall be 65576  
charged against the committing county. 65577

(2) In the event of a recommitment, the reduction shall be 65578  
charged against the original committing county until the 65579  
expiration of the minimum period of institutionalization under the 65580  
original order of commitment or until the date on which the youth 65581  
is admitted to the department of youth services pursuant to the 65582  
order of recommitment, whichever is later. Reductions of the 65583  
~~monthly~~ allocation shall be charged against the county that 65584  
recommitted the youth after the minimum expiration date of the 65585  
original commitment. 65586

(3) In the event of a revocation of a release on parole, the 65587  
reduction shall be charged against the county that revokes the 65588  
youth's parole. 65589

(D) A juvenile court is not precluded by its allocation 65590  
amount for the care and custody of felony delinquents from 65591  
committing a felony delinquent to the department of youth services 65592  
for care and custody in an institution or a community corrections 65593  
facility when the juvenile court determines that the commitment is 65594  
appropriate. 65595

Sec. 5139.44. (A)(1) There is hereby created the RECLAIM 65596  
advisory committee that shall be composed of the following nine 65597  
members: 65598

(a) Two members shall be juvenile court judges appointed by 65599  
the Ohio association of juvenile and family court judges. 65600

(b) One member shall be the director of youth services or the 65601  
director's designee. 65602

(c) One member shall be the director of budget and management 65603  
or the director's designee. 65604

(d) One member shall be a member of a senate committee dealing with finance or criminal justice issues appointed by the president of the senate. 65605  
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(e) One member shall be a member of a committee of the house of representatives dealing with finance or criminal justice issues appointed by the speaker of the house of representatives. 65608  
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(f) One member shall be a member of a board of county commissioners appointed by the county commissioners association of Ohio. 65611  
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(g) Two members shall be juvenile court administrators appointed by the Ohio association of juvenile and family court judges. 65614  
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(2) The members of the committee shall be appointed or designated within thirty days after the effective date of this section, and the director of youth services shall be notified of the names of the members. 65617  
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(3) Members described in divisions (A)(1)(a), (f), and (g) of this section shall serve for terms of two years and shall hold office from the date of the member's appointment until the end of the term for which the member was appointed. Members described in divisions (A)(1)(b) and (c) of this section shall serve as long as they hold the office described in that division. Members described in divisions (A)(1)(d) and (e) of this section shall serve for the duration of the session of the general assembly during which they were appointed, provided they continue to hold the office described in that division. The members described in divisions (A)(1)(a), (d), (e), (f), and (g) may be reappointed. Vacancies shall be filled in the manner provided for original appointments. Any member appointed to fill a vacancy occurring prior to the expiration date of the term for which the member's predecessor was appointed shall hold office as a member for the remainder of that 65621  
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term. A member shall continue in office subsequent to the 65636  
expiration date of the member's term until the member's successor 65637  
takes office or until a period of sixty days has elapsed, 65638  
whichever occurs first. 65639

(4) Membership on the committee does not constitute the 65640  
holding of an incompatible public office or employment in 65641  
violation of any statutory or common law prohibition pertaining to 65642  
the simultaneous holding of more than one public office or 65643  
employment. Members of the committee are not disqualified from 65644  
holding by reason of that membership and do not forfeit because of 65645  
that membership their public office or employment that qualifies 65646  
them for membership on the committee notwithstanding any contrary 65647  
disqualification or forfeiture requirement under existing Revised 65648  
Code sections. 65649

(B) The director of youth services shall serve as an interim 65650  
chair of the RECLAIM advisory committee until the first meeting of 65651  
the committee. Upon receipt of the names of the members of the 65652  
committee, the director shall schedule the initial meeting of the 65653  
committee that shall take place at an appropriate location in 65654  
Columbus and occur not later than sixty days after the effective 65655  
date of this section. The director shall notify the members of the 65656  
committee of the time, date, and place of the meeting. At the 65657  
initial meeting, the committee shall organize itself by selecting 65658  
from among its members a chair, vice-chair, and secretary. The 65659  
committee shall meet at least once each quarter of the calendar 65660  
year but may meet more frequently at the call of the chair. 65661

(C) In addition to its functions with respect to the RECLAIM 65662  
program described in section 5139.41 of the Revised Code, the 65663  
RECLAIM advisory committee periodically shall do all of the 65664  
following: 65665

(1) Evaluate the operation of the RECLAIM program by the 65666  
department of youth services, evaluate the implementation of the 65667

RECLAIM program by the counties, and evaluate the efficiency of 65668  
the formula described in section 5139.41 of the Revised Code. In 65669  
conducting these evaluations, the committee shall consider the 65670  
public policy that RECLAIM funds are to be expended to provide the 65671  
most appropriate programs and services for felony delinquents and 65672  
other youthful offenders. 65673

(2) Advise the department of youth services, the office of 65674  
budget and management, and the general assembly on the following 65675  
changes that the committee believes should be made: 65676

(a) Changes to sections of the Revised Code that pertain to 65677  
the RECLAIM program, specifically the formula specified in section 65678  
5139.41 of the Revised Code; 65679

(b) Changes in the funding level for the RECLAIM program, 65680  
specifically the amounts distributed under the formula for county 65681  
allocations, community correctional facilities, and juvenile 65682  
correctional facility budgets. 65683

**Sec. 5139.87.** (A) The department of youth services shall 65684  
serve as the state agent for the administration of all federal 65685  
juvenile justice grants awarded to the state. 65686

(B) There are hereby created in the state treasury the 65687  
federal juvenile justice programs funds. A separate fund shall be 65688  
established each federal fiscal year. All federal grants and other 65689  
moneys received for federal juvenile programs shall be deposited 65690  
into the funds. All receipts deposited into the funds shall be 65691  
used for federal juvenile programs. All investment earnings on the 65692  
cash balance in a federal juvenile program fund shall be credited 65693  
to that fund for the appropriate federal fiscal year. 65694

(C) All rules, orders, and determinations of the office of 65695  
criminal justice services regarding the administration of federal 65696  
juvenile justice grants that are in effect on the effective date 65697

of this amendment shall continue in effect as rules, orders, and 65698  
determinations of the department of youth services. 65699

**Sec. 5153.122.** (A) Each caseworker hired by a public children 65700  
services agency shall complete at least ninety hours of in-service 65701  
training during the first year of the caseworker's continuous 65702  
employment, except that the director of the public children 65703  
services agency may waive the training requirement for a school of 65704  
social work graduate who participated in the university 65705  
partnership program described in division (D) of section 5101.141 65706  
of the Revised Code. The training shall consist of courses in 65707  
recognizing and preventing child abuse and neglect, assessing 65708  
risks, interviewing persons, investigating cases, intervening, 65709  
providing services to children and their families, and other 65710  
topics relevant to child abuse and neglect. After the first year 65711  
of continuous employment, each caseworker annually shall complete 65712  
thirty-six hours of training in areas relevant to the caseworker's 65713  
assigned duties. 65714

(B) Each supervisor hired by a public children services 65715  
agency shall complete at least sixty hours of in-service training 65716  
during the first year of the supervisor's continuous employment in 65717  
that position. After the first year of continuous employment as a 65718  
supervisor, the supervisor annually shall complete thirty hours of 65719  
training in areas relevant to the supervisor's assigned duties. 65720

(C) The director of job and family services shall adopt rules 65721  
in accordance with Chapter 119. of the Revised Code as necessary 65722  
to implement the training requirements of this section. 65723

**Sec. 5153.16.** (A) Except as provided in section 2151.422 of 65724  
the Revised Code, in accordance with rules of the department of 65725  
job and family services, and on behalf of children in the county 65726  
whom the public children services agency considers to be in need 65727

of public care or protective services, the public children 65728  
services agency shall do all of the following: 65729

(1) Make an investigation concerning any child alleged to be 65730  
an abused, neglected, or dependent child; 65731

(2) Enter into agreements with the parent, guardian, or other 65732  
person having legal custody of any child, or with the department 65733  
of job and family services, department of mental health, 65734  
department of mental retardation and developmental disabilities, 65735  
other department, any certified organization within or outside the 65736  
county, or any agency or institution outside the state, having 65737  
legal custody of any child, with respect to the custody, care, or 65738  
placement of any child, or with respect to any matter, in the 65739  
interests of the child, provided the permanent custody of a child 65740  
shall not be transferred by a parent to the public children 65741  
services agency without the consent of the juvenile court; 65742

(3) Accept custody of children committed to the public 65743  
children services agency by a court exercising juvenile 65744  
jurisdiction; 65745

(4) Provide such care as the public children services agency 65746  
considers to be in the best interests of any child adjudicated to 65747  
be an abused, neglected, or dependent child the agency finds to be 65748  
in need of public care or service; 65749

(5) Provide social services to any unmarried girl adjudicated 65750  
to be an abused, neglected, or dependent child who is pregnant 65751  
with or has been delivered of a child; 65752

(6) Make available to the bureau for children with medical 65753  
handicaps of the department of health at its request any 65754  
information concerning a crippled child found to be in need of 65755  
treatment under sections 3701.021 to 3701.028 of the Revised Code 65756  
who is receiving services from the public children services 65757  
agency; 65758

- (7) Provide temporary emergency care for any child considered 65759  
by the public children services agency to be in need of such care, 65760  
without agreement or commitment; 65761
- (8) Find certified foster homes, within or outside the 65762  
county, for the care of children, including handicapped children 65763  
from other counties attending special schools in the county; 65764
- (9) Subject to the approval of the board of county 65765  
commissioners and the state department of job and family services, 65766  
establish and operate a training school or enter into an agreement 65767  
with any municipal corporation or other political subdivision of 65768  
the county respecting the operation, acquisition, or maintenance 65769  
of any children's home, training school, or other institution for 65770  
the care of children maintained by such municipal corporation or 65771  
political subdivision; 65772
- (10) Acquire and operate a county children's home, establish, 65773  
maintain, and operate a receiving home for the temporary care of 65774  
children, or procure certified foster homes for this purpose; 65775
- (11) Enter into an agreement with the trustees of any 65776  
district children's home, respecting the operation of the district 65777  
children's home in cooperation with the other county boards in the 65778  
district; 65779
- (12) Cooperate with, make its services available to, and act 65780  
as the agent of persons, courts, the department of job and family 65781  
services, the department of health, and other organizations within 65782  
and outside the state, in matters relating to the welfare of 65783  
children, except that the public children services agency shall 65784  
not be required to provide supervision of or other services 65785  
related to the exercise of parenting time rights granted pursuant 65786  
to section 3109.051 or 3109.12 of the Revised Code or 65787  
companionship or visitation rights granted pursuant to section 65788  
3109.051, 3109.11, or 3109.12 of the Revised Code unless a 65789



juvenile court, pursuant to Chapter 2151. of the Revised Code, or 65790  
a common pleas court, pursuant to division (E)(6) of section 65791  
3113.31 of the Revised Code, requires the provision of supervision 65792  
or other services related to the exercise of the parenting time 65793  
rights or companionship or visitation rights; 65794

(13) Make investigations at the request of any superintendent 65795  
of schools in the county or the principal of any school concerning 65796  
the application of any child adjudicated to be an abused, 65797  
neglected, or dependent child for release from school, where such 65798  
service is not provided through a school attendance department; 65799

(14) Administer funds provided under Title IV-E of the 65800  
"Social Security Act," 94 Stat. 501 (1980), 42 U.S.C.A. 671, as 65801  
amended, in accordance with rules adopted under section 5101.141 65802  
of the Revised Code; 65803

(15) In addition to administering Title IV-E adoption 65804  
assistance funds, enter into agreements to make adoption 65805  
assistance payments under section 5153.163 of the Revised Code; 65806

(16) Implement a system of risk assessment, in accordance 65807  
with rules adopted by the director of job and family services, to 65808  
assist the public children services agency in determining the risk 65809  
of abuse or neglect to a child; 65810

(17) Enter into a plan of cooperation with the board of 65811  
county commissioners under section 307.983 of the Revised Code and 65812  
comply with ~~the partnership~~ each fiscal agreement the board enters 65813  
into under section 307.98 of the Revised Code that include family 65814  
services duties of public children services agencies and contracts 65815  
the board enters into under sections 307.981 and 307.982 of the 65816  
Revised Code that affect the public children services agency; 65817

(18) Make reasonable efforts to prevent the removal of an 65818  
alleged or adjudicated abused, neglected, or dependent child from 65819  
the child's home, eliminate the continued removal of the child 65820

from the child's home, or make it possible for the child to return 65821  
home safely, except that reasonable efforts of that nature are not 65822  
required when a court has made a determination under division 65823  
(A)(2) of section 2151.419 of the Revised Code; 65824

(19) Make reasonable efforts to place the child in a timely 65825  
manner in accordance with the permanency plan approved under 65826  
division (E) of section 2151.417 of the Revised Code and to 65827  
complete whatever steps are necessary to finalize the permanent 65828  
placement of the child; 65829

(20) Administer a Title IV-A program identified under 65830  
division (A)(3)(c) or (d) of section 5101.80 of the Revised Code 65831  
that the department of job and family services provides for the 65832  
public children services agency to administer under the 65833  
department's supervision pursuant to section 5101.801 of the 65834  
Revised Code; 65835

(21) Provide independent living services pursuant to sections 65836  
2151.81 to 2151.84 of the Revised Code. 65837

(B) The public children services agency shall use the system 65838  
implemented pursuant to division (B)(16) of this section in 65839  
connection with an investigation undertaken pursuant to division 65840  
(F)(1) of section 2151.421 of the Revised Code and may use the 65841  
system at any other time the agency is involved with any child 65842  
when the agency determines that risk assessment is necessary. 65843

(C) Except as provided in section 2151.422 of the Revised 65844  
Code, in accordance with rules of the director of job and family 65845  
services, and on behalf of children in the county whom the public 65846  
children services agency considers to be in need of public care or 65847  
protective services, the public children services agency may do 65848  
the following: 65849

(1) Provide or find, with other child serving systems, 65850  
specialized foster care for the care of children in a specialized 65851

foster home, as defined in section 5103.02 of the Revised Code, 65852  
certified under section 5103.03 of the Revised Code; 65853

(2)(a) Except as limited by divisions (C)(2)(b) and (c) of 65854  
this section, contract with the following for the purpose of 65855  
assisting the agency with its duties: 65856

(i) County departments of job and family services; 65857

(ii) Boards of alcohol, drug addiction, and mental health 65858  
services; 65859

(iii) County boards of mental retardation and developmental 65860  
disabilities; 65861

(iv) Regional councils of political subdivisions established 65862  
under Chapter 167. of the Revised Code; 65863

(v) Private and government providers of services; 65864

(vi) Managed care organizations and prepaid health plans. 65865

(b) A public children services agency contract under division 65866  
(C)(2)(a) of this section regarding the agency's duties under 65867  
section 2151.421 of the Revised Code may not provide for the 65868  
entity under contract with the agency to perform any service not 65869  
authorized by the department's rules. 65870

(c) Only a county children services board appointed under 65871  
section 5153.03 of the Revised Code that is a public children 65872  
services agency may contract under division (C)(2)(a) of this 65873  
section. If an entity specified in division (B) or (C) of section 65874  
5153.02 of the Revised Code is the public children services agency 65875  
for a county, the board of county commissioners may enter into 65876  
contracts pursuant to section 307.982 of the Revised Code 65877  
regarding the agency's duties. 65878

**Sec. 5153.163.** (A) As used in this section, "adoptive parent" 65879  
means, as the context requires, a prospective adoptive parent or 65880

an adoptive parent. 65881

(B)(1) ~~If~~ Before a child's adoption is finalized, a public 65882  
children services agency ~~considers a child with special needs~~ 65883  
~~residing in the county served by the agency to be in need of~~ 65884  
~~public care or protective services and all of the following apply,~~ 65885  
the agency shall enter into an agreement with the child's adoptive 65886  
parent ~~before the child is adopted~~ under which the agency shall 65887  
make state adoption maintenance subsidy payments as needed on 65888  
behalf of the child when all of the following apply: 65889

(a) The child is a child with special needs. 65890

(b) The child was placed in the adoptive home by a public 65891  
children services agency or a private child placing agency and may 65892  
legally be adopted. 65893

(c) The adoptive parent has the capability of providing the 65894  
permanent family relationships needed by the child ~~in all areas~~ 65895  
~~except financial need as determined by the agency;.~~ 65896

~~(b)(d)~~ (d) The needs of the child are beyond the economic 65897  
resources of the adoptive parent ~~as determined by the agency;.~~ 65898

~~(e) The agency determines the acceptance~~ (e) Acceptance of 65899  
the child as a member of the adoptive parent's family would not be 65900  
in the child's best interest without payments on the child's 65901  
behalf under this section. 65902

~~(2) Payments to an adoptive parent under division (B) of this~~ 65903  
~~section shall include medical, surgical, psychiatric,~~ 65904  
~~psychological, and counseling expenses, and may include~~ 65905  
~~maintenance costs if necessary and other costs incidental to the~~ 65906  
~~care of the child. No payment of maintenance costs shall be made~~ 65907  
~~under division (B) of this section on behalf of a child if either~~ 65908  
~~of the following apply:~~ 65909

~~(a)(f)~~ (f) The gross income of the adoptive parent's family 65910

~~exceeds~~ does not exceed one hundred twenty per cent of the median 65911  
income of a family of the same size, including the child, as most 65912  
recently determined for this state by the secretary of health and 65913  
human services under Title XX of the "Social Security Act," 88 65914  
Stat. 2337, 42 U.S.C.A. 1397, as amended~~+~~. 65915

~~(b)(g)~~ The child is not eligible for adoption assistance 65916  
payments ~~for maintenance costs~~ under Title IV-E of the "Social 65917  
Security Act," 94 Stat. 501 (1980), 42 U.S.C.A. 671, as amended. 65918

(2) State adoption maintenance subsidy payment agreements 65919  
must be made by either the public children services agency that 65920  
has permanent custody of the child or the public children services 65921  
agency of the county in which the private child placing agency 65922  
that has permanent custody of the child is located. 65923

(3) State adoption maintenance subsidy payments shall be made 65924  
in accordance with the agreement between the public children 65925  
services agency and the adoptive parent and are subject to an 65926  
annual redetermination of need. 65927

(4) Payments under this division ~~(B) of this section~~ may 65928  
begin either before or after issuance of the final adoption 65929  
decree, except that payments made before issuance of the final 65930  
adoption decree may be made only while the child is living in the 65931  
adoptive parent's home. Preadoption payments may be made for not 65932  
more than twelve months, unless the final adoption decree is not 65933  
issued within that time because of a delay in court proceedings. 65934  
Payments that begin before issuance of the final adoption decree 65935  
may continue after its issuance. 65936

(C)(1) If, after the child's adoption is finalized, a public 65937  
children services agency considers a child residing in the county 65938  
served by the agency to be in need of public care or protective 65939  
services and both of the following apply, the agency may, and to 65940  
the extent state funds are appropriated for this purpose shall, 65941

enter into an agreement with the child's adoptive parent ~~after the~~ 65942  
~~child is adopted~~ under which the agency shall make post adoption 65943  
special services subsidy payments on behalf of the child as needed 65944  
when both of the following apply: 65945

~~(1)(a)~~ The child has a physical or developmental handicap or 65946  
mental or emotional condition that either: 65947

~~(a)(i)~~ Existed before the adoption petition was filed; or 65948

~~(b)(ii)~~ Developed after the adoption petition was filed and 65949  
can be directly attributed to factors in the child's preadoption 65950  
background, medical history, or biological family's background or 65951  
medical history. 65952

~~(2)(b)~~ The agency determines the expenses necessitated by the 65953  
child's handicap or condition are beyond the adoptive parent's 65954  
economic resources. 65955

~~Payments to an adoptive parent~~ (2) Services for which a 65956  
public children services agency may make post adoption special 65957  
services subsidy payments on behalf of a child under this division 65958  
shall include medical, surgical, psychiatric, psychological, and 65959  
counseling ~~expenses~~ services, including residential treatment. 65960

(3) The department of job and family services shall establish 65961  
clinical standards to evaluate a child's physical or developmental 65962  
handicap or mental or emotional condition and assess the child's 65963  
need for services. 65964

(4) The total dollar value of post adoption special services 65965  
subsidy payments made on a child's behalf shall not exceed ten 65966  
thousand dollars in any fiscal year, unless the department 65967  
determines that extraordinary circumstances exist that necessitate 65968  
further funding of services for the child. Under such 65969  
extraordinary circumstances, the value of the payments made on the 65970  
child's behalf shall not exceed fifteen thousand dollars in any 65971  
fiscal year. 65972

(5) The adoptive parent or parents of a child who receives post adoption special services subsidy payments shall pay at least five per cent of the total cost of all services provided to the child; except that a public children services agency may waive this requirement if the gross annual income of the child's adoptive family is not more than two hundred per cent of the federal poverty guideline. 65973  
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(6) A public children services agency may use other sources of revenue to make post adoption special services subsidy payments, in addition to any state funds appropriated for that purpose. 65980  
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(D) No payment shall be made under division (B) or (C) of this section on behalf of any person eighteen years of age or older beyond the end of the school year during which the person attains the age of eighteen or on behalf of a mentally or physically handicapped person twenty-one years of age or older. 65984  
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~~Payments under those divisions shall be made in accordance with the terms of the agreement between the public children services agency and the adoptive parent, subject to an annual redetermination of need. The agency may use sources of funding in addition to any state funds appropriated for the purposes of those divisions.~~ 65989  
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(E) The director of job and family services shall adopt rules in accordance with Chapter 119. of the Revised Code that are needed to implement this section. The rules shall establish all of the following: 65995  
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(1) The application process for ~~payments~~ all forms of assistance provided under this section; 65999  
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(2) The method to determine the ~~amounts and kinds~~ amount of assistance payable under division (B) of this section; 66001  
66002

(3) The definition of "child with special needs" for this 66003

section; 66004

(4) The process whereby a child's continuing need for services provided under division (B) of this section is annually redetermined; 66005  
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66007

(5) The method of determining the amount, duration, and scope of services provided to a child under division (C) of this section; 66008  
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(6) Any other rule, requirement, or procedure the department considers appropriate for the implementation of this section. 66011  
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~~The rules shall allow for payments for children placed by nonpublic agencies.~~ 66013  
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~~(E)~~(F) The state adoption special services subsidy program ceases to exist on July 1, 2004, except that, subject to the findings of the annual redetermination process established under division (E) of this section and the child's individual need for services, a public children services agency may continue to provide state adoption special services subsidy payments on behalf of a child for whom payments were being made prior to July 1, 2004. 66015  
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(G) No public children services agency shall, pursuant to either section 2151.353 or 5103.15 of the Revised Code, place or maintain a child with special needs who is in the permanent custody of an institution or association certified by the department of job and family services under section 5103.03 of the Revised Code in a setting other than with a person seeking to adopt the child, unless the agency has determined and redetermined at intervals of not more than six months the impossibility of adoption by a person listed pursuant to division (B), (C), or (D) of section 5103.154 of the Revised Code, including the impossibility of entering into a payment agreement with such a person. The agency so maintaining such a child shall report its 66023  
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reasons for doing so to the department of job and family services. 66035  
~~No agency that fails to so determine, redetermine, and report 66036~~  
~~shall receive more than fifty per cent of the state funds to which 66037~~  
~~it would otherwise be eligible for that part of the fiscal year 66038~~  
~~following placement under section 5101.14 of the Revised Code. 66039~~

The department may take any action permitted under section 66040  
5101.24 of the Revised Code for an agency's failure to determine, 66041  
redetermine, and report on a child's status. 66042

**Sec. 5153.60.** (A) The department of job and family services 66043  
shall establish a statewide program that provides ~~the~~ all of the 66044  
following: 66045

(1) The training section 5153.122 of the Revised Code 66046  
requires public children services agency caseworkers and 66047  
supervisors to complete. ~~The program may also provide the; 66048~~

(2) The preplacement and continuing training described in 66049  
sections 5103.034, 5103.039, 5103.0310, and 5103.0311 of the 66050  
Revised Code that foster caregivers are required by sections 66051  
5103.031, 5103.032, and 5103.033 of the Revised Code to obtain- 66052  
The; 66053

(3) The education programs for adoption assessors required by 66054  
section 3107.014 of the Revised Code. 66055

(B) The program established pursuant to division (A) of this 66056  
section shall be called the "Ohio child welfare training program." 66057

**Sec. 5153.69.** The training program steering committee shall 66058  
monitor and evaluate the Ohio child welfare training program to 66059  
ensure the following: 66060

(A) That the Ohio child welfare training program is a 66061  
competency-based training system that satisfies the training 66062  
requirements for public children services agency caseworkers and 66063

supervisors under section 5153.122 of the Revised Code; 66064

(B) That, ~~if~~ the Ohio child welfare training program provides 66065  
preplacement or continuing training for foster caregivers, ~~it~~ as 66066  
required by section 5153.60 of the Revised Code that meets the 66067  
~~same~~ requirements ~~that~~ preplacement training programs and 66068  
continuing training programs must meet pursuant to section 66069  
5103.038 of the Revised Code to obtain approval by the department 66070  
of job and family services, except that the Ohio child welfare 66071  
training program is not required to obtain department approval. 66072

**Sec. 5153.72.** Prior to the beginning of the fiscal biennium 66073  
that first follows ~~the effective date of this section~~ October 5, 66074  
2000, the public children services agencies of Athens, Cuyahoga, 66075  
Franklin, Greene, Guernsey, Hamilton, Lucas, and Summit counties 66076  
shall each establish and maintain a regional training center. At 66077  
any time after the beginning of that biennium, the department of 66078  
job and family services, on the recommendation of the training 66079  
program steering committee, may direct a public children services 66080  
agency to establish and maintain a training center to replace the 66081  
center established by an agency under this section. There may be 66082  
no more and no less than eight centers in existence at any time. 66083  
The department may make a grant to a public children services 66084  
agency that establishes and maintains a regional training center 66085  
under this section for the purpose of wholly or partially 66086  
subsidizing the operation of the center. 66087

**Sec. 5153.78.** (A) As used in this section: 66088

(1) "Title IV-B" means Title IV-B of the "Social Security Act 66089  
of 1967," 81 Stat. 821, 42 U.S.C. 620, as amended. 66090

(2) "Title IV-E" means Title IV-E of the "Social Security 66091  
Act," 94 Stat. 501, 42 U.S.C. 670(1980). 66092

(3) "Title XX" has the same meaning as in section 5101.46 of 66093

the Revised Code. 66094

(B) For purposes of adequately funding the Ohio child welfare training program, the department of job and family services may use any of the following: 66095  
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(1) The federal financial participation funds withheld pursuant to division ~~(D)~~ (E) of section 5101.141 of the Revised Code in an amount determined by the department; 66098  
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(2) Funds available under Title XX, Title IV-B, and Title IV-E to pay for training costs; 66101  
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(3) Other available state or federal funds. 66103

**Sec. 5310.15.** On filing an application for registration, the applicant shall pay to the clerk of the probate court or the clerk of the court of common pleas ten dollars, which is full payment for all clerk's fees and charges in such proceeding on behalf of the applicant. Any defendant, except a guardian ad litem, on entering ~~his~~ an appearance by filing a pleading of any kind, shall pay to the clerk five dollars, which is full payment for all clerk's fees on behalf of such defendant. When any number of defendants enter their appearance at the same time in one pleading by filing a pleading of any kind, one fee shall be paid. 66104  
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Every required publication in a newspaper shall be paid for by the party on whose application the order of publication is made, in addition to the fees prescribed in the first paragraph of this section. The party at whose request, or on whose behalf, any notice is issued, shall pay for the service of such notice except when such notice is sent by mail by the clerk or the county recorder. 66114  
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Examiners of titles shall receive for examining title or original reference, and making report on all matters arising under the application, including final certificate as to all necessary 66121  
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parties being made and properly brought before the probate court 66124  
or the court of common pleas, and as to the proceedings being 66125  
regular and legal, one half of one per cent of the appraised tax 66126  
value, the fee in no case to be less than seventy-five or more 66127  
than two hundred fifty dollars, for each separate and distinct 66128  
parcel of land included in the application although made up of 66129  
more than one tract. 66130

Upon a reference to an examiner of titles or to any other 66131  
person upon a hearing to take evidence and make report to the 66132  
court, the fee of the referee shall be fixed by the court at not 66133  
more than fifteen dollars per day for the time actually employed. 66134

For a certificate of an examiner of titles that all necessary 66135  
parties are before the court, and the proceedings are regular and 66136  
legal in a suit for partition, foreclosure of mortgage, 66137  
marshalling of liens, or other suit or proceeding affecting the 66138  
title of any interest in, or lien or charge upon registered lands, 66139  
the fees shall be fixed by the court, and shall not be more than 66140  
twenty-five dollars for each separate and distinct parcel of land 66141  
included in the petition or application although such parcel is 66142  
made up of more than one tract. 66143

Guardians for the suit in original registration shall receive 66144  
three dollars when there is no contest in which the guardian 66145  
participates. In other cases such guardians shall receive such 66146  
fees as the court fixes, but not more than twenty-five dollars. 66147

For certifying pending suits, judgments, liens, attachments, 66148  
executions, or levies, the officers certifying them to the 66149  
recorder shall receive a fee of twenty-five cents to be paid by 66150  
the party interested and taxed in the costs of the case. 66151

For serving summons, notice, or other paper provided for in 66152  
sections 5309.02 to 5310.21 of the Revised Code, the sheriff or 66153  
other officer shall receive the same fees as in other similar 66154

cases. 66155

The recorder shall receive the following fees, to include 66156  
base fees for services and housing trust fund fees pursuant to 66157  
section 317.36 of the Revised Code: 66158

(A) For original registration of title, issuing duplicate 66159  
certificate, entering memorials and memorandums, as directed by 66160  
the decree, and indexing it, a base fee of thirty dollars and a 66161  
housing trust fund fee of thirty dollars; 66162

(B) For examining and registering each transfer of registered 66163  
land, including the filing of all papers therewith, entering 66164  
memorials, issuing new duplicate certificate of title and indexing 66165  
it, a base fee of thirty dollars and a housing trust fund fee of 66166  
thirty dollars for the first distinct body or parcel of land 66167  
contained in such certificate, and a base fee of two dollars and a 66168  
housing trust fund fee of two dollars for each additional distinct 66169  
body or parcel of land contained in such certificate; 66170

(C) For filing, examining, and entering a memorial of each 66171  
mortgage or lease, upon registered land, and indexing it, for each 66172  
separately registered parcel, a base fee of ten dollars and a 66173  
housing trust fund fee of ten dollars; 66174

(D) For filing, examining, and entering a memorial of each 66175  
lien, charge, or demand upon registered land, and indexing it, for 66176  
each separately registered parcel of land, a base fee of five 66177  
dollars and a housing trust fund fee of five dollars; 66178

(E) For cancellation of any memorial or memorandum, a base 66179  
fee of five dollars and a housing trust fund fee of five dollars; 66180  
for entry of change of address, or notice of dower, for each 66181  
separately registered parcel, a base fee of five dollars and a 66182  
housing trust fund fee of five dollars; 66183

(F) For each certified copy of a registered certificate, or 66184  
issuing a mortgagee's duplicate certificate, or issuing a new 66185

owner's duplicate certificate to replace one which has been lost 66186  
or destroyed, a base fee of fifteen dollars and a housing trust 66187  
fund fee of fifteen dollars; 66188

(G) For filing, examining, and entering a memorial of each 66189  
release, assignment, or waiver of priority of a mortgage, lease, 66190  
lien, charge, or demand upon registered land and indexing it, for 66191  
each separately registered parcel, a base fee of five dollars and 66192  
a housing trust fund fee of five dollars; 66193

(H) For filing, examining, and entering a memorial of each 66194  
official certificate of pending suit, judgment, lien, attachment, 66195  
execution, or levy, upon registered land and indexing it, for each 66196  
separately registered parcel, a base fee of five dollars and a 66197  
housing trust fund fee of five dollars; 66198

(I) For continuing an owner's duplicate certificate, or 66199  
mortgagee's duplicate certificate and entering and certifying 66200  
memorials and notations thereon, a base fee of five dollars and a 66201  
housing trust fund fee of five dollars; 66202

(J) For certificate as to taxes and special assessments, for 66203  
each separately registered parcel, a base fee of ten dollars and a 66204  
housing trust fund fee of ten dollars; 66205

(K) For filing, recording, and indexing any papers or 66206  
instruments other than those provided in this section, any 66207  
certified copy of record, or of any instrument on file in ~~his~~ the 66208  
recorder's office, the same fees allowed by law for like services; 66209

(L) For issuing subpoenas and notices and swearing witnesses, 66210  
the same fees allowed the clerk for like services. 66211

Costs as provided in this section may be taxed and by the 66212  
court ordered to be paid by the parties in such manner as is just. 66213

**Sec. 5502.01.** (A) The department of public safety shall 66214  
administer and enforce the laws relating to the registration, 66215

licensing, sale, and operation of motor vehicles and the laws 66216  
pertaining to the licensing of drivers of motor vehicles. 66217

The department shall compile, analyze, and publish statistics 66218  
relative to motor vehicle accidents and the causes of them, 66219  
prepare and conduct educational programs for the purpose of 66220  
promoting safety in the operation of motor vehicles on the 66221  
highways, and conduct research and studies for the purpose of 66222  
promoting safety on the highways of this state. 66223

(B) The department shall administer the laws and rules 66224  
relative to trauma and emergency medical services specified in 66225  
Chapter 4765. of the Revised Code. 66226

(C) The department shall administer and enforce the laws 66227  
contained in Chapters 4301. and 4303. of the Revised Code and 66228  
enforce the rules and orders of the liquor control commission 66229  
pertaining to retail liquor permit holders. 66230

(D) The department shall administer the laws governing the 66231  
state emergency management agency and shall enforce all additional 66232  
duties and responsibilities as prescribed in the Revised Code 66233  
related to emergency management services. 66234

(E) The department shall conduct investigations pursuant to 66235  
Chapter 5101. of the Revised Code in support of the duty of the 66236  
department of job and family services to administer food stamp 66237  
programs throughout this state. The department of public safety 66238  
shall conduct investigations necessary to protect the state's 66239  
property rights and interests in the food stamp program. 66240

(F) The department of public safety shall enforce compliance 66241  
with orders and rules of the public utilities commission and 66242  
applicable laws in accordance with Chapters 4919., 4921., and 66243  
4923. of the Revised Code regarding commercial motor vehicle 66244  
transportation safety, economic, and hazardous materials 66245  
requirements. 66246

(G) Notwithstanding Chapter 4117. of the Revised Code, the department of public safety may establish requirements for its enforcement personnel, including its enforcement agents described in section 5502.14 of the Revised Code, that include standards of conduct, work rules and procedures, and criteria for eligibility as law enforcement personnel.

(H) The department shall administer, maintain, and operate the Ohio criminal justice network. The Ohio criminal justice network shall be a computer network that supports state and local criminal justice activities. The network shall be an electronic repository for various data, which may include arrest warrants, notices of persons wanted by law enforcement agencies, criminal records, prison inmate records, stolen vehicle records, vehicle operator's licenses, and vehicle registrations and titles.

(I) The department shall coordinate all homeland security activities of all state agencies and shall be a liaison between state agencies and local entities for those activities and related purposes.

Sec. 5502.03. (A) There is hereby created in the department of public safety a division of homeland security. It is the intent of the general assembly that the creation of the division of homeland security of the department of public safety by this amendment does not result in an increase of funding appropriated to the department.

(B)(1) The division shall coordinate all homeland security activities of all state agencies and shall be the liaison between state agencies and local entities for the purposes of communicating homeland security funding and policy initiatives.

(2) The division shall be in charge of the systems operations of the multi-agency radio communications system (MARCS) in



accordance with any rules that the director of public safety may 66277  
adopt. The director shall appoint a steering committee to advise 66278  
the director in the operation of the MARCS, comprised of persons 66279  
who represent the users of that system. The director or the 66280  
director's designee shall chair the committee. 66281

(C) The director of public safety shall appoint an executive 66282  
director, who shall be head of the division of homeland security 66283  
and who regularly shall advise the governor and the director on 66284  
matters pertaining to homeland security. The executive director 66285  
shall serve at the pleasure of the director of public safety. To 66286  
carry out the duties assigned under this section, the executive 66287  
director, subject to the direction and control of the director of 66288  
public safety, may appoint and maintain necessary staff and may 66289  
enter into any necessary agreements. 66290

(D) Except as otherwise provided by law, nothing in this 66291  
section shall be construed to give the director of public safety 66292  
or the executive director of the division of homeland security 66293  
authority over the incident management structure or 66294  
responsibilities of local emergency response personnel. 66295

**Sec. 5502.13.** The department of public safety shall maintain 66296  
an investigative unit in order to conduct investigations and other 66297  
enforcement activity authorized by Chapters 4301., 4303., 5101., 66298  
5107., ~~and 5108., and 5115.~~ and sections 2903.12, 2903.13, 66299  
2903.14, 2907.09, 2913.46, 2917.11, 2921.13, 2921.31, 2921.32, 66300  
2921.33, 2923.12, 2923.121, 2925.11, 2925.13, 2927.02, and 66301  
~~4507.30, and 5115.03~~ of the Revised Code. The director of public 66302  
safety shall appoint the employees of the unit who are necessary, 66303  
designate the activities to be performed by those employees, and 66304  
prescribe their titles and duties. 66305

**Sec. 5513.01.** (A) All purchases of machinery, materials, 66306

supplies, or other articles that the director of transportation 66307  
makes shall be in the manner provided in this section. In all 66308  
cases except those in which the director provides written 66309  
authorization for purchases by district deputy directors of 66310  
transportation, all such purchases shall be made at the central 66311  
office of the department of transportation in Columbus. Before 66312  
making any purchase at that office, the director, as provided in 66313  
this section, shall give notice to bidders of the director's 66314  
intention to purchase. Where the expenditure does not exceed the 66315  
amount applicable to the purchase of supplies specified in 66316  
division (B)(1) of section 125.05 of the Revised Code, as adjusted 66317  
pursuant to division (D) of that section, the director shall give 66318  
such notice as the director considers proper, or the director may 66319  
make the purchase without notice. Where the expenditure exceeds 66320  
the amount applicable to the purchase of supplies specified in 66321  
division (B)(1) of section 125.05 of the Revised Code, as adjusted 66322  
pursuant to division (D) of that section, the director shall give 66323  
notice by posting for not less than ten days a written, typed, or 66324  
printed invitation to bidders on a bulletin board, which shall be 66325  
located in a place in the offices assigned to the department and 66326  
open to the public during business hours. Producers or 66327  
distributors of any product may notify the director, in writing, 66328  
of the class of articles for the furnishing of which they desire 66329  
to bid and their post-office addresses, in which case copies of 66330  
all invitations to bidders relating to the purchase of such 66331  
articles shall be mailed to such persons by the director by 66332  
regular first class mail at least ten days prior to the time fixed 66333  
for taking bids. The director also may mail copies of all 66334  
invitations to bidders to news agencies or other agencies or 66335  
organizations distributing information of this character. Requests 66336  
for invitations shall not be valid nor require action by the 66337  
director unless renewed, either annually or after such shorter 66338  
period as the director may prescribe by a general rule. The 66339

invitation to bidders shall contain a brief statement of the 66340  
general character of the article that it is intended to purchase, 66341  
the approximate quantity desired, and a statement of the time and 66342  
place where bids will be received, and may relate to and describe 66343  
as many different articles as the director thinks proper, it being 66344  
the intent and purpose of this section to authorize the inclusion 66345  
in a single invitation of as many different articles as the 66346  
director desires to invite bids upon at any given time. 66347  
Invitations issued during each calendar year shall be given 66348  
consecutive numbers, and the number assigned to each invitation 66349  
shall appear on all copies ~~thereof~~ of it. In all cases where 66350  
notice is required by this section, sealed bids shall be taken, on 66351  
forms prescribed and furnished by the director, and modification 66352  
of bids after they have been opened shall not be permitted. 66353

(B) The director may permit any political subdivision and any 66354  
state university or college to participate in contracts into which 66355  
the director has entered for the purchase of machinery, materials, 66356  
supplies, or other articles. Any political subdivision or state 66357  
university or college desiring to participate in such purchase 66358  
contracts shall file with the director a certified copy of the 66359  
ordinance or resolution of its legislative authority, board of 66360  
trustees, or other governing board requesting authorization to 66361  
participate in such contracts and agreeing to be bound by ~~such~~ the 66362  
terms and conditions ~~as~~ the director prescribes. Purchases made by 66363  
political subdivisions or state universities or colleges under 66364  
this division are exempt from any competitive bidding required by 66365  
law for the purchase of machinery, materials, supplies, or other 66366  
articles. 66367

(C) As used in this section: 66368

(1) "Political subdivision" means any county, township, 66369  
municipal corporation, conservancy district, township park 66370  
district, park district created under Chapter 1545. of the Revised 66371

Code, port authority, regional transit authority, regional airport 66372  
authority, regional water and sewer district, or county transit 66373  
board. 66374

(2) "State university or college" has the same meaning as in 66375  
division (A)(1) of section 3345.32 of the Revised Code. 66376

**Sec. 5515.07.** (A) The director of transportation, in 66377  
accordance with Chapter 119. of the Revised Code, shall adopt 66378  
rules consistent with the safety of the traveling public and 66379  
consistent with the national policy to govern the use and control 66380  
of rest areas within the limits of the right-of-way of interstate 66381  
highways and other state highways and in other areas within the 66382  
limits of the right-of-way of interstate highways. 66383

(B) Except as provided in division (C) of this section, no 66384  
person shall engage in selling or offering for sale or exhibiting 66385  
for purposes of sale, goods, products, merchandise, or services 66386  
within the bounds of rest areas within the limits of the 66387  
right-of-way of interstate highways and other state highways, or 66388  
in other areas within the limits of the right-of-way of interstate 66389  
highways, unless the director issues a permit in accordance with 66390  
section 5515.01 of the Revised Code. Notwithstanding any rules 66391  
adopted by the director to the contrary or any other policy 66392  
changes proposed by the director, each district deputy director of 66393  
the department of transportation shall continue to implement any 66394  
program allowing organizations to dispense free coffee or similar 66395  
items after obtaining a permit that operated within the district 66396  
prior to January 1, 1997. Each district deputy director shall 66397  
operate such program within the district in the same manner as the 66398  
program was operated prior to that date. 66399

(C) In accordance with rules adopted under division (A) of 66400  
this section, the director may cause vending machines to be placed 66401  
within each rest area that is able to accommodate the machines. 66402

The vending machines shall dispense food, drink, and other appropriate articles. 66403  
66404

(D) This section does not apply to the sale of goods, products, merchandise, or services required for the emergency repair of motor vehicles or emergency medical treatment, or to the department of transportation as provided in section 5515.08 of the Revised Code. 66405  
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Sec. 5515.08. (A) The department of transportation may contract to sell commercial advertising space within or on the outside surfaces of any building located within a roadside rest area under its jurisdiction in exchange for cash payment. Money the department receives under this section shall be deposited in the state treasury to the credit of the roadside rest area improvement fund, which is hereby created. The department shall use the money in the fund only to improve roadside rest areas in accordance with section 5529.06 of the Revised Code. 66410  
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(B) Advertising placed under this section shall comply with all of the following: 66419  
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(1) It shall not be libelous or obscene and shall not promote any illegal product or service. 66421  
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(2) It shall not promote illegal discrimination on the basis of the race, religion, national origin, handicap, age, or ancestry of any person. 66423  
66424  
66425

(3) It shall not support or oppose any candidate for political office or any political cause, issue, or organization. 66426  
66427

(4) It shall comply with any controlling federal or state regulations or restrictions. 66428  
66429

(5) To the extent physically and technically practical, it shall state that the advertisement is a paid commercial advertisement and that the state does not endorse the product or 66430  
66431  
66432

service promoted by the advertisement or make any representation 66433  
about the accuracy of the advertisement or the quality or 66434  
performance of the product or service promoted by the 66435  
advertisement. 66436

(6) It shall conform to all applicable rules adopted by the 66437  
director of transportation under division (E) of this section. 66438

(C) Contracts entered into under this section shall be 66439  
awarded only to the qualified bidder who submits the highest 66440  
responsive bid or according to uniformly applied rate classes. 66441

(D) No person, except an advertiser alleging a breach of 66442  
contract or the improper awarding of a contract, has a cause of 66443  
action against the state with respect to any contract or 66444  
advertising authorized by this section. Under no circumstances is 66445  
the state liable for consequential or noneconomic damages with 66446  
respect to any contract or advertising authorized under this 66447  
section. 66448

(E) The director, in accordance with Chapter 119. of the 66449  
Revised Code, shall adopt rules to implement this section. The 66450  
rules shall be consistent with the policy of protecting the safety 66451  
of the traveling public and consistent with the national policy 66452  
governing the use and control of such roadside rest areas. The 66453  
rules shall regulate the awarding of contracts and may regulate 66454  
the content, display, and other aspects of the commercial 66455  
advertising authorized by this section. 66456

**Sec. 5549.21.** The board of township trustees may purchase or 66457  
lease such machinery and tools as are necessary for use in 66458  
constructing, reconstructing, maintaining, and repairing roads and 66459  
culverts within the township, and shall provide suitable places 66460  
for housing and storing machinery and tools owned by the township. 66461  
It may purchase such material and employ such labor as is 66462  
necessary for carrying into effect this section, or it may 66463

authorize the purchase or employment of such material and labor by 66464  
one of its number, or by the township highway superintendent, at a 66465  
price to be fixed by the board. All payments on account of 66466  
machinery, tools, material, and labor shall be made from the 66467  
township road fund. Except as otherwise provided in sections 66468  
505.08, 505.101, and 5513.01 of the Revised Code, all purchases of 66469  
materials, machinery, and tools shall, ~~where~~ if the amount 66470  
involved exceeds ~~fifteen~~ twenty-five thousand dollars, be made 66471  
from the lowest responsible bidder after advertisement, as 66472  
provided in section 5575.01 of the Revised Code. ~~Where~~ 66473

If, in compliance with section 505.10 of the Revised Code, 66474  
the board wishes to sell machinery, equipment, or tools owned by 66475  
the township to the person from whom it is to purchase other 66476  
machinery, equipment, or tools, the board may offer, ~~where~~ if the 66477  
amount of the purchase alone involved does not exceed ~~fifteen~~ 66478  
twenty-five thousand dollars, to sell such machinery, equipment, 66479  
or tools and have the amount credited by the vendor against the 66480  
purchase of the other machinery, equipment, or tools. ~~Where~~ If the 66481  
purchase price of the other machinery, equipment, or tools alone 66482  
exceeds ~~fifteen~~ twenty-five thousand dollars, the board may give 66483  
notice to the competitive bidders of its willingness to accept 66484  
offers for the purchase of the old machinery, equipment, or tools, 66485  
and ~~such~~ those offers shall be subtracted from the selling price 66486  
of the other machinery, equipment, or tools as bid, in determining 66487  
the lowest responsible bidder. Notice of the willingness of the 66488  
board to accept offers for the purchase of the old machinery, 66489  
equipment, or tools shall be made as a part of the advertisement 66490  
for bids. 66491

**Sec. 5703.052. (A)** There is hereby created in the state 66492  
treasury the tax refund fund, from which refunds shall be paid for 66493  
taxes illegally or erroneously assessed or collected, or for any 66494  
other reason overpaid, that are levied by Chapter 4301., 4305., 66495

5728., 5729., 5733., 5735., 5739., 5741., 5743., 5747., 5748., 66496  
5749., or 5753., and sections 3737.71, 3905.35, 3905.36, 4303.33, 66497  
5707.03, 5725.18, 5727.28, 5727.38, 5727.81, and 5727.811 of the 66498  
Revised Code. Refunds for fees illegally or erroneously assessed 66499  
or collected, or for any other reason overpaid, that are levied by 66500  
sections 3734.90 to 3734.9014 of the Revised Code also shall be 66501  
paid from the fund. However, refunds for taxes levied under 66502  
section 5739.101 of the Revised Code shall not be paid from the 66503  
tax refund fund, but shall be paid as provided in section 5739.104 66504  
of the Revised Code. 66505

(B)(1) Upon certification by the tax commissioner to the 66506  
treasurer of state of a tax refund, or fee refund, or tax credit 66507  
~~due~~, or by the superintendent of insurance of a domestic or 66508  
foreign insurance tax refund, the treasurer of state ~~may~~ shall 66509  
place the amount certified to the credit of the fund. The 66510  
certified amount transferred shall be derived from current 66511  
receipts of the same tax or the fee ~~for~~ from which the refund 66512  
arose ~~or, in the case of a tax credit refund, from the current~~ 66513  
~~receipts of the taxes levied by sections 5739.02 and 5741.02 of~~ 66514  
~~the Revised Code. If~~ 66515

~~If the tax refund arises from a tax payable to the general~~ 66516  
~~revenue fund, and current receipts from that source~~ the tax or fee 66517  
from which the refund arose are inadequate to make the transfer of 66518  
the amount so certified, the treasurer of state ~~may~~ shall transfer 66519  
such certified amount from current receipts of the sales tax 66520  
levied by section 5739.02 of the Revised Code. 66521

(2) When the treasurer of state provides for the payment of a 66522  
refund of a tax or fee from the current receipts of the sales tax, 66523  
and the refund is for a tax or fee that is not levied by the 66524  
state, the tax commissioner shall recover the amount of that 66525  
refund from the next distribution of that tax or fee that 66526  
otherwise would be made to the taxing jurisdiction. If the amount 66527



to be recovered would exceed twenty-five per cent of the next 66528  
distribution of that tax or fee, the commissioner may spread the 66529  
recovery over more than one future distribution, taking into 66530  
account the amount to be recovered and the amount of the 66531  
anticipated future distributions. In no event may the commissioner 66532  
spread the recovery over a period to exceed twenty-four months. 66533

Sec. 5703.56. (A) As used in this section: 66534

(1) "Sham transaction" means a transaction or series of 66535  
transactions without economic substance because there is no 66536  
business purpose or expectation of profit other than obtaining tax 66537  
benefits. 66538

(2) "Tax" includes any tax or fee administered by the tax 66539  
commissioner. 66540

(3) "Taxpayer" includes any entity subject to a tax. 66541

(4) "Controlled group" means two or more persons related in 66542  
such a way that one person directly or indirectly owns or controls 66543  
the business operation of another member of the group. In the case 66544  
of persons with stock or other equity, one person owns or controls 66545  
another if it directly or indirectly owns more than fifty per cent 66546  
of the other person's common stock with voting rights or other 66547  
equity with voting rights. 66548

(B) The tax commissioner may disregard any sham transaction 66549  
in ascertaining any taxpayer's tax liability. Except as otherwise 66550  
provided in the Revised Code, with respect to transactions between 66551  
members of a controlled group, the taxpayer shall bear the burden 66552  
of establishing by a preponderance of the evidence that a 66553  
transaction or series of transactions between the taxpayer and one 66554  
or more members of the controlled group was not a sham 66555  
transaction. Except as otherwise provided in the Revised Code, for 66556  
all other taxpayers, the tax commissioner shall bear the burden of 66557

establishing by a preponderance of the evidence that a transaction 66558  
or series of transactions was a sham transaction. 66559

(C) In administering any tax, the tax commissioner may apply 66560  
the doctrines of "economic reality," "substance over form," and 66561  
"step transaction." 66562

(D) If the commissioner disregards a sham transaction under 66563  
division (B) of this section, the applicable limitation period for 66564  
assessing the tax, together with applicable penalties, charges, 66565  
and interest, shall be extended for a period equal to the 66566  
applicable limitation period. Nothing in this division shall be 66567  
construed as extending an applicable limitation period for 66568  
claiming any refund of a tax. 66569

(E) The tax commissioner may, in accordance with Chapter 119. 66570  
of the Revised Code, adopt rules that are necessary to administer 66571  
this section, including rules establishing criteria for 66572  
identifying sham transactions. 66573

**Sec. 5703.57.** (A) As used in this section, "Ohio business 66574  
gateway" has the same meaning as in section 718.051 of the Revised 66575  
Code. 66576

(B) There is hereby created the Ohio business gateway 66577  
steering committee to direct the continuing development of the 66578  
Ohio business gateway and to oversee its operations. The committee 66579  
shall provide general oversight regarding operation of the Ohio 66580  
business gateway and shall recommend to the department of 66581  
administrative services enhancements that will improve the Ohio 66582  
business gateway. The committee shall consider all banking, 66583  
technological, administrative, and other issues associated with 66584  
the Ohio business gateway and shall make recommendations regarding 66585  
the type of reporting forms or other tax documents to be filed 66586  
through the Ohio business gateway. 66587

<u>(C) The committee shall consist of:</u>	66588
<u>(1) The following members, appointed by the governor with the</u>	66589
<u>advice and consent of the senate:</u>	66590
<u>(a) Not more than two representatives of the business</u>	66591
<u>community;</u>	66592
<u>(b) Not more than three representatives of municipal tax</u>	66593
<u>administrators; and</u>	66594
<u>(c) Not more than two tax practitioners.</u>	66595
<u>(2) The following ex officio members:</u>	66596
<u>(a) The director or other highest officer of each state</u>	66597
<u>agency that has tax reporting forms or other tax documents filed</u>	66598
<u>with it through the Ohio business gateway or the director's</u>	66599
<u>designee;</u>	66600
<u>(b) The secretary of state or the secretary of state's</u>	66601
<u>designee;</u>	66602
<u>(c) The treasurer of state or the treasurer of state's</u>	66603
<u>designee;</u>	66604
<u>(d) The director of budget and management or the director's</u>	66605
<u>designee;</u>	66606
<u>(e) The director of administrative services or the director's</u>	66607
<u>designee; and</u>	66608
<u>(f) The tax commissioner or the tax commissioner's designee.</u>	66609
<u>An appointed member shall serve until the member resigns or</u>	66610
<u>is removed by the governor. Vacancies shall be filled in the same</u>	66611
<u>manner as original appointments.</u>	66612
<u>(D) A vacancy on the committee does not impair the right of</u>	66613
<u>the other members to exercise all the functions of the committee.</u>	66614
<u>The presence of a majority of the members of the committee</u>	66615
<u>constitutes a quorum for the conduct of business of the committee.</u>	66616

The concurrence of at least a majority of the members of the 66617  
committee is necessary for any action to be taken by the 66618  
committee. On request, each member of the committee shall be 66619  
reimbursed for the actual and necessary expenses incurred in the 66620  
discharge of the member's duties. 66621

(E) The committee is a part of the department of taxation for 66622  
administrative purposes. 66623

(F) Each year, the governor shall select a member of the 66624  
committee to serve as chairperson. The chairperson shall appoint 66625  
an official or employee of the department of taxation to act as 66626  
the committee's secretary. The secretary shall keep minutes of the 66627  
committee's meetings and a journal of all meetings, proceedings, 66628  
findings, and determinations of the committee. 66629

(G) The committee shall hire professional, technical, and 66630  
clerical staff needed to support its activities. 66631

(H) The committee shall meet as often as necessary to perform 66632  
its duties. 66633

**Sec. 5703.80.** There is hereby created in the state treasury 66634  
the property tax administration fund. All money to the credit of 66635  
the fund shall be used to defray the costs incurred by the 66636  
department of taxation in administering the taxation of property 66637  
and the equalization of real property valuation. 66638

Each fiscal year between the first and fifteenth days of 66639  
July, the tax commissioner shall compute the following amounts for 66640  
the property in each taxing district in each county, and certify 66641  
to the director of budget and management the sum of those amounts 66642  
for all taxing districts in all counties: 66643

(A) Three-tenths of one per cent of the total amount by which 66644  
taxes charged against real property on the general tax list of 66645  
real and public utility property were reduced under section 66646

319.302 of the Revised Code for the preceding tax year; 66647

(B) Fifteen-hundredths of one per cent of the total amount of 66648  
taxes charged and payable against public utility personal property 66649  
on the general tax list of real and public utility property for 66650  
the preceding tax year; 66651

(C) Seventy-five hundredths of one per cent of the total 66652  
amount of taxes charged and payable against tangible personal 66653  
property on the general tax list of personal property of the 66654  
preceding tax year and for which returns were filed with the tax 66655  
commissioner under section 5711.13 of the Revised Code. 66656

After receiving the tax commissioner's certification, the 66657  
director of budget and management shall transfer from the general 66658  
revenue fund to the property tax administration fund one-fourth of 66659  
the amount certified on or before each of the following days: the 66660  
first days of August, November, February, and May. 66661

On or before the thirtieth day of June of the fiscal year, 66662  
the tax commissioner shall certify to the director of budget and 66663  
management the sum of the amounts by which the amounts computed 66664  
for a taxing district under divisions (A), (B), and (C) of this 66665  
section exceeded the distributions to the taxing district under 66666  
division (F) of section 321.24 of the Revised Code, and the 66667  
director shall transfer that sum from the property tax 66668  
administration fund to the general revenue fund. 66669

**Sec. 5705.39.** The total appropriations from each fund shall 66670  
not exceed the total of the estimated revenue available for 66671  
expenditure therefrom, as certified by the budget commission, or 66672  
in case of appeal, by the board of tax appeals. No appropriation 66673  
measure shall become effective until the county auditor files with 66674  
the appropriating authority ~~and in the case of a school district,~~ 66675  
~~also files with the superintendent of public instruction,~~ a 66676  
certificate that the total appropriations from each fund, taken 66677

together with all other outstanding appropriations, do not exceed 66678  
such official estimate or amended official estimate. When the 66679  
appropriation does not exceed such official estimate, the county 66680  
auditor shall give such certificate forthwith upon receiving from 66681  
the appropriating authority a certified copy of the appropriation 66682  
measure, ~~a copy of which he shall deliver to the superintendent of~~ 66683  
~~public instruction in the case of a school district.~~ 66684  
Appropriations shall be made from each fund only for the purposes 66685  
for which such fund is established. 66686

**Sec. 5705.41.** No subdivision or taxing unit shall: 66687

(A) Make any appropriation of money except as provided in 66688  
Chapter 5705. of the Revised Code; provided, that the 66689  
authorization of a bond issue shall be deemed to be an 66690  
appropriation of the proceeds of the bond issue for the purpose 66691  
for which such bonds were issued, but no expenditure shall be made 66692  
from any bond fund until first authorized by the taxing authority; 66693

(B) Make any expenditure of money unless it has been 66694  
appropriated as provided in such chapter; 66695

(C) Make any expenditure of money except by a proper warrant 66696  
drawn against an appropriate fund; 66697

(D)(1) Except as otherwise provided in division (D)(2) of 66698  
this section and section 5705.44 of the Revised Code, make any 66699  
contract or give any order involving the expenditure of money 66700  
unless there is attached thereto a certificate of the fiscal 66701  
officer of the subdivision that the amount required to meet the 66702  
obligation or, in the case of a continuing contract to be 66703  
performed in whole or in part in an ensuing fiscal year, the 66704  
amount required to meet the obligation in the fiscal year in which 66705  
the contract is made, has been lawfully appropriated for such 66706  
purpose and is in the treasury or in process of collection to the 66707  
credit of an appropriate fund free from any previous encumbrances. 66708

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

(2) Annually, the board of county commissioners may adopt a resolution exempting for the current fiscal year county purchases of seven hundred fifty dollars or less from the requirement of division (D)(1) of this section that a certificate be attached to any contract or order involving the expenditure of money. The resolution shall state the dollar amount that is exempted from the certificate requirement and whether the exemption applies to all purchases, to one or more specific classes of purchases, or to the purchase of one or more specific items. Prior to the adoption of the resolution, the board shall give written notice to the county auditor that it intends to adopt the resolution. The notice shall state the dollar amount that is proposed to be exempted and whether the exemption would apply to all purchases, to one or more

specific classes of purchases, or to the purchase of one or more 66742  
specific items. The county auditor may review and comment on the 66743  
proposal, and shall send any comments to the board within fifteen 66744  
days after receiving the notice. The board shall wait at least 66745  
fifteen days after giving the notice to the auditor before 66746  
adopting the resolution. A person authorized to make a county 66747  
purchase in a county that has adopted such a resolution shall 66748  
prepare and file with the county auditor, within three business 66749  
days after incurring an obligation not requiring a certificate, a 66750  
written document specifying the purpose and amount of the 66751  
expenditure, the date of the purchase, the name of the vendor, and 66752  
such additional information as the auditor of state may prescribe. 66753

(3) Upon certification by the auditor or other chief fiscal 66754  
officer that a certain sum of money, not in excess of ~~five~~ 66755  
~~thousand dollars~~ an amount established by resolution or ordinance 66756  
adopted by a majority of the members of the legislative authority 66757  
of the subdivision or taxing unit, has been lawfully appropriated, 66758  
authorized, or directed for a certain purpose and is in the 66759  
treasury or in the process of collection to the credit of a 66760  
specific line-item appropriation account in a certain fund free 66761  
from previous and then outstanding obligations or certifications, 66762  
then for such purpose and from such line-item appropriation 66763  
account in such fund, over a period ~~not exceeding three months and~~ 66764  
not extending beyond the end of the fiscal year, expenditures may 66765  
be made, orders for payment issued, and contracts or obligations 66766  
calling for or requiring the payment of money made and assumed; 66767  
provided, that the aggregate sum of money included in and called 66768  
for by such expenditures, orders, contracts, and obligations shall 66769  
not exceed the sum so certified. Such a certification need be 66770  
signed only by the fiscal officer of the subdivision or the taxing 66771  
district and may, but need not, be limited to a specific vendor. 66772  
An itemized statement of obligations incurred and expenditures 66773  
made under such certificate shall be rendered to the auditor or 66774



other chief fiscal officer before another such certificate may be 66775  
issued, and not more than one such certificate shall be 66776  
outstanding at a time. 66777

In addition to providing the certification for expenditures 66778  
~~of five thousand dollars or less~~ as ~~provided~~ specified in this 66779  
division, a subdivision also may make expenditures, issue orders 66780  
for payment, and make contracts or obligations calling for or 66781  
requiring the payment of money made and assumed for specified 66782  
permitted purposes from a specific line-item appropriation account 66783  
in a specified fund for a sum of money upon the certification by 66784  
the fiscal officer of the subdivision that this sum of money has 66785  
been lawfully appropriated, authorized, or directed for a 66786  
permitted purpose and is in the treasury or in the process of 66787  
collection to the credit of the specific line-item appropriation 66788  
account in the specified fund free from previous and 66789  
then-outstanding obligations or certifications; provided that the 66790  
aggregate sum of money included in and called for by the 66791  
expenditures, orders, and obligations shall not exceed the 66792  
certified sum. The purposes for which a subdivision may lawfully 66793  
appropriate, authorize, or issue such a certificate are the 66794  
services of an accountant, architect, attorney at law, physician, 66795  
professional engineer, construction project manager, consultant, 66796  
surveyor, or appraiser by or on behalf of the subdivision or 66797  
contracting authority; fuel oil, gasoline, food items, roadway 66798  
materials, and utilities; and any purchases exempt from 66799  
competitive bidding under section 125.04 of the Revised Code and 66800  
any other specific expenditure that is a recurring and reasonably 66801  
predictable operating expense. Such a certification shall not 66802  
extend beyond the end of the fiscal year or, in the case of a 66803  
board of county commissioners that has established a quarterly 66804  
spending plan under section 5705.392 of the Revised Code, beyond 66805  
the quarter to which the plan applies. Such a certificate shall be 66806  
signed by the fiscal officer and may, but need not, be limited to 66807

a specific vendor. An itemized statement of obligations incurred 66808  
and expenditures made under such a certificate shall be rendered 66809  
to the fiscal officer for each certificate issued. More than one 66810  
such certificate may be outstanding at any time. 66811

In any case in which a contract is entered into upon a per 66812  
unit basis, the head of the department, board, or commission for 66813  
the benefit of which the contract is made shall make an estimate 66814  
of the total amount to become due upon such contract, which 66815  
estimate shall be certified in writing to the fiscal officer of 66816  
the subdivision. Such a contract may be entered into if the 66817  
appropriation covers such estimate, or so much thereof as may be 66818  
due during the current year. In such a case the certificate of the 66819  
fiscal officer based upon the estimate shall be a sufficient 66820  
compliance with the law requiring a certificate. 66821

Any certificate of the fiscal officer attached to a contract 66822  
shall be binding upon the political subdivision as to the facts 66823  
set forth therein. Upon request of any person receiving an order 66824  
or entering into a contract with any political subdivision, the 66825  
certificate of the fiscal officer shall be attached to such order 66826  
or contract. "Contract" as used in this section excludes current 66827  
payrolls of regular employees and officers. 66828

Taxes and other revenue in process of collection, or the 66829  
proceeds to be derived from authorized bonds, notes, or 66830  
certificates of indebtedness sold and in process of delivery, 66831  
shall for the purpose of this section be deemed in the treasury or 66832  
in process of collection and in the appropriate fund. This section 66833  
applies neither to the investment of sinking funds by the trustees 66834  
of such funds, nor to investments made under sections 731.56 to 66835  
731.59 of the Revised Code. 66836

No district authority shall, in transacting its own affairs, 66837  
do any of the things prohibited to a subdivision by this section, 66838  
but the appropriation referred to shall become the appropriation 66839

by the district authority, and the fiscal officer referred to 66840  
shall mean the fiscal officer of the district authority. 66841

**Sec. 5709.20.** As used in sections 5709.20 to 5709.27 of the 66842  
Revised Code: 66843

(A) "Air contaminant" means particulate matter, dust, fumes, 66844  
gas, mist, smoke, vapor, or odorous substances, or any combination 66845  
thereof. 66846

(B) "Air pollution control facility" means any property 66847  
designed, constructed, or installed for the primary purpose of 66848  
eliminating or reducing the emission of, or ground level 66849  
concentration of, air contaminants ~~which~~ generated at an 66850  
industrial or commercial plant or site that renders air harmful or 66851  
inimical to the public health or to property within this state, or 66852  
such property installed on or after November 1, 1993, at a 66853  
petroleum refinery for the primary purpose of eliminating or 66854  
reducing substances within fuel that otherwise would create the 66855  
emission of air contaminants upon the combustion of fuel. 66856

(C) "Energy conversion" means the conversion of fuel or power 66857  
usage and consumption from natural gas to an alternate fuel or 66858  
power source other than propane, butane, naphtha, or fuel oil; or 66859  
the conversion of fuel or power usage and consumption from fuel 66860  
oil to an alternate fuel or power source other than natural gas, 66861  
propane, butane, or naphtha. 66862

(D) "Energy conversion facility" means any additional 66863  
property or equipment designed, constructed, or installed after 66864  
December 31, 1974, for use at an industrial or commercial plant or 66865  
site for the primary purpose of energy conversion. 66866

(E) "Exempt facility" means any of the facilities defined in 66867  
division (B), (D), (F), (I), (K), or (L) of this section for which 66868  
an exempt facility certificate is issued pursuant to section 66869

5709.21 or for which a certificate remains valid under section 66870  
5709.201 of the Revised Code. 66871

(F) "Noise pollution control facility" means any property 66872  
designed, constructed, or installed ~~in or on~~ for use at an 66873  
industrial or commercial plant or site for the primary purpose of 66874  
eliminating or reducing, at that plant or site, the emission of 66875  
sound which is harmful or inimical to persons or property, or 66876  
materially reduces the quality of the environment, as shall be 66877  
determined by the director of environmental protection within such 66878  
standards for noise pollution control facilities and standards for 66879  
environmental noise necessary to protect public health and welfare 66880  
as may be promulgated by the United States environmental 66881  
protection agency. In the absence of such United States 66882  
environmental protection agency standards, the determination shall 66883  
be made in accordance with generally accepted current standards of 66884  
good engineering practice in environmental noise control. 66885

Facilities (G) "Solid waste" means such unwanted residual 66886  
solid or semi-solid material as results from industrial 66887  
operations, including those of public utility companies, and 66888  
commercial, distribution, research, agricultural, and community 66889  
operations, including garbage, combustible or noncombustible, 66890  
street dirt, and debris. 66891

(H) "Solid waste energy conversion" means the conversion of 66892  
solid waste into energy and the utilization of such energy for 66893  
some useful purpose. 66894

(I) "Solid waste energy conversion facility" means any 66895  
property or equipment designed, constructed, or installed after 66896  
December 31, 1974, for use at an industrial or a commercial plant 66897  
or site for the primary purpose of solid waste energy conversion. 66898

(J) "Thermal efficiency improvement" means the recovery and 66899  
use of waste heat or waste steam produced incidental to electric 66900

power generation, industrial process heat generation, lighting, 66901  
refrigeration, or space heating. 66902

(K) "Thermal efficiency improvement facility" means any 66903  
property or equipment designed, constructed, or installed after 66904  
December 31, 1974, for use at an industrial or a commercial plant 66905  
or site for the primary purpose of thermal efficiency improvement. 66906

(L) "Industrial water pollution control facility" means any 66907  
property designed, constructed, or installed for the primary 66908  
purpose of collecting or conducting industrial waste to a point of 66909  
disposal or treatment; reducing, controlling, or eliminating water 66910  
pollution caused by industrial waste; or reducing, controlling, or 66911  
eliminating the discharge into a disposal system of industrial 66912  
waste or what would be industrial waste if discharged into the 66913  
waters of this state. This division applies only to property 66914  
related to an industrial water pollution control facility placed 66915  
into operation or initially capable of operation after December 66916  
31, 1965, and installed pursuant to the approval of the 66917  
environmental protection agency or any other governmental agency 66918  
having authority to approve the installation of industrial water 66919  
pollution control facilities. The definitions in section 6111.01 66920  
of the Revised Code, as applicable, apply to the terms used in 66921  
this division. 66922

(M) Property designed, constructed, installed, used, or 66923  
placed in operation ~~solely~~ primarily for the safety, health, 66924  
protection, or benefit, or any combination thereof, of personnel, 66925  
~~or by~~ of a business ~~solely for its~~, or primarily for a business's 66926  
own benefit, ~~are not pollution control facilities~~ is not an 66927  
"exempt facility." 66928

Sec. 5709.201. (A) Except as provided in divisions (C)(4)(a) 66929  
and (c) of section 5709.22 and division (F) of section 5709.25 of 66930  
the Revised Code, a certificate issued under section 5709.21, 66931

5709.31, 5709.46, or 6111.31 of the Revised Code that was valid 66932  
and in effect on the effective date of this section shall continue 66933  
in effect subject to the law as it existed before that effective 66934  
date. Division (C)(4)(b) of section 5709.22 of the Revised Code 66935  
does not apply to any certificate issued by the tax commissioner 66936  
before July 1, 2003. 66937

(B) Any applications pending on the effective date of this 66938  
section for which a certificate had not been issued on or before 66939  
that effective date under section 6111.31 of the Revised Code 66940  
shall be transferred to the tax commissioner for further 66941  
administering. Sections 5709.20 to 5709.27 of the Revised Code 66942  
apply to such pending applications, excluding the requirement of 66943  
section 5709.212 of the Revised Code that applicants must pay the 66944  
fee. 66945

(C) For applications pending on the effective date of this 66946  
section, division (D) of section 5709.25 of the Revised Code 66947  
allowing the commissioner to assess any additional tax 66948  
notwithstanding any other time limitations imposed by law on the 66949  
denied portion of the applicant's claim applies only to tax 66950  
periods that would otherwise be open to assessment on that 66951  
effective date. 66952

**Sec. 5709.21. (A) As used in this section:** 66953

(1) "Exclusive property" means real and personal property 66954  
that is installed, used, and necessary for the operation of an 66955  
exempt facility, and that is not auxiliary property unless the 66956  
auxiliary property exempt cost equals or exceeds eighty-five per 66957  
cent of the total cost of the property. 66958

(2) "Auxiliary property" means personal property installed, 66959  
used, and necessary for the operation of an exempt facility that 66960  
is also used in other operations of the business other than an 66961  
exempt facility purpose described in section 5709.20 of the 66962

Revised Code. "Auxiliary property" does not include property with 66963  
an auxiliary property exempt cost that is less than or equal to 66964  
fifteen per cent of the total cost of such property. 66965

(3) "Auxiliary property exempt cost" means the cost of 66966  
auxiliary property calculated as follows: 66967

(a) If the auxiliary property is used for an exempt facility 66968  
purpose for discrete periods of time, the exempt cost shall be 66969  
determined by the ratio of time the auxiliary property is in use 66970  
in such exempt capacity to the total time it is in use. Division 66971  
(A)(3)(a) of this section does not apply if the property is 66972  
concurrently used for an exempt facility purpose and a nonexempt 66973  
facility purpose. 66974

(b) The applicant has the burden of proving the exempt cost 66975  
of all auxiliary property not described in division (A)(3)(a) of 66976  
this section. 66977

(c) Any cost related to an expansion of the commercial or 66978  
industrial site that is not related to the operation of the exempt 66979  
facility shall not be included as an auxiliary exempt cost under 66980  
division (A)(3) of this section. 66981

(B) Application for an ~~air or noise pollution control~~ exempt 66982  
facility certificate shall be filed with the tax commissioner in 66983  
such manner and in such form as ~~may be~~ prescribed by ~~regulations~~ 66984  
~~issued by~~ the tax commissioner ~~and~~. The application shall contain 66985  
plans and specifications of the ~~structure or structures~~ property, 66986  
including all materials incorporated ~~and~~ or to be incorporated 66987  
therein ~~and their associated costs~~, and a descriptive list of all 66988  
equipment acquired or to be acquired by the applicant for the 66989  
~~purpose of air or noise pollution control~~ exempt facility and its 66990  
associated cost. If the commissioner, ~~after obtaining the opinion~~ 66991  
~~of the director of environmental protection~~, finds that the 66992  
~~proposed facility~~ property was designed primarily ~~for the control~~ 66993

~~of air or noise pollution as defined in section 5709.20 of the Revised Code, as an exempt facility and is suitable and reasonably adequate for such purpose and is intended for such purpose, he the commissioner shall enter a finding and issue a certificate to that effect. Said certificate shall permit tax exemption pursuant to section 5709.25 of the Revised Code only for that portion of such pollution control facility or that part used exclusively for air or noise pollution control. The effective date of said the certificate shall be the date of the making of the application was made for such certificate or the date of the construction of the facility, whichever is earlier; provided, that if such application relates to facilities placed in operation or capable of operation prior to October 2, 1969, the effective date of the certificate shall be the date of the application.~~

Nothing in this section shall be construed to extend the time period to file, to keep the time period to file open, or supersede the requirement of filing a tax refund or other tax reduction request in the manner and within the time prescribed by law.

(C)(1) Except as provided in division (C)(2) of this section, the certificate shall permit tax exemption pursuant to section 5709.25 of the Revised Code only for that portion of such exempt facility that is exclusive property used for a purpose enumerated in section 5709.20 of the Revised Code.

(2) Auxiliary property shall be permitted a partial tax exemption under section 5709.25 of the Revised Code, but only to the extent allowed pursuant to division (A)(3) of this section.

(D) The tax commissioner may allow an applicant to file one application that applies to more than one exempt facility that are the same or substantially similar, so long as such facilities are located within the same county.

**Sec. 5709.211.** (A) Before issuing an exempt facility



certificate pursuant to section 5709.21 of the Revised Code, the 67025  
tax commissioner shall provide a copy of a properly completed 67026  
application to, and obtain the opinion of, the director of 67027  
environmental protection in the case of an exempt facility 67028  
described in division (B), (F), or (L) of section 5709.20 of the 67029  
Revised Code, or provide a copy of the application to, and obtain 67030  
the opinion of, the director of development in the case of an 67031  
application for an exempt facility described in division (D), (I), 67032  
or (K) of section 5709.20 of the Revised Code. The opinion shall 67033  
provide the commissioner with a recommendation of whether the 67034  
property is primarily designed, constructed, installed, and used 67035  
as an exempt facility. The applicant shall provide additional 67036  
information upon request by the tax commissioner, the director of 67037  
environmental protection, or the director of development, and 67038  
allow them to inspect the property listed in the application for 67039  
the purposes of sections 5709.20 to 5709.27 of the Revised Code. 67040  
The tax commissioner shall provide to the applicant a copy of the 67041  
opinion issued by either the director of environmental protection 67042  
or the director of the department of development. 67043

(B) The opinions of the director of the environmental 67044  
protection agency and the director of development under division 67045  
(A) of this section or division (C)(4) of section 5709.22 of the 67046  
Revised Code are not final actions or orders subject to appeal. 67047

**Sec. 5709.212.** (A) With every application for an exempt 67048  
facility certificate filed pursuant to section 5709.21 of the 67049  
Revised Code, the applicant shall pay a fee equal to one-half of 67050  
one per cent of the total exempt facility project cost, not to 67051  
exceed two thousand dollars. One-half of the fee received with 67052  
applications for exempt facility certificates shall be credited to 67053  
the exempt facility administrative fund, which is hereby created 67054  
in the state treasury, for appropriation to the department of 67055  
taxation for use in administering sections 5709.20 to 5709.27 of 67056

the Revised Code. If the director of environmental protection is 67057  
required to provide the opinion for an application, one-half of 67058  
the fee shall be credited to the clean air fund created in section 67059  
3704.035 of the Revised Code for use in administering section 67060  
5709.211 of the Revised Code, unless the application is for an 67061  
industrial water pollution control facility. If the application is 67062  
for an industrial water pollution control facility, one-half of 67063  
the fee shall be credited to the surface water protection fund 67064  
created in section 6111.038 of the Revised Code for use in 67065  
administering section 5709.211 of the Revised Code. If the 67066  
director of development is required to provide the opinion for an 67067  
application, one-half of the fee for each exempt facility 67068  
application shall be credited to the exempt facility inspection 67069  
fund, which is hereby created in the state treasury, for 67070  
appropriation to the department of development for use in 67071  
administering section 5709.211 of the Revised Code. 67072

An applicant is not entitled to any tax exemption under 67073  
section 5709.25 of the Revised Code until the fee required by this 67074  
section is paid. The fee required by this section is not 67075  
refundable, and is due with the application for an exempt facility 67076  
certificate even if an exempt facility certificate ultimately is 67077  
not issued or is withdrawn. Any application submitted without 67078  
payment of the fee shall be deemed incomplete until the fee is 67079  
paid. 67080

(B) The application fee imposed under division (A) of this 67081  
section for a jointly owned facility shall be equal to one-half of 67082  
one per cent of the total exempt facility project cost, not to 67083  
exceed two thousand dollars for each facility that is the subject 67084  
of the application. 67085

~~Sec. 5709.22. Before issuing any certificate the tax~~ 67086  
~~commissioner shall give notice in writing by mail to the auditor~~ 67087

~~of the county in which such facilities are located, and shall~~ 67088  
~~afford to the applicant and to the auditor an opportunity for a~~ 67089  
~~hearing. On like notice to the applicant and opportunity for a~~ 67090  
~~hearing, the commissioner shall on his~~ (A) After receiving an 67091  
opinion from the director of environmental protection or the 67092  
director of development, the tax commissioner shall promptly 67093  
ascertain if an application filed under section 5709.21 of the 67094  
Revised Code shall be allowed or disallowed in whole or in part. 67095  
The commissioner shall give written notice of the proposed finding 67096  
to the applicant and the county auditor of the county in which the 67097  
facility described in the application is located. Within sixty 67098  
days after sending written notice of the proposed finding, the 67099  
applicant or the county auditor may file a request for 67100  
reconsideration, in writing, to the commissioner and may request 67101  
that the commissioner conduct a hearing on the application. If no 67102  
request for reconsideration is filed, the commissioner's proposed 67103  
findings shall be final and, if applicable, the commissioner shall 67104  
issue an exempt facility certificate, which shall not be subject 67105  
to appeal pursuant to section 5717.02 of the Revised Code. 67106

(B) If a reconsideration of the tax commissioner's proposed 67107  
finding is requested by the applicant or the county auditor, the 67108  
commissioner shall notify the applicant and the auditor of the 67109  
time and place of the hearing, which the commissioner may continue 67110  
from time to time as the commissioner finds necessary. The 67111  
commissioner also shall notify the environmental protection agency 67112  
or department of development, as applicable, of the hearing. The 67113  
environmental protection agency or the department of development 67114  
shall participate in the hearing if requested in writing by the 67115  
commissioner, the applicant, or the county auditor. After 67116  
conducting the hearing, the commissioner shall issue a final 67117  
determination, with a copy of it served on the applicant and 67118  
applicable county auditors in the manner prescribed by section 67119  
5703.37 of the Revised Code. The final determination is subject to 67120

appeal pursuant to section 5717.02 of the Revised Code. Once all 67121  
appeals are exhausted, the commissioner shall issue, if 67122  
applicable, the exempt facility certificate based on the outcome 67123  
of the appeal. 67124

(C) The tax commissioner, on the commissioner's own 67125  
initiative or on complaint by the county auditor of ~~the~~ any county 67126  
in which ~~any~~ property to which ~~such air or noise pollution control~~ 67127  
the exempt facility certificate relates is located, shall revoke 67128  
~~such air or noise pollution control certificate whenever any of~~ 67129  
~~the following appears~~ the certificate, or modify it by restricting 67130  
its operation, if it appears to the commissioner that any of the 67131  
following has occurred: 67132

~~(A)~~(1) The certificate was obtained by fraud or 67133  
misrepresentation; 67134

~~(B)~~(2) The holder of the certificate has failed substantially 67135  
to proceed with the construction, reconstruction, installation, or 67136  
acquisition of ~~air or noise pollution control facilities~~ an exempt 67137  
facility; 67138

~~(C)~~(3) The ~~structure or equipment or both~~ property to which 67139  
the certificate relates has ceased to be used ~~for the primary~~ 67140  
~~purpose of pollution control and is being used for a different~~ 67141  
~~purpose.~~ 67142

~~Provided, that where the circumstances so require, the~~ 67143  
~~commissioner in lieu of revoking such certificate may modify the~~ 67144  
~~same by restricting its operations~~ as an exempt facility; 67145

(4) The tax commissioner issued the certificate in error. As 67146  
used in this section, "error" means any of the following: 67147

(a) A clerical or mathematical mistake; 67148

(b) When the commissioner agrees with an opinion from the 67149  
director of environmental protection or the director of 67150

development that a certificate should not have been issued; 67151

(c) When the tax commissioner determines that the issuance of 67152  
the certificate may have been improper as the result of a final 67153  
adjudication by the board of tax appeals, or by a court with 67154  
jurisdiction on appeal from that board, that is adverse to the 67155  
original exempt status of the facility, regardless of whether the 67156  
holder of the certificate was a party to such adjudication. 67157

(D) If the revocation or modification of a certificate under 67158  
division (C)(4) of this section is an action found to be frivolous 67159  
for the purposes of section 5703.54 of the Revised Code the 67160  
certificate holder may claim damages as provided under division 67161  
(B) of that section. 67162

~~On the mailing of notice of the action of the commissioner~~ 67163  
~~revoking or modifying an air or noise pollution control~~ 67164  
~~certificate as provided in section 5709.23 of the Revised Code,~~ 67165  
~~such~~ (E) Upon service of notice certificate to the holder of an 67166  
exempt facility certificate, in the manner provided in section 67167  
5703.37 of the Revised Code, of the tax commissioner's revocation 67168  
or modification of the certificate under division (C) of this 67169  
section, the certificate shall cease to be in force or shall 67170  
remain in force only as modified, as the case may require. The 67171  
notice is subject to appeal under section 5717.02 of the Revised 67172  
Code. Once all appeals are exhausted, the commissioner shall issue 67173  
a modified certificate, if applicable, and the holder of the 67174  
certificate shall be allowed to claim a refund within one hundred 67175  
eighty days, notwithstanding any other time limitation provided by 67176  
law of the taxes paid as a result of the certificate being revoked 67177  
or modified. 67178

**Sec. 5709.23.** (A) As soon as is practicable after receiving 67179  
an application for an exempt facility certificate, the tax 67180  
commissioner shall provide a copy of the application and any 67181

accompanying documentation to the county auditor of the county in 67182  
which the facility is located. The copy shall be accompanied by a 67183  
statement showing an estimate of what the assessed value of the 67184  
facility would be, based on the appropriate assessment percentage, 67185  
if the facility were to be taxable, and an estimate of the taxes 67186  
that would be chargeable against the facility computed on the 67187  
basis of the rate of taxation in the taxing district in the year 67188  
in which the application is received. Within sixty days after 67189  
receiving such a statement, the county auditor shall issue a 67190  
notice to the taxing authority of each taxing unit in which the 67191  
facility is or is to be located. The notice shall state that an 67192  
application for an exempt facility certificate has been filed for 67193  
the facility; the estimated assessed value of the facility shown 67194  
on the statement; the annual amount of taxes that would be charged 67195  
and payable on that value at the current rate of taxation in 67196  
effect in the taxing unit; and that, if approved, the application 67197  
entitles the facility to exemption from taxation and the taxing 67198  
unit may be required to refund any taxes on the facility accruing 67199  
after the certificate becomes effective. The tax commissioner 67200  
shall issue an amended statement if, after the original statement 67201  
is issued, the estimate of such assessed value increases or 67202  
decreases by more than ten per cent of the estimated value shown 67203  
on the most recently issued statement or amended statement, and 67204  
the county auditor shall issue an amended notice reflecting such 67205  
change. 67206

(B) Upon request by the county auditor of the county in which 67207  
the exempt facility described in the application is located, the 67208  
tax commissioner shall provide the county auditor with any 67209  
documents submitted with the opinion of the director of 67210  
environmental protection or director of development, including a 67211  
copy of opinion. 67212

(C) Any documents, statements, and notices provided for under 67213

this section are solely for the purpose of notifying taxing 67214  
authorities of the existence of an exempt facility application and 67215  
the potential for a refund of taxes paid on an exempt facility 67216  
before a tax exemption certificate is issued. Such documents, 67217  
statements, and notices do not constitute an assessment that is 67218  
subject to a petition for reassessment nor are such documents, 67219  
statements, and notices appealable under section 5717.02 of the 67220  
Revised Code by any person. 67221

(D) The documents, statements, and notices provided by the 67222  
tax commissioner under this section are subject to all applicable 67223  
confidentiality provisions of law. 67224

Sec. 5709.24. The tax commissioner may adopt rules to 67225  
administer sections 5709.20 to 5709.27 of the Revised Code. 67226

Sec. 5709.25. (A) Whenever an ~~air or noise pollution control~~ 67227  
~~exempt facility~~ certificate is issued on a ~~pollution control~~ 67228  
~~facility~~, the transfer of tangible personal property to the holder 67229  
of the certificate, whether such transfer takes place before or 67230  
after the issuance of the certificate, shall not be considered a 67231  
"sale" of such tangible personal property for the purpose of the 67232  
sales tax, or a "use" for the purpose of the use tax, if the 67233  
tangible personal property is to be or was a material or part to 67234  
be incorporated into an ~~air or noise pollution control~~ exempt 67235  
facility as defined in section 5709.20 of the Revised Code. 67236

(B) For the period subsequent to the effective date of an ~~air~~ 67237  
~~or noise pollution control~~ exempt facility certificate and 67238  
continuing for so long as the certificate is in force, no 67239  
~~pollution control~~ exempt facility or certified portion thereof 67240  
shall be considered to be either of the following: 67241

(1) An improvement on the land on which the ~~same~~ exempt 67242  
facility is located for the purpose of real property taxation; 67243

(2) As "used in business" for the purpose of personal 67244  
property taxation+ 67245

~~(3) As an asset of any corporation in determining the value 67246  
of its issued and outstanding shares or the value of the property 67247  
owned and used by it in this state for the purpose of the 67248  
franchise tax. 67249~~

(C)(1) The tax commissioner, upon receiving a properly 67250  
completed application for an exempt facility certificate, may 67251  
allow the applicant to claim the exemption provided by this 67252  
section before the commissioner issues the certificate. The 67253  
applicant is entitled to the exemption unless the commissioner 67254  
notifies the applicant otherwise by serving notice upon the 67255  
applicant in the manner prescribed by section 5703.37 of the 67256  
Revised Code. 67257

(2) A taxpayer whose tangible personal property is subject to 67258  
taxation under Chapter 5727. of the Revised Code shall notify the 67259  
commissioner in writing of any property the applicant does not 67260  
want the commissioner to exclude from assessment. The notice shall 67261  
be provided before the date the commissioner issues the 67262  
preliminary assessment under section 5727.23 of the Revised Code. 67263

(D)(1) Notwithstanding any other time limitations imposed by 67264  
law, the commissioner may assess any additional tax or may assess 67265  
any additional taxable property, including any applicable 67266  
interest, on the denied portion of the applicant's claim for an 67267  
exempt facility that the applicant claimed prior to the exempt 67268  
facility certificate being issued or the application being denied. 67269  
No assessment shall be made pursuant to this division after one 67270  
hundred eighty days from the date the commissioner mails the 67271  
exempt facility certificate or notice of the denial of the exempt 67272  
facility certificate pursuant to section 5709.22 of the Revised 67273  
Code. Nothing in this section shall prohibit an assessment that 67274



otherwise may be timely made by law. 67275

(2) Assessments issued pursuant to division (D)(1) of this section shall be issued as amended preliminary assessment certificates under section 5711.31 of the Revised Code for personal property tax, as amended preliminary assessment certificates under section 5727.23 of the Revised Code for public utility tax, and as assessments under section 5733.11 of the Revised Code for corporation franchise tax, section 5739.13 of the Revised Code for sales tax, and section 5741.11 of the Revised Code for use tax, and are subject to the same appeal requirements as defined in those sections. 67276  
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(3) Nothing in division (D) of this section allows the tax commissioner, after the expiration of the time limitation, to issue an assessment referenced in division (D)(2) of this section that increases any tax beyond the amount claimed by the applicant as an exempt facility. 67286  
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(4) If an assessment is issued for only the denied portion of the application for an exempt facility, the only issue the applicant is permitted to raise on appeal of the assessment referenced in division (D)(2) of this section is that of the taxable property or transaction constituting the denied portion of the applicant's claim for an exempt facility. 67291  
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(E) Except as otherwise provided in this division, no exemption for additional property shall be claimed under this section after an exempt facility certificate has been issued for that facility unless the applicant files a new application under section 5709.21 of the Revised Code. The tax commissioner shall waive the requirement to file a new application under section 5709.21 of the Revised Code if the cost of the additional property, net of retirements for similar property, does not exceed five hundred thousand dollars during any calendar year. The fee imposed under section 5709.212 of the Revised Code for 67297  
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applications filed as a result of this division shall be five 67307  
hundred dollars. 67308

(F) If, as the result of a revaluation due to sale or 67309  
bankruptcy or any other reason, the book value of property that is 67310  
the subject of an exempt facility certificate is changed from the 67311  
book value at the time of the original issuance of the 67312  
certificate, the amount of exemption available to the owner is 67313  
limited to the percentage resulting from the ratio of the 67314  
historical cost of the property that is the subject of the exempt 67315  
facility certificate to the historic cost of all tangible personal 67316  
property and real property of the owner located at the same 67317  
location as the property subject to the exempt facility 67318  
certificate. If the result of using this ratio is greater than the 67319  
original cost, then acceptable reasons for allowing such greater 67320  
cost must be established with supporting documentation in order to 67321  
qualify for the exemption above the original cost. 67322

(G) After two years from the date the tax commissioner 67323  
receives an application, the applicant may request in writing that 67324  
the tax commissioner take final action on the pending application. 67325  
Within ten days after receiving such a request, the tax 67326  
commissioner shall issue a proposed finding, under section 5709.22 67327  
of the Revised Code, if the application is allowed in whole or in 67328  
part. Otherwise, the tax commissioner shall issue a final 67329  
determination denying the issuance of the certificate, which is a 67330  
final determination appealable under section 5717.02 of the 67331  
Revised Code. 67332

**Sec. 5709.26.** When an air or noise pollution control exempt 67333  
facility certificate is revoked because obtained by fraud or 67334  
misrepresentation or modified for the reason stated in division 67335  
(C)(1) of section 5709.22 of the Revised Code, all taxes which 67336  
that would have been payable had no certificate been issued shall 67337

be assessed with ~~maximum~~ penalties and interest prescribed by law 67338  
applicable thereto dating to when the exemption was first allowed. 67339  
Notwithstanding any other time limitations imposed by law, if the 67340  
certificate is revoked or modified under division (C)(2), (3), or 67341  
(4) of section 5709.22 of the Revised Code, all taxes that would 67342  
have been payable had no certificate existed as of the first day 67343  
of January of the calendar year in which the certificate was 67344  
revoked or modified are subject to assessment. 67345

**Sec. 5709.27.** In the event of the sale, lease, or other 67346  
transfer of an ~~air or noise pollution control~~ exempt facility, not 67347  
involving a different location or use, the holder of an ~~air or~~ 67348  
~~noise pollution control~~ the exempt facility certificate ~~for such~~ 67349  
~~facility may~~ shall transfer the certificate by written instrument 67350  
to the person who, except for the transfer of the certificate, 67351  
would be obligated to pay taxes on ~~such~~ the facility. The 67352  
transferee shall become the holder of the certificate and shall 67353  
have all the rights to exemption from taxes ~~which were~~ granted to 67354  
the former holder or holders, effective as of the date of transfer 67355  
of the facility or the date of transfer of the certificate, 67356  
whichever is earlier. The transferee shall promptly give written 67357  
notice of the effective date of the transfer, together with a copy 67358  
of the instrument of transfer, to the tax commissioner and the 67359  
county auditor of the county in which the facility is located. 67360  
Upon request, the commissioner may provide the transferee with any 67361  
information the commissioner possesses related to the issuance of 67362  
the exempt facility certificate. 67363

**Sec. 5709.61.** As used in sections 5709.61 to 5709.69 of the 67364  
Revised Code: 67365

(A) "Enterprise zone" or "zone" means any of the following: 67366

(1) An area with a single continuous boundary designated in 67367

the manner set forth in section 5709.62 or 5709.63 of the Revised Code and certified by the director of development as having a population of at least four thousand according to the best and most recent data available to the director and having at least two of the following characteristics:

(a) It is located in a municipal corporation defined by the United States office of management and budget as a central city of a metropolitan statistical area or in a city designated as an urban cluster in a rural statistical area;

(b) It is located in a county designated as being in the "Appalachian region" under the "Appalachian Regional Development Act of 1965," 79 Stat. 5, 40 App. U.S.C.A. 403, as amended;

(c) Its average rate of unemployment, during the most recent twelve-month period for which data are available, is equal to at least one hundred twenty-five per cent of the average rate of unemployment for the state of Ohio for the same period;

(d) There is a prevalence of commercial or industrial structures in the area that are vacant or demolished, or are vacant and the taxes charged thereon are delinquent, and certification of the area as an enterprise zone would likely result in the reduction of the rate of vacant or demolished structures or the rate of tax delinquency in the area;

(e) The population of all census tracts in the area, according to the federal census of 1990, decreased by at least ten per cent between the years 1970 and 1990;

(f) At least fifty-one per cent of the residents of the area have incomes of less than eighty per cent of the median income of residents of the municipal corporation or municipal corporations in which the area is located, as determined in the same manner specified under section 119(b) of the "Housing and Community Development Act of 1974," 88 Stat. 633, 42 U.S.C. 5318, as

amended; 67399

(g) The area contains structures previously used for 67400  
industrial purposes, but currently not so used due to age, 67401  
obsolescence, deterioration, relocation of the former occupant's 67402  
operations, or cessation of operations resulting from unfavorable 67403  
economic conditions either generally or in a specific economic 67404  
sector; 67405

(h) It is located within one or more adjacent city, local, or 67406  
exempted village school districts, the income-weighted tax 67407  
capacity of each of which is less than seventy per cent of the 67408  
average of the income-weighted tax capacity of all city, local, or 67409  
exempted village school districts in the state according to the 67410  
most recent data available to the director from the department of 67411  
taxation. 67412

The director of development shall adopt rules in accordance 67413  
with Chapter 119. of the Revised Code establishing conditions 67414  
constituting the characteristics described in divisions (A)(1)(d), 67415  
(g), and (h) of this section. 67416

If an area could not be certified as an enterprise zone 67417  
unless it satisfied division (A)(1)(g) of this section, the 67418  
legislative authority may enter into agreements in that zone under 67419  
section 5709.62, 5709.63, or 5709.632 of the Revised Code only if 67420  
such agreements result in the development of the facilities 67421  
described in that division, the parcel of land on which such 67422  
facilities are situated, or adjacent parcels. The director of 67423  
development annually shall review all agreements in such zones to 67424  
determine whether the agreements have resulted in such 67425  
development; if the director determines that the agreements have 67426  
not resulted in such development, the director immediately shall 67427  
revoke certification of the zone and notify the legislative 67428  
authority of such revocation. Any agreements entered into prior to 67429  
revocation under this paragraph shall continue in effect for the 67430

period provided in the agreement. 67431

(2) An area with a single continuous boundary designated in 67432  
the manner set forth in section 5709.63 of the Revised Code and 67433  
certified by the director of development as: 67434

(a) Being located within a county that contains a population 67435  
of three hundred thousand or less; 67436

(b) Having a population of at least one thousand according to 67437  
the best and most recent data available to the director; 67438

(c) Having at least two of the characteristics described in 67439  
divisions (A)(1)(b) to (h) of this section. 67440

(3) An area with a single continuous boundary designated in 67441  
the manner set forth under division (A)(1) of section 5709.632 of 67442  
the Revised Code and certified by the director of development as 67443  
having a population of at least four thousand, or under division 67444  
(A)(2) of that section and certified as having a population of at 67445  
least one thousand, according to the best and most recent data 67446  
available to the director. 67447

(B) "Enterprise" means any form of business organization 67448  
including, but not limited to, any partnership, sole 67449  
proprietorship, or corporation, including an S corporation as 67450  
defined in section 1361 of the Internal Revenue Code and any 67451  
corporation that is majority work-owned either directly through 67452  
the ownership of stock or indirectly through participation in an 67453  
employee stock ownership plan. 67454

(C) "Facility" means an enterprise's place of business in a 67455  
zone, including land, buildings, machinery, equipment, and other 67456  
materials, except inventory, used in business. "Facility" includes 67457  
land, buildings, machinery, production and station equipment, 67458  
other equipment, and other materials, except inventory, used in 67459  
business to generate electricity, provided that, for purposes of 67460  
sections 5709.61 to 5709.69 of the Revised Code, the value of the 67461

property at such a facility shall be reduced by the value, if any, 67462  
that is not apportioned under section 5727.15 of the Revised Code 67463  
to the taxing district in which the facility is physically 67464  
located. In the case of such a facility that is physically located 67465  
in two adjacent taxing districts, the property located in each 67466  
taxing district constitutes a separate facility. 67467

"Facility" does not include any portion of an enterprise's 67468  
place of business used primarily for making retail sales, unless 67469  
the place of business is located in an impacted city as defined in 67470  
section 1728.01 of the Revised Code. 67471

(D) "Vacant facility" means a facility that has been vacant 67472  
for at least ninety days immediately preceding the date on which 67473  
an agreement is entered into under section 5709.62 or 5709.63 of 67474  
the Revised Code. 67475

(E) "Expand" means to make expenditures to add land, 67476  
buildings, machinery, equipment, or other materials, except 67477  
inventory, to a facility that equal at least ten per cent of the 67478  
market value of the facility prior to such expenditures, as 67479  
determined for the purposes of local property taxation. 67480

(F) "Renovate" means to make expenditures to alter or repair 67481  
a facility that equal at least fifty per cent of the market value 67482  
of the facility prior to such expenditures, as determined for the 67483  
purposes of local property taxation. 67484

(G) "Occupy" means to make expenditures to alter or repair a 67485  
vacant facility equal to at least twenty per cent of the market 67486  
value of the facility prior to such expenditures, as determined 67487  
for the purposes of local property taxation. 67488

(H) "Project site" means all or any part of a facility that 67489  
is newly constructed, expanded, renovated, or occupied by an 67490  
enterprise. 67491

(I) "Project" means any undertaking by an enterprise to 67492

establish a facility or to improve a project site by expansion, 67493  
renovation, or occupancy. 67494

(J) "Position" means the position of one full-time employee 67495  
performing a particular set of tasks and duties. 67496

(K) "Full-time employee" means an individual who is employed 67497  
for consideration by an enterprise for at least thirty-five hours 67498  
a week, or who renders any other standard of service generally 67499  
accepted by custom or specified by contract as full-time 67500  
employment. 67501

(L) "New employee" means a full-time employee first employed 67502  
by an enterprise at a facility that is a project site after the 67503  
enterprise enters an agreement under section 5709.62 or 5709.63 of 67504  
the Revised Code. "New employee" does not include an employee if, 67505  
immediately prior to being employed by the enterprise, the 67506  
employee was employed by an enterprise that is a related member or 67507  
predecessor enterprise of that enterprise. 67508

(M) "Unemployed person" means any person who is totally 67509  
unemployed in this state, as that term is defined in division (M) 67510  
of section 4141.01 of the Revised Code, for at least ten 67511  
consecutive weeks immediately preceding that person's employment 67512  
at a facility that is a project site, or who is so unemployed for 67513  
at least twenty-six of the fifty-two weeks immediately preceding 67514  
that person's employment at such a facility. 67515

(N) "JTPA eligible employee" means any individual who is 67516  
eligible for employment or training under the "Job Training 67517  
Partnership Act," 96 Stat. 1324 (1982), 29 U.S.C. 1501, as 67518  
amended. 67519

(O) "First used in business" means that the property referred 67520  
to has not been used in business in this state by the enterprise 67521  
that owns it, or by an enterprise that is a related member or 67522  
predecessor enterprise of such an enterprise, other than as 67523



inventory, prior to being used in business at a facility as the 67524  
result of a project. 67525

(P) "Training program" means any noncredit training program 67526  
or course of study that is offered by any state college or 67527  
university; university branch district; community college; 67528  
technical college; nonprofit college or university certified under 67529  
section 1713.02 of the Revised Code; school district; joint 67530  
vocational school district; school registered and authorized to 67531  
offer programs under section 3332.05 of the Revised Code; an 67532  
entity administering any federal, state, or local adult education 67533  
and training program; or any enterprise; and that meets all of the 67534  
following requirements: 67535

(1) It is approved by the director of development; 67536

(2) It is established or operated to satisfy the need of a 67537  
particular industry or enterprise for skilled or semi-skilled 67538  
employees; 67539

(3) An individual is required to complete the course or 67540  
program before filling a position at a project site. 67541

(Q) "Development" means to engage in the process of clearing 67542  
and grading land, making, installing, or constructing water 67543  
distribution systems, sewers, sewage collection systems, steam, 67544  
gas, and electric lines, roads, curbs, gutters, sidewalks, storm 67545  
drainage facilities, and construction of other facilities or 67546  
buildings equal to at least fifty per cent of the market value of 67547  
the facility prior to the expenditures, as determined for the 67548  
purposes of local property taxation. 67549

(R) "Large manufacturing facility" means a single Ohio 67550  
facility that employed an average of at least one thousand 67551  
individuals during the five calendar years preceding an agreement 67552  
authorized under division (C)(3) of section 5709.62 or division 67553  
(B)(2) of section 5709.63 of the Revised Code. For purposes of 67554

this division, both of the following apply: 67555

(1) A single Ohio manufacturing facility employed an average 67556  
of at least one thousand individuals during the five calendar 67557  
years preceding entering into such an agreement if one-fifth of 67558  
the sum of the number of employees employed on the highest 67559  
employment day during each of the five calendar years equals or 67560  
exceeds one thousand. 67561

(2) The highest employment day is the day or days during a 67562  
calendar year on which the number of employees employed at a 67563  
single Ohio manufacturing facility was greater than on any other 67564  
day during the calendar year. 67565

(S) "Business cycle" means the cycle of business activity 67566  
usually regarded as passing through alternating stages of 67567  
prosperity and depression. 67568

(T) "Making retail sales" means the effecting of 67569  
point-of-final-purchase transactions at a facility open to the 67570  
consuming public, wherein one party is obligated to pay the price 67571  
and the other party is obligated to provide a service or to 67572  
transfer title to or possession of the item sold. 67573

(U) "Environmentally contaminated" means that hazardous 67574  
substances exist at a facility under conditions that have caused 67575  
or would cause the facility to be identified as contaminated by 67576  
the state or federal environmental protection agency. These may 67577  
include facilities located at sites identified in the master sites 67578  
list or similar database maintained by the state environmental 67579  
protection agency if the sites have been investigated by the 67580  
agency and found to be contaminated. 67581

(V) "Remediate" means to make expenditures to clean up an 67582  
environmentally contaminated facility so that it is no longer 67583  
environmentally contaminated that equal at least ten per cent of 67584  
the real property market value of the facility prior to such 67585

expenditures as determined for the purposes of property taxation. 67586

(W) "Related member" has the same meaning as defined in 67587  
section 5733.042 of the Revised Code without regard to division 67588  
(B) of that section, except that it is used with respect to an 67589  
enterprise rather than a taxpayer. 67590

(X) "Predecessor enterprise" means an enterprise from which 67591  
the assets or equity of another enterprise has been transferred, 67592  
which transfer resulted in the full or partial nonrecognition of 67593  
gain or loss, or resulted in a carryover basis, both as determined 67594  
by rule adopted by the tax commissioner. 67595

(Y) "Successor enterprise" means an enterprise to which the 67596  
assets or equity of another enterprise has been transferred, which 67597  
transfer resulted in the full or partial nonrecognition of gain or 67598  
loss, or resulted in a carryover basis, both as determined by rule 67599  
adopted by the tax commissioner. 67600

**Sec. 5709.62.** (A) In any municipal corporation that is 67601  
defined by the United States office of management and budget as a 67602  
central city of a metropolitan statistical area, or in a city 67603  
designated as an urban cluster in a rural statistical area, the 67604  
legislative authority of the municipal corporation may designate 67605  
one or more areas within its municipal corporation as proposed 67606  
enterprise zones. Upon designating an area, the legislative 67607  
authority shall petition the director of development for 67608  
certification of the area as having the characteristics set forth 67609  
in division (A)(1) of section 5709.61 of the Revised Code as 67610  
amended by Substitute Senate Bill No. 19 of the 120th general 67611  
assembly. Except as otherwise provided in division (E) of this 67612  
section, on and after July 1, 1994, legislative authorities shall 67613  
not enter into agreements under this section unless the 67614  
legislative authority has petitioned the director and the director 67615  
has certified the zone under this section as amended by that act; 67616

however, all agreements entered into under this section as it 67617  
existed prior to July 1, 1994, and the incentives granted under 67618  
those agreements shall remain in effect for the period agreed to 67619  
under those agreements. Within sixty days after receiving such a 67620  
petition, the director shall determine whether the area has the 67621  
characteristics set forth in division (A)(1) of section 5709.61 of 67622  
the Revised Code, and shall forward the findings to the 67623  
legislative authority of the municipal corporation. If the 67624  
director certifies the area as having those characteristics, and 67625  
thereby certifies it as a zone, the legislative authority may 67626  
enter into an agreement with an enterprise under division (C) of 67627  
this section. 67628

(B) Any enterprise that wishes to enter into an agreement 67629  
with a municipal corporation under division (C) of this section 67630  
shall submit a proposal to the legislative authority of the 67631  
municipal corporation on a form prescribed by the director of 67632  
development, together with the application fee established under 67633  
section 5709.68 of the Revised Code. The form shall require the 67634  
following information: 67635

(1) An estimate of the number of new employees whom the 67636  
enterprise intends to hire, or of the number of employees whom the 67637  
enterprise intends to retain, within the zone at a facility that 67638  
is a project site, and an estimate of the amount of payroll of the 67639  
enterprise attributable to these employees; 67640

(2) An estimate of the amount to be invested by the 67641  
enterprise to establish, expand, renovate, or occupy a facility, 67642  
including investment in new buildings, additions or improvements 67643  
to existing buildings, machinery, equipment, furniture, fixtures, 67644  
and inventory; 67645

(3) A listing of the enterprise's current investment, if any, 67646  
in a facility as of the date of the proposal's submission. 67647

The enterprise shall review and update the listings required 67648  
under this division to reflect material changes, and any agreement 67649  
entered into under division (C) of this section shall set forth 67650  
final estimates and listings as of the time the agreement is 67651  
entered into. The legislative authority may, on a separate form 67652  
and at any time, require any additional information necessary to 67653  
determine whether an enterprise is in compliance with an agreement 67654  
and to collect the information required to be reported under 67655  
section 5709.68 of the Revised Code. 67656

(C) Upon receipt and investigation of a proposal under 67657  
division (B) of this section, if the legislative authority finds 67658  
that the enterprise submitting the proposal is qualified by 67659  
financial responsibility and business experience to create and 67660  
preserve employment opportunities in the zone and improve the 67661  
economic climate of the municipal corporation, the legislative 67662  
authority, on or before ~~June 30, 2004~~ October 15, 2009, may do one 67663  
of the following: 67664

(1) Enter into an agreement with the enterprise under which 67665  
the enterprise agrees to establish, expand, renovate, or occupy a 67666  
facility and hire new employees, or preserve employment 67667  
opportunities for existing employees, in return for one or more of 67668  
the following incentives: 67669

(a) Exemption for a specified number of years, not to exceed 67670  
ten, of a specified portion, up to seventy-five per cent, of the 67671  
assessed value of tangible personal property first used in 67672  
business at the project site as a result of the agreement. An 67673  
exemption granted pursuant to this division applies to inventory 67674  
required to be listed pursuant to sections 5711.15 and 5711.16 of 67675  
the Revised Code, except that, in the instance of an expansion or 67676  
other situations in which an enterprise was in business at the 67677  
facility prior to the establishment of the zone, the inventory 67678  
that is exempt is that amount or value of inventory in excess of 67679

the amount or value of inventory required to be listed in the 67680  
personal property tax return of the enterprise in the return for 67681  
the tax year in which the agreement is entered into. 67682

(b) Exemption for a specified number of years, not to exceed 67683  
ten, of a specified portion, up to seventy-five per cent, of the 67684  
increase in the assessed valuation of real property constituting 67685  
the project site subsequent to formal approval of the agreement by 67686  
the legislative authority; 67687

(c) Provision for a specified number of years, not to exceed 67688  
ten, of any optional services or assistance that the municipal 67689  
corporation is authorized to provide with regard to the project 67690  
site. 67691

(2) Enter into an agreement under which the enterprise agrees 67692  
to remediate an environmentally contaminated facility, to spend an 67693  
amount equal to at least two hundred fifty per cent of the true 67694  
value in money of the real property of the facility prior to 67695  
remediation as determined for the purposes of property taxation to 67696  
establish, expand, renovate, or occupy the remediated facility, 67697  
and to hire new employees or preserve employment opportunities for 67698  
existing employees at the remediated facility, in return for one 67699  
or more of the following incentives: 67700

(a) Exemption for a specified number of years, not to exceed 67701  
ten, of a specified portion, not to exceed fifty per cent, of the 67702  
assessed valuation of the real property of the facility prior to 67703  
remediation; 67704

(b) Exemption for a specified number of years, not to exceed 67705  
ten, of a specified portion, not to exceed one hundred per cent, 67706  
of the increase in the assessed valuation of the real property of 67707  
the facility during or after remediation; 67708

(c) The incentive under division (C)(1)(a) of this section, 67709  
except that the percentage of the assessed value of such property 67710

exempted from taxation shall not exceed one hundred per cent; 67711

(d) The incentive under division (C)(1)(c) of this section. 67712

(3) Enter into an agreement with an enterprise that plans to 67713  
purchase and operate a large manufacturing facility that has 67714  
ceased operation or announced its intention to cease operation, in 67715  
return for exemption for a specified number of years, not to 67716  
exceed ten, of a specified portion, up to one hundred per cent, of 67717  
the assessed value of tangible personal property used in business 67718  
at the project site as a result of the agreement, or of the 67719  
assessed valuation of real property constituting the project site, 67720  
or both. 67721

(D)(1) Notwithstanding divisions (C)(1)(a) and (b) of this 67722  
section, the portion of the assessed value of tangible personal 67723  
property or of the increase in the assessed valuation of real 67724  
property exempted from taxation under those divisions may exceed 67725  
seventy-five per cent in any year for which that portion is 67726  
exempted if the average percentage exempted for all years in which 67727  
the agreement is in effect does not exceed sixty per cent, or if 67728  
the board of education of the city, local, or exempted village 67729  
school district within the territory of which the property is or 67730  
will be located approves a percentage in excess of seventy-five 67731  
per cent. For the purpose of obtaining such approval, the 67732  
legislative authority shall deliver to the board of education a 67733  
notice not later than forty-five days prior to approving the 67734  
agreement, excluding Saturdays, Sundays, and legal holidays as 67735  
defined in section 1.14 of the Revised Code. The notice shall 67736  
state the percentage to be exempted, an estimate of the true value 67737  
of the property to be exempted, and the number of years the 67738  
property is to be exempted. The board of education, by resolution 67739  
adopted by a majority of the board, shall approve or disapprove 67740  
the agreement and certify a copy of the resolution to the 67741  
legislative authority not later than fourteen days prior to the 67742

date stipulated by the legislative authority as the date upon 67743  
which approval of the agreement is to be formally considered by 67744  
the legislative authority. The board of education may include in 67745  
the resolution conditions under which the board would approve the 67746  
agreement, including the execution of an agreement to compensate 67747  
the school district under division (B) of section 5709.82 of the 67748  
Revised Code. The legislative authority may approve the agreement 67749  
at any time after the board of education certifies its resolution 67750  
approving the agreement to the legislative authority, or, if the 67751  
board approves the agreement conditionally, at any time after the 67752  
conditions are agreed to by the board and the legislative 67753  
authority. 67754

If a board of education has adopted a resolution waiving its 67755  
right to approve agreements and the resolution remains in effect, 67756  
approval of an agreement by the board is not required under this 67757  
division. If a board of education has adopted a resolution 67758  
allowing a legislative authority to deliver the notice required 67759  
under this division fewer than forty-five business days prior to 67760  
the legislative authority's approval of the agreement, the 67761  
legislative authority shall deliver the notice to the board not 67762  
later than the number of days prior to such approval as prescribed 67763  
by the board in its resolution. If a board of education adopts a 67764  
resolution waiving its right to approve agreements or shortening 67765  
the notification period, the board shall certify a copy of the 67766  
resolution to the legislative authority. If the board of education 67767  
rescinds such a resolution, it shall certify notice of the 67768  
rescission to the legislative authority. 67769

(2) The legislative authority shall comply with section 67770  
5709.83 of the Revised Code unless the board of education has 67771  
adopted a resolution under that section waiving its right to 67772  
receive such notice. 67773

(E) This division applies to zones certified by the director 67774



of development under this section prior to July 22, 1994. 67775

On or before ~~June 30, 2004~~ October 15, 2009, the legislative 67776  
authority that designated a zone to which this division applies 67777  
may enter into an agreement with an enterprise if the legislative 67778  
authority makes the finding required under that division and 67779  
determines that the enterprise satisfies one of the criteria 67780  
described in divisions (E)(1) to (5) of this section: 67781

(1) The enterprise currently has no operations in this state 67782  
and, subject to approval of the agreement, intends to establish 67783  
operations in the zone; 67784

(2) The enterprise currently has operations in this state 67785  
and, subject to approval of the agreement, intends to establish 67786  
operations at a new location in the zone that would not result in 67787  
a reduction in the number of employee positions at any of the 67788  
enterprise's other locations in this state; 67789

(3) The enterprise, subject to approval of the agreement, 67790  
intends to relocate operations, currently located in another 67791  
state, to the zone; 67792

(4) The enterprise, subject to approval of the agreement, 67793  
intends to expand operations at an existing site in the zone that 67794  
the enterprise currently operates; 67795

(5) The enterprise, subject to approval of the agreement, 67796  
intends to relocate operations, currently located in this state, 67797  
to the zone, and the director of development has issued a waiver 67798  
for the enterprise under division (B) of section 5709.633 of the 67799  
Revised Code. 67800

The agreement shall require the enterprise to agree to 67801  
establish, expand, renovate, or occupy a facility in the zone and 67802  
hire new employees, or preserve employment opportunities for 67803  
existing employees, in return for one or more of the incentives 67804  
described in division (C) of this section. 67805

(F) All agreements entered into under this section shall be 67806  
in the form prescribed under section 5709.631 of the Revised Code. 67807  
After an agreement is entered into under this division, if the 67808  
legislative authority revokes its designation of a zone, or if the 67809  
director of development revokes the zone's certification, any 67810  
entitlements granted under the agreement shall continue for the 67811  
number of years specified in the agreement. 67812

(G) Except as otherwise provided in this division, an 67813  
agreement entered into under this section shall require that the 67814  
enterprise pay an annual fee equal to the greater of one per cent 67815  
of the dollar value of incentives offered under the agreement or 67816  
five hundred dollars; provided, however, that if the value of the 67817  
incentives exceeds two hundred fifty thousand dollars, the fee 67818  
shall not exceed two thousand five hundred dollars. The fee shall 67819  
be payable to the legislative authority once per year for each 67820  
year the agreement is effective on the days and in the form 67821  
specified in the agreement. Fees paid shall be deposited in a 67822  
special fund created for such purpose by the legislative authority 67823  
and shall be used by the legislative authority exclusively for the 67824  
purpose of complying with section 5709.68 of the Revised Code and 67825  
by the tax incentive review council created under section 5709.85 67826  
of the Revised Code exclusively for the purposes of performing the 67827  
duties prescribed under that section. The legislative authority 67828  
may waive or reduce the amount of the fee charged against an 67829  
enterprise, but such a waiver or reduction does not affect the 67830  
obligations of the legislative authority or the tax incentive 67831  
review council to comply with section 5709.68 or 5709.85 of the 67832  
Revised Code. 67833

(H) When an agreement is entered into pursuant to this 67834  
section, the legislative authority authorizing the agreement shall 67835  
forward a copy of the agreement to the director of development and 67836  
to the tax commissioner within fifteen days after the agreement is 67837

entered into. If any agreement includes terms not provided for in 67838  
section 5709.631 of the Revised Code affecting the revenue of a 67839  
city, local, or exempted village school district or causing 67840  
revenue to be foregone by the district, including any compensation 67841  
to be paid to the school district pursuant to section 5709.82 of 67842  
the Revised Code, those terms also shall be forwarded in writing 67843  
to the director of development along with the copy of the 67844  
agreement forwarded under this division. 67845

(I) After an agreement is entered into, the enterprise shall 67846  
file with each personal property tax return required to be filed, 67847  
or annual report required to be filed under section 5727.08 of the 67848  
Revised Code, while the agreement is in effect, an informational 67849  
return, on a form prescribed by the tax commissioner for that 67850  
purpose, setting forth separately the property, and related costs 67851  
and values, exempted from taxation under the agreement. 67852

(J) Enterprises may agree to give preference to residents of 67853  
the zone within which the agreement applies relative to residents 67854  
of this state who do not reside in the zone when hiring new 67855  
employees under the agreement. 67856

(K) An agreement entered into under this section may include 67857  
a provision requiring the enterprise to create one or more 67858  
temporary internship positions for students enrolled in a course 67859  
of study at a school or other educational institution in the 67860  
vicinity, and to create a scholarship or provide another form of 67861  
educational financial assistance for students holding such a 67862  
position in exchange for the student's commitment to work for the 67863  
enterprise at the completion of the internship. 67864

**Sec. 5709.63.** (A) With the consent of the legislative 67865  
authority of each affected municipal corporation or of a board of 67866  
township trustees, a board of county commissioners may, in the 67867  
manner set forth in section 5709.62 of the Revised Code, designate 67868

one or more areas in one or more municipal corporations or in 67869  
unincorporated areas of the county as proposed enterprise zones. A 67870  
board of county commissioners may designate no more than one area 67871  
within a township, or within adjacent townships, as a proposed 67872  
enterprise zone. The board shall petition the director of 67873  
development for certification of the area as having the 67874  
characteristics set forth in division (A)(1) or (2) of section 67875  
5709.61 of the Revised Code as amended by Substitute Senate Bill 67876  
No. 19 of the 120th general assembly. Except as otherwise provided 67877  
in division (D) of this section, on and after July 1, 1994, boards 67878  
of county commissioners shall not enter into agreements under this 67879  
section unless the board has petitioned the director and the 67880  
director has certified the zone under this section as amended by 67881  
that act; however, all agreements entered into under this section 67882  
as it existed prior to July 1, 1994, and the incentives granted 67883  
under those agreements shall remain in effect for the period 67884  
agreed to under those agreements. The director shall make the 67885  
determination in the manner provided under section 5709.62 of the 67886  
Revised Code. Any enterprise wishing to enter into an agreement 67887  
with the board under division (B) or (D) of this section shall 67888  
submit a proposal to the board on the form and accompanied by the 67889  
application fee prescribed under division (B) of section 5709.62 67890  
of the Revised Code. The enterprise shall review and update the 67891  
estimates and listings required by the form in the manner required 67892  
under that division. The board may, on a separate form and at any 67893  
time, require any additional information necessary to determine 67894  
whether an enterprise is in compliance with an agreement and to 67895  
collect the information required to be reported under section 67896  
5709.68 of the Revised Code. 67897

(B) If the board of county commissioners finds that an 67898  
enterprise submitting a proposal is qualified by financial 67899  
responsibility and business experience to create and preserve 67900  
employment opportunities in the zone and to improve the economic 67901

climate of the municipal corporation or municipal corporations or 67902  
the unincorporated areas in which the zone is located and to which 67903  
the proposal applies, the board, on or before ~~June 30, 2004~~ 67904  
October 15, 2009, and with the consent of the legislative 67905  
authority of each affected municipal corporation or of the board 67906  
of township trustees may do either of the following: 67907

(1) Enter into an agreement with the enterprise under which 67908  
the enterprise agrees to establish, expand, renovate, or occupy a 67909  
facility in the zone and hire new employees, or preserve 67910  
employment opportunities for existing employees, in return for the 67911  
following incentives: 67912

(a) When the facility is located in a municipal corporation, 67913  
the board may enter into an agreement for one or more of the 67914  
incentives provided in division (C) of section 5709.62 of the 67915  
Revised Code, subject to division (D) of that section; 67916

(b) When the facility is located in an unincorporated area, 67917  
the board may enter into an agreement for one or more of the 67918  
following incentives: 67919

(i) Exemption for a specified number of years, not to exceed 67920  
ten, of a specified portion, up to sixty per cent, of the assessed 67921  
value of tangible personal property first used in business at a 67922  
project site as a result of the agreement. An exemption granted 67923  
pursuant to this division applies to inventory required to be 67924  
listed pursuant to sections 5711.15 and 5711.16 of the Revised 67925  
Code, except, in the instance of an expansion or other situations 67926  
in which an enterprise was in business at the facility prior to 67927  
the establishment of the zone, the inventory that is exempt is 67928  
that amount or value of inventory in excess of the amount or value 67929  
of inventory required to be listed in the personal property tax 67930  
return of the enterprise in the return for the tax year in which 67931  
the agreement is entered into. 67932

(ii) Exemption for a specified number of years, not to exceed ten, of a specified portion, up to sixty per cent, of the increase in the assessed valuation of real property constituting the project site subsequent to formal approval of the agreement by the board;

(iii) Provision for a specified number of years, not to exceed ten, of any optional services or assistance the board is authorized to provide with regard to the project site;

(iv) The incentive described in division (C)(2) of section 5709.62 of the Revised Code.

(2) Enter into an agreement with an enterprise that plans to purchase and operate a large manufacturing facility that has ceased operation or has announced its intention to cease operation, in return for exemption for a specified number of years, not to exceed ten, of a specified portion, up to one hundred per cent, of tangible personal property used in business at the project site as a result of the agreement, or of real property constituting the project site, or both.

(C)(1) Notwithstanding divisions (B)(1)(b)(i) and (ii) of this section, the portion of the assessed value of tangible personal property or of the increase in the assessed valuation of real property exempted from taxation under those divisions may exceed sixty per cent in any year for which that portion is exempted if the average percentage exempted for all years in which the agreement is in effect does not exceed fifty per cent, or if the board of education of the city, local, or exempted village school district within the territory of which the property is or will be located approves a percentage in excess of sixty per cent. For the purpose of obtaining such approval, the board of commissioners shall deliver to the board of education a notice not later than forty-five days prior to approving the agreement,

excluding Saturdays, Sundays, and legal holidays as defined in 67964  
section 1.14 of the Revised Code. The notice shall state the 67965  
percentage to be exempted, an estimate of the true value of the 67966  
property to be exempted, and the number of years the property is 67967  
to be exempted. The board of education, by resolution adopted by a 67968  
majority of the board, shall approve or disapprove the agreement 67969  
and certify a copy of the resolution to the board of commissioners 67970  
not later than fourteen days prior to the date stipulated by the 67971  
board of commissioners as the date upon which approval of the 67972  
agreement is to be formally considered by the board of 67973  
commissioners. The board of education may include in the 67974  
resolution conditions under which the board would approve the 67975  
agreement, including the execution of an agreement to compensate 67976  
the school district under division (B) of section 5709.82 of the 67977  
Revised Code. The board of county commissioners may approve the 67978  
agreement at any time after the board of education certifies its 67979  
resolution approving the agreement to the board of county 67980  
commissioners, or, if the board of education approves the 67981  
agreement conditionally, at any time after the conditions are 67982  
agreed to by the board of education and the board of county 67983  
commissioners. 67984

If a board of education has adopted a resolution waiving its 67985  
right to approve agreements and the resolution remains in effect, 67986  
approval of an agreement by the board of education is not required 67987  
under division (C) of this section. If a board of education has 67988  
adopted a resolution allowing a board of county commissioners to 67989  
deliver the notice required under this division fewer than 67990  
forty-five business days prior to approval of the agreement by the 67991  
board of county commissioners, the board of county commissioners 67992  
shall deliver the notice to the board of education not later than 67993  
the number of days prior to such approval as prescribed by the 67994  
board of education in its resolution. If a board of education 67995  
adopts a resolution waiving its right to approve agreements or 67996

shortening the notification period, the board of education shall 67997  
certify a copy of the resolution to the board of county 67998  
commissioners. If the board of education rescinds such a 67999  
resolution, it shall certify notice of the rescission to the board 68000  
of county commissioners. 68001

(2) The board of county commissioners shall comply with 68002  
section 5709.83 of the Revised Code unless the board of education 68003  
has adopted a resolution under that section waiving its right to 68004  
receive such notice. 68005

(D) This division applies to zones certified by the director 68006  
of development under this section prior to July 22, 1994. 68007

On or before ~~June 30, 2004~~ October 15, 2009, and with the 68008  
consent of the legislative authority of each affected municipal 68009  
corporation or board of township trustees of each affected 68010  
township, the board of commissioners that designated a zone to 68011  
which this division applies may enter into an agreement with an 68012  
enterprise if the board makes the finding required under that 68013  
division and determines that the enterprise satisfies one of the 68014  
criteria described in divisions (D)(1) to (5) of this section: 68015

(1) The enterprise currently has no operations in this state 68016  
and, subject to approval of the agreement, intends to establish 68017  
operations in the zone; 68018

(2) The enterprise currently has operations in this state 68019  
and, subject to approval of the agreement, intends to establish 68020  
operations at a new location in the zone that would not result in 68021  
a reduction in the number of employee positions at any of the 68022  
enterprise's other locations in this state; 68023

(3) The enterprise, subject to approval of the agreement, 68024  
intends to relocate operations, currently located in another 68025  
state, to the zone; 68026

(4) The enterprise, subject to approval of the agreement, 68027



intends to expand operations at an existing site in the zone that 68028  
the enterprise currently operates; 68029

(5) The enterprise, subject to approval of the agreement, 68030  
intends to relocate operations, currently located in this state, 68031  
to the zone, and the director of development has issued a waiver 68032  
for the enterprise under division (B) of section 5709.633 of the 68033  
Revised Code. 68034

The agreement shall require the enterprise to agree to 68035  
establish, expand, renovate, or occupy a facility in the zone and 68036  
hire new employees, or preserve employment opportunities for 68037  
existing employees, in return for one or more of the incentives 68038  
described in division (B) of this section. 68039

(E) All agreements entered into under this section shall be 68040  
in the form prescribed under section 5709.631 of the Revised Code. 68041  
After an agreement under this section is entered into, if the 68042  
board of county commissioners revokes its designation of the zone, 68043  
or if the director of development revokes the zone's 68044  
certification, any entitlements granted under the agreement shall 68045  
continue for the number of years specified in the agreement. 68046

(F) Except as otherwise provided in this paragraph, an 68047  
agreement entered into under this section shall require that the 68048  
enterprise pay an annual fee equal to the greater of one per cent 68049  
of the dollar value of incentives offered under the agreement or 68050  
five hundred dollars; provided, however, that if the value of the 68051  
incentives exceeds two hundred fifty thousand dollars, the fee 68052  
shall not exceed two thousand five hundred dollars. The fee shall 68053  
be payable to the board of commissioners once per year for each 68054  
year the agreement is effective on the days and in the form 68055  
specified in the agreement. Fees paid shall be deposited in a 68056  
special fund created for such purpose by the board and shall be 68057  
used by the board exclusively for the purpose of complying with 68058  
section 5709.68 of the Revised Code and by the tax incentive 68059

review council created under section 5709.85 of the Revised Code 68060  
exclusively for the purposes of performing the duties prescribed 68061  
under that section. The board may waive or reduce the amount of 68062  
the fee charged against an enterprise, but such waiver or 68063  
reduction does not affect the obligations of the board or the tax 68064  
incentive review council to comply with section 5709.68 or 5709.85 68065  
of the Revised Code, respectively. 68066

(G) With the approval of the legislative authority of a 68067  
municipal corporation or the board of township trustees of a 68068  
township in which a zone is designated under division (A) of this 68069  
section, the board of county commissioners may delegate to that 68070  
legislative authority or board any powers and duties of the board 68071  
to negotiate and administer agreements with regard to that zone 68072  
under this section. 68073

(H) When an agreement is entered into pursuant to this 68074  
section, the legislative authority authorizing the agreement shall 68075  
forward a copy of the agreement to the director of development and 68076  
to the tax commissioner within fifteen days after the agreement is 68077  
entered into. If any agreement includes terms not provided for in 68078  
section 5709.631 of the Revised Code affecting the revenue of a 68079  
city, local, or exempted village school district or causing 68080  
revenue to be foregone by the district, including any compensation 68081  
to be paid to the school district pursuant to section 5709.82 of 68082  
the Revised Code, those terms also shall be forwarded in writing 68083  
to the director of development along with the copy of the 68084  
agreement forwarded under this division. 68085

(I) After an agreement is entered into, the enterprise shall 68086  
file with each personal property tax return required to be filed, 68087  
or annual report that is required to be filed under section 68088  
5727.08 of the Revised Code, while the agreement is in effect, an 68089  
informational return, on a form prescribed by the tax commissioner 68090  
for that purpose, setting forth separately the property, and 68091

related costs and values, exempted from taxation under the 68092  
agreement. 68093

(J) Enterprises may agree to give preference to residents of 68094  
the zone within which the agreement applies relative to residents 68095  
of this state who do not reside in the zone when hiring new 68096  
employees under the agreement. 68097

(K) An agreement entered into under this section may include 68098  
a provision requiring the enterprise to create one or more 68099  
temporary internship positions for students enrolled in a course 68100  
of study at a school or other educational institution in the 68101  
vicinity, and to create a scholarship or provide another form of 68102  
educational financial assistance for students holding such a 68103  
position in exchange for the student's commitment to work for the 68104  
enterprise at the completion of the internship. 68105

**Sec. 5709.632.** (A)(1) The legislative authority of a 68106  
municipal corporation defined by the United States office of 68107  
management and budget as a central city of a metropolitan 68108  
statistical area or designated as an urban cluster in a rural 68109  
statistical area may, in the manner set forth in section 5709.62 68110  
of the Revised Code, designate one or more areas in the municipal 68111  
corporation as a proposed enterprise zone. 68112

(2) With the consent of the legislative authority of each 68113  
affected municipal corporation or of a board of township trustees, 68114  
a board of county commissioners may, in the manner set forth in 68115  
section 5709.62 of the Revised Code, designate one or more areas 68116  
in one or more municipal corporations or in unincorporated areas 68117  
of the county as proposed urban jobs and enterprise zones, except 68118  
that a board of county commissioners may designate no more than 68119  
one area within a township, or within adjacent townships, as a 68120  
proposed urban jobs and enterprise zone. 68121

(3)(a) The legislative authority or board of county 68122

commissioners may petition the director of development for 68123  
certification of the area as having the characteristics set forth 68124  
in division (A)(3) of section 5709.61 of the Revised Code. Within 68125  
sixty days after receiving such a petition, the director shall 68126  
determine whether the area has the characteristics set forth in 68127  
that division and forward the findings to the legislative 68128  
authority or board of county commissioners. If the director 68129  
certifies the area as having those characteristics and thereby 68130  
certifies it as a zone, the legislative authority or board may 68131  
enter into agreements with enterprises under division (B) of this 68132  
section. Any enterprise wishing to enter into an agreement with a 68133  
legislative authority or board of commissioners under this section 68134  
and satisfying one of the criteria described in divisions (B)(1) 68135  
to (5) of this section shall submit a proposal to the legislative 68136  
authority or board on the form prescribed under division (B) of 68137  
section 5709.62 of the Revised Code and shall review and update 68138  
the estimates and listings required by the form in the manner 68139  
required under that division. The legislative authority or board 68140  
may, on a separate form and at any time, require any additional 68141  
information necessary to determine whether an enterprise is in 68142  
compliance with an agreement and to collect the information 68143  
required to be reported under section 5709.68 of the Revised Code. 68144

(b) The legislative authority of a city designated as an 68145  
urban cluster in a rural statistical area that has, pursuant to 68146  
this section, as amended by H.B. 95 of the 125th general assembly, 68147  
designated one or more areas in the city as a proposed enterprise 68148  
zone, shall not enter into an agreement under this section unless 68149  
it has petitioned the director and the director has certified the 68150  
proposed enterprise zone under division (A)(3)(a) of this section. 68151

(B) Prior to entering into an agreement with an enterprise, 68152  
the legislative authority or board of county commissioners shall 68153  
determine whether the enterprise submitting the proposal is 68154

qualified by financial responsibility and business experience to 68155  
create and preserve employment opportunities in the zone and to 68156  
improve the economic climate of the municipal corporation or 68157  
municipal corporations or the unincorporated areas in which the 68158  
zone is located and to which the proposal applies, and whether the 68159  
enterprise satisfies one of the following criteria: 68160

(1) The enterprise currently has no operations in this state 68161  
and, subject to approval of the agreement, intends to establish 68162  
operations in the zone; 68163

(2) The enterprise currently has operations in this state 68164  
and, subject to approval of the agreement, intends to establish 68165  
operations at a new location in the zone that would not result in 68166  
a reduction in the number of employee positions at any of the 68167  
enterprise's other locations in this state; 68168

(3) The enterprise, subject to approval of the agreement, 68169  
intends to relocate operations, currently located in another 68170  
state, to the zone; 68171

(4) The enterprise, subject to approval of the agreement, 68172  
intends to expand operations at an existing site in the zone that 68173  
the enterprise currently operates; 68174

(5) The enterprise, subject to approval of the agreement, 68175  
intends to relocate operations, currently located in this state, 68176  
to the zone, and the director of development has issued a waiver 68177  
for the enterprise under division (B) of section 5709.633 of the 68178  
Revised Code. 68179

(C) If the legislative authority or board determines that the 68180  
enterprise is so qualified and satisfies one of the criteria 68181  
described in divisions (B)(1) to (5) of this section, the 68182  
legislative authority or board may, after complying with section 68183  
5709.83 of the Revised Code and on or before ~~June 30, 2004~~ October 68184  
15, 2009, and, in the case of a board of commissioners, with the 68185

consent of the legislative authority of each affected municipal corporation or of the board of township trustees, enter into an agreement with the enterprise under which the enterprise agrees to establish, expand, renovate, or occupy a facility in the zone and hire new employees, or preserve employment opportunities for existing employees, in return for the following incentives:

(1) When the facility is located in a municipal corporation, a legislative authority or board of commissioners may enter into an agreement for one or more of the incentives provided in division (C) of section 5709.62 of the Revised Code, subject to division (D) of that section;

(2) When the facility is located in an unincorporated area, a board of commissioners may enter into an agreement for one or more of the incentives provided in divisions (B)(1)(b), (B)(2), and (B)(3) of section 5709.63 of the Revised Code, subject to division (C) of that section.

(D) All agreements entered into under this section shall be in the form prescribed under section 5709.631 of the Revised Code. After an agreement under this section is entered into, if the legislative authority or board of county commissioners revokes its designation of the zone, or if the director of development revokes the zone's certification, any entitlements granted under the agreement shall continue for the number of years specified in the agreement.

(E) Except as otherwise provided in this division, an agreement entered into under this section shall require that the enterprise pay an annual fee equal to the greater of one per cent of the dollar value of incentives offered under the agreement or five hundred dollars; provided, however, that if the value of the incentives exceeds two hundred fifty thousand dollars, the fee shall not exceed two thousand five hundred dollars. The fee shall be payable to the legislative authority or board of commissioners

once per year for each year the agreement is effective on the days 68218  
and in the form specified in the agreement. Fees paid shall be 68219  
deposited in a special fund created for such purpose by the 68220  
legislative authority or board and shall be used by the 68221  
legislative authority or board exclusively for the purpose of 68222  
complying with section 5709.68 of the Revised Code and by the tax 68223  
incentive review council created under section 5709.85 of the 68224  
Revised Code exclusively for the purposes of performing the duties 68225  
prescribed under that section. The legislative authority or board 68226  
may waive or reduce the amount of the fee charged against an 68227  
enterprise, but such waiver or reduction does not affect the 68228  
obligations of the legislative authority or board or the tax 68229  
incentive review council to comply with section 5709.68 or 5709.85 68230  
of the Revised Code, respectively. 68231

(F) With the approval of the legislative authority of a 68232  
municipal corporation or the board of township trustees of a 68233  
township in which a zone is designated under division (A)(2) of 68234  
this section, the board of county commissioners may delegate to 68235  
that legislative authority or board any powers and duties of the 68236  
board to negotiate and administer agreements with regard to that 68237  
zone under this section. 68238

(G) When an agreement is entered into pursuant to this 68239  
section, the legislative authority or board of commissioners 68240  
authorizing the agreement shall forward a copy of the agreement to 68241  
the director of development and to the tax commissioner within 68242  
fifteen days after the agreement is entered into. If any agreement 68243  
includes terms not provided for in section 5709.631 of the Revised 68244  
Code affecting the revenue of a city, local, or exempted village 68245  
school district or causing revenue to be foregone by the district, 68246  
including any compensation to be paid to the school district 68247  
pursuant to section 5709.82 of the Revised Code, those terms also 68248  
shall be forwarded in writing to the director of development along 68249

with the copy of the agreement forwarded under this division. 68250

(H) After an agreement is entered into, the enterprise shall 68251  
file with each personal property tax return required to be filed 68252  
while the agreement is in effect, an informational return, on a 68253  
form prescribed by the tax commissioner for that purpose, setting 68254  
forth separately the property, and related costs and values, 68255  
exempted from taxation under the agreement. 68256

(I) An agreement entered into under this section may include 68257  
a provision requiring the enterprise to create one or more 68258  
temporary internship positions for students enrolled in a course 68259  
of study at a school or other educational institution in the 68260  
vicinity, and to create a scholarship or provide another form of 68261  
educational financial assistance for students holding such a 68262  
position in exchange for the student's commitment to work for the 68263  
enterprise at the completion of the internship. 68264

**Sec. 5709.64.** (A) If an enterprise has been granted an 68265  
incentive for the current calendar year under an agreement entered 68266  
pursuant to section 5709.62, 5709.63, or 5709.632 of the Revised 68267  
Code, it may apply, on or before the thirtieth day of April of 68268  
that year, to the director of development, on a form prescribed by 68269  
the director, for a tax incentive qualification certificate. The 68270  
enterprise qualifies for an initial certificate if, on or before 68271  
the last day of the calendar year immediately preceding that in 68272  
which application is made, it satisfies all of the following 68273  
requirements: 68274

(1) The enterprise has established, expanded, renovated, or 68275  
occupied a facility pursuant to the agreement under section 68276  
5709.62, 5709.63, or 5709.632 of the Revised Code. 68277

(2) The enterprise has hired new employees to fill nonretail 68278  
positions at the facility, at least twenty-five per cent of whom 68279  
at the time they were employed were at least one of the following: 68280



(a) Unemployed persons who had resided at least six months in the county in which the enterprise's project site is located;	68281 68282
(b) JPTA eligible employees who had resided at least six months in the county in which the enterprise's project site is located;	68283 68284 68285
(c) Participants of the Ohio works first program under Chapter 5107. of the Revised Code or the prevention, retention, and contingency program under Chapter 5108. of the Revised Code or recipients of general assistance under former Chapter 5113. of the Revised Code, <del>disability</del> <u>financial</u> assistance under Chapter 5115. of the Revised Code, or unemployment compensation benefits who had resided at least six months in the county in which the enterprise's project site is located;	68286 68287 68288 68289 68290 68291 68292 68293
(d) Handicapped persons, as defined under division (A) of section 3304.11 of the Revised Code, who had resided at least six months in the county in which the enterprise's project site is located;	68294 68295 68296 68297
(e) Residents for at least one year of a zone located in the county in which the enterprise's project site is located.	68298 68299
The director of development shall, by rule, establish criteria for determining what constitutes a nonretail position at a facility.	68300 68301 68302
(3) The average number of positions attributable to the enterprise in the municipal corporation during the calendar year immediately preceding the calendar year in which application is made exceeds the maximum number of positions attributable to the enterprise in the municipal corporation during the calendar year immediately preceding the first year the enterprise satisfies the requirements set forth in divisions (A)(1) and (2) of this section. If the enterprise is engaged in a business which, because of its seasonal nature, customarily enables the enterprise to	68303 68304 68305 68306 68307 68308 68309 68310 68311

operate at full capacity only during regularly recurring periods 68312  
of the year, the average number of positions attributable to the 68313  
enterprise in the municipal corporation during each period of the 68314  
calendar year immediately preceding the calendar year in which 68315  
application is made must exceed only the maximum number of 68316  
positions attributable to the enterprise in each corresponding 68317  
period of the calendar year immediately preceding the first year 68318  
the enterprise satisfies the requirements of divisions (A)(1) and 68319  
(2) of this section. The director of development shall, by rule, 68320  
prescribe methods for determining whether an enterprise is engaged 68321  
in a seasonal business and for determining the length of the 68322  
corresponding periods to be compared. 68323

(4) The enterprise has not closed or reduced employment at 68324  
any place of business in the state for the primary purpose of 68325  
establishing, expanding, renovating, or occupying a facility. The 68326  
legislative authority of any municipal corporation or the board of 68327  
county commissioners of any county that concludes that an 68328  
enterprise has closed or reduced employment at a place of business 68329  
in that municipal corporation or county for the primary purpose of 68330  
establishing, expanding, renovating, or occupying a facility in a 68331  
zone may appeal to the director to determine whether the 68332  
enterprise has done so. Upon receiving such an appeal, the 68333  
director shall investigate the allegations and make such a 68334  
determination before issuing an initial or renewal tax incentive 68335  
qualification certificate under this section. 68336

Within sixty days after receiving an application under this 68337  
division, the director shall review, investigate, and verify the 68338  
application and determine whether the enterprise qualifies for a 68339  
certificate. The application shall include an affidavit executed 68340  
by the applicant verifying that the enterprise satisfies the 68341  
requirements of division (A)(2) of this section, and shall contain 68342  
such information and documents as the director requires, by rule, 68343

to ascertain whether the enterprise qualifies for a certificate. 68344

If the director finds the enterprise qualified, the director shall 68345

issue a tax incentive qualification certificate, which shall bear 68346

as its date of issuance the thirtieth day of June of the year of 68347

application, and shall state that the applicant is entitled to 68348

receive, for the taxable year that includes the certificate's date 68349

of issuance, the tax incentives provided under section 5709.65 of 68350

the Revised Code with regard to the facility to which the 68351

certificate applies. If an enterprise is issued an initial 68352

certificate, it may apply, on or before the thirtieth day of April 68353

of each succeeding calendar year for which it has been granted an 68354

incentive under an agreement entered pursuant to section 5709.62, 68355

5709.63, or 5709.632 of the Revised Code, for a renewal 68356

certificate. Subsequent to its initial certification, the 68357

enterprise qualifies for up to three successive renewal 68358

certificates if, on or before the last day of the calendar year 68359

immediately preceding that in which the application is made, it 68360

satisfies all the requirements of divisions (A)(1) to (4) of this 68361

section, and neither the zone's designation nor the zone's 68362

certification has been revoked prior to the fifteenth day of June 68363

of the year in which the application is made. The application 68364

shall include an affidavit executed by the applicant verifying 68365

that the enterprise satisfies the requirements of division (A)(2) 68366

of this section. An enterprise with ten or more supervisory 68367

personnel at the facility to which a certificate applies qualifies 68368

for any subsequent renewal certificates only if it meets all of 68369

the foregoing requirements and, in addition, at least ten per cent 68370

of those supervisory personnel are employees who, when first hired 68371

by the enterprise, satisfied at least one of the criteria 68372

specified in divisions (A)(2)(a) to (e) of this section. If the 68373

enterprise qualifies, a renewal certificate shall be issued 68374

bearing as its date of issuance the thirtieth day of June of the 68375

year of application. The director shall send copies of the initial 68376

certificate, and each renewal certificate, by certified mail, to 68377  
the enterprise, the tax commissioner, the board of county 68378  
commissioners, and the chief executive of the municipal 68379  
corporation in which the facility to which the certificate applies 68380  
is located. 68381

(B) If the director determines that an enterprise is not 68382  
qualified for an initial or renewal tax incentive qualification 68383  
certificate, the director shall send notice of this determination, 68384  
specifying the reasons for it, by certified mail, to the 68385  
applicant, the tax commissioner, the board of county 68386  
commissioners, and the chief executive of the municipal 68387  
corporation in which the facility to which the certificate would 68388  
have applied is located. Within thirty days after receiving such a 68389  
notice, an enterprise may request, in writing, a hearing before 68390  
the director for the purpose of reviewing the application and the 68391  
reasons for the determination. Within sixty days after receiving a 68392  
request for a hearing, the director shall afford one and, within 68393  
thirty days after the hearing, shall issue a redetermination of 68394  
the enterprise's qualification for a certificate. If the 68395  
enterprise is found to be qualified, the director shall proceed in 68396  
the manner provided under division (A) of this section. If the 68397  
enterprise is found to be unqualified, the director shall send 68398  
notice of this finding, by certified mail, to the applicant, the 68399  
tax commissioner, the board of county commissioners, and the chief 68400  
executive of the municipal corporation in which the facility to 68401  
which the certificate would have applied is located. The 68402  
director's redetermination that an enterprise is unqualified may 68403  
be appealed to the board of tax appeals in the manner provided 68404  
under section 5717.02 of the Revised Code. 68405

**Sec. 5711.02.** Except as otherwise provided by section 5711.13 68406  
of the Revised Code, each year, beginning in tax year 2004, each 68407  
taxpayer having taxable personal property with an aggregate 68408

taxable value in excess of ten thousand dollars shall make a 68409  
return, ~~annually~~, to the county auditor of each county in which 68410  
any taxable property, ~~which~~ the taxpayer must return, is required 68411  
by this chapter to be listed ~~and~~. The taxpayer shall truly and 68412  
correctly list ~~therein~~ on the return all taxable property so 68413  
required to be listed, including property exempt under division 68414  
(C)(3) of section 5709.01 of the Revised Code. Such returns shall 68415  
be made on the blanks prescribed by the tax commissioner, which 68416  
the county auditor shall supply at ~~his~~ the auditor's office along 68417  
with blanks of the kind required for the county supplemental 68418  
return required by section 5711.131 of the Revised Code ~~for the~~ 68419  
~~use of taxpayers~~. The county auditor shall mail or distribute such 68420  
blanks prior to the fifteenth day of February to all persons known 68421  
to ~~him~~ the auditor to be taxpayers and to all persons to whom the 68422  
commissioner may direct blanks of either type to be mailed or 68423  
distributed, ~~and he~~. The county auditor may place listing and 68424  
county supplemental blanks at convenient places in ~~his~~ the county. 68425  
The failure of a taxpayer to receive or procure blanks shall not 68426  
excuse ~~him~~ the taxpayer from making any return or county 68427  
supplemental return. The individual required to make the return 68428  
shall furnish all statements and documents, give all information 68429  
required, answer all questions asked on the required blanks, and 68430  
subscribe to the truth and correctness of all matters contained 68431  
therein. 68432

**Sec. 5711.13.** A Beginning in tax year 2004, each taxpayer 68433  
having taxable property with an aggregate taxable value in excess 68434  
of ten thousand dollars and required to be listed in more than one 68435  
county shall make a combined return to the tax commissioner 68436  
listing all its taxable property in this state, in conformity with 68437  
sections 5711.01 to 5711.36 of the Revised Code, including 68438  
property exempt under division (C)(3) of section 5709.01 of the 68439  
Revised Code, but ~~it~~ the taxpayer shall not assign ~~its~~ property of 68440

the kinds mentioned in section 5709.02 of the Revised Code to any 68441  
particular taxing district or county. The tax commissioner shall 68442  
assess the personal property of such taxpayer in the several 68443  
taxing districts in which it is required ~~by~~ to be assessed under 68444  
sections 5711.01 to 5711.36 of the Revised Code, ~~to be assessed,~~ 68445  
and shall issue assessment certificates therefor to the proper 68446  
county auditors at the time and in the manner required by section 68447  
5711.25 of the Revised Code. All other property of such taxpayer 68448  
required to be so listed shall be entered on the intangible 68449  
property tax list in the office of the treasurer of state, and 68450  
~~taxed~~ shall be subject to taxation under section 5707.03 of the 68451  
Revised Code. The commissioner shall assess all other property of 68452  
each such taxpayer and, on or before the second Monday of August 68453  
annually, shall certify the total value or amount of each kind 68454  
thereof to the treasurer of state, who shall enter the value or 68455  
amount on the intangible property tax list in ~~his~~ the treasurer of 68456  
state's office in the manner provided in sections 5725.01 to 68457  
5725.26 of the Revised Code. Sections 5711.01 to 5711.36 of the 68458  
Revised Code shall apply to and govern such taxpayer, its proper 68459  
officers and representatives, the commissioner, and the county 68460  
auditor as to all proceedings in the assessment of the property of 68461  
such taxpayer. 68462

**Sec. 5711.22.** (A) Deposits not taxed at the source shall be 68463  
listed and assessed at their amount in dollars on the day they are 68464  
required to be listed. Moneys shall be listed and assessed at the 68465  
amount thereof in dollars on hand on the day that they are 68466  
required to be listed. In listing investments, the amount of the 68467  
income yield of each for the calendar year next preceding the date 68468  
of listing shall, except as otherwise provided in this chapter, be 68469  
stated in dollars and cents and the assessment thereof shall be at 68470  
the amount of such income yield; but any property defined as 68471  
investments in either division (A) or (B) of section 5701.06 of 68472

the Revised Code that has not been outstanding for the full 68473  
calendar year next preceding the date of listing, except shares of 68474  
stock of like kind as other shares of the same corporation 68475  
outstanding for the full calendar year next preceding the date of 68476  
listing, or which has yielded no income during such calendar year 68477  
shall be listed and assessed as unproductive investments, at their 68478  
true value in money on the day that such investments are required 68479  
to be listed. 68480

Credits and other taxable intangibles shall be listed and 68481  
assessed at their true value in money on the day as of which the 68482  
same are required to be listed. 68483

Shares of stock of a bank holding company, as defined in 68484  
Title 12 U.S.C.A., section 1841, that are required to be listed 68485  
for taxation under this division and upon which dividends were 68486  
paid during the year of their issuance, which dividends are 68487  
subject to taxation under the provisions of Chapter 5747. of the 68488  
Revised Code, shall be exempt from the intangibles tax for the 68489  
year immediately succeeding their issuance. If such shares bear 68490  
dividends the first calendar year after their issuance, which 68491  
dividends are subject to taxation under the provisions of Chapter 68492  
5747. of the Revised Code, it shall be deemed that the 68493  
nondelinquent intangible property tax pursuant to division (A) of 68494  
section 5707.04 of the Revised Code was paid on those dividends 68495  
paid that first calendar year after the issuance of the shares. 68496

(B)(1) Boilers, machinery, equipment, and personal property 68497  
the true value of which is determined under division (B) of 68498  
section 5711.21 of the Revised Code shall be listed and assessed 68499  
at an amount equal to the sum of the products determined under 68500  
divisions (B)(1)(a), (b), and (c) of this section. 68501

(a) Multiply the portion of the true value determined under 68502  
division (B)(1) of section 5711.21 of the Revised Code by the 68503  
assessment rate in division (F) of this section; 68504

(b) Multiply the portion of the true value determined under 68505  
division (B)(2) of section 5711.21 of the Revised Code by the 68506  
assessment rate in section 5727.111 of the Revised Code that is 68507  
applicable to the production equipment of an electric company; 68508

(c) Multiply the portion of the true value determined under 68509  
division (B)(3) of section 5711.21 of the Revised Code by the 68510  
assessment rate in section 5727.111 of the Revised Code that is 68511  
applicable to the property of an electric company that is not 68512  
production equipment. 68513

(2) Personal property leased to a public utility or 68514  
interexchange telecommunications company as defined in section 68515  
5727.01 of the Revised Code and used directly in the rendition of 68516  
a public utility service as defined in division (P) of section 68517  
5739.01 of the Revised Code shall be listed and assessed at the 68518  
same percentage of true value in money that such property is 68519  
required to be assessed by section 5727.111 of the Revised Code if 68520  
owned by the public utility or interexchange telecommunications 68521  
company. 68522

(C)(1) Merchandise or an agricultural product shipped from 68523  
outside this state and held in this state in a warehouse or a 68524  
place of storage without further manufacturing or processing and 68525  
for storage only and for shipment outside this state, but that is 68526  
taxable because it does not qualify as "not used in business in 68527  
this state" under division (B)(1) or (2) of section 5701.08 of the 68528  
Revised Code, shall be listed and assessed at a rate of 68529  
twenty-five one-hundredths of its true value in money until 68530  
reduced in accordance with the following schedule: 68531

(a) For any year, subtract five one-hundredths from the rate 68532  
at which such property was required to be listed and assessed in 68533  
the preceding year, if the total statewide collection of all real 68534  
and tangible personal property taxes for the second preceding year 68535



exceeded the total statewide collection of all real and tangible 68536  
personal property taxes for the third preceding year by more than 68537  
the greater of four per cent or the rate of increase from the 68538  
third to the second preceding years in the average consumer price 68539  
index (all urban consumers, all items) prepared by the bureau of 68540  
labor statistics of the United States department of labor; 68541

(b) If no reduction in the assessment rate is made for a 68542  
year, the rate is the same as for the preceding year. 68543

(2) Each year until the year the assessment rate equals zero, 68544  
the tax commissioner shall determine the assessment rate required 68545  
under this division and shall notify all county auditors of that 68546  
rate. 68547

(3) Notwithstanding provisions to the contrary in division 68548  
(B) of section 5701.08 of the Revised Code, during and after the 68549  
year for which the assessment rate as calculated under this 68550  
division equals zero, any merchandise or agricultural product 68551  
shipped from outside this state and held in this state in any 68552  
warehouse or place of storage, whether public or private, without 68553  
further manufacturing or processing and for storage only and for 68554  
shipment outside this state to any person for any purpose is not 68555  
used in business in this state for property tax purposes. 68556

(D)(1) Merchandise or an agricultural product owned by a 68557  
qualified out-of-state person shipped from outside this state and 68558  
held in this state in a public warehouse without further 68559  
manufacturing or processing and for temporary storage only and for 68560  
shipment inside this state, but that is taxable because it does 68561  
not qualify as "not used in business in this state" under division 68562  
(B)(1) or (2) of section 5701.08 of the Revised Code, shall be 68563  
listed and assessed at a rate of twenty-five one-hundredths of its 68564  
true value in money until reduced in accordance with the following 68565  
schedule: 68566

(a) For any year, subtract five one-hundredths from the rate 68567  
at which such property was required to be listed and assessed in 68568  
the preceding year, if the total statewide collection of all real 68569  
and tangible personal property taxes for the second preceding year 68570  
exceeded the total statewide collection of all real and tangible 68571  
personal property taxes for the third preceding year by more than 68572  
the greater of four per cent or the rate of increase from the 68573  
third to the second preceding years in the average consumer price 68574  
index (all urban consumers, all items) prepared by the bureau of 68575  
labor statistics of the United States department of labor; 68576

(b) If no reduction in the assessment rate is made for a 68577  
year, the rate is the same as for the preceding year. 68578

(2) Each year until the year the assessment rate equals zero, 68579  
the tax commissioner shall determine the assessment rate required 68580  
under this division and shall notify all county auditors of that 68581  
rate. 68582

(3) Notwithstanding provisions to the contrary in division 68583  
(B) of section 5701.08 of the Revised Code, during and after the 68584  
year for which the assessment rate as calculated under this 68585  
division equals zero, any merchandise or agricultural product 68586  
described in division (D)(1) of this section is not used in 68587  
business in this state for property tax purposes. 68588

(4) As used in division (D) of this section: 68589

(a) "Qualified out-of-state person" means a person that does 68590  
not own, lease, or use property, other than merchandise or an 68591  
agricultural product described in this division, in this state, 68592  
and does not have employees, agents, or representatives in this 68593  
state; 68594

(b) "Public warehouse" means a warehouse in this state that 68595  
is not subject to the control of or under the supervision of the 68596  
owner of the merchandise or agricultural product stored in it, or 68597

staffed by the owner's employees, and from which the property is 68598  
to be shipped inside this state. 68599

(E) Personal property valued pursuant to section 5711.15 of 68600  
the Revised Code and personal property required to be listed on 68601  
the average basis by division (A) of section 5711.16 of the 68602  
Revised Code, except property described in division (C) or (D) of 68603  
this section, business fixtures, and furniture not held for sale 68604  
in the course of business, shall be listed and assessed at the 68605  
rate of twenty-five per cent of its true value in money until 68606  
reduced to zero in accordance with the following schedule: 68607

(1) Beginning in tax year 2002 and for each of tax years 68608  
2003, and 2004, ~~2005, and 2006,~~ subtract one percentage point from 68609  
the rate at which the property was required to be listed and 68610  
assessed in the preceding year, if the total statewide collection 68611  
of tangible personal property taxes for the second preceding year 68612  
exceeded the total statewide collection of tangible personal 68613  
property taxes for the third preceding year. If no reduction in 68614  
the assessment rate is made for a year, the rate is the same as 68615  
for the preceding year. ~~For purposes of this division, total~~ 68616  
~~statewide collection of tangible personal property taxes excludes~~ 68617  
~~taxes collected from public utilities and interexchange~~ 68618  
~~telecommunications companies on property that is determined to be~~ 68619  
~~taxable pursuant to section 5727.06 of the Revised Code.~~ 68620

(2) In tax year ~~2007,~~ the assessment rate shall be the lesser 68621  
~~of twenty four per cent or one percentage point less than the rate~~ 68622  
~~at which property was required to be listed and assessed the~~ 68623  
~~preceding year. Each tax year thereafter~~ years 2005 and 2006, the 68624  
assessment rate shall be reduced by ~~one~~ two percentage ~~point~~ points, until 68625  
~~it equals zero per cent not later than tax year 2031~~ points, if 68626  
the total statewide collection of tangible personal property taxes 68627  
for the second preceding year exceeded the total statewide 68628  
collection of tangible personal property taxes for the third 68629

preceding year. If no reduction in the assessment rate is made for 68630  
a year, the rate is the same as for the preceding year. 68631

(3) For tax year 2007 and each tax year thereafter, the 68632  
assessment rate shall be reduced by two percentage points. During 68633  
and after the tax year that the assessment rate equals zero, the 68634  
property described in division (E) of this section shall not be 68635  
listed for taxation. 68636

Each year until the year the assessment rate equals zero, the 68637  
tax commissioner shall determine the assessment rate required 68638  
under this division and shall notify all county auditors of that 68639  
rate. 68640

For purposes of division (E) of this section, "total 68641  
statewide collection of tangible person property taxes" excludes 68642  
taxes collected from public utilities and interexchange 68643  
telecommunications companies on property that is determined to be 68644  
taxable pursuant to section 5727.06 of the Revised Code. 68645

(F) Unless otherwise provided by law, all other personal 68646  
property used in business that has not been legally regarded as an 68647  
improvement on land and considered in arriving at the value of the 68648  
real property assessed for taxation shall be listed and assessed 68649  
at the rate of twenty-five per cent of its true value in money. 68650

**Sec. 5711.27.** No taxpayer shall fail to make a return within 68651  
the time prescribed by law, or as extended pursuant to section 68652  
5711.04 of the Revised Code, nor fail to list in a return or 68653  
disclose on an accompanying balance sheet or in other information 68654  
filed with the return any item of taxable property ~~which he the~~ 68655  
taxpayer is required by to list in the return under sections 68656  
5711.01 to 5711.36 of the Revised Code, ~~to list therein.~~ 68657

~~If any taxpayer does so fail the following shall apply:~~ 68658

~~(A) In the case of a taxpayer who fails to make a timely~~ 68659

~~return, the assessor shall add to the taxpayer's assessment as a 68660  
penalty, one half of the taxpayer's taxable value that is exempt 68661  
from taxation under division (C)(3) of section 5709.01 of the 68662  
Revised Code. If the taxpayer's taxable value that is exempt from 68663  
taxation under division (C)(3) of section 5709.01 of the Revised 68664  
Code is located in more than one taxing district, the penalty 68665  
assessment shall be applied among taxing districts as if only five 68666  
thousand dollars, or one half of the taxpayer's taxable valuation, 68667  
whichever is less, had been exempt from taxation under such 68668  
division. 68669~~

~~(B) In the case of a taxpayer who fails to make a timely 68670  
return, or fails to list or disclose any item he the taxpayer is 68671  
required to return, the assessor shall add to the assessment of 68672  
each class or item of taxable property ~~which~~ the taxpayer failed 68673  
to return, list, or disclose ~~and to any amount added under~~ 68674  
~~division (A) of this section,~~ a penalty of up to fifty per cent 68675  
~~thereof of the assessment;~~ but if such taxpayer makes, within 68676  
sixty days after the expiration of the time prescribed by such 68677  
sections, a return or an amended or supplementary return and lists 68678  
therein or discloses on an accompanying balance sheet or in other 68679  
information filed with the return all items of taxable property 68680  
~~which he the taxpayer~~ is required by such sections to list, and in 68681  
all cases in which the taxpayer's only default is ~~his~~ the failure 68682  
to pay the amounts specified in section 5719.02 of the Revised 68683  
Code within the time therein specified, such penalty shall be five 68684  
per cent of the assessment, and, if the assessment certificate has 68685  
been issued, an amended assessment certificate shall be issued and 68686  
substituted therefor. 68687~~

~~Either or both of the penalties~~ The penalty provided in this 68688  
section may be abated in whole or in part by the assessor when it 68689  
is shown that such failure is due to reasonable cause. The penalty 68690  
assessment shall be entered on the proper tax list and duplicate, 68691

and taxes shall be levied thereon the same as on the assessment  
itself.

~~If any taxpayer does so fail with respect to a return  
required to be filed for tax year 1982 or any prior year, the  
assessor shall add to the assessment of each class or item of  
taxable property which the taxpayer failed to return, list or  
disclose in addition to the penalties provided by law, an  
additional charge at the rate of one half of one per cent per  
month from the date such property should have been returned or  
disclosed until the same is assessed, provided that said  
additional charge shall not be added to an assessment for any  
period of time in excess of ten years previous to the date of the  
assessment.~~

A fiduciary against whom a penalty assessment is made shall  
be personally liable for the amount of taxes levied in respect to  
such penalty assessment and any additional charge, and in case of  
fraud or intent to evade taxes, such fiduciary shall have no right  
of reimbursement against the property held by ~~him~~ the fiduciary as  
such fiduciary nor against the person for whose benefit the same  
is held.

**Sec. 5711.33.** (A)(1) When a county treasurer receives a  
certificate from a county auditor pursuant to division (A) of  
section 5711.32 of the Revised Code charging the treasurer with  
the collection of an amount of taxes due as the result of a  
deficiency assessment, the treasurer shall immediately prepare and  
mail a tax bill to the taxpayer owing such tax. The tax bill shall  
contain the name of the taxpayer; the taxable value, tax rate, and  
taxes charged for each year being assessed; the total amount of  
taxes due; the final date payment may be made without additional  
penalty; and any other information the treasurer considers  
pertinent or necessary. Taxes due and payable as a result of a

deficiency assessment, less any amount specifically excepted from 68723  
collection under division (B) of section 5711.32 of the Revised 68724  
Code, shall be paid with interest thereon as prescribed by section 68725  
5719.041 of the Revised Code on or before the sixtieth day 68726  
following the date of issuance of the certificate by the county 68727  
auditor. The balance of taxes found due and payable after a final 68728  
determination by the tax commissioner or a final judgment of the 68729  
board of tax appeals or any court to which such final judgment may 68730  
be appealed, shall be paid with interest thereon as prescribed by 68731  
section 5719.041 of the Revised Code on or before the sixtieth day 68732  
following the date of certification by the auditor to the 68733  
treasurer pursuant to division (C) of section 5711.32 of the 68734  
Revised Code of such final determination or judgment. Such final 68735  
dates for payment shall be determined and exhibited on the tax 68736  
bill by the treasurer. 68737

(2) If, on or before the sixtieth day following the date of a 68738  
certification of a deficiency assessment under division (A) of 68739  
section 5711.32 of the Revised Code or of a certification of a 68740  
final determination or judgment under division (C) of section 68741  
5711.32 of the Revised Code, the taxpayer pays the full amount of 68742  
taxes and interest due at the time of the receipt of certification 68743  
with respect to that assessment, determination, or judgment, no 68744  
interest shall accrue or be charged with respect to that 68745  
assessment, determination, or judgment for the period that begins 68746  
on the first day of the month in which the certification is made 68747  
and that ends on the last day of the month preceding the month in 68748  
which such sixtieth day occurs. 68749

(B) When the taxes charged, as mentioned in division (A) of 68750  
this section, are not paid within the time prescribed by such 68751  
division, a penalty of ten per cent of the amount due and unpaid 68752  
and interest for the period described in division (A)(2) of this 68753  
section shall accrue at the time the treasurer closes the 68754

treasurer's office for business on the last day so prescribed, but 68755  
if the taxes are paid within ten days subsequent to the last day 68756  
prescribed, the treasurer shall waive the collection of and the 68757  
auditor shall remit one-half of the penalty. The treasurer shall 68758  
not thereafter accept less than the full amount of taxes and 68759  
penalty except as otherwise authorized by law. Such penalty shall 68760  
be distributed in the same manner and at the same time as the tax 68761  
upon which it has accrued. The whole amount collected shall be 68762  
included in the next succeeding settlement of appropriate taxes. 68763

(C) When the taxes charged, as mentioned in division (A) of 68764  
this section, remain unpaid after the final date for payment 68765  
prescribed by such division, such charges shall be deemed to be 68766  
delinquent taxes. The county auditor shall cause such charges, 68767  
including the penalty that has accrued pursuant to this section, 68768  
to be added to the delinquent tax duplicate in accordance with 68769  
section 5719.04 of the Revised Code. 68770

(D) The county auditor, upon consultation with the county 68771  
treasurer, shall remit a penalty imposed under division (B) of 68772  
this section or division (C) of section 5719.03 of the Revised 68773  
Code for the late payment of taxes when: 68774

(1) The taxpayer could not make timely payment of the tax 68775  
because of the negligence or error of the county auditor or county 68776  
treasurer in the performance of a statutory duty relating to the 68777  
levy or collection of such tax. 68778

(2) In cases other than those described in division (D)(1) of 68779  
this section, the taxpayer failed to receive a tax bill or a 68780  
correct tax bill, and the taxpayer made a good faith effort to 68781  
obtain such bill within thirty days after the last day for payment 68782  
of the tax. 68783

(3) The tax was not timely paid because of the death or 68784  
serious injury of the taxpayer, or the taxpayer's confinement in a 68785



hospital within sixty days preceding the last day for payment of 68786  
the tax if, in any case, the tax was subsequently paid within 68787  
sixty days after the last day for payment of such tax. 68788

(4) The taxpayer demonstrates ~~to the satisfaction of the~~ 68789  
~~auditor~~ that the full payment was properly deposited in the mail 68790  
in sufficient time for the envelope to be postmarked by the United 68791  
States postal service on or before the last day for payment of 68792  
such tax. A private meter postmark on an envelope is not a valid 68793  
postmark for purposes of establishing the date of payment of such 68794  
tax. 68795

(5) In cases other than those described in divisions (D)(1) 68796  
to (4) of this section, the taxpayer's failure to make timely 68797  
payment of the tax is due to reasonable cause and not willful 68798  
neglect. 68799

(E) The taxpayer, upon application within sixty days after 68800  
the mailing of the county auditor's decision, may request the tax 68801  
commissioner to review the denial of the remission of a penalty by 68802  
the county auditor. The application may be filed in person or by 68803  
certified mail. If the application is filed by certified mail, the 68804  
date of the United States postmark placed on the sender's receipt 68805  
by the postal service shall be treated as the date of filing. The 68806  
commissioner shall consider the application, determine whether the 68807  
penalty should be remitted, and certify the determination to the 68808  
taxpayer and to the county treasurer and county auditor, who shall 68809  
correct the tax list and duplicate accordingly. The commissioner 68810  
~~shall~~ may issue orders and instructions for the uniform 68811  
implementation of this section by all county auditors and county 68812  
treasurers, and such orders and instructions shall be followed by 68813  
such officers. 68814

**Sec. 5713.07.** The county auditor, at the time of making the 68815  
assessment of real property subject to taxation, shall enter in a 68816

separate list pertinent descriptions of all burying grounds, 68817  
public schoolhouses, houses used exclusively for public worship, 68818  
institutions of purely public charity, real property used 68819  
exclusively for a home for the aged, as defined in section 5701.13 68820  
of the Revised Code, ~~and~~ public buildings and property used 68821  
exclusively for any public purpose, and any other property, with 68822  
the lot or tract of land on which such house, institution, ~~or~~ 68823  
public building, or other property is situated, and which are 68824  
~~exempt~~ have been exempted from taxation by either the tax 68825  
commissioner under section 5715.27 of the Revised Code or by the 68826  
housing officer under section 3735.67 of the Revised Code. ~~He~~ The 68827  
auditor shall value such houses, buildings, property, and lots and 68828  
tracts of land at their taxable value in the same manner as ~~he~~ the 68829  
auditor is required to value other real property, designating in 68830  
each case the township, municipal corporation, and number of the 68831  
school district, or the name or designation of the school, 68832  
religious society, or institution to which each house, lot, or 68833  
tract belongs. If such property is held and used for other public 68834  
purposes, ~~he~~ the auditor shall state by whom or how it is held. 68835

**Sec. 5713.08.** (A) The county auditor shall make a list of all 68836  
real and personal property in the auditor's county, including 68837  
money, credits, and investments in bonds, stocks, or otherwise, 68838  
which is exempted from taxation. Such list shall show the name of 68839  
the owner, the value of the property exempted, and a statement in 68840  
brief form of the ground on which such exemption has been granted. 68841  
It shall be corrected annually by adding thereto the items of 68842  
property which have been exempted during the year, and by striking 68843  
therefrom the items which in the opinion of the auditor have lost 68844  
their right of exemption and which have been reentered on the 68845  
taxable list. No additions shall be made to such exempt lists and 68846  
no additional items of property shall be exempted from taxation 68847  
without the consent of the tax commissioner as is provided for in 68848

section 5715.27 of the Revised Code, ~~but when or without the~~ 68849  
~~consent of the housing officer under section 3735.67 of the~~ 68850  
Revised Code. When any personal property or endowment fund of an 68851  
institution has once been held by the commissioner to be properly 68852  
exempt from taxation, it is not necessary to obtain the 68853  
commissioner's consent to the exemption of additional property or 68854  
investments of the same kind belonging to the same institution, 68855  
but such property shall appear on the abstract filed annually with 68856  
the commissioner. The commissioner may revise at any time the list 68857  
in every county so that no property is improperly or illegally 68858  
exempted from taxation. The auditor shall follow the orders of the 68859  
commissioner given under this section. An abstract of such list 68860  
shall be filed annually with the commissioner, on a form approved 68861  
by the commissioner, and a copy thereof shall be kept on file in 68862  
the office of each auditor for public inspection. 68863

The commissioner shall not consider an application for 68864  
exemption of property unless the application has attached thereto 68865  
a certificate executed by the county treasurer certifying one of 68866  
the following: 68867

(1) That all taxes, assessments, interest, and penalties 68868  
levied and assessed against the property sought to be exempted 68869  
have been paid in full to the date upon which the application for 68870  
exemption is filed, except for such taxes, interest, and penalties 68871  
that may be remitted under division (B) of this section; 68872

(2) That the applicant has entered into a valid delinquent 68873  
tax contract with the county treasurer pursuant to division (A) of 68874  
section 323.31 of the Revised Code to pay all of the delinquent 68875  
taxes, assessments, interest, and penalties charged against the 68876  
property, except for such taxes, interest, and penalties that may 68877  
be remitted under division (B) of this section. If the auditor 68878  
receives notice under section 323.31 of the Revised Code that such 68879  
a written delinquent tax contract has become void, the auditor 68880

shall strike such property from the list of exempted property and 68881  
reenter such property on the taxable list. If property is removed 68882  
from the exempt list because a written delinquent tax contract has 68883  
become void, current taxes shall first be extended against that 68884  
property on the general tax list and duplicate of real and public 68885  
utility property for the tax year in which the auditor receives 68886  
the notice required by division (A) of section 323.31 of the 68887  
Revised Code that the delinquent tax contract has become void or, 68888  
if that notice is not timely made, for the tax year in which falls 68889  
the latest date by which the treasurer is required by such section 68890  
to give such notice. A county auditor shall not remove from any 68891  
tax list and duplicate the amount of any unpaid delinquent taxes, 68892  
assessments, interest, or penalties owed on property that is 68893  
placed on the exempt list pursuant to this division. 68894

(3) That a tax certificate has been issued under section 68895  
5721.32 or 5721.33 of the Revised Code with respect to the 68896  
property that is the subject of the application, and the tax 68897  
certificate is outstanding. 68898

(B) Any taxes, interest, and penalties which have become a 68899  
lien after the property was first used for the exempt purpose, but 68900  
in no case prior to the date of acquisition of the title to the 68901  
property by the applicant, may be remitted by the commissioner, 68902  
except as is provided in division (A) of section 5713.081 of the 68903  
Revised Code. 68904

(C) Real property acquired by the state in fee simple is 68905  
exempt from taxation from the date of acquisition of title or date 68906  
of possession, whichever is the earlier date, provided that all 68907  
taxes, interest, and penalties as provided in the apportionment 68908  
provisions of section 319.20 of the Revised Code have been paid to 68909  
the date of acquisition of title or date of possession by the 68910  
state, whichever is earlier. The proportionate amount of taxes 68911  
that are a lien but not yet determined, assessed, and levied for 68912

the year in which the property is acquired, shall be remitted by 68913  
the county auditor for the balance of the year from date of 68914  
acquisition of title or date of possession, whichever is earlier. 68915  
This section shall not be construed to authorize the exemption of 68916  
such property from taxation or the remission of taxes, interest, 68917  
and penalties thereon until all private use has terminated. 68918

**Sec. 5713.081.** (A) No application for real property tax 68919  
exemption and tax remission shall be filed with, or considered by, 68920  
the tax commissioner in which tax remission is requested for more 68921  
than three tax years, and the commissioner shall not remit more 68922  
than three years' ~~delinquent~~ taxes, penalties, and interest. 68923

(B) All taxes, penalties, and interest, that have been 68924  
delinquent for more than three years, appearing on the general tax 68925  
list and duplicate of real property which have been levied and 68926  
assessed against parcels of real property owned by the state, any 68927  
political subdivision, or any other entity whose ownership of real 68928  
property would constitute public ownership, shall be collected by 68929  
the county auditor of the county where the real property is 68930  
located. Such ~~official~~ auditor shall deduct from each distribution 68931  
made by ~~him~~ the auditor, the amount necessary to pay the tax 68932  
delinquency from any revenues or funds to the credit of the state, 68933  
any political subdivision, or any other entity whose ownership of 68934  
real property would constitute public ownership thereof, passing 68935  
under ~~his~~ the auditor's control, or which come into ~~his~~ the 68936  
auditor's possession, and such deductions shall be made on a 68937  
continuing basis until all delinquent taxes, penalties, and 68938  
interest noted in this section have been paid. 68939

(C) As used in division (B) of this section, "political 68940  
subdivision" includes townships, municipalities, counties, school 68941  
districts, boards of education, all state and municipal 68942  
universities, park boards, and any other entity whose ownership of 68943

real property would constitute public ownership. 68944

**Sec. 5713.082.** (A) Whenever the county auditor reenters an 68945  
item of property to the tax list as provided in section 5713.08 of 68946  
the Revised Code and there has been no conveyance of the property 68947  
between separate entities, the auditor shall send notice by 68948  
certified mail to the owner of the property that it is now subject 68949  
to property taxation as a result of such action. The auditor shall 68950  
send the notice at the same time ~~he~~ the auditor certifies the real 68951  
property tax duplicate to the county treasurer. The notice shall 68952  
describe the property and indicate that the owner may reapply for 68953  
tax exemption by filing an application for exemption as provided 68954  
in section 5715.27 of the Revised Code, and that failure to file 68955  
such an application within the proper time period will result in 68956  
the owner having to pay the taxes even if the property continued 68957  
to be used for an exempt purpose. 68958

(B) If the auditor failed to send the notice required by this 68959  
section, and if the owner of the property subsequently files an 68960  
application for tax exemption for the property for the current tax 68961  
year, the tax commissioner may grant exemption to the property, 68962  
and ~~he~~ the commissioner shall remit all ~~unpaid~~ taxes and penalties 68963  
for each prior year since the property was reentered on the tax 68964  
list notwithstanding the provisions of division (A) of section 68965  
5713.081 of the Revised Code. 68966

**Sec. 5713.30.** As used in sections 5713.31 to 5713.37 and 68967  
5715.01 of the Revised Code: 68968

(A) "Land devoted exclusively to agricultural use" means: 68969

(1) Tracts, lots, or parcels of land totaling not less than 68970  
ten acres that, during the three calendar years prior to the year 68971  
in which application is filed under section 5713.31 of the Revised 68972  
Code, and through the last day of May of such year, were devoted 68973

exclusively to commercial animal or poultry husbandry, 68974  
aquaculture, apiculture, the production for a commercial purpose 68975  
of timber, field crops, tobacco, fruits, vegetables, nursery 68976  
stock, ornamental trees, sod, or flowers, or the growth of timber 68977  
for a noncommercial purpose, if the land on which the timber is 68978  
grown is contiguous to or part of a parcel of land under common 68979  
ownership that is otherwise devoted exclusively to agricultural 68980  
use, or were devoted to and qualified for payments or other 68981  
compensation under a land retirement or conservation program under 68982  
an agreement with an agency of the federal government; 68983

(2) Tracts, lots, or parcels of land totaling less than ten 68984  
acres that, during the three calendar years prior to the year in 68985  
which application is filed under section 5713.31 of the Revised 68986  
Code and through the last day of May of such year, were devoted 68987  
exclusively to commercial animal or poultry husbandry, 68988  
aquaculture, apiculture, the production for a commercial purpose 68989  
of field crops, tobacco, fruits, vegetables, timber, nursery 68990  
stock, ornamental trees, sod, or flowers where such activities 68991  
produced an average yearly gross income of at least twenty-five 68992  
hundred dollars during such three-year period or where there is 68993  
evidence of an anticipated gross income of such amount from such 68994  
activities during the tax year in which application is made, or 68995  
were devoted to and qualified for payments or other compensation 68996  
under a land retirement or conservation program under an agreement 68997  
with an agency of the federal government; 68998

(3) A tract, lot, or parcel of land taxed under sections 68999  
5713.22 to 5713.26 of the Revised Code is not land devoted 69000  
exclusively to agricultural use; 69001

(4) Tracts, lots, or parcels of land, or portions thereof 69002  
~~which~~ that, during the previous three consecutive calendar years 69003  
have been designated as land devoted exclusively to agricultural 69004  
use, but such land has been lying idle or fallow for up to one 69005

year and no action has occurred to such land that is either 69006  
inconsistent with the return of it to agricultural production or 69007  
converts the land devoted exclusively to agricultural use as 69008  
defined in this section. Such land shall remain designated as land 69009  
devoted exclusively to agricultural use provided that beyond one 69010  
year, but less than three years, the landowner proves good cause 69011  
as determined by the board of revision. 69012

"Land devoted exclusively to agricultural use" includes 69013  
tracts, lots, or parcels of land or portions thereof that are used 69014  
for conservation practices, provided that the tracts, lots, or 69015  
parcels of land or portions thereof comprise twenty-five per cent 69016  
or less of the total of the tracts, lots, or parcels of land that 69017  
satisfy the criteria established in division (A)(1), (2), or (4) 69018  
of this section together with the tracts, lots, or parcels of land 69019  
or portions thereof that are used for conservation practices. 69020

(B) "Conversion of land devoted exclusively to agricultural 69021  
use" means any of the following: 69022

(1) The failure of the owner of land devoted exclusively to 69023  
agricultural use during the next preceding calendar year to file a 69024  
renewal application under section 5713.31 of the Revised Code 69025  
without good cause as determined by the board of revision; 69026

(2) The failure of the new owner of such land to file an 69027  
initial application under that section without good cause as 69028  
determined by the board of revision; 69029

(3) The failure of such land or portion thereof to qualify as 69030  
land devoted exclusively to agricultural use for the current 69031  
calendar year as requested by an application filed under such 69032  
section; 69033

(4) The failure of the owner of the land described in 69034  
division (A)(4) of this section to act on such land in a manner 69035  
that is consistent with the return of the land to agricultural 69036



production after three years. 69037

(C) "Tax savings" means the difference between the dollar 69038  
amount of real property taxes levied in any year on land valued 69039  
and assessed in accordance with its current agricultural use value 69040  
and the dollar amount of real property taxes ~~which~~ that would have 69041  
been levied upon such land if it had been valued and assessed for 69042  
such year in accordance with Section 2 of Article XII, Ohio 69043  
Constitution. 69044

(D) "Owner" includes, but is not limited to, any person 69045  
owning a fee simple, fee tail, or life estate, or a buyer on a 69046  
land installment contract. 69047

(E) "Conservation practices" are practices used to abate soil 69048  
erosion as required in the management of the farming operation, 69049  
and include, but are not limited to, the installation, 69050  
construction, development, planting, or use of grass waterways, 69051  
terraces, diversions, filter strips, field borders, windbreaks, 69052  
riparian buffers, wetlands, ponds, and cover crops for that 69053  
purpose. 69054

(F) "Wetlands" has the same meaning as in section 6111.02 of 69055  
the Revised Code. 69056

**Sec. 5715.27.** (A) The Except as provided in section 3735.67 69057  
of the Revised Code, the owner of any property may file an 69058  
application with the tax commissioner, on forms prescribed by the 69059  
commissioner, requesting that such property be exempted from 69060  
taxation and that ~~unpaid~~ taxes and penalties be remitted as 69061  
provided in division (B) of section 5713.08 of the Revised Code. 69062

(B) The board of education of any school district may request 69063  
the tax commissioner to provide it with notification of 69064  
applications for exemption from taxation for property located 69065  
within that district. If so requested, the commissioner shall send 69066

to the board for the quarters ending on the last day of March, 69067  
June, September, and December of each year, reports that contain 69068  
sufficient information to enable the board to identify each 69069  
property that is the subject of an exemption application, 69070  
including, but not limited to, the name of the property owner or 69071  
applicant, the address of the property, and the auditor's parcel 69072  
number. The commissioner shall mail the reports on or about the 69073  
fifteenth day of the month following the end of the quarter. 69074

(C) A board of education that has requested notification 69075  
under division (B) of this section may, with respect to any 69076  
application for exemption of property located in the district and 69077  
included in the commissioner's most recent report provided under 69078  
that division, file a statement with the commissioner and with the 69079  
applicant indicating its intent to submit evidence and participate 69080  
in any hearing on the application. The statements shall be filed 69081  
prior to the first day of the third month following the end of the 69082  
quarter in which that application was docketed by the 69083  
commissioner. A statement filed in compliance with this division 69084  
entitles the district to submit evidence and to participate in any 69085  
hearing on the property and makes the district a party for 69086  
purposes of sections 5717.02 to 5717.04 of the Revised Code in any 69087  
appeal of the commissioner's decision to the board of tax appeals. 69088

(D) The commissioner shall not hold a hearing on or grant or 69089  
deny an application for exemption of property in a school district 69090  
whose board of education has requested notification under division 69091  
(B) of this section until the end of the period within which the 69092  
board may submit a statement with respect to that application 69093  
under division (C) of this section. The commissioner may act upon 69094  
an application at any time prior to that date upon receipt of a 69095  
written waiver from each such board of education, or, in the case 69096  
of exemptions authorized by section 725.02, 1728.10, ~~3735.67,~~ 69097  
5709.41, 5709.62, or 5709.63 of the Revised Code, upon the request 69098

of the property owner. Failure of a board of education to receive 69099  
the report required in division (B) of this section shall not void 69100  
an action of the commissioner with respect to any application. The 69101  
commissioner may extend the time for filing a statement under 69102  
division (C) of this section. 69103

(E) A complaint may also be filed with the commissioner by 69104  
any person, board, or officer authorized by section 5715.19 of the 69105  
Revised Code to file complaints with the county board of revision 69106  
against the continued exemption of any property granted exemption 69107  
by the commissioner under this section. 69108

(F) An application for exemption and a complaint against 69109  
exemption shall be filed prior to the thirty-first day of December 69110  
of the tax year for which exemption is requested or for which the 69111  
liability of ~~any~~ the property to taxation in that year is 69112  
requested. The commissioner shall consider such application or 69113  
complaint in accordance with procedures established by the 69114  
commissioner, determine whether the property is subject to 69115  
taxation or exempt therefrom, and certify the commissioner's 69116  
findings to the auditor, who shall correct the tax list and 69117  
duplicate accordingly. If a tax certificate has been sold under 69118  
section 5721.32 or 5721.33 of the Revised Code with respect to 69119  
property for which an exemption has been requested, the tax 69120  
commissioner shall also certify the findings to the county 69121  
treasurer of the county in which the property is located. 69122

(G) Applications and complaints, and documents of any kind 69123  
related to applications and complaints, filed with the tax 69124  
commissioner under this section, are public records within the 69125  
meaning of section 149.43 of the Revised Code. 69126

(H) If the commissioner determines that the use of property 69127  
or other facts relevant to the taxability of property that is the 69128  
subject of an application for exemption or a complaint under this 69129  
section has changed while the application or complaint was 69130

pending, the commissioner may make the determination under 69131  
division (F) of this section separately for each tax year 69132  
beginning with the year in which the application or complaint was 69133  
filed or the year for which remission of ~~unpaid~~ taxes under 69134  
division (B) of section 5713.08 of the Revised Code was requested, 69135  
and including each subsequent tax year during which the 69136  
application or complaint is pending before the commissioner. 69137

**Sec. 5715.39.** (A) The tax commissioner may remit real 69138  
property taxes, manufactured home taxes, penalties, and interest 69139  
found by the commissioner to have been illegally assessed. The 69140  
commissioner also may remit any penalty charged against any real 69141  
property or manufactured or mobile home that was the subject of an 69142  
application for exemption from taxation under section 5715.27 of 69143  
the Revised Code if the commissioner determines that the applicant 69144  
requested such exemption in good faith. The commissioner shall 69145  
include notice of the remission in the commissioner's 69146  
certification to the county auditor required under that section. 69147

~~(B)~~ The commissioner, on application by a taxpayer county 69148  
auditor, upon consultation with the county treasurer, shall remit 69149  
a penalty for late payment of any real property taxes or 69150  
manufactured home taxes when: 69151

~~(A)~~(1) The taxpayer could not make timely payment of the tax 69152  
because of the negligence or error of the county auditor or county 69153  
treasurer in the performance of a statutory duty relating to the 69154  
levy or collection of such tax. 69155

~~(B)~~(2) In cases other than those described in division 69156  
~~(A)~~(B)(1) of this section, the taxpayer failed to receive a tax 69157  
bill or a correct tax bill, and the taxpayer made a good faith 69158  
effort to obtain such bill within thirty days after the last day 69159  
for payment of the tax. 69160

~~(C)~~(3) The tax was not timely paid because of the death or 69161

serious injury of the taxpayer, or the taxpayer's confinement in a hospital within sixty days preceding the last day for payment of the tax if, in any case, the tax was subsequently paid within sixty days after the last day for payment of such tax.

~~(D)(4)~~ The taxpayer demonstrates ~~to the satisfaction of the commissioner~~ that the full payment was properly deposited in the mail in sufficient time for the envelope to be postmarked by the United States postal service on or before the last day for payment of such tax. A private meter postmark on an envelope is not a valid postmark for purposes of establishing the date of payment of such tax.

(C) The board of revision shall remit a penalty for late payment of any real property taxes or manufactured homes taxes if, in cases other than those described in division (B)(1) to (4) of this section, the taxpayer's failure to make timely payment of the tax is due to reasonable cause and not willful neglect.

(D) The taxpayer, upon application within sixty days after the mailing of the county auditor's or board of revision's decision, may request the tax commissioner to review the denial of the remission of a penalty by the auditor or board. The application may be filed in person or by certified mail. If the application is filed by certified mail, the date of the United States postmark placed on the sender's receipt by the postal service shall be treated as the date of filing. The commissioner shall consider the application, determine whether the penalty should be remitted, and certify the determination to the taxpayer, to the county treasurer, and to the county auditor, who shall correct the tax list and duplicate accordingly. The commissioner may issue orders and instructions for the uniform implementation of this section by all county boards of revision, county auditors, and county treasurers, and such orders and instructions shall be followed by such officers and boards.

(E) This section shall not provide to the taxpayer any remedy with respect to any matter that the taxpayer may be authorized to complain of under section 4503.06, 5715.19, 5717.02, ~~and~~ or 5727.47 of the Revised Code.

(F) Applications for remission, and documents of any kind related to those applications, filed with the tax commissioner under this section, are public records within the meaning of section 149.43 of the Revised Code, unless otherwise excepted under that section.

**Sec. 5717.011.** (A) As used in this chapter, "tax administrator" has the same meaning as in section 718.01 of the Revised Code.

(B) Appeals from a municipal board of appeal created under section 718.11 of the Revised Code may be taken by the taxpayer or the tax administrator to the board of tax appeals or may be taken by the taxpayer or the tax administrator to a court of common pleas as otherwise provided by law. If the taxpayer or the tax administrator elects to make an appeal to the board of tax appeals or court of common pleas, the appeal shall be taken by the filing of a notice of appeal with the board of tax appeals or court of common pleas, the municipal board of appeal, and the opposing party. The notice of appeal shall be filed within sixty days after the day the appellant receives notice of the decision issued under section 718.11 of the Revised Code. The notice of appeal may be filed in person or by certified mail, express mail, or authorized delivery service as provided in section 5703.056 of the Revised Code. If the notice of appeal is filed by certified mail, express mail, or authorized delivery service as provided in section 5703.056 of the Revised Code, the date of the United States postmark placed on the sender's receipt by the postal service or the date of receipt recorded by the authorized delivery service

shall be treated as the date of filing. The notice of appeal shall 69225  
have attached thereto and incorporated therein by reference a true 69226  
copy of the decision issued under section 718.11 of the Revised 69227  
Code and shall specify the errors therein complained of, but 69228  
failure to attach a copy of such notice and incorporate it by 69229  
reference in the notice of appeal does not invalidate the appeal. 69230

(C) Upon the filing of a notice of appeal with the board of 69231  
tax appeals, the municipal board of appeal shall certify to the 69232  
board of tax appeals a transcript of the record of the proceedings 69233  
before it, together with all evidence considered by it in 69234  
connection therewith. Such appeals may be heard by the board at 69235  
its office in Columbus or in the county where the appellant 69236  
resides, or it may cause its examiners to conduct such hearings 69237  
and to report to it their findings for affirmation or rejection. 69238  
The board may order the appeal to be heard upon the record and the 69239  
evidence certified to it by the administrator, but upon the 69240  
application of any interested party the board shall order the 69241  
hearing of additional evidence, and the board may make such 69242  
investigation concerning the appeal as it considers proper. 69243

(D) If an issue being appealed under this section is 69244  
addressed in a municipal corporation's ordinance or regulation, 69245  
the tax administrator, upon the request of the board of tax 69246  
appeals, shall provide a copy of the ordinance or regulation to 69247  
the board of tax appeals. 69248

**Sec. 5717.03.** (A) A decision of the board of tax appeals on 69249  
an appeal filed with it pursuant to section 5717.01, 5717.011, or 69250  
5717.02 of the Revised Code shall be entered of record on the 69251  
journal together with the date when the order is filed with the 69252  
secretary for journalization. 69253

(B) In case of an appeal from a decision of a county board of 69254  
revision, the board of tax appeals shall determine the taxable 69255

value of the property whose valuation or assessment by the county 69256  
board of revision is complained of, or in the event the complaint 69257  
and appeal is against a discriminatory valuation, shall determine 69258  
a valuation which shall correct such discrimination, and shall 69259  
determine the liability of the property for taxation, if that 69260  
question is in issue, and ~~it~~ the board of tax appeals's decision 69261  
and the date when it was filed with the secretary for 69262  
journalization shall be certified by ~~it~~ the board by certified 69263  
mail to all persons who were parties to the appeal before ~~it~~ the 69264  
board, to the person in whose name the property is listed, or 69265  
sought to be listed, if such person is not a party to the appeal, 69266  
to the county auditor of the county in which the property involved 69267  
in the appeal is located, and to the tax commissioner. 69268

In correcting a discriminatory valuation, the board of tax 69269  
appeals shall increase or decrease the value of the property whose 69270  
valuation or assessment by the county board of revision is 69271  
complained of by a per cent or amount which will cause such 69272  
property to be listed and valued for taxation by an equal and 69273  
uniform rule. 69274

(C) In the case of an appeal from a review, redetermination, 69275  
or correction of a tax assessment, valuation, determination, 69276  
finding, computation, or order of the tax commissioner, the order 69277  
of the board of tax appeals and the date of the entry thereof upon 69278  
its journal shall be certified by ~~it~~ the board by certified mail 69279  
to all persons who were parties to the appeal before ~~it~~ the board, 69280  
the person in whose name the property is listed or sought to be 69281  
listed, if the decision determines the valuation or liability of 69282  
property for taxation and if such person is not a party to the 69283  
appeal, the taxpayer or other person to whom notice of the tax 69284  
assessment, valuation, determination, finding, computation, or 69285  
order, or correction or redetermination thereof, by the tax 69286  
commissioner was by law required to be given, the director of 69287



budget and management, if the revenues affected by such decision 69288  
would accrue primarily to the state treasury, and the county 69289  
auditors of the counties to the undivided general tax funds of 69290  
which the revenues affected by such decision would primarily 69291  
accrue. 69292

(D) In the case of an appeal from a municipal board of appeal 69293  
created under section 718.11 of the Revised Code, the order of the 69294  
board of tax appeals and the date of the entry thereof upon the 69295  
board's journal shall be certified by the board by certified mail 69296  
to all persons who were parties to the appeal before the board. 69297

(E) In the case of all other appeals or applications filed 69298  
with and determined by the board ~~its~~, the board's order and the 69299  
date when ~~it~~ the order was filed by the secretary for 69300  
journalization shall be certified by ~~it~~ the board by certified 69301  
mail to the person who is a party to such appeal or application, 69302  
to such persons as the law requires, and to such other persons as 69303  
the board deems proper. 69304

(F) The orders of the board may affirm, reverse, vacate, 69305  
modify, or remand the tax assessments, valuations, determinations, 69306  
findings, computations, or orders complained of in the appeals 69307  
determined by ~~it~~ the board, and ~~its~~ the board's decision shall 69308  
become final and conclusive for the current year unless reversed, 69309  
vacated, or modified as provided in section 5717.04 of the Revised 69310  
Code. When an order of the board becomes final the tax 69311  
commissioner and all officers to whom such decision has been 69312  
certified shall make the changes in their tax lists or other 69313  
records which the decision requires. 69314

(G) If the board finds that issues not raised on the appeal 69315  
are important to a determination of a controversy, ~~it~~ the board 69316  
may remand the cause for an administrative determination and the 69317  
issuance of a new tax assessment, valuation, determination, 69318  
finding, computation, or order, unless the parties stipulate to 69319

the determination of such other issues without remand. An order 69320  
remanding the cause is a final order, ~~which~~. If the order relates 69321  
to any issue other than a municipal income tax matter appealed 69322  
under sections 718.11 and 5717.011 of the Revised Code, the order 69323  
may be appealed to the court of appeals in Franklin county. If the 69324  
order relates to a municipal income tax matter appealed under 69325  
sections 718.11 and 5717.011 of the Revised Code, the order may be 69326  
appealed to the court of appeals for the county in which the 69327  
municipal corporation in which the dispute arose is primarily 69328  
situated. 69329

**Sec. 5719.07.** Subject to the rules prescribed by the tax 69330  
commissioner, a county treasurer charged with the collection of 69331  
delinquent taxes may issue a certificate of release of the lien 69332  
provided for in section 5719.04 of the Revised Code if the amount 69333  
secured thereby has been paid or omitted from the delinquent tax 69334  
list and duplicate pursuant to section 5719.06 of the Revised 69335  
Code. The treasurer shall issue a certificate of partial discharge 69336  
of any part of the real property subject to the lien ~~if he finds~~ 69337  
after finding that the value of the part of the property remaining 69338  
subject to the lien is at least double the amount of the 69339  
delinquent taxes and all prior liens upon such real property. Such 69340  
certificate shall be filed and recorded with the county recorder 69341  
of the county in which the notice of lien has been filed, for 69342  
which recording the recorder shall charge a base fee of two 69343  
dollars for services and a housing trust fund fee of two dollars 69344  
pursuant to section 317.36 of the Revised Code. 69345

**Sec. 5725.19.** Upon the issuance of a tax credit certificate 69346  
by the Ohio venture capital authority under section 150.07 of the 69347  
Revised Code, a credit may be claimed against the tax imposed on a 69348  
domestic insurance company under section 5725.18 of the Revised 69349  
Code. The credit shall be claimed in the calendar year specified 69350

in the certificate issued by the authority. If the company elected a refundable credit under section 150.07 of the Revised Code, and the amount of the credit shown on the certificate exceeds the tax otherwise due under section 5725.18 of the Revised Code, the company may receive a refund equal to seventy-five per cent of such excess. If the company elected a nonrefundable credit, the amount of the credit shown on the certificate shall not exceed the ~~amount~~ amount of tax otherwise due. If the company elected a nonrefundable credit and the credit to which the company would otherwise be entitled under this section for any calendar year is greater than the tax otherwise due under section 5725.18 of the Revised Code, the excess shall be allowed as a credit in each of the ensuing ten calendar years, but the amount of any excess credit allowed in the ensuing calendar year shall be deducted from the balance carried forward to the next calendar year.

**Sec. 5727.111.** The taxable property of each public utility, except a railroad company, and of each interexchange telecommunications company shall be assessed at the following percentages of true value:

(A)(1) Except as provided in division (A)(2) of this section, fifty per cent in the case of a rural electric company;

(2) For tax year 2001 and thereafter, fifty per cent in the case of the taxable transmission and distribution property of a rural electric company, and twenty-five per cent for all its other taxable property;

(B) In the case of a telephone or telegraph company, twenty-five per cent for taxable property first subject to taxation in this state for tax year 1995 or thereafter, and ~~eighty-eight per cent~~ the following for all other taxable property~~;~~:

(1) For tax years prior to 2005, eighty-eight per cent;

<u>(2) For tax year 2005, sixty-seven per cent;</u>	69382
<u>(3) For tax year 2006, forty-six per cent;</u>	69383
<u>(4) For tax year 2007 and thereafter, twenty-five per cent.</u>	69384
<del>(C)(1) Except as provided in division (C)(2) of this section,</del>	69385
<del>eighty eight per cent in the case of a natural gas company;</del>	69386
<del>(2) For tax year 2001 and thereafter, twenty five</del> <u>Twenty-five</u>	69387
per cent in the case of a natural gas company.	69388
(D) Eighty-eight per cent in the case of a pipe-line,	69389
water-works, or heating company;	69390
(E)(1) Except as provided in division (E)(2) or (3) of this	69391
section, one hundred per cent in the case of the taxable	69392
production equipment of an electric company and eighty-eight per	69393
cent for all its other taxable property;	69394
(2) For tax year 2001 and thereafter, eighty-eight per cent	69395
in the case of the taxable transmission and distribution property	69396
of an electric company, and twenty-five per cent for all its other	69397
taxable property;	69398
(3) Property listed and assessed under divisions (B)(1) and	69399
(2) of section 5711.22 of the Revised Code and leased to an	69400
electric company shall continue to be assessed at one hundred per	69401
cent for production equipment and eighty-eight per cent for all	69402
such other taxable property until January 1, 2002.	69403
(F) Twenty-five per cent in the case of an interexchange	69404
telecommunications company;	69405
(G) Twenty-five per cent in the case of a water	69406
transportation company.	69407
<b>Sec. 5727.30.</b> (A) Except as provided in divisions (B) <del>and</del> ,	69408
(C), <u>and (D)</u> of this section, each public utility, except railroad	69409
companies, shall be subject to an annual excise tax, as provided	69410

by sections 5727.31 to 5727.62 of the Revised Code, for the 69411  
privilege of owning property in this state or doing business in 69412  
this state during the twelve-month period next succeeding the 69413  
period upon which the tax is based. The tax shall be imposed 69414  
against each such public utility that, on the first day of such 69415  
twelve-month period, owns property in this state or is doing 69416  
business in this state, and the lien for the tax, including any 69417  
penalties and interest accruing thereon, shall attach on such day 69418  
to the property of the public utility in this state. 69419

(B) An electric company's or a rural electric company's gross 69420  
receipts received after April 30, 2001, are not subject to the 69421  
annual excise tax imposed by this section. 69422

(C) A natural gas company's gross receipts received after 69423  
April 30, 2000, are not subject to the annual excise tax imposed 69424  
by this section. 69425

(D) A telephone company's gross receipts derived from amounts 69426  
billed to customers after June 30, 2004, are not subject to the 69427  
annual excise tax imposed by this section. Notwithstanding any 69428  
other provision of law, gross receipts derived from amounts billed 69429  
by a telephone company to customers prior to July 1, 2004, shall 69430  
be included in the telephone company's annual statement filed on 69431  
or before August 1, 2004, which shall be the last statement or 69432  
report filed under section 5727.31 of the Revised Code by a 69433  
telephone company. A telephone company shall not deduct from its 69434  
gross receipts included in that last statement any receipts it was 69435  
unable to collect from its customers for the period of July 1, 69436  
2003, to June 30, 2004. 69437

**Sec. 5727.32.** (A) For the purpose of the tax imposed by 69438  
section 5727.30 of the Revised Code, the statement required by 69439  
section 5727.31 of the Revised Code shall contain: 69440

(1) The name of the company; 69441

(2) The nature of the company, whether a person, association, or corporation, and under the laws of what state or country organized;	69442 69443 69444
(3) The location of its principal office;	69445
(4) The name and post-office address of the president, secretary, auditor, treasurer, and superintendent or general manager;	69446 69447 69448
(5) The name and post-office address of the chief officer or managing agent of the company in this state;	69449 69450
(6) The amount of the excise taxes paid or to be paid with the reports made during the current calendar year as provided by section 5727.31 of the Revised Code;	69451 69452 69453
(7) In the case of telegraph <del>and telephone</del> companies:	69454
(a) The gross receipts from all sources, whether messages, telephone tolls, rentals, or otherwise, for business done within this state, including all sums earned or charged, whether actually received or not, for the year ending on the thirtieth day of June, and the company's proportion of gross receipts for business done by it within this state in connection with other companies, firms, corporations, persons, or associations, but excluding all of the following:	69455 69456 69457 69458 69459 69460 69461 69462
(i) All of the receipts derived wholly from interstate business or business done for or with the federal government;	69463 69464
(ii) The receipts of amounts billed on behalf of other entities;	69465 69466
<del>(iii) The receipts from sales to other telephone companies for resale;</del>	69467 69468
<del>(iv) The receipts from sales to providers of telecommunications service for resale, receipts from incoming or outgoing wide area transmission service or wide area transmission</del>	69469 69470 69471

~~type service, including eight hundred or eight hundred type 69472  
service, and receipts from private communications service. 69473~~

~~As used in this division, "receipts from sales to other 69474  
telephone companies for resale" and "receipts from sales to 69475  
providers of telecommunications service for resale" include but 69476  
are not limited to, receipts of carrier access charges. "Carrier 69477  
access charges" means compensation paid to the taxpayer telephone 69478  
company by another telephone company or by a provider of 69479  
telecommunications service for the use of the taxpayer's 69480  
facilities to originate or terminate telephone calls or 69481  
telecommunications service. 69482~~

(b) The total gross receipts for such period from business 69483  
done within this state. 69484

(8) In the case of all public utilities subject to the tax 69485  
imposed by section 5727.30 of the Revised Code, except telegraph 69486  
and telephone companies: 69487

(a) The gross receipts of the company, actually received, 69488  
from all sources for business done within this state for the year 69489  
next preceding the first day of May, including the company's 69490  
proportion of gross receipts for business done by it within this 69491  
state in connection with other companies, firms, corporations, 69492  
persons, or associations, but excluding ~~all~~ both of the following: 69493

(i) Receipts from interstate business or business done for 69494  
the federal government; 69495

(ii) Receipts from sales to another public utility for 69496  
resale, provided such other public utility is subject to the tax 69497  
levied by section 5727.24 or 5727.30 of the Revised Code; 69498

~~(iii) Receipts from the transmission or delivery of 69499  
electricity to or for a rural electric company, provided that the 69500  
electricity that has been so transmitted or delivered is for 69501  
resale by the rural electric company. This division does not apply 69502~~

~~to tax years 2002 and thereafter.~~ 69503

~~(iv) Receipts of an electric company, derived from the 69504  
provision of electricity and other services to a qualified former 69505  
owner of the production facilities that generated the electricity 69506  
from which those receipts were derived. This division does not 69507  
apply to tax years 2002 and thereafter. As used in this division, 69508  
a "qualified former owner" means a person who meets both of the 69509  
following conditions: 69510~~

~~(I) On or before October 11, 1991, the person had sold to an 69511  
electric company part of the production facility at which the 69512  
electricity is generated, and, for at least twenty years prior to 69513  
that sale, the facility was used to generate electricity, but it 69514  
was not owned in whole or in part during that period by an 69515  
electric company. 69516~~

~~(II) At the time the electric company provided the 69517  
electricity or other services for which the exclusion is claimed, 69518  
the person, or a successor or assign of the person, owned not less 69519  
than twenty per cent of the production facility and the rights to 69520  
not less than twenty per cent of the production of that facility; 69521  
and the person, or a successor or assign of the person, engaged 69522  
primarily in a business other than providing electricity to 69523  
others. 69524~~

~~(v) Receipts of a combined company derived from operating as 69525  
a natural gas company that is subject to the tax imposed by 69526  
section 5727.24 of the Revised Code. 69527~~

~~(b) The total gross receipts of the company, for the year 69528  
next preceding the first day of May, in this state from business 69529  
done within the state. 69530~~

~~(B) The reports required by section 5727.31 of the Revised 69531  
Code shall contain: 69532~~

~~(1) The name and principal mailing address of the company; 69533~~



(2) The total amount of the gross receipts excise taxes 69534  
charged or levied as based upon its last preceding annual 69535  
statement filed prior to the first day of January of the year in 69536  
which such report is filed; 69537

(3) The amount of the excise taxes due with the report as 69538  
provided by section 5727.31 of the Revised Code. 69539

**Sec. 5727.33.** (A) For the purpose of computing the excise tax 69540  
imposed by section 5727.24 or 5727.30 of the Revised Code, the 69541  
entire gross receipts actually received from all sources for 69542  
business done within this state are taxable gross receipts, 69543  
excluding the receipts described in divisions (B), (C), and (D), ~~and (E)~~ 69544  
of this section. The gross receipts for the tax year of 69545  
each telegraph ~~and telephone~~ company shall be computed for the 69546  
period of the first day of July prior to the tax year to the 69547  
thirtieth day of June of the tax year. The gross receipts of each 69548  
natural gas company, including a combined company's taxable gross 69549  
receipts attributed to a natural gas company activity, shall be 69550  
computed in the manner required by section 5727.25 of the Revised 69551  
Code. The gross receipts for the tax year of any other public 69552  
utility subject to section 5727.30 of the Revised Code shall be 69553  
computed for the period of the first day of May prior to the tax 69554  
year to the thirtieth day of April of the tax year. 69555

(B) In ascertaining and determining the gross receipts of 69556  
each public utility subject to this section, the following gross 69557  
receipts are excluded: 69558

(1) All receipts derived wholly from interstate business; 69559

(2) All receipts derived wholly from business done for or 69560  
with the federal government; 69561

~~(3) All receipts derived wholly from the transmission or 69562  
delivery of electricity to or for a rural electric company, 69563~~

~~provided that the electricity that has been so transmitted or  
delivered is for resale by the rural electric company. This  
division does not apply to tax years 2002 and thereafter.~~

~~(4) All receipts from the sale of merchandise;~~

~~(5)(4) All receipts from sales to other public utilities,  
except railroad, and telegraph, ~~and telephone~~ companies, for  
resale, provided the other public utility is subject to the tax  
levied by section 5727.24 or 5727.30 of the Revised Code.~~

~~(C) In ascertaining and determining the gross receipts of a  
telephone company, the following gross receipts are excluded:~~

~~(1) Receipts of amounts billed on behalf of other entities;~~

~~(2) Receipts from sales to other telephone companies for  
resale, as defined in division (A)(7) of section 5727.32 of the  
Revised Code;~~

~~(3) Receipts from incoming or outgoing wide area transmission  
service or wide area transmission type service, including eight  
hundred or eight hundred type service;~~

~~(4) Receipts from private communications service as described  
in division (AA)(2) of section 5739.01 of the Revised Code;~~

~~(5) Receipts from sales to providers of telecommunications  
service for resale, as defined in division (A)(7) of section  
5727.32 of the Revised Code.~~

~~(D) In ascertaining and determining the gross receipts of an  
electric company, receipts derived from the provision of  
electricity and other services to a qualified former owner of the  
production facilities that generated the electricity from which  
those receipts were derived are excluded. This division does not  
apply to tax years 2002 and thereafter. As used in this division,  
a "qualified former owner" means a person who meets both of the  
following conditions:~~

~~(1) On or before October 11, 1991, the person had sold to an electric company part of the production facility at which the electricity is generated, and, for at least twenty years prior to that sale, the facility was used to generate electricity, but it was not owned in whole or part during that period by an electric company.~~

~~(2) At the time the electric company provided the electricity or other services for which the exclusion is claimed, the person, or a successor or assign of the person, owned not less than a twenty per cent ownership of the production facility and the rights to not less than twenty per cent of the production of that facility.~~

~~(E)(C)~~ In ascertaining and determining the gross receipts of a natural gas company, receipts billed on behalf of other entities are excluded. The tax imposed by section 5729.811 of the Revised Code, along with transportation and billing and collection fees charged to other entities, shall be included in the gross receipts of a natural gas company.

~~(F)(D)~~ In ascertaining and determining the gross receipts of a combined company subject to the tax imposed by section 5727.30 of the Revised Code, all receipts derived from operating as a natural gas company that are subject to the tax imposed by section 5727.24 of the Revised Code are excluded.

~~(G)(E)~~ Except as provided in division ~~(H)(F)~~ of this section, the amount ascertained by the commissioner under this section, less a deduction of twenty-five thousand dollars, shall be the taxable gross receipts of such companies for business done within this state for that year.

~~(H)(F)~~ The amount ascertained under this section, less the following deduction, shall be the taxable gross receipts of a natural gas company or combined company subject to the tax imposed

by section 5727.24 of the Revised Code for business done within 69625  
this state: 69626

(1) For a natural gas company that files quarterly returns of 69627  
the tax imposed by section 5727.24 of the Revised Code, six 69628  
thousand two hundred fifty dollars for each quarterly return; 69629

(2) For a natural gas company that files an annual return of 69630  
the tax imposed by section 5727.24 of the Revised Code, 69631  
twenty-five thousand dollars for each annual return; 69632

(3) For a combined company, twenty-five thousand dollars on 69633  
the annual statement filed under section 5727.31 of the Revised 69634  
Code. A combined company shall not be entitled to a deduction in 69635  
computing gross receipts subject to the tax imposed by section 69636  
5727.24 of the Revised Code. 69637

**Sec. 5727.56.** Any public utility whose articles of 69638  
incorporation or license certificate to do or transact business in 69639  
this state has expired or has been canceled or revoked by the 69640  
secretary of state, as provided by law for failure to make any 69641  
report or return or to pay any tax or fee, upon payment to the 69642  
secretary of state of any additional fees and penalties required 69643  
to be paid to ~~him~~ the secretary of state, and upon the filing with 69644  
the secretary of state of a certificate from the tax commissioner 69645  
that it has complied with all the requirements of law as to 69646  
franchise or excise tax reports and paid all franchise or excise 69647  
taxes, fees, or penalties due thereon for every year of its 69648  
delinquency, and upon the payment to the secretary of state of an 69649  
additional fee of ten dollars, shall be reinstated and again 69650  
entitled to exercise its rights, privileges, and franchises in 69651  
this state, and the secretary of state shall cancel the entry of 69652  
cancellation or expiration to exercise its rights, privileges, and 69653  
franchises. If the reinstatement is not made within one year from 69654  
the date of the cancellation of its articles of incorporation or 69655

date of the cancellation or expiration of its license to do 69656  
business, and it appears that articles of incorporation or license 69657  
certificate have been issued to a corporation of the same or 69658  
similar name, the applicant for reinstatement shall be required by 69659  
the secretary of state, as a condition prerequisite to such 69660  
reinstatement, to amend its articles by changing its name. A 69661  
certificate of reinstatement may be filed in the county recorder's 69662  
office of any county in the state, for which the recorder shall 69663  
charge and collect a base fee of three dollars for services and a 69664  
housing trust fund fee of three dollars pursuant to section 317.36 69665  
of the Revised Code. 69666

If a domestic public utility applying for reinstatement has 69667  
not previously designated an agent upon whom process may be served 69668  
as required by section 1701.07 of the Revised Code, such public 69669  
utility shall at the time of reinstatement and as a prerequisite 69670  
thereto designate an agent in accordance with such section. 69671

Any officer, shareholder, creditor, or receiver of any such 69672  
public utility may at any time take all steps required by this 69673  
section to effect such reinstatement, and in such case the 69674  
designation of an agent upon whom process may be served shall not 69675  
be a prerequisite to the reinstatement of the public utility. 69676

**Sec. 5727.84.** (A) As used in this section and sections 69677  
5727.85, 5727.86, and 5727.87 of the Revised Code: 69678

(1) "School district" means a city, local, or exempted 69679  
village school district. 69680

(2) "Joint vocational school district" means a joint 69681  
vocational school district created under section 3311.16 of the 69682  
Revised Code, and includes a cooperative education school district 69683  
created under section 3311.52 or 3311.521 of the Revised Code and 69684  
a county school financing district created under section 3311.50 69685  
of the Revised Code. 69686

(3) "Local taxing unit" means a subdivision or taxing unit, 69687  
as defined in section 5705.01 of the Revised Code, a park district 69688  
created under Chapter 1545. of the Revised Code, or a township 69689  
park district established under section 511.23 of the Revised 69690  
Code, but excludes school districts and joint vocational school 69691  
districts. 69692

(4) "State education aid" means the sum of state aid amounts 69693  
computed for a school district or joint vocational school district 69694  
under Chapter 3317. of the Revised Code. 69695

(5) "State education aid offset" means the amount determined 69696  
for each school district or joint vocational school district under 69697  
division (A)(1) of section 5727.85 of the Revised Code. 69698

(6) "Recognized valuation" has the same meaning as in section 69699  
3317.02 of the Revised Code. 69700

(7) "Electric company tax value loss" means the amount 69701  
determined under division (D) of this section. 69702

(8) "Natural gas company tax value loss" means the amount 69703  
determined under division (E) of this section. 69704

(9) "Tax value loss" means the sum of the electric company 69705  
tax value loss and the natural gas company tax value loss. 69706

(10) "Fixed-rate levy" means any tax levied on property other 69707  
than a fixed-sum levy. 69708

(11) "Fixed-rate levy loss" means the amount determined under 69709  
division (G) of this section. 69710

(12) "Fixed-sum levy" means a tax levied on property at 69711  
whatever rate is required to produce a specified amount of tax 69712  
money or levied in excess of the ten-mill limitation to pay debt 69713  
charges, and includes school district emergency levies imposed 69714  
pursuant to section 5705.194 of the Revised Code. 69715

(13) "Fixed-sum levy loss" means the amount determined under 69716

division (H) of this section. 69717

(14) "Consumer price index" means the consumer price index 69718  
(all items, all urban consumers) prepared by the bureau of labor 69719  
statistics of the United States department of labor. 69720

(B) The kilowatt-hour tax receipts fund is hereby created in 69721  
the state treasury and shall consist of money arising from the tax 69722  
imposed by section 5727.81 of the Revised Code. All money in the 69723  
kilowatt-hour tax receipts fund shall be credited as follows: 69724

(1) Fifty-nine and nine hundred seventy-six one-thousandths 69725  
per cent, shall be credited to the general revenue fund. 69726

(2) Two and six hundred forty-six one-thousandths per cent 69727  
shall be credited to the local government fund, for distribution 69728  
in accordance with section 5747.50 of the Revised Code. 69729

(3) Three hundred seventy-eight one-thousandths per cent 69730  
shall be credited to the local government revenue assistance fund, 69731  
for distribution in accordance with section 5747.61 of the Revised 69732  
Code. 69733

(4) Twenty-five and four-tenths per cent shall be credited to 69734  
the school district property tax replacement fund, which is hereby 69735  
created in the state treasury for the purpose of making the 69736  
payments described in section 5727.85 of the Revised Code. 69737

(5) Eleven and six-tenths per cent shall be credited to the 69738  
local government property tax replacement fund, which is hereby 69739  
created in the state treasury for the purpose of making the 69740  
payments described in section 5727.86 of the Revised Code. 69741

(6) In fiscal years 2002, 2003, 2004, 2005, and 2006, if the 69742  
revenue arising from the tax levied by section 5727.81 of the 69743  
Revised Code is less than five hundred fifty-two million dollars, 69744  
the amount credited to the general revenue fund under division 69745  
(B)(1) of this section shall be reduced by the amount necessary to 69746

credit to each of the funds in divisions (B)(2) and (3) of this 69747  
section the amount it would have received if the tax did raise 69748  
five hundred fifty-two million dollars for that fiscal year. The 69749  
tax commissioner shall certify to the director of budget and 69750  
management the amounts that shall be credited under this division. 69751

(7) Beginning in fiscal year 2007, if the revenue arising 69752  
from the tax levied by section 5727.81 of the Revised Code is less 69753  
than five hundred fifty-two million dollars, the amount credited 69754  
to the general revenue fund under division (B)(1) of this section 69755  
shall be reduced by the amount necessary to credit to each of the 69756  
funds in divisions (B)(2), (3), (4), and (5) of this section the 69757  
amount that it would have received if the tax did raise five 69758  
hundred fifty-two million dollars for that fiscal year. The tax 69759  
commissioner shall certify to the director of budget and 69760  
management the amounts to be credited under division (B)(7) of 69761  
this section. 69762

(C) The natural gas tax receipts fund is hereby created in 69763  
the state treasury and shall consist of money arising from the tax 69764  
imposed by section 5727.811 of the Revised Code. All money in the 69765  
fund shall be credited as follows: 69766

(1) Sixty-eight and seven-tenths per cent shall be credited 69767  
to the school district property tax replacement fund for the 69768  
purpose of making the payments described in section 5727.85 of the 69769  
Revised Code. 69770

(2) Thirty-one and three-tenths per cent shall be credited to 69771  
the local government property tax replacement fund for the purpose 69772  
of making the payments described in section 5727.86 of the Revised 69773  
Code. 69774

(3) Beginning in fiscal year 2007, if the revenue arising 69775  
from the tax levied by section 5727.811 of the Revised Code is 69776  
less than ninety million dollars, an amount equal to the 69777



difference between the amount collected and ninety million dollars 69778  
shall be transferred from the general revenue fund to each of the 69779  
funds in divisions (C)(1) and (2) of this section in the same 69780  
percentages as if that amount had been collected as taxes under 69781  
section 5727.811 of the Revised Code. The tax commissioner shall 69782  
certify to the director of budget and management the amounts that 69783  
shall be transferred under this division. 69784

(D) Not later than January 1, 2002, the tax commissioner 69785  
shall determine for each taxing district its electric company tax 69786  
value loss, which is the sum of the applicable amounts described 69787  
in divisions (D)(1) ~~and (2)~~ to (3) of this section: 69788

(1) The difference obtained by subtracting the amount 69789  
described in division (D)(1)(b) from the amount described in 69790  
division (D)(1)(a) of this section. 69791

(a) The value of electric company and rural electric company 69792  
tangible personal property as assessed by the tax commissioner for 69793  
tax year 1998 on a preliminary assessment, or an amended 69794  
preliminary assessment if issued prior to March 1, 1999, and as 69795  
apportioned to the taxing district for tax year 1998; 69796

(b) The value of electric company and rural electric company 69797  
tangible personal property as assessed by the tax commissioner for 69798  
tax year 1998 had the property been apportioned to the taxing 69799  
district for tax year 2001, and assessed at the rates in effect 69800  
for tax year 2001. 69801

(2) The difference obtained by subtracting the amount 69802  
described in division (D)(2)(b) from the amount described in 69803  
division (D)(2)(a) of this section. 69804

(a) The three-year average for tax years 1996, 1997, and 1998 69805  
of the assessed value from nuclear fuel materials and assemblies 69806  
assessed against a person under Chapter 5711. of the Revised Code 69807  
from the leasing of them to an electric company for those 69808

respective tax years, as reflected in the preliminary assessments; 69809

(b) The three-year average assessed value from nuclear fuel 69810  
materials and assemblies assessed under division (D)(2)(a) of this 69811  
section for tax years 1996, 1997, and 1998, as reflected in the 69812  
preliminary assessments, using an assessment rate of twenty-five 69813  
per cent. 69814

(3) In the case of a taxing district having a nuclear power 69815  
plant within its territory, any amount, resulting in an electric 69816  
company tax value loss, obtained by subtracting the amount 69817  
described in division (D)(1) of this section from the difference 69818  
obtained by subtracting the amount described in division (D)(3)(b) 69819  
of this section from the amount described in division (D)(3)(a) of 69820  
this section. 69821

(a) The value of electric company tangible personal property 69822  
as assessed by the tax commissioner for tax year 2000 on a 69823  
preliminary assessment, or an amended preliminary assessment if 69824  
issued prior to March 1, 2001, and as apportioned to the taxing 69825  
district for tax year 2000; 69826

(b) The value of electric company tangible personal property 69827  
as assessed by the tax commissioner for tax year 2001 on a 69828  
preliminary assessment, or an amended preliminary assessment if 69829  
issued prior to March 1, 2002, and as apportioned to the taxing 69830  
district for tax year 2001. 69831

(E) Not later than January 1, 2002, the tax commissioner 69832  
shall determine for each taxing district its natural gas company 69833  
tax value loss, which is the sum of the amounts described in 69834  
divisions (E)(1) and (2) of this section: 69835

(1) The difference obtained by subtracting the amount 69836  
described in division (E)(1)(b) from the amount described in 69837  
division (E)(1)(a) of this section. 69838

(a) The value of all natural gas company tangible personal 69839

property, other than property described in division (E)(2) of this 69840  
section, as assessed by the tax commissioner for tax year 1999 on 69841  
a preliminary assessment, or an amended preliminary assessment if 69842  
issued prior to March 1, 2000, and apportioned to the taxing 69843  
district for tax year 1999; 69844

(b) The value of all natural gas company tangible personal 69845  
property, other than property described in division (E)(2) of this 69846  
section, as assessed by the tax commissioner for tax year 1999 had 69847  
the property been apportioned to the taxing district for tax year 69848  
2001, and assessed at the rates in effect for tax year 2001. 69849

(2) The difference in the value of current gas obtained by 69850  
subtracting the amount described in division (E)(2)(b) from the 69851  
amount described in division (E)(2)(a) of this section. 69852

(a) The three-year average assessed value of current gas as 69853  
assessed by the tax commissioner for tax years 1997, 1998, and 69854  
1999 on a preliminary assessment, or an amended preliminary 69855  
assessment if issued prior to March 1, 2001, and as apportioned in 69856  
the taxing district for those respective years; 69857

(b) The three-year average assessed value from current gas 69858  
under division (E)(2)(a) of this section for tax years 1997, 1998, 69859  
and 1999, as reflected in the preliminary assessment, using an 69860  
assessment rate of twenty-five per cent. 69861

(F) The tax commissioner may request that natural gas 69862  
companies, electric companies, and rural electric companies file a 69863  
report to help determine the tax value loss under divisions (D) 69864  
and (E) of this section. The report shall be filed within thirty 69865  
days of the commissioner's request. A company that fails to file 69866  
the report or does not timely file the report is subject to the 69867  
penalty in section 5727.60 of the Revised Code. 69868

(G) Not later than January 1, 2002, the tax commissioner 69869  
shall determine for each school district, joint vocational school 69870

district, and local taxing unit its fixed-rate levy loss, which is 69871  
the sum of its electric company tax value loss multiplied by the 69872  
tax rate in effect in tax year 1998 for fixed-rate levies and its 69873  
natural gas company tax value loss multiplied by the tax rate in 69874  
effect in tax year 1999 for fixed-rate levies. 69875

(H) Not later than January 1, 2002, the tax commissioner 69876  
shall determine for each school district, joint vocational school 69877  
district, and local taxing unit its fixed-sum levy loss, which is 69878  
the amount obtained by subtracting the amount described in 69879  
division (H)(2) of this section from the amount described in 69880  
division (H)(1) of this section: 69881

(1) The sum of the electric company tax value loss multiplied 69882  
by the tax rate in effect in tax year 1998, and the natural gas 69883  
company tax value loss multiplied by the tax rate in effect in tax 69884  
year 1999, for fixed-sum levies for all taxing districts within 69885  
each school district, joint vocational school district, and local 69886  
taxing unit. For the years 2002 through 2006, this computation 69887  
shall include school district emergency levies that existed in 69888  
1998 in the case of the electric company tax value loss, and 1999 69889  
in the case of the natural gas company tax value loss, and all 69890  
other fixed-sum levies that existed in 1998 in the case of the 69891  
electric company tax value loss and 1999 in the case of the 69892  
natural gas company tax value loss and continue to be charged in 69893  
the tax year preceding the distribution year. For the years 2007 69894  
through 2016 in the case of school district emergency levies, and 69895  
for all years after 2006 in the case of all other fixed-sum 69896  
levies, this computation shall exclude all fixed-sum levies that 69897  
existed in 1998 in the case of the electric company tax value loss 69898  
and 1999 in the case of the natural gas company tax value loss, 69899  
but are no longer in effect in the tax year preceding the 69900  
distribution year. For the purposes of this section, an emergency 69901  
levy that existed in 1998 in the case of the electric company tax 69902

value loss, and 1999 in the case of the natural gas company tax 69903  
value loss, continues to exist in a year beginning on or after 69904  
January 1, 2007, but before January 1, 2017, if, in that year, the 69905  
board of education levies a school district emergency levy for an 69906  
annual sum at least equal to the annual sum levied by the board in 69907  
tax year 1998 or 1999, respectively, less the amount of the 69908  
payment certified under this division for 2002. 69909

(2) The total taxable value in tax year 1999 less the tax 69910  
value loss in each school district, joint vocational school 69911  
district, and local taxing unit multiplied by one-fourth of one 69912  
mill. 69913

If the amount computed under division (H) of this section for 69914  
any school district, joint vocational school district, or local 69915  
taxing unit is greater than zero, that amount shall equal the 69916  
fixed-sum levy loss reimbursed pursuant to division (E) of section 69917  
5727.85 of the Revised Code or division (A)(2) of section 5727.86 69918  
of the Revised Code, and the one-fourth of one mill that is 69919  
subtracted under division (H)(2) of this section shall be 69920  
apportioned among all contributing fixed-sum levies in the 69921  
proportion of each levy to the sum of all fixed-sum levies within 69922  
each school district, joint vocational school district, or local 69923  
taxing unit. 69924

(I) Notwithstanding divisions (D), (E), (G), and (H) of this 69925  
section, in computing the tax value loss, fixed-rate levy loss, 69926  
and fixed-sum levy loss, the tax commissioner shall use the 69927  
greater of the 1998 tax rate or the 1999 tax rate in the case of 69928  
levy losses associated with the electric company tax value loss, 69929  
but the 1999 tax rate shall not include for this purpose any tax 69930  
levy approved by the voters after June 30, 1999, and the tax 69931  
commissioner shall use the greater of the 1999 or the 2000 tax 69932  
rate in the case of levy losses associated with the natural gas 69933  
company tax value loss. 69934

(J) Not later than January 1, 2002, the tax commissioner shall certify to the department of education the tax value loss determined under divisions (D) and (E) of this section for each taxing district, the fixed-rate levy loss calculated under division (G) of this section, and the fixed-sum levy loss calculated under division (H) of this section. The calculations under divisions (G) and (H) of this section shall separately display the levy loss for each levy eligible for reimbursement.

(K) Not later than September 1, 2001, the tax commissioner shall certify the amount of the fixed-sum levy loss to the county auditor of each county in which a school district with a fixed-sum levy loss has territory.

**Sec. 5727.85.** (A) By the thirty-first day of July of each year, beginning in 2002 and ending in 2016, the department of education shall determine the following for each school district and each joint vocational school district eligible for payment under division (C) or (D) of this section:

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

(a) The state education aid computed for the school district or joint vocational school district for the current fiscal year as of the thirty-first day of July;

(b) The state education aid that would be computed for the school district or joint vocational school district for the current fiscal year as of the thirty-first day of July if the recognized valuation included the tax value loss for the school district or joint vocational school district.

(2) The greater of zero or difference obtained by subtracting

the state education aid offset determined under division (A)(1) of 69965  
this section from the fixed-rate levy loss certified under 69966  
division (J) of section 5727.84 of the Revised Code for all taxing 69967  
districts in each school district and joint vocational school 69968  
district. 69969

By the fifth day of August of each such year, the department 69970  
of education shall certify the amount so determined under division 69971  
(A)(1) of this section to the director of budget and management. 69972

(B) Not later than the thirty-first day of October of the 69973  
years 2006 through 2016, the department of education shall 69974  
determine all of the following for each school district: 69975

(1) The amount obtained by subtracting the district's state 69976  
education aid computed for fiscal year 2002 from the district's 69977  
state education aid computed for the current fiscal year; 69978

(2) The inflation-adjusted property tax loss. The 69979  
inflation-adjusted property tax loss equals the fixed-rate levy 69980  
loss, excluding the tax loss from levies within the ten-mill 69981  
limitation to pay debt charges, determined under division (G) of 69982  
section 5727.84 of the Revised Code for all taxing districts in 69983  
each school district plus the product obtained by multiplying that 69984  
loss by the cumulative percentage increase in the consumer price 69985  
index from January 1, 2002, to the thirtieth day of June of the 69986  
current year. 69987

(3) The difference obtained by subtracting the amount 69988  
computed under division (B)(1) from the amount of the 69989  
inflation-adjusted property tax loss. If this difference is zero 69990  
or a negative number, no further payments shall be made under 69991  
division (C) of this section to the school district from the 69992  
school district property tax replacement fund. 69993

(C) The department of education shall pay from the school 69994  
district property tax replacement fund to each school district all 69995

of the following:	69996
(1) In February 2002, one-half of the fixed-rate levy loss certified under division (J) of section 5727.84 of the Revised Code between the twenty-first and twenty-eighth days of February.	69997 69998 69999
(2) From August 2002 through August 2006, one-half of the amount calculated for that fiscal year under division (A)(2) of this section between the twenty-first and twenty-eighth days of August and of February.	70000 70001 70002 70003
(3) From February 2007 through August 2016, one-half of the amount calculated for that calendar year under division (B)(3) of this section between the twenty-first and twenty-eighth days of August and of February.	70004 70005 70006 70007
(4) For taxes levied within the ten-mill limitation for debt purposes in tax year 1998 in the case of electric company tax value losses, and in tax year 1999 in the case of natural gas company tax value losses, payments shall be made equal to one hundred per cent of the loss computed as if the tax were a fixed-rate levy, but those payments shall extend from fiscal year 2006 through fiscal year 2016.	70008 70009 70010 70011 70012 70013 70014
The department of education shall report to each school district the apportionment of the payments among the school district's funds based on the certifications under division (J) of section 5727.84 of the Revised Code.	70015 70016 70017 70018
(D) Not later than January 1, 2002, for all taxing districts in each joint vocational school district, the tax commissioner shall certify to the department of education the fixed-rate levy loss determined under division (G) of section 5727.84 of the Revised Code. From February 2002 to August 2016, the department shall pay from the school district property tax replacement fund to the joint vocational school district one-half of the amount calculated for that fiscal year under division (A)(2) of this	70019 70020 70021 70022 70023 70024 70025 70026



section between the twenty-first and twenty-eighth days of August 70027  
and of February. 70028

(E)(1) Not later than January 1, 2002, for each fixed-sum 70029  
levy levied by each school district or joint vocational school 70030  
district and for each year for which a determination is made under 70031  
division (H) of section 5727.84 of the Revised Code that a 70032  
fixed-sum levy loss is to be reimbursed, the tax commissioner 70033  
shall certify to the department of education the fixed-sum levy 70034  
loss determined under that division. The certification shall cover 70035  
a time period sufficient to include all fixed-sum levies for which 70036  
the tax commissioner made such a determination. The department 70037  
shall pay from the school district property tax replacement fund 70038  
to the school district or joint vocational school district 70039  
one-half of the fixed-sum levy loss so certified for each year 70040  
between the twenty-first and twenty-eighth days of August and of 70041  
February. 70042

(2) Beginning in 2003, by the thirty-first day of January of 70043  
each year, the tax commissioner shall review the certification 70044  
originally made under division (E)(1) of this section. If the 70045  
commissioner determines that a debt levy that had been scheduled 70046  
to be reimbursed in the current year has expired, a revised 70047  
certification for that and all subsequent years shall be made to 70048  
the department of education. 70049

(F) Beginning in August 2002, and ending in February 2017, 70050  
the director of budget and management shall transfer from the 70051  
school district property tax replacement fund to the general 70052  
revenue fund each of the following: 70053

(1) Between the twenty-eighth day of August and the fifth day 70054  
of September, the lesser of one-half of the amount certified for 70055  
that fiscal year under division (A)(2) of this section or the 70056  
balance in the school district property tax replacement fund; 70057

(2) Between the first and fifth days of March, the lesser of 70058  
one-half of the amount certified for that fiscal year under 70059  
division (A)(2) of this section or the balance in the school 70060  
district property tax replacement fund. 70061

(G) By August 5, 2002, the tax commissioner shall estimate 70062  
the amount of money in the school district property tax 70063  
replacement fund in excess of the amount necessary to make 70064  
payments under divisions (C), (D), (E), and (F) of this section. 70065  
Notwithstanding division (C) of this section, the department of 70066  
education, in consultation with the tax commissioner and from 70067  
those excess funds, may pay any school district four and one-half 70068  
times the amount certified under division (A)(2) of this section. 70069  
Payments shall be made in order from the smallest annual loss to 70070  
the largest annual loss. A payment made under this division shall 70071  
be in lieu of the payment to be made in August 2002 under division 70072  
(C)(2) of this section. No payments shall be made in the manner 70073  
established in this division to any school district with annual 70074  
losses from permanent improvement fixed-rate levies in excess of 70075  
twenty thousand dollars, or annual losses from any other 70076  
fixed-rate levies in excess of twenty thousand dollars. A school 70077  
district receiving a payment under this division is no longer 70078  
entitled to any further payments under division (C) of this 70079  
section. 70080

(H) On the thirty-first day of July of 2003, 2004, 2005, and 70081  
2006, and on the thirty-first day of January and July of 2007 and 70082  
each year thereafter, if the amount credited to the school 70083  
district property tax replacement fund exceeds the amount needed 70084  
to make payments from the fund under divisions (C), (D), (E), and 70085  
(F) of this section, the department of education shall distribute 70086  
the excess among school districts and joint vocational school 70087  
districts. The amount distributed to each district shall bear the 70088  
same proportion to the excess remaining in the fund as the ADM of 70089

the district bears to the ADM of all of the districts. For the 70090  
purpose of this division, "ADM" means the formula ADM in the case 70091  
of a school district, and the average daily membership reported 70092  
under section 3317.03 of the Revised Code in the case of a joint 70093  
vocational school district. 70094

If, in the opinion of the department of education, the excess 70095  
remaining in the school district property tax replacement fund in 70096  
any year is not sufficient to warrant distribution under this 70097  
division, the excess shall remain to the credit of the fund. 70098

Amounts received by a school district or joint vocational 70099  
school district under this division shall be used exclusively for 70100  
capital improvements. 70101

(I) From fiscal year 2002 through fiscal year 2016, if the 70102  
total amount in the school district property tax replacement fund 70103  
is insufficient to make all payments under divisions (C), (D), and 70104  
(E) of this section at the time the payments are to be made, the 70105  
director of budget and management shall transfer from the general 70106  
revenue fund to the school district property tax replacement fund 70107  
the difference between the total amount to be paid and the total 70108  
amount in the school district property tax replacement fund, 70109  
except that no transfer shall be made by reason of a deficiency to 70110  
the extent that it results from the amendment of section 5727.84 70111  
of the Revised Code by Amended Substitute House Bill No. 95 of the 70112  
125th general assembly. 70113

(J) If all or a part of the territory of a school district or 70114  
joint vocational school district is merged with or transferred to 70115  
another district, the department of education, in consultation 70116  
with the tax commissioner shall adjust the payments made under 70117  
this section to each of the districts in proportion to the tax 70118  
value loss apportioned to the merged or transferred territory. 70119

~~(J)~~(K) There is hereby created the public utility property 70120

tax study committee, effective January 1, 2011. The committee 70121  
shall consist of the following seven members: the tax 70122  
commissioner, three members of the senate appointed by the 70123  
president of the senate, and three members of the house of 70124  
representatives appointed by the speaker of the house of 70125  
representatives. The appointments shall be made not later than 70126  
January 31, 2011. The tax commissioner shall be the chairperson of 70127  
the committee. 70128

The committee shall study the extent to which each school 70129  
district or joint vocational school district has been compensated, 70130  
under sections 5727.84 and 5727.85 of the Revised Code as enacted 70131  
by Substitute Senate Bill No. 3 of the 123rd general assembly and 70132  
any subsequent acts, for the property tax loss caused by the 70133  
reduction in the assessment rates for natural gas, electric, and 70134  
rural electric company tangible personal property. Not later than 70135  
June 30, 2011, the committee shall issue a report of its findings, 70136  
including any recommendations for providing additional 70137  
compensation for the property tax loss or regarding remedial 70138  
legislation, to the president of the senate and the speaker of the 70139  
house of representatives, at which time the committee shall cease 70140  
to exist. 70141

The department of taxation and department of education shall 70142  
provide such information and assistance as is required for the 70143  
committee to carry out its duties. 70144

**Sec. 5727.86.** (A) Not later than January 1, 2002, the tax 70145  
commissioner shall compute the payments to be made to each local 70146  
taxing unit for each year according to divisions (A)(1), (2), (3), 70147  
and (4) and division (E) of this section, and shall distribute the 70148  
payments in the manner prescribed by division (C) of this section. 70149  
The calculation of the fixed-sum levy loss shall cover a time 70150  
period sufficient to include all fixed-sum levies for which the 70151

tax commissioner determined, pursuant to division (H) of section 70152  
5727.84 of the Revised Code, that a fixed-sum levy loss is to be 70153  
reimbursed. 70154

(1) Except as provided in divisions (A)(3) and (4) of this 70155  
section, for fixed-rate levy losses determined under division (G) 70156  
of section 5727.84 of the Revised Code, payments shall be made in 70157  
each of the following years at the following percentage of the 70158  
fixed-rate levy loss certified under division (A) of this section: 70159

YEAR	PERCENTAGE	
2002	100%	70160
2003	100%	70161
2004	100%	70162
2005	100%	70163
2006	100%	70164
2007	80%	70165
2008	80%	70166
2009	80%	70167
2010	80%	70168
2011	80%	70169
2012	66.7%	70170
2013	53.4%	70171
2014	40.1%	70172
2015	26.8%	70173
2016	13.5%	70174
2017 and thereafter	0%	70175

(2) For fixed-sum levy losses determined under division (H) 70177  
of section 5727.84 of the Revised Code, payments shall be made in 70178  
the amount of one hundred per cent of the fixed-sum levy loss for 70179  
payments required to be made in 2002 and thereafter. 70180

(3) A local taxing unit in a county of less than two hundred 70181  
fifty square miles that receives eighty per cent or more of its 70182  
combined general fund and bond retirement fund revenues from 70183

property taxes and rollbacks based on 1997 actual revenues as 70184  
presented in its 1999 tax budget, and in which electric companies 70185  
and rural electric companies comprise over twenty per cent of its 70186  
property valuation, shall receive one hundred per cent of its 70187  
fixed-rate levy losses from electric company tax value losses 70188  
certified under division (A) of this section in years 2002 to 70189  
2016. 70190

(4) For taxes levied within the ten-mill limitation for debt 70191  
purposes in tax year 1998 in the case of electric company tax 70192  
value losses, and in tax year 1999 in the case of natural gas 70193  
company tax value losses, payments shall be made equal to one 70194  
hundred per cent of the loss computed as if the tax were a 70195  
fixed-rate levy, but those payments shall extend from fiscal year 70196  
2006 through fiscal year 2016. 70197

(B) Beginning in 2003, by the thirty-first day of January of 70198  
each year, the tax commissioner shall review the calculation 70199  
originally made under division (A) of this section of the 70200  
fixed-sum levy loss determined under division (H) of section 70201  
5727.84 of the Revised Code. If the commissioner determines that a 70202  
fixed-sum levy that had been scheduled to be reimbursed in the 70203  
current year has expired, a revised calculation for that and all 70204  
subsequent years shall be made. 70205

(C) Payments to local taxing units required to be made under 70206  
divisions (A) and (E) of this section shall be paid from the local 70207  
government property tax replacement fund to the county undivided 70208  
income tax fund in the proper county treasury. One-half of the 70209  
amount certified under those divisions shall be paid between the 70210  
twenty-first and twenty-eighth days of August and of February. The 70211  
county treasurer shall distribute amounts paid under division (A) 70212  
of this section to the proper local taxing unit as if they had 70213  
been levied and collected as taxes, and the local taxing unit 70214  
shall apportion the amounts so received among its funds in the 70215

same proportions as if those amounts had been levied and collected 70216  
as taxes. Amounts distributed under division (E) of this section 70217  
shall be credited to the general fund of the local taxing unit 70218  
that receives them. 70219

(D) By February 5, 2002, the tax commissioner shall estimate 70220  
the amount of money in the local government property tax 70221  
replacement fund in excess of the amount necessary to make 70222  
payments in that month under division (C) of this section. 70223  
Notwithstanding division (A) of this section, the tax commissioner 70224  
may pay any local taxing unit, from those excess funds, nine and 70225  
four-tenths times the amount computed for 2002 under division 70226  
(A)(1) of this section. A payment made under this division shall 70227  
be in lieu of the payment to be made in February 2002 under 70228  
division (A)(1) of this section. A local taxing unit receiving a 70229  
payment under this division will no longer be entitled to any 70230  
further payments under division (A)(1) of this section. A payment 70231  
made under this division shall be paid from the local government 70232  
property tax replacement fund to the county undivided income tax 70233  
fund in the proper county treasury. The county treasurer shall 70234  
distribute the payment to the proper local taxing unit as if it 70235  
had been levied and collected as taxes, and the local taxing unit 70236  
shall apportion the amounts so received among its funds in the 70237  
same proportions as if those amounts had been levied and collected 70238  
as taxes. 70239

(E) On the thirty-first day of July of 2002, 2003, 2004, 70240  
2005, and 2006, and on the thirty-first day of January and July of 70241  
2007 and each year thereafter, if the amount credited to the local 70242  
government property tax replacement fund exceeds the amount needed 70243  
to be distributed from the fund under division (A) of this section 70244  
in the following month, the tax commissioner shall distribute the 70245  
excess to each county as follows: 70246

(1) One-half shall be distributed to each county in 70247

proportion to each county's population. 70248

(2) One-half shall be distributed to each county in the 70249  
proportion that the amounts determined under divisions (G) and (H) 70250  
of section 5727.84 of the Revised Code for all local taxing units 70251  
in the county is of the total amounts so determined for all local 70252  
taxing units in the state. 70253

The amounts distributed to each county under this division 70254  
shall be distributed by the county treasurer to each local taxing 70255  
unit in the county in the proportion that the unit's current taxes 70256  
charged and payable are of the total current taxes charged and 70257  
payable of all the local taxing units in the county. As used in 70258  
this division, "current taxes charged and payable" means the taxes 70259  
charged and payable as most recently determined for local taxing 70260  
units in the county. 70261

If, in the opinion of the tax commissioner, the excess 70262  
remaining in the local government property tax replacement fund in 70263  
any year is not sufficient to warrant distribution under this 70264  
division, the excess shall remain to the credit of the fund. 70265

(F) From fiscal year 2002 through fiscal year 2016, if the 70266  
total amount in the local government property tax replacement fund 70267  
is insufficient to make all payments under division (C) of this 70268  
section at the times the payments are to be made, the director of 70269  
budget and management shall transfer from the general revenue fund 70270  
to the local government property tax replacement fund the 70271  
difference between the total amount to be paid and the amount in 70272  
the local government property tax replacement fund, except that no 70273  
transfer shall be made by reason of a deficiency to the extent 70274  
that it results from the amendment of section 5727.84 of the 70275  
Revised Code by Amended Substitute House Bill No. 95 of the 125th 70276  
general assembly. 70277

(G) If all or a part of the territories of two or more local 70278



taxing units are merged, or unincorporated territory of a township 70279  
is annexed by a municipal corporation, the tax commissioner shall 70280  
adjust the payments made under this section to each of the local 70281  
taxing units in proportion to the tax value loss apportioned to 70282  
the merged or annexed territory, or as otherwise provided by a 70283  
written agreement between the legislative authorities of the local 70284  
taxing units certified to the tax commissioner not later than the 70285  
first day of June of the calendar year in which the payment is to 70286  
be made. 70287

**Sec. 5728.04.** (A) It is unlawful for any person to operate a 70288  
commercial car with three or more axles when operated alone or as 70289  
part of a commercial tandem, a commercial car with two axles that 70290  
is to be operated as part of a commercial tandem with a gross 70291  
vehicle weight or a registered gross vehicle weight exceeding 70292  
twenty-six thousand pounds, or a commercial tractor when operated 70293  
alone or as part of a commercial tractor combination or commercial 70294  
tandem on a public highway ~~without~~ under either of the following 70295  
circumstances: 70296

(1) Without a valid fuel use permit for such commercial car 70297  
or commercial tractor. 70298

(2) With a suspended or surrendered fuel use permit for such 70299  
commercial car or commercial tractor. 70300

(B) The judge or magistrate of any court finding any person 70301  
guilty of unlawfully operating a commercial car or commercial 70302  
tractor as provided for in this section shall immediately notify 70303  
the tax commissioner of such violation and shall transmit to the 70304  
tax commissioner the name and the permanent address of the owner 70305  
of the commercial car or commercial tractor operated in violation 70306  
of this section, the registration number, the state of 70307  
registration, and the certificate of title number of the 70308  
commercial car or commercial tractor. The commercial car or 70309

commercial tractor involved in a violation of division (A)(1) or 70310  
(2) of this section may be detained until a valid fuel use permit 70311  
is obtained or reinstated. 70312

**Sec. 5728.06.** (A) For the following purposes, an excise tax 70313  
is hereby imposed on the use of motor fuel to operate on the 70314  
public highways of this state a commercial car with three or more 70315  
axles operated alone or as part of a commercial tandem, a 70316  
commercial car with two axles operated as part of a commercial 70317  
tandem having a gross vehicle weight or registered gross vehicle 70318  
weight exceeding twenty-six thousand pounds, or a commercial 70319  
tractor operated alone or as part of a commercial tractor 70320  
combination or commercial tandem: to provide revenue for 70321  
maintaining the state highway system, to widen existing surfaces 70322  
on such highways, to resurface such highways, to enable the 70323  
counties of the state properly to plan for, maintain, and repair 70324  
their roads, to enable the municipal corporations to plan, 70325  
construct, reconstruct, repave, widen, maintain, repair, clear, 70326  
and clean public highways, roads, and streets; to pay that portion 70327  
of the construction cost of a highway project that a county, 70328  
township, or municipal corporation normally would be required to 70329  
pay, but that the director of transportation, pursuant to division 70330  
(B) of section 5531.08 of the Revised Code, determines instead 70331  
will be paid from moneys in the highway operating fund; to 70332  
maintain and repair bridges and viaducts; to purchase, erect, and 70333  
maintain street and traffic signs and markers; to purchase, erect, 70334  
and maintain traffic lights and signals; to pay the costs 70335  
apportioned to the public under section 4907.47 of the Revised 70336  
Code; and to supplement revenue already available for such 70337  
purposes, to distribute equitably among those persons using the 70338  
privilege of driving motor vehicles upon such highways and streets 70339  
the cost of maintaining and repairing the same, and to pay the 70340  
interest, principal, and charges on bonds and other obligations 70341

issued pursuant to Section 2i of Article VIII, Ohio Constitution, 70342  
and sections 5528.30 and 5528.31 of the Revised Code. The tax is 70343  
imposed in the same amount as the motor fuel tax imposed under 70344  
Chapter 5735. of the Revised Code plus an additional tax of three 70345  
cents per gallon of motor fuel used before July 1, 2004, ~~and an~~ 70346  
provided that the additional tax ~~of~~ shall be reduced to two cents 70347  
per gallon of motor fuel used ~~before~~ from July 1, 2004 through 70348  
June 30, 2005, as determined by the gallons consumed while 70349  
operated on the public highways of this state. Subject to section 70350  
5735.292 of the Revised Code, on and after July 1, 2005, the tax 70351  
shall be imposed in the same amount as the motor fuel tax imposed 70352  
under Chapter 5735. of the Revised Code. Payment of the fuel use 70353  
tax shall be made by the purchase of motor fuel within Ohio of 70354  
such gallons as is equivalent to the gallons consumed while 70355  
operating such a motor vehicle on the public highways of this 70356  
state, or by direct remittance to the treasurer of state with the 70357  
fuel use tax return filed pursuant to section 5728.08 of the 70358  
Revised Code. 70359

Any person subject to the tax imposed under this section who 70360  
purchases motor fuel in this state for use in another state in 70361  
excess of the amount consumed while operating such motor vehicle 70362  
on the public highways of this state shall be allowed a credit 70363  
against the tax imposed by this section or a refund equal to the 70364  
motor fuel tax paid to this state on such excess. No such credit 70365  
or refund shall be allowed for taxes paid to any state that 70366  
imposes a tax on motor fuel purchased or obtained in this state 70367  
and used on the highways of such other state but does not allow a 70368  
similar credit or refund for the tax paid to this state on motor 70369  
fuel purchased or acquired in the other state and used on the 70370  
public highways of this state. 70371

The tax commissioner is authorized to determine whether such 70372  
credits or refunds are available and to prescribe such rules as 70373

are required for the purpose of administering this chapter. 70374

(B) Within sixty days after the last day of each month, the 70375  
tax commissioner shall determine the amount of motor fuel tax 70376  
allowed as a credit against the tax imposed by this section. The 70377  
commissioner shall certify the amount to the director of budget 70378  
and management and the treasurer of state, who shall credit the 70379  
amount in accordance with section 5728.08 of the Revised Code from 70380  
current revenue arising from the tax levied by section 5735.05 of 70381  
the Revised Code. 70382

(C) The owner of each commercial car and commercial tractor 70383  
subject to sections 5728.01 to 5728.14 of the Revised Code is 70384  
liable for the payment of the full amount of the taxes imposed by 70385  
this section. 70386

An owner who is a person regularly engaged, for compensation, 70387  
in the business of leasing or renting motor vehicles without 70388  
furnishing drivers may designate that the lessee of a motor 70389  
vehicle leased for a period of thirty days or more shall report 70390  
and pay the tax incurred during the duration of the lease. An 70391  
owner who is an independent contractor that furnishes both the 70392  
driver and motor vehicle, may designate that the person so 70393  
furnished with the driver and motor vehicle for a period of thirty 70394  
days or more shall report and pay the tax incurred during that 70395  
period. An independent contractor that is not an owner, but that 70396  
furnishes both the driver and motor vehicle and that has been 70397  
designated by the owner of the motor vehicle to report and pay the 70398  
tax, may designate that the person so furnished with driver and 70399  
motor vehicle for a period of thirty days or more shall report and 70400  
pay the tax incurred during that period. 70401

**Sec. 5728.99.** (A)(1) Except as provided in division (A)(2) of 70402  
this section, whoever violates any provision of sections 5728.01 70403  
to 5728.14 of the Revised Code, or any rule promulgated by the tax 70404

commissioner under the authority of any provision of those 70405  
sections, for the violation of which no penalty is provided 70406  
elsewhere, shall be fined not less than twenty-five nor more than 70407  
one hundred dollars. 70408

(2) Division (A)(1) of this section does not apply to the 70409  
filing of any false or fraudulent return, application, or permit 70410  
under section 5728.02, 5728.03, or 5728.08 of the Revised Code. 70411  
The filing of any false or fraudulent return, application, or 70412  
permit under any of those sections is a violation of section 70413  
2921.13 of the Revised Code. 70414

(B)(1) Whoever violates division (A)(1) of section 5728.04 of 70415  
the Revised Code is guilty of a misdemeanor of the fourth degree. 70416

(2) Whoever violates division (A)(2) of section 5728.04 of 70417  
the Revised Code is guilty of a misdemeanor of the first degree. 70418

**Sec. 5729.08.** Upon the issuance of a tax credit certificate 70419  
by the Ohio venture capital authority under section 150.07 of the 70420  
Revised Code, a credit may be claimed against the tax imposed on a 70421  
foreign insurance company under section 5729.03 of the Revised 70422  
Code. The credit shall be claimed in the calendar year specified 70423  
in the certificate issued by the authority. If the company elected 70424  
a refundable credit under section 150.07 of the Revised Code, and 70425  
the amount of the credit shown on the certificate exceeds the tax 70426  
otherwise due under section 5729.03 of the Revised Code, the 70427  
company may receive a refund equal to seventy-five per cent of 70428  
such excess. If the company elected a nonrefundable credit, the 70429  
amount of the credit shown on the certificate shall not exceed the 70430  
amount of tax otherwise due. If the company elected a 70431  
nonrefundable credit and the credit to which the company would 70432  
otherwise be entitled under this section for any calendar year is 70433  
greater than the tax otherwise due under section 5729.03 of the 70434  
Revised Code, the excess shall be allowed as a credit in each of 70435

the ensuing ten calendar years, but the amount of any excess 70436  
credit allowed in the ensuing calendar year shall be deducted from 70437  
the balance carried forward to the next calendar year. 70438

**Sec. 5733.04.** As used in this chapter: 70439

(A) "Issued and outstanding shares of stock" applies to 70440  
nonprofit corporations, as provided in section 5733.01 of the 70441  
Revised Code, and includes, but is not limited to, membership 70442  
certificates and other instruments evidencing ownership of an 70443  
interest in such nonprofit corporations, and with respect to a 70444  
financial institution that does not have capital stock, "issued 70445  
and outstanding shares of stock" includes, but is not limited to, 70446  
ownership interests of depositors in the capital employed in such 70447  
an institution. 70448

(B) "Taxpayer" means a corporation subject to the tax imposed 70449  
by section 5733.06 of the Revised Code. 70450

(C) "Resident" means a corporation organized under the laws 70451  
of this state. 70452

(D) "Commercial domicile" means the principal place from 70453  
which the trade or business of the taxpayer is directed or 70454  
managed. 70455

(E) "Taxable year" means the period prescribed by division 70456  
(A) of section 5733.031 of the Revised Code upon the net income of 70457  
which the value of the taxpayer's issued and outstanding shares of 70458  
stock is determined under division (B) of section 5733.05 of the 70459  
Revised Code or the period prescribed by division (A) of section 70460  
5733.031 of the Revised Code that immediately precedes the date as 70461  
of which the total value of the corporation is determined under 70462  
division (A) or (C) of section 5733.05 of the Revised Code. 70463

(F) "Tax year" means the calendar year in and for which the 70464  
tax imposed by section 5733.06 of the Revised Code is required to 70465

be paid. 70466

(G) "Internal Revenue Code" means the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended. 70467  
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(H) "Federal income tax" means the income tax imposed by the Internal Revenue Code. 70469  
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(I) Except as provided in section 5733.058 of the Revised Code, "net income" means the taxpayer's taxable income before operating loss deduction and special deductions, as required to be reported for the taxpayer's taxable year under the Internal Revenue Code, subject to the following adjustments: 70471  
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(1)(a) Deduct any net operating loss incurred in any taxable years ending in 1971 or thereafter, but exclusive of any net operating loss incurred in taxable years ending prior to January 1, 1971. This deduction shall not be allowed in any tax year commencing before December 31, 1973, but shall be carried over and allowed in tax years commencing after December 31, 1973, until fully utilized in the next succeeding taxable year or years in which the taxpayer has net income, but in no case for more than the designated carryover period as described in division (I)(1)(b) of this section. The amount of such net operating loss, as determined under the allocation and apportionment provisions of section 5733.051 and division (B) of section 5733.05 of the Revised Code for the year in which the net operating loss occurs, shall be deducted from net income, as determined under the allocation and apportionment provisions of section 5733.051 and division (B) of section 5733.05 of the Revised Code, to the extent necessary to reduce net income to zero with the remaining unused portion of the deduction, if any, carried forward to the remaining years of the designated carryover period as described in division (I)(1)(b) of this section, or until fully utilized, whichever occurs first. 70476  
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(b) For losses incurred in taxable years ending on or before 70497  
December 31, 1981, the designated carryover period shall be the 70498  
five consecutive taxable years after the taxable year in which the 70499  
net operating loss occurred. For losses incurred in taxable years 70500  
ending on or after January 1, 1982, and beginning before August 6, 70501  
1997, the designated carryover period shall be the fifteen 70502  
consecutive taxable years after the taxable year in which the net 70503  
operating loss occurs. For losses incurred in taxable years 70504  
beginning on or after August 6, 1997, the designated carryover 70505  
period shall be the twenty consecutive taxable years after the 70506  
taxable year in which the net operating loss occurs. 70507

(c) The tax commissioner may require a taxpayer to furnish 70508  
any information necessary to support a claim for deduction under 70509  
division (I)(1)(a) of this section and no deduction shall be 70510  
allowed unless the information is furnished. 70511

(2) Deduct any amount included in net income by application 70512  
of section 78 or 951 of the Internal Revenue Code, amounts 70513  
received for royalties, technical or other services derived from 70514  
sources outside the United States, and dividends received from a 70515  
subsidiary, associate, or affiliated corporation that neither 70516  
transacts any substantial portion of its business nor regularly 70517  
maintains any substantial portion of its assets within the United 70518  
States. For purposes of determining net foreign source income 70519  
deductible under division (I)(2) of this section, the amount of 70520  
gross income from all such sources other than dividend income and 70521  
income derived by application of section 78 or 951 of the Internal 70522  
Revenue Code shall be reduced by: 70523

(a) The amount of any reimbursed expenses for personal 70524  
services performed by employees of the taxpayer for the 70525  
subsidiary, associate, or affiliated corporation; 70526

(b) Ten per cent of the amount of royalty income and 70527



technical assistance fees; 70528

(c) Fifteen per cent of the amount of all other income. 70529

The amounts described in divisions (I)(2)(a) to (c) of this 70530  
section are deemed to be the expenses attributable to the 70531  
production of deductible foreign source income unless the taxpayer 70532  
shows, by clear and convincing evidence, less actual expenses, or 70533  
the tax commissioner shows, by clear and convincing evidence, more 70534  
actual expenses. 70535

(3) Add any loss or deduct any gain resulting from the sale, 70536  
exchange, or other disposition of a capital asset, or an asset 70537  
described in section 1231 of the Internal Revenue Code, to the 70538  
extent that such loss or gain occurred prior to the first taxable 70539  
year on which the tax provided for in section 5733.06 of the 70540  
Revised Code is computed on the corporation's net income. For 70541  
purposes of division (I)(3) of this section, the amount of the 70542  
prior loss or gain shall be measured by the difference between the 70543  
original cost or other basis of the asset and the fair market 70544  
value as of the beginning of the first taxable year on which the 70545  
tax provided for in section 5733.06 of the Revised Code is 70546  
computed on the corporation's net income. At the option of the 70547  
taxpayer, the amount of the prior loss or gain may be a percentage 70548  
of the gain or loss, which percentage shall be determined by 70549  
multiplying the gain or loss by a fraction, the numerator of which 70550  
is the number of months from the acquisition of the asset to the 70551  
beginning of the first taxable year on which the fee provided in 70552  
section 5733.06 of the Revised Code is computed on the 70553  
corporation's net income, and the denominator of which is the 70554  
number of months from the acquisition of the asset to the sale, 70555  
exchange, or other disposition of the asset. The adjustments 70556  
described in this division do not apply to any gain or loss where 70557  
the gain or loss is recognized by a qualifying taxpayer, as 70558  
defined in section 5733.0510 of the Revised Code, with respect to 70559

a qualifying taxable event, as defined in that section. 70560

(4) Deduct the dividend received deduction provided by 70561  
section 243 of the Internal Revenue Code. 70562

(5) Deduct any interest or interest equivalent on public 70563  
obligations and purchase obligations to the extent included in 70564  
federal taxable income. As used in divisions (I)(5) and (6) of 70565  
this section, "public obligations," "purchase obligations," and 70566  
"interest or interest equivalent" have the same meanings as in 70567  
section 5709.76 of the Revised Code. 70568

(6) Add any loss or deduct any gain resulting from the sale, 70569  
exchange, or other disposition of public obligations to the extent 70570  
included in federal taxable income. 70571

(7) To the extent not otherwise allowed, deduct any dividends 70572  
or distributions received by a taxpayer from a public utility, 70573  
excluding an electric company and a combined company, and, for tax 70574  
years 2005 and thereafter, a telephone company, if the taxpayer 70575  
owns at least eighty per cent of the issued and outstanding common 70576  
stock of the public utility. As used in division (I)(7) of this 70577  
section, "public utility" means a public utility as defined in 70578  
Chapter 5727. of the Revised Code, whether or not the public 70579  
utility is doing business in the state. 70580

(8) To the extent not otherwise allowed, deduct any dividends 70581  
received by a taxpayer from an insurance company, if the taxpayer 70582  
owns at least eighty per cent of the issued and outstanding common 70583  
stock of the insurance company. As used in division (I)(8) of this 70584  
section, "insurance company" means an insurance company that is 70585  
taxable under Chapter 5725. or 5729. of the Revised Code. 70586

(9) Deduct expenditures for modifying existing buildings or 70587  
structures to meet American national standards institute standard 70588  
A-117.1-1961 (R-1971), as amended; provided, that no deduction 70589  
shall be allowed to the extent that such deduction is not 70590

permitted under federal law or under rules of the tax 70591  
commissioner. Those deductions as are allowed may be taken over a 70592  
period of five years. The tax commissioner shall adopt rules under 70593  
Chapter 119. of the Revised Code establishing reasonable 70594  
limitations on the extent that expenditures for modifying existing 70595  
buildings or structures are attributable to the purpose of making 70596  
the buildings or structures accessible to and usable by physically 70597  
handicapped persons. 70598

(10) Deduct the amount of wages and salaries, if any, not 70599  
otherwise allowable as a deduction but that would have been 70600  
allowable as a deduction in computing federal taxable income 70601  
before operating loss deduction and special deductions for the 70602  
taxable year, had the targeted jobs credit allowed and determined 70603  
under sections 38, 51, and 52 of the Internal Revenue Code not 70604  
been in effect. 70605

(11) Deduct net interest income on obligations of the United 70606  
States and its territories and possessions or of any authority, 70607  
commission, or instrumentality of the United States to the extent 70608  
the laws of the United States prohibit inclusion of the net 70609  
interest for purposes of determining the value of the taxpayer's 70610  
issued and outstanding shares of stock under division (B) of 70611  
section 5733.05 of the Revised Code. As used in division (I)(11) 70612  
of this section, "net interest" means interest net of any expenses 70613  
taken on the federal income tax return that would not have been 70614  
allowed under section 265 of the Internal Revenue Code if the 70615  
interest were exempt from federal income tax. 70616

(12)(a) Except as set forth in division (I)(12)(d) of this 70617  
section, to the extent not included in computing the taxpayer's 70618  
federal taxable income before operating loss deduction and special 70619  
deductions, add gains and deduct losses from direct or indirect 70620  
sales, exchanges, or other dispositions, made by a related entity 70621  
who is not a taxpayer, of the taxpayer's indirect, beneficial, or 70622

constructive investment in the stock or debt of another entity, 70623  
unless the gain or loss has been included in computing the federal 70624  
taxable income before operating loss deduction and special 70625  
deductions of another taxpayer with a more closely related 70626  
investment in the stock or debt of the other entity. The amount of 70627  
gain added or loss deducted shall not exceed the product obtained 70628  
by multiplying such gain or loss by the taxpayer's proportionate 70629  
share, directly, indirectly, beneficially, or constructively, of 70630  
the outstanding stock of the related entity immediately prior to 70631  
the direct or indirect sale, exchange, or other disposition. 70632

(b) Except as set forth in division (I)(12)(e) of this 70633  
section, to the extent not included in computing the taxpayer's 70634  
federal taxable income before operating loss deduction and special 70635  
deductions, add gains and deduct losses from direct or indirect 70636  
sales, exchanges, or other dispositions made by a related entity 70637  
who is not a taxpayer, of intangible property other than stock, 70638  
securities, and debt, if such property was owned, or used in whole 70639  
or in part, at any time prior to or at the time of the sale, 70640  
exchange, or disposition by either the taxpayer or by a related 70641  
entity that was a taxpayer at any time during the related entity's 70642  
ownership or use of such property, unless the gain or loss has 70643  
been included in computing the federal taxable income before 70644  
operating loss deduction and special deductions of another 70645  
taxpayer with a more closely related ownership or use of such 70646  
intangible property. The amount of gain added or loss deducted 70647  
shall not exceed the product obtained by multiplying such gain or 70648  
loss by the taxpayer's proportionate share, directly, indirectly, 70649  
beneficially, or constructively, of the outstanding stock of the 70650  
related entity immediately prior to the direct or indirect sale, 70651  
exchange, or other disposition. 70652

(c) As used in division (I)(12) of this section, "related 70653  
entity" means those entities described in divisions (I)(12)(c)(i) 70654

to (iii) of this section: 70655

(i) An individual stockholder, or a member of the 70656  
stockholder's family enumerated in section 318 of the Internal 70657  
Revenue Code, if the stockholder and the members of the 70658  
stockholder's family own, directly, indirectly, beneficially, or 70659  
constructively, in the aggregate, at least fifty per cent of the 70660  
value of the taxpayer's outstanding stock; 70661

(ii) A stockholder, or a stockholder's partnership, estate, 70662  
trust, or corporation, if the stockholder and the stockholder's 70663  
partnerships, estates, trusts, and corporations own directly, 70664  
indirectly, beneficially, or constructively, in the aggregate, at 70665  
least fifty per cent of the value of the taxpayer's outstanding 70666  
stock; 70667

(iii) A corporation, or a party related to the corporation in 70668  
a manner that would require an attribution of stock from the 70669  
corporation to the party or from the party to the corporation 70670  
under division (I)(12)(c)(iv) of this section, if the taxpayer 70671  
owns, directly, indirectly, beneficially, or constructively, at 70672  
least fifty per cent of the value of the corporation's outstanding 70673  
stock. 70674

(iv) The attribution rules of section 318 of the Internal 70675  
Revenue Code apply for purposes of determining whether the 70676  
ownership requirements in divisions (I)(12)(c)(i) to (iii) of this 70677  
section have been met. 70678

(d) For purposes of the adjustments required by division 70679  
(I)(12)(a) of this section, the term "investment in the stock or 70680  
debt of another entity" means only those investments where the 70681  
taxpayer and the taxpayer's related entities directly, indirectly, 70682  
beneficially, or constructively own, in the aggregate, at any time 70683  
during the twenty-four month period commencing one year prior to 70684  
the direct or indirect sale, exchange, or other disposition of 70685

such investment at least fifty per cent or more of the value of 70686  
either the outstanding stock or such debt of such other entity. 70687

(e) For purposes of the adjustments required by division 70688  
(I)(12)(b) of this section, the term "related entity" excludes all 70689  
of the following: 70690

(i) Foreign corporations as defined in section 7701 of the 70691  
Internal Revenue Code; 70692

(ii) Foreign partnerships as defined in section 7701 of the 70693  
Internal Revenue Code; 70694

(iii) Corporations, partnerships, estates, and trusts created 70695  
or organized in or under the laws of the Commonwealth of Puerto 70696  
Rico or any possession of the United States; 70697

(iv) Foreign estates and foreign trusts as defined in section 70698  
7701 of the Internal Revenue Code. 70699

The exclusions described in divisions (I)(12)(e)(i) to (iv) 70700  
of this section do not apply if the corporation, partnership, 70701  
estate, or trust is described in any one of divisions (C)(1) to 70702  
(5) of section 5733.042 of the Revised Code. 70703

(f) Nothing in division (I)(12) of this section shall require 70704  
or permit a taxpayer to add any gains or deduct any losses 70705  
described in divisions (I)(12)(f)(i) and (ii) of this section: 70706

(i) Gains or losses recognized for federal income tax 70707  
purposes by an individual, estate, or trust without regard to the 70708  
attribution rules described in division (I)(12)(c) of this 70709  
section; 70710

(ii) A related entity's gains or losses described in division 70711  
(I)(12)(b) of this section if the taxpayer's ownership of or use 70712  
of such intangible property was limited to a period not exceeding 70713  
nine months and was attributable to a transaction or a series of 70714  
transactions executed in accordance with the election or elections 70715

made by the taxpayer or a related entity pursuant to section 338 70716  
of the Internal Revenue Code. 70717

(13) Any adjustment required by section 5733.042 of the 70718  
Revised Code. 70719

(14) Add any amount claimed as a credit under section 70720  
5733.0611 of the Revised Code to the extent that such amount 70721  
satisfies either of the following: 70722

(a) It was deducted or excluded from the computation of the 70723  
corporation's taxable income before operating loss deduction and 70724  
special deductions as required to be reported for the 70725  
corporation's taxable year under the Internal Revenue Code; 70726

(b) It resulted in a reduction of the corporation's taxable 70727  
income before operating loss deduction and special deductions as 70728  
required to be reported for any of the corporation's taxable years 70729  
under the Internal Revenue Code. 70730

(15) Deduct the amount contributed by the taxpayer to an 70731  
individual development account program established by a county 70732  
department of job and family services pursuant to sections 329.11 70733  
to 329.14 of the Revised Code for the purpose of matching funds 70734  
deposited by program participants. On request of the tax 70735  
commissioner, the taxpayer shall provide any information that, in 70736  
the tax commissioner's opinion, is necessary to establish the 70737  
amount deducted under division (I)(15) of this section. 70738

(16) Any adjustment required by section 5733.0510 or 70739  
5733.0511 of the Revised Code. 70740

(17)(a)(i) Add five-sixths of the amount of depreciation 70741  
expense allowed under subsection (k) of section 168 of the 70742  
Internal Revenue Code, including a person's proportionate or 70743  
distributive share of the amount of depreciation expense allowed 70744  
by that subsection to any pass-through entity in which the person 70745  
has direct or indirect ownership. ~~The~~ 70746

(ii) Add five-sixths of the amount of qualifying section 179 depreciation expense, including a person's proportionate or distributive share of the amount of qualifying section 179 depreciation expense allowed to any pass-through entity in which the person has a direct or indirect ownership. For the purposes of this division, "qualifying section 179 depreciation expense" means the difference between (I) the amount of depreciation expense directly or indirectly allowed to the taxpayer under section 179 of the Internal Revenue Code, and (II) the amount of depreciation expense directly or indirectly allowed to the taxpayer under section 179 of the Internal Revenue Code as that section existed on December 31, 2002.

The tax commissioner, under procedures established by the commissioner, may waive the ~~add-back~~ add-backs related to a pass-through entity if the person owns, directly or indirectly, less than five per cent of the pass-through entity.

(b) Nothing in division (I)(17) of this section shall be construed to adjust or modify the adjusted basis of any asset.

(c) To the extent the add-back is attributable to property generating income or loss allocable under section 5733.051 of the Revised Code, the add-back shall be allocated to the same location as the income or loss generated by that property. Otherwise, the add-back shall be apportioned, subject to division (B)(2)(d) of section 5733.05 of the Revised Code.

(18)(a) If a person is required to make the add-back under division (I)(17)(a) of this section for a tax year, the person shall deduct one-fifth of the amount added back for each of the succeeding five tax years.

(b) If the amount deducted under division (I)(18)(a) of this section is attributable to an add-back allocated under division (I)(17)(c) of this section, the amount deducted shall be allocated



to the same location. Otherwise, the amount shall be apportioned 70778  
using the apportionment factors for the taxable year in which the 70779  
deduction is taken, subject to division (B)(2)(d) of section 70780  
5733.05 of the Revised Code. 70781

(J) Any term used in this chapter has the same meaning as 70782  
when used in comparable context in the laws of the United States 70783  
relating to federal income taxes unless a different meaning is 70784  
clearly required. Any reference in this chapter to the Internal 70785  
Revenue Code includes other laws of the United States relating to 70786  
federal income taxes. 70787

(K) "Financial institution" has the meaning given by section 70788  
5725.01 of the Revised Code but does not include a production 70789  
credit association as described in 85 Stat. 597, 12 U.S.C.A. 2091. 70790

(L)(1) A "qualifying holding company" is any corporation 70791  
satisfying all of the following requirements: 70792

(a) Subject to divisions (L)(2) and (3) of this section, the 70793  
net book value of the corporation's intangible assets is greater 70794  
than or equal to ninety per cent of the net book value of all of 70795  
its assets and at least fifty per cent of the net book value of 70796  
all of its assets represents direct or indirect investments in the 70797  
equity of, loans and advances to, and accounts receivable due from 70798  
related members; 70799

(b) At least ninety per cent of the corporation's gross 70800  
income for the taxable year is attributable to the following: 70801

(i) The maintenance, management, ownership, acquisition, use, 70802  
and disposition of its intangible property, its aircraft the use 70803  
of which is not subject to regulation under 14 C.F.R. part 121 or 70804  
part 135, and any real property described in division (L)(2)(c) of 70805  
this section; 70806

(ii) The collection and distribution of income from such 70807  
property. 70808

(c) The corporation is not a financial institution on the 70809  
last day of the taxable year ending prior to the first day of the 70810  
tax year; 70811

(d) The corporation's related members make a good faith and 70812  
reasonable effort to make timely and fully the adjustments 70813  
required by division (C)(2) of section 5733.05 of the Revised Code 70814  
and to pay timely and fully all uncontested taxes, interest, 70815  
penalties, and other fees and charges imposed under this chapter; 70816

(e) Subject to division (L)(4) of this section, the 70817  
corporation elects to be treated as a qualifying holding company 70818  
for the tax year. 70819

A corporation otherwise satisfying divisions (L)(1)(a) to (e) 70820  
of this section that does not elect to be a qualifying holding 70821  
company is not a qualifying holding company for the purposes of 70822  
this chapter. 70823

(2)(a)(i) For purposes of making the ninety per cent 70824  
computation under division (L)(1)(a) of this section, the net book 70825  
value of the corporation's assets shall not include the net book 70826  
value of aircraft or real property described in division 70827  
(L)(1)(b)(i) of this section. 70828

(ii) For purposes of making the fifty per cent computation 70829  
under division (L)(1)(a) of this section, the net book value of 70830  
assets shall include the net book value of aircraft or real 70831  
property described in division (L)(1)(b)(i) of this section. 70832

(b)(i) As used in division (L) of this section, "intangible 70833  
asset" includes, but is not limited to, the corporation's direct 70834  
interest in each pass-through entity only if at all times during 70835  
the corporation's taxable year ending prior to the first day of 70836  
the tax year the corporation's and the corporation's related 70837  
members' combined direct and indirect interests in the capital or 70838  
profits of such pass-through entity do not exceed fifty per cent. 70839

If the corporation's interest in the pass-through entity is an intangible asset for that taxable year, then the distributive share of any income from the pass-through entity shall be income from an intangible asset for that taxable year.

(ii) If a corporation's and the corporation's related members' combined direct and indirect interests in the capital or profits of a pass-through entity exceed fifty per cent at any time during the corporation's taxable year ending prior to the first day of the tax year, "intangible asset" does not include the corporation's direct interest in the pass-through entity, and the corporation shall include in its assets its proportionate share of the assets of any such pass-through entity and shall include in its gross income its distributive share of the gross income of such pass-through entity in the same form as was earned by the pass-through entity.

(iii) A pass-through entity's direct or indirect proportionate share of any other pass-through entity's assets shall be included for the purpose of computing the corporation's proportionate share of the pass-through entity's assets under division (L)(2)(b)(ii) of this section, and such pass-through entity's distributive share of any other pass-through entity's gross income shall be included for purposes of computing the corporation's distributive share of the pass-through entity's gross income under division (L)(2)(b)(ii) of this section.

(c) For the purposes of divisions (L)(1)(b)(i), (1)(b)(ii), (2)(a)(i), and (2)(a)(ii) of this section, real property is described in division (L)(2)(c) of this section only if all of the following conditions are present at all times during the taxable year ending prior to the first day of the tax year:

(i) The real property serves as the headquarters of the corporation's trade or business, or is the place from which the corporation's trade or business is principally managed or

directed; 70872

(ii) Not more than ten per cent of the value of the real 70873  
property and not more than ten per cent of the square footage of 70874  
the building or buildings that are part of the real property is 70875  
used, made available, or occupied for the purpose of providing, 70876  
acquiring, transferring, selling, or disposing of tangible 70877  
property or services in the normal course of business to persons 70878  
other than related members, the corporation's employees and their 70879  
families, and such related members' employees and their families. 70880

(d) As used in division (L) of this section, "related member" 70881  
has the same meaning as in division (A)(6) of section 5733.042 of 70882  
the Revised Code without regard to division (B) of that section. 70883

(3) The percentages described in division (L)(1)(a) of this 70884  
section shall be equal to the quarterly average of those 70885  
percentages as calculated during the corporation's taxable year 70886  
ending prior to the first day of the tax year. 70887

(4) With respect to the election described in division 70888  
(L)(1)(e) of this section: 70889

(a) The election need not accompany a timely filed report; 70890

(b) The election need not accompany the report; rather, the 70891  
election may accompany a subsequently filed but timely application 70892  
for refund and timely amended report, or a subsequently filed but 70893  
timely petition for reassessment; 70894

(c) The election is not irrevocable; 70895

(d) The election applies only to the tax year specified by 70896  
the corporation; 70897

(e) The corporation's related members comply with division 70898  
(L)(1)(d) of this section. 70899

Nothing in division (L)(4) of this section shall be construed 70900  
to extend any statute of limitations set forth in this chapter. 70901

(M) "Qualifying controlled group" means two or more 70902  
corporations that satisfy the ownership and control requirements 70903  
of division (A) of section 5733.052 of the Revised Code. 70904

(N) "Limited liability company" means any limited liability 70905  
company formed under Chapter 1705. of the Revised Code or under 70906  
the laws of any other state. 70907

(O) "Pass-through entity" means a corporation that has made 70908  
an election under subchapter S of Chapter 1 of Subtitle A of the 70909  
Internal Revenue Code for its taxable year under that code, or a 70910  
partnership, limited liability company, or any other person, other 70911  
than an individual, trust, or estate, if the partnership, limited 70912  
liability company, or other person is not classified for federal 70913  
income tax purposes as an association taxed as a corporation. 70914

(P) "Electric company," ~~and~~ "combined company," and 70915  
"telephone company" have the same meanings as in section 5727.01 70916  
of the Revised Code. 70917

(Q) "Business income" means income arising from transactions, 70918  
activities, and sources in the regular course of a trade or 70919  
business and includes income from real property, tangible personal 70920  
property, and intangible personal property if the acquisition, 70921  
rental, management, and disposition of the property constitute 70922  
integral parts of the regular course of a trade or business 70923  
operation. "Business income" includes income, including gain or 70924  
loss, from a partial or complete liquidation of a business, 70925  
including, but not limited to, gain or loss from the sale or other 70926  
disposition of goodwill. 70927

(R) "Nonbusiness income" means all income other than business 70928  
income. 70929

**Sec. 5733.05.** As used in this section, "qualified research" 70930  
means laboratory research, experimental research, and other 70931

similar types of research; research in developing or improving a 70932  
product; or research in developing or improving the means of 70933  
producing a product. It does not include market research, consumer 70934  
surveys, efficiency surveys, management studies, ordinary testing 70935  
or inspection of materials or products for quality control, 70936  
historical research, or literary research. "Product" as used in 70937  
this paragraph does not include services or intangible property. 70938

The annual report determines the value of the issued and 70939  
outstanding shares of stock of the taxpayer, which under division 70940  
(A) or divisions (B) and (C) of this section is the base or 70941  
measure of the franchise tax liability. Such determination shall 70942  
be made as of the date shown by the report to have been the 70943  
beginning of the corporation's annual accounting period that 70944  
includes the first day of January of the tax year. For the 70945  
purposes of this chapter, the value of the issued and outstanding 70946  
shares of stock of any corporation that is a financial institution 70947  
shall be deemed to be the value as calculated in accordance with 70948  
division (A) of this section. For the purposes of this chapter, 70949  
the value of the issued and outstanding shares of stock of any 70950  
corporation that is not a financial institution shall be deemed to 70951  
be the values as calculated in accordance with divisions (B) and 70952  
(C) of this section. Except as otherwise required by this section 70953  
or section 5733.056 of the Revised Code, the value of a taxpayer's 70954  
issued and outstanding shares of stock under division (A) or (C) 70955  
of this section does not include any amount that is treated as a 70956  
liability under generally accepted accounting principles. 70957

(A) The total value, as shown by the books of the financial 70958  
institution, of its capital, surplus, whether earned or unearned, 70959  
undivided profits, and reserves shall be determined as prescribed 70960  
by section 5733.056 of the Revised Code for tax years 1998 and 70961  
thereafter. 70962

(B) The sum of the corporation's net income during the 70963

corporation's taxable year, allocated or apportioned to this state 70964  
as prescribed in divisions (B)(1) and (2) of this section, and 70965  
subject to sections 5733.052, 5733.053, 5733.057, 5733.058, 70966  
5733.059, and 5733.0510 of the Revised Code: 70967

(1) The net nonbusiness income allocated or apportioned to 70968  
this state as provided by section 5733.051 of the Revised Code. 70969

(2) The amount of Ohio apportioned net business income ~~from~~ 70970  
~~sources other than those allocated under section 5733.051 of the~~ 70971  
~~Revised Code, which shall be determined~~ calculated by multiplying 70972  
the corporation's net business income by a fraction. The numerator 70973  
of the fraction is the sum of the following products: the property 70974  
factor multiplied by twenty, the payroll factor multiplied by 70975  
twenty, and the sales factor multiplied by sixty. The denominator 70976  
of the fraction is one hundred, provided that the denominator 70977  
shall be reduced by twenty if the property factor has a 70978  
denominator of zero, by twenty if the payroll factor has a 70979  
denominator of zero, and by sixty if the sales factor has a 70980  
denominator of zero. 70981

The property, payroll, and sales factors shall be determined 70982  
as follows, but the numerator and the denominator of the factors 70983  
shall not include the portion of any property, payroll, and sales 70984  
otherwise includible in the factors to the extent that the portion 70985  
relates to, or is used in connection, with the production of 70986  
nonbusiness income allocated under section 5733.051 of the Revised 70987  
Code: 70988

(a) The property factor is a fraction ~~the~~ computed as 70989  
follows: 70990

The numerator of ~~which~~ the fraction is the average value of 70991  
the corporation's real and tangible personal property owned or 70992  
rented, and used in the trade or business in this state during the 70993  
taxable year, and the denominator of ~~which~~ the fraction is the 70994

average value of all the corporation's real and tangible personal 70995  
property owned or rented, and used in the trade or business 70996  
everywhere during such year. Real and tangible personal property 70997  
used in the trade or business includes, but is not limited to, 70998  
real and tangible personal property that the corporation rents, 70999  
subrents, leases, or subleases to others if the income or loss 71000  
from such rentals, subrentals, leases, or subleases is business 71001  
income. There shall be excluded from the numerator and denominator 71002  
of the ~~property factor~~ fraction the original cost of all of the 71003  
following property within Ohio: property with respect to which a 71004  
"pollution control facility" certificate has been issued pursuant 71005  
to section 5709.21 of the Revised Code; property with respect to 71006  
which an "industrial water pollution control certificate" has been 71007  
issued pursuant to that section or former section 6111.31 of the 71008  
Revised Code; and property used exclusively during the taxable 71009  
year for qualified research. 71010

(i) Property owned by the corporation is valued at its 71011  
original cost. Property rented by the corporation is valued at 71012  
eight times the net annual rental rate. "Net annual rental rate" 71013  
means the annual rental rate paid by the corporation less any 71014  
annual rental rate received by the corporation from subrentals. 71015

(ii) The average value of property shall be determined by 71016  
averaging the values at the beginning and the end of the taxable 71017  
year, but the tax commissioner may require the averaging of 71018  
monthly values during the taxable year, if reasonably required to 71019  
reflect properly the average value of the corporation's property. 71020

(b) The payroll factor is a fraction ~~the~~ computed as follows: 71021

The numerator of which the fraction is the total amount paid 71022  
in this state during the taxable year by the corporation for 71023  
compensation, and the denominator of ~~which~~ the fraction is the 71024  
total compensation paid everywhere by the corporation during such 71025  
year. There shall be excluded from the numerator and the 71026



denominator of the payroll factor the total compensation paid in 71027  
this state to employees who are primarily engaged in qualified 71028  
research. 71029

(i) Compensation means any form of remuneration paid to an 71030  
employee for personal services. 71031

(ii) Compensation is paid in this state if: (1) the 71032  
recipient's service is performed entirely within this state, (2) 71033  
the recipient's service is performed both within and without this 71034  
state, but the service performed without this state is incidental 71035  
to the recipient's service within this state, (3) some of the 71036  
service is performed within this state and either the base of 71037  
operations, or if there is no base of operations, the place from 71038  
which the service is directed or controlled is within this state, 71039  
or the base of operations or the place from which the service is 71040  
directed or controlled is not in any state in which some part of 71041  
the service is performed, but the recipient's residence is in this 71042  
state. 71043

(iii) Compensation is paid in this state to any employee of a 71044  
common or contract motor carrier corporation, who performs the 71045  
employee's regularly assigned duties on a motor vehicle in more 71046  
than one state, in the same ratio by which the mileage traveled by 71047  
such employee within the state bears to the total mileage traveled 71048  
by such employee everywhere during the taxable year. 71049

(c) Except as provided in section 5733.059 of the Revised 71050  
Code, the sales factor is a fraction ~~the~~ computed as follows: 71051

The numerator of which the fraction is the total sales in 71052  
this state by the corporation during the taxable year, and the 71053  
denominator of ~~which~~ the fraction is the total sales by the 71054  
corporation everywhere during such year. In determining the 71055  
numerator and denominator of the ~~sales-factor~~ fraction, receipts 71056  
from the sale or other disposal of a capital asset or an asset 71057

described in section 1231 of the Internal Revenue Code shall be 71058  
eliminated. Also, in determining the numerator and denominator of 71059  
the sales factor, in the case of a reporting corporation owning at 71060  
least eighty per cent of the issued and outstanding common stock 71061  
of one or more insurance companies or public utilities, except an 71062  
electric company and a combined company, and, for tax years 2005 71063  
and thereafter, a telephone company, or owning at least 71064  
twenty-five per cent of the issued and outstanding common stock of 71065  
one or more financial institutions, receipts received by the 71066  
reporting corporation from such utilities, insurance companies, 71067  
and financial institutions shall be eliminated. 71068

For the purpose of this section and section 5733.03 of the 71069  
Revised Code, sales of tangible personal property are in this 71070  
state where such property is received in this state by the 71071  
purchaser. In the case of delivery of tangible personal property 71072  
by common carrier or by other means of transportation, the place 71073  
at which such property is ultimately received after all 71074  
transportation has been completed shall be considered as the place 71075  
at which such property is received by the purchaser. Direct 71076  
delivery in this state, other than for purposes of transportation, 71077  
to a person or firm designated by a purchaser constitutes delivery 71078  
to the purchaser in this state, and direct delivery outside this 71079  
state to a person or firm designated by a purchaser does not 71080  
constitute delivery to the purchaser in this state, regardless of 71081  
where title passes or other conditions of sale. 71082

Except as provided in section 5733.059 of the Revised Code, 71083  
sales, other than sales of tangible personal property, are in this 71084  
state if either: 71085

(i) The income-producing activity is performed solely in this 71086  
state; 71087

(ii) The income-producing activity is performed both within 71088  
and without this state and a greater proportion of the seller's 71089

income-producing activity is performed within this state than in 71090  
any other state, based on costs of performance. 71091

(d) If the allocation and apportionment provisions of 71092  
division (B) of this section do not fairly represent the extent of 71093  
the taxpayer's business activity in this state, the taxpayer may 71094  
request, which request must be in writing and must accompany the 71095  
report, a timely filed petition for reassessment, or a timely 71096  
filed amended report, or the tax commissioner may require, in 71097  
respect to all or any part of the taxpayer's allocated or 71098  
apportioned base, if reasonable, any one or more of the following: 71099

(i) Separate accounting; 71100

(ii) The exclusion of any one or more of the factors; 71101

(iii) The inclusion of one or more additional factors that 71102  
will fairly represent the taxpayer's allocated or apportioned base 71103  
in this state. 71104

An alternative method will be effective only with approval by 71105  
the tax commissioner. 71106

Nothing in this section shall be construed to extend any 71107  
statute of limitations set forth in this chapter. 71108

(e) The tax commissioner may adopt rules providing for 71109  
alternative allocation and apportionment methods, and alternative 71110  
calculations of a corporation's base, that apply to corporations 71111  
engaged in telecommunications. 71112

~~(C)(1) Subject to divisions (C)(2) and (3) of this section,~~ 71113  
~~the~~ The total value, as shown on the books of each corporation 71114  
that is not a qualified holding company, of the net book value of 71115  
a ~~the~~ corporation's assets less the net carrying value of its 71116  
liabilities, and excluding from the corporation's assets land 71117  
devoted exclusively to agricultural use as of the first Monday of 71118  
June in the corporation's taxable year as determined by the county 71119

auditor of the county in which the land is located pursuant to 71120  
section 5713.31 of the Revised Code, and making any adjustment 71121  
required by division (D) of this section. For the purposes of 71122  
determining that total value, any reserves shown on the 71123  
corporation's books shall be considered liabilities or contra 71124  
assets, as the case may be, except for any reserves that are 71125  
deemed appropriations of retained earnings under generally 71126  
accepted accounting principles. 71127

(2)(a) The base upon which the tax is levied under division 71128  
(C) of section 5733.06 of the Revised Code shall be computed by 71129  
multiplying the amount determined under division (C)(1) of this 71130  
section by the fraction determined under divisions (B)(2)(a) to 71131  
(c) of this section and, if applicable, divisions (B)(2)(d)(ii) 71132  
and (iii) of this section, and with regard to section 5733.052 of 71133  
the Revised Code, but substituting "net worth" for "net income" 71134  
wherever "net income" appears in division (B)(2)(c) in this 71135  
section. For purposes of division (C)(2) of this section, the 71136  
numerator and denominator of each of the fractions shall include 71137  
the portion of any real and tangible personal property, payroll, 71138  
and sales, respectively, relating to, or used in connection with 71139  
the production of, net nonbusiness income allocated under section 71140  
5733.051 of the Revised Code. Nothing in this division shall allow 71141  
any amount to be included in the numerator or denominator more 71142  
than once. 71143

(D)(1) If, on the last day of the taxpayer's taxable year 71144  
preceding the tax year, the taxpayer is a related member to a 71145  
corporation that elects to be a qualifying holding company for the 71146  
tax year beginning after the last day of the taxpayer's taxable 71147  
year, or if, on the last day of the taxpayer's taxable year 71148  
preceding the tax year, a corporation that elects to be a 71149  
qualifying holding company for the tax year beginning after the 71150  
last day of the taxpayer's taxable year is a related member to the 71151

taxpayer, then the taxpayer's total value for the purposes of 71152  
division (C) of this section shall be adjusted by the qualifying 71153  
amount. Except as otherwise provided under division 71154  
~~(C)(2)(b)~~(D)(2) of this section, "qualifying amount" means the 71155  
amount that, when added to the taxpayer's total value, and when 71156  
subtracted from the net carrying value of the taxpayer's 71157  
liabilities computed without regard to division (C)(2) of this 71158  
section, or when subtracted from the taxpayer's total value and 71159  
when added to the net carrying value of the taxpayer's liabilities 71160  
computed without regard to division ~~(C)(2)~~(D) of this section, 71161  
results in the taxpayer's debt-to-equity ratio equaling the 71162  
debt-to-equity ratio of the qualifying controlled group on the 71163  
last day of the taxable year ending prior to the first day of the 71164  
tax year computed on a consolidated basis in accordance with 71165  
general accepted accounting principles. For the purposes of 71166  
division ~~(C)(2)(a)~~(D)(1) of this section, the corporation's total 71167  
value, after the adjustment required by that division, shall not 71168  
exceed the net book value of the corporation's assets. 71169

~~(b)(i)~~(2)(a) The amount added to the taxpayer's total value 71170  
and subtracted from the net carrying value of the taxpayer's 71171  
liabilities shall not exceed the amount of the net carrying value 71172  
of the taxpayer's liabilities owed to the taxpayer's related 71173  
members. 71174

~~(ii)~~(b) A liability owed to the taxpayer's related members 71175  
includes, but is not limited to, any amount that the corporation 71176  
owes to a person that is not a related member if the corporation's 71177  
related member or related members in whole or in part guarantee 71178  
any portion or all of that amount, or pledge, hypothecate, 71179  
mortgage, or carry out any similar transactions to secure any 71180  
portion or all of that amount. 71181

(3) The base upon which the tax is levied under division (C) 71182  
of section 5733.06 of the Revised Code shall be computed by 71183

71184 multiplying the amount determined under divisions (C)~~(1)~~ and  
71185 ~~(2)(D)~~ of this section ~~by the fraction determined under divisions~~  
71186 ~~(B)(2)(a) to (c) of this section and, if applicable, divisions~~  
71187 ~~(B)(2)(d)(ii) to (iv) of this section~~ but without regard to  
71188 section 5733.052 of the Revised Code.

71189 (4) For purposes of division ~~(C)(D)~~ of this section, "related  
71190 member" has the same meaning as in ~~division (A)(6) of section~~  
71191 5733.042 of the Revised Code ~~without regard to division (B) of~~  
71192 ~~that section.~~

71193 **Sec. 5733.051.** ~~Subject~~ For purposes of this section,  
71194 "available" means information is such that a person is able to  
71195 learn of the information by the due date plus extensions, if any,  
71196 for filing the report for the tax year immediately following the  
71197 last day of the taxable year, and "modified qualifying controlled  
71198 group" means that portion of a qualifying controlled group  
71199 consisting of the corporation the sale of which resulted in the  
71200 gain or loss described in division (E) of this section together  
71201 with all members of the qualifying controlled group owned directly  
71202 or indirectly by that corporation, or the corporation that  
71203 directly paid the dividend or directly made the distribution  
71204 described in division (F) of this section together with all  
71205 members of the qualifying controlled group owned directly or  
71206 indirectly by that corporation.

71207 Subject to section 5733.0510 of the Revised Code, net  
71208 nonbusiness income of a corporation ~~subject to the tax imposed by~~  
71209 ~~section 5733.06 of the Revised Code~~ shall be allocated and  
71210 apportioned to this state as follows:

71211 (A) Net rents and royalties from real property located in  
71212 this state are allocable to this state. Net rents and royalties  
71213 from real property not located in this state are allocable outside  
71214 this state.

(B) Net rents and royalties from tangible personal property, 71215  
to the extent such property is utilized in this state, are 71216  
allocable to this state ~~if the taxpayer is otherwise subject to~~ 71217  
~~the tax imposed by section 5733.06 of the Revised Code.~~ Net rents 71218  
and royalties from tangible personal property, to the extent such 71219  
property is utilized outside this state, are allocable outside 71220  
this state. 71221

(C) Capital gains and losses from the sale or other 71222  
disposition of real property located in this state are allocable 71223  
to this state. Capital gains and losses from the sale or other 71224  
disposition of real property located outside this state are 71225  
allocable outside this state. 71226

(D) Capital gains and losses from the sale or other 71227  
disposition of tangible personal property are allocable to this 71228  
state ~~if the property had a situs in this state at the time of~~ 71229  
~~sale and the taxpayer is otherwise subject to the tax imposed by~~ 71230  
~~section 5733.06 of the Revised Code~~ to the extent such property 71231  
was utilized in this state prior to the property's sale or other 71232  
disposition. Capital gains and losses from the sale or other 71233  
disposition of tangible personal property are allocable outside 71234  
this state to the extent such property was utilized outside this 71235  
state prior to the property's sale or other disposition. 71236

(E) Capital gains and losses from the sale or other 71237  
disposition of intangible property which may produce income 71238  
enumerated in division (F)(1) of this section are allocable on the 71239  
same basis as set forth in that division, substituting the day of 71240  
the sale or disposition for the day on which the payor pays the 71241  
dividend or makes the distribution, but if the location of the 71242  
physical assets described in that division is not available to the 71243  
taxpayer, such gains and losses are apportionable under division 71244  
(I) of this section. Capital gains and losses from the sale or 71245  
other disposition of all other intangible property are 71246

apportionable under division (I) of this section. 71247

(F) "Dividends or distributions" to which this division 71248  
refers are dividends directly or indirectly paid by or 71249  
distributions directly or indirectly made by any person classified 71250  
for federal income tax purposes as an association taxable as a 71251  
corporation. 71252

(1) Dividends or distributions which are not otherwise 71253  
deducted or excluded from net income, other than dividends or 71254  
distributions from a domestic international sales corporation, are 71255  
allocable shall be allocated to this state in accordance with the 71256  
ratio of the book value of the physical assets of the payor of the 71257  
dividends or distributions located in this state divided by the 71258  
book value of the total physical assets of the payor located 71259  
everywhere by multiplying such dividends and distributions by a 71260  
fraction. The numerator of the fraction is the book value of the 71261  
physical assets in this state of the payor or, if the payor is a 71262  
member of a modified qualifying controlled group on the last day 71263  
of the payor's fiscal or calendar year ending immediately prior to 71264  
the day on which the payor pays the dividend or makes the 71265  
distribution, the sum of the book values of the physical assets in 71266  
this state of the payor and of all the other members of the 71267  
modified qualifying controlled group of which the payor is a 71268  
member on the last day of the payor's fiscal or calendar year 71269  
ending immediately prior to the day on which the payor pays the 71270  
dividend or makes the distribution. The denominator of the 71271  
fraction is the book value of the physical assets everywhere of 71272  
the payor or, if the payor is a member of a modified qualifying 71273  
controlled group on the last day of the payor's fiscal or calendar 71274  
year ending immediately prior to the day on which the payor pays 71275  
the dividend or makes the distribution, the sum of the book values 71276  
of the physical assets everywhere of the payor and of all the 71277  
other members of the modified qualifying controlled group of which 71278



the payor is a member on the last day of the payor's fiscal or 71279  
calendar year ending immediately prior to the day on which the 71280  
payor pays the dividend or makes the distribution. Dividends or 71281  
distributions received from a domestic international sales 71282  
corporation, or from a payor for which the location of ~~whose~~ 71283  
physical assets described in this division is ~~unavailable~~ not 71284  
available to the taxpayer, are apportionable under division (I) of 71285  
this section. 71286

(2) If the payor of a dividend or distribution, or if that 71287  
payor and any members of the qualifying controlled group of which 71288  
the payor is a member on the last day of the payor's fiscal or 71289  
calendar year ending immediately prior to the day on which the 71290  
payor pays the dividend or makes the distribution, separately or 71291  
cumulatively own, directly or indirectly, on the last day of the 71292  
payor's fiscal or calendar year ending immediately prior to the 71293  
day on which the payor pays the dividend or makes the 71294  
distribution, more than fifty per cent of the equity of a 71295  
pass-through entity, then for purposes of division (F)(1) of this 71296  
section the payor and the other members are deemed to own the 71297  
proportionate share of the physical assets that the pass-through 71298  
entity directly or indirectly owns on the last day of the payor's 71299  
fiscal or calendar year ending immediately prior to the day on 71300  
which the payor pays the dividend or makes the distribution. 71301

(3) For the purposes of division (F)(3) of this section, 71302  
"upper level pass-through entity" means a pass-through entity 71303  
directly or indirectly owning any equity of another pass-through 71304  
entity, and "lower level pass-through entity" means that other 71305  
pass-through entity. For purposes of divisions (F)(1) and (2) of 71306  
this section, an upper level pass-through entity is deemed to own, 71307  
on the last day of the upper level pass-through entity's fiscal or 71308  
calendar year, the proportionate share of the lower level 71309  
pass-through entity's physical assets that the lower level 71310

pass-through entity directly or indirectly owns on the last day of 71311  
the lower level pass-through entity's fiscal or calendar year 71312  
ending within or with the last day of the upper level pass-through 71313  
entity's fiscal or calendar year. If the upper level pass-through 71314  
entity directly and indirectly owns less than fifty per cent of 71315  
the equity of the lower level pass-through entity on each day of 71316  
the upper level pass-through entity's fiscal or calendar year in 71317  
which or with which ends the fiscal or calendar year of the lower 71318  
level pass-through entity and if, based upon clear and convincing 71319  
evidence, complete information about the location and cost of the 71320  
physical assets of the lower level pass-through entity is not 71321  
available to the upper level pass-through entity, then for 71322  
purposes of divisions (F)(1) and (2) of this section, the upper 71323  
level pass-through entity shall be deemed as owning no equity of 71324  
the lower level pass-through entity for each day during the upper 71325  
level pass-through entity's calendar or fiscal year in which or 71326  
with which ends the lower level pass-through entity's fiscal or 71327  
calendar year. 71328

(G) ~~Patent and copyright~~ Net rents, net royalties, and net 71329  
technical assistance fees, not representing the principal source 71330  
of gross receipts of the taxpayer, from intangible property 71331  
are allocable to this state to the extent that the activity of the 71332  
payor thereof giving rise to the payment takes place in this 71333  
state. If the location of the a payor's activity is unavailable 71334  
not available to the taxpayer, such corporation, the net rents, 71335  
net royalties, and net technical assistance fees are allocable or 71336  
apportionable under division (I) of this section. 71337

(H)(1) ~~The following amounts described in division (B)(5) of~~ 71338  
~~section 5747.20 of the Revised Code~~ are allocable to this state: 71339

(a) All lottery prize awards paid by the state lottery 71340  
commission pursuant to Chapter 3770. of the Revised Code; 71341

(b) All earnings, profit, income, and gain from the sale, 71342

exchange, or other disposition of lottery prize awards paid or to 71343  
be paid to any person by the state lottery commission pursuant to 71344  
Chapter 3770. of the Revised Code; 71345

(c) All earnings, profit, income, and gain from the direct or 71346  
indirect ownership of lottery prize awards paid or to be paid to 71347  
any person by the state lottery commission pursuant to Chapter 71348  
3770. of the Revised Code; 71349

(d) All earnings, profit, income, and gain from the direct or 71350  
indirect interest in any right in or to any lottery prize awards 71351  
paid or to be paid to any person by the state lottery commission 71352  
pursuant to Chapter 3770. of the Revised Code. 71353

(2) Lottery prize awards and related earnings, profit, 71354  
income, or gain with respect to lotteries sponsored by persons or 71355  
agencies outside this state shall be allocated outside this state. 71356

(I) ~~Any~~ Every other item of net nonbusiness income, 71357  
from sources other than those enumerated in divisions (A) to (H) of 71358  
this section, is allocated entirely to this state except to the 71359  
extent the allocation of such item of net nonbusiness income 71360  
entirely to this state is not within the taxing power of this 71361  
state under the Constitution of the United States. To the extent 71362  
such allocation entirely to this state would not be within the 71363  
taxing power of this state under the Constitution of the United 71364  
States, such item of net nonbusiness income is apportionable to 71365  
this state on the basis of the mechanism provided in division 71366  
(B)(2) of section 5733.05 and in section 5733.057 of the Revised 71367  
Code. 71368

**Sec. 5733.056.** (A) As used in this section: 71369

(1) "Billing address" means the address where any notice, 71370  
statement, or bill relating to a customer's account is mailed, as 71371  
indicated in the books and records of the taxpayer on the first 71372

day of the taxable year or on such later date in the taxable year 71373  
when the customer relationship began. 71374

(2) "Borrower or credit card holder located in this state" 71375  
means: 71376

(a) A borrower, other than a credit card holder, that is 71377  
engaged in a trade or business and maintains its commercial 71378  
domicile in this state; or 71379

(b) A borrower that is not engaged in a trade or business, or 71380  
a credit card holder, whose billing address is in this state. 71381

(3) "Branch" means a "domestic branch" as defined in section 71382  
3 of the "Federal Deposit Insurance Act," 64 Stat. 873, 12 U.S.C. 71383  
1813(o), as amended. 71384

(4) "Compensation" means wages, salaries, commissions, and 71385  
any other form of remuneration paid to employees for personal 71386  
services that are included in such employee's gross income under 71387  
the Internal Revenue Code. In the case of employees not subject to 71388  
the Internal Revenue Code, such as those employed in foreign 71389  
countries, the determination of whether such payments would 71390  
constitute gross income to such employees under the Internal 71391  
Revenue Code shall be made as though such employees were subject 71392  
to the Internal Revenue Code. 71393

(5) "Credit card" means a credit, travel, or entertainment 71394  
card. 71395

(6) "Credit card issuer's reimbursement fee" means the fee a 71396  
taxpayer receives from a merchant's bank because one of the 71397  
persons to whom the taxpayer has issued a credit card has charged 71398  
merchandise or services to the credit card. 71399

(7) "Deposits" has the meaning given in section 3 of the 71400  
"Federal Deposit Insurance Act," 64 Stat. 873, 12 U.S.C. 1813(1), 71401  
as amended. 71402

(8) "Employee" means, with respect to a particular taxpayer, 71403  
any individual who under the usual common law rules applicable in 71404  
determining the employer-employee relationship, has the status of 71405  
an employee of that taxpayer. 71406

(9) "Gross rents" means the actual sum of money or other 71407  
consideration payable for the use or possession of property. 71408  
"Gross rents" includes: 71409

(a) Any amount payable for the use or possession of real 71410  
property or tangible personal property whether designated as a 71411  
fixed sum of money or as a percentage of receipts, profits, or 71412  
otherwise; 71413

(b) Any amount payable as additional rent or in lieu of rent, 71414  
such as interest, taxes, insurance, repairs, or any other amount 71415  
required to be paid by the terms of a lease or other arrangement; 71416  
and 71417

(c) A proportionate part of the cost of any improvement to 71418  
real property made by or on behalf of the taxpayer which reverts 71419  
to the owner or lessor upon termination of a lease or other 71420  
arrangement. The amount to be included in gross rents is the 71421  
amount of amortization or depreciation allowed in computing the 71422  
taxable income base for the taxable year. However, where a 71423  
building is erected on leased land, by or on behalf of the 71424  
taxpayer, the value of the land is determined by multiplying the 71425  
gross rent by eight, and the value of the building is determined 71426  
in the same manner as if owned by the taxpayer. 71427

(d) The following are not included in the term "gross rents": 71428

(i) Reasonable amounts payable as separate charges for water 71429  
and electric service furnished by the lessor; 71430

(ii) Reasonable amounts payable as service charges for 71431  
janitorial services furnished by the lessor; 71432

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

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

(10) "Loan" means any extension of credit resulting from direct negotiations between the taxpayer and its customer, or the purchase, in whole or in part, of such extension of credit from another. Loans include debt obligations of subsidiaries, participations, syndications, and leases treated as loans for federal income tax purposes. "Loan" does not include: properties treated as loans under section 595 of the Internal Revenue Code; futures or forward contracts; options; notional principal contracts such as swaps; credit card receivables, including purchased credit card relationships; non-interest bearing balances due from depositor institutions; cash items in the process of collection; federal funds sold; securities purchased under agreements to resell; assets held in a trading account; securities; interests in a real estate mortgage investment conduit or other mortgage-backed or asset-backed security; and other similar items.

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

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

(13) "Participation" means an extension of credit in which an

undivided ownership interest is held on a pro rata basis in a 71464  
single loan or pool of loans and related collateral. In a loan 71465  
participation, the credit originator initially makes the loan and 71466  
then subsequently resells all or a portion of it to other lenders. 71467  
The participation may or may not be known to the borrower. 71468

(14) "Principal base of operations" with respect to 71469  
transportation property means the place of more or less permanent 71470  
nature from which the property is regularly directed or 71471  
controlled. With respect to an employee, the "principal base of 71472  
operations" means the place of more or less permanent nature from 71473  
which the employee regularly (a) starts work and to which the 71474  
employee customarily returns in order to receive instructions from 71475  
the employer or (b) communicates with the employee's customers or 71476  
other persons or (c) performs any other functions necessary to the 71477  
exercise of the trade or profession at some other point or points. 71478

(15) "Qualified institution" means a financial institution 71479  
that on or after June 1, 1997: 71480

(a)(i) Has consummated one or more approved transactions with 71481  
insured banks with different home states that would qualify under 71482  
section 102 of the "Riegle-Neal Interstate Banking and Branching 71483  
Efficiency Act of 1994," Public Law 103-328, 108 Stat. 2338; 71484

(ii) Is a federal savings association or federal savings bank 71485  
that has consummated one or more interstate acquisitions that 71486  
result in a financial institution that has branches in more than 71487  
one state; or 71488

(iii) Has consummated one or more approved interstate 71489  
acquisitions under authority of Title XI of the Revised Code that 71490  
result in a financial institution that has branches in more than 71491  
one state; and 71492

(b) Has at least nine per cent of its deposits in this state 71493  
as of the last day of June prior to the beginning of the tax year. 71494

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

(17) "Regular place of business" means an office at which the taxpayer carries on its business in a regular and systematic manner and which is continuously maintained, occupied, and used by employees of the taxpayer.

(18) "State" means a state of the United States, the District of Columbia, the commonwealth of Puerto Rico, or any territory or possession of the United States.

(19) "Syndication" means an extension of credit in which two or more persons fund and each person is at risk only up to a specified percentage of the total extension of credit or up to a specified dollar amount.

(20) "Transportation property" means vehicles and vessels capable of moving under their own power, such as aircraft, trains, water vessels and motor vehicles, as well as any equipment or containers attached to such property, such as rolling stock, barges, trailers, or the like.

(B) The annual financial institution report determines the value of the issued and outstanding shares of stock of the taxpayer, and is the base or measure of the franchise tax liability. Such determination shall be made as of the date shown by the report to have been the beginning of the financial institution's annual accounting period that includes the first day



of January of the tax year. For purposes of this section, division 71526  
(A) of section 5733.05, and division (D) of section 5733.06 of the 71527  
Revised Code, the value of the issued and outstanding shares of 71528  
stock of the financial institution shall include the total value, 71529  
as shown by the books of the financial institution, of its 71530  
capital, surplus, whether earned or unearned, undivided profits, 71531  
and reserves, but exclusive of: 71532

(1) Reserves for accounts receivable, depreciation, 71533  
depletion, and any other valuation reserves with respect to 71534  
specific assets; 71535

(2) Taxes due and payable during the year for which such 71536  
report was made; 71537

(3) Voting stock and participation certificates in 71538  
corporations chartered pursuant to the "Farm Credit Act of 1971," 71539  
85 Stat. 597, 12 U.S.C. 2091, as amended; 71540

(4) Good will, appreciation, and abandoned property as set up 71541  
in the annual report of the financial institution, provided a 71542  
certified balance sheet of the company is made available upon the 71543  
request of the tax commissioner. Such balance sheet shall not be a 71544  
part of the public records, but shall be a confidential report for 71545  
use of the tax commissioner only. 71546

(5) A portion of the value of the issued and outstanding 71547  
shares of stock of such financial institution equal to the amount 71548  
obtained by multiplying such value by the quotient obtained by: 71549

(a) Dividing (1) the amount of the financial institution's 71550  
assets, as shown on its books, represented by investments in the 71551  
capital stock and indebtedness of public utilities, except 71552  
electric companies and combined companies, and, for tax years 2005 71553  
and thereafter, telephone companies, of which at least eighty per 71554  
cent of the utility's issued and outstanding common stock is owned 71555  
by the financial institution by (2) the total assets of such 71556

financial institution as shown on its books; 71557

(b) Dividing (1) the amount of the financial institution's 71558  
assets, as shown on its books, represented by investments in the 71559  
capital stock and indebtedness of insurance companies of which at 71560  
least eighty per cent of the insurance company's issued and 71561  
outstanding common stock is owned by the financial institution by 71562  
(2) the total assets of such financial institution as shown on its 71563  
books; 71564

(c) Dividing (1) the amount of the financial institution's 71565  
assets, as shown on its books, represented by investments in the 71566  
capital stock and indebtedness of other financial institutions of 71567  
which at least twenty-five per cent of the other financial 71568  
institution's issued and outstanding common stock is owned by the 71569  
financial institution by (2) the total assets of the financial 71570  
institution as shown on its books. Division (B)(5)(c) of this 71571  
section applies only with respect to such other financial 71572  
institutions that for the tax year immediately following the 71573  
taxpayer's taxable year will pay the tax imposed by division (D) 71574  
of section 5733.06 of the Revised Code. 71575

(6) Land that has been determined pursuant to section 5713.31 71576  
of the Revised Code by the county auditor of the county in which 71577  
the land is located to be devoted exclusively to agricultural use 71578  
as of the first Monday of June in the financial institution's 71579  
taxable year. 71580

(7) Property within this state used exclusively during the 71581  
taxable year for qualified research as defined in section 5733.05 71582  
of the Revised Code. 71583

(C) The base upon which the tax levied under division (D) of 71584  
section 5733.06 of the Revised Code shall be computed by 71585  
multiplying the value of a financial institution's issued and 71586  
outstanding shares of stock as determined in division (B) of this 71587

section by a fraction. The numerator of the fraction is the sum of 71588  
the following: the property factor multiplied by fifteen, the 71589  
payroll factor multiplied by fifteen, and the sales factor 71590  
multiplied by seventy. The denominator of the fraction is one 71591  
hundred, provided that the denominator shall be reduced by fifteen 71592  
if the property factor has a denominator of zero, by fifteen if 71593  
the payroll factor has a denominator of zero, and by seventy if 71594  
the sales factor has a denominator of zero. 71595

(D) A financial institution shall calculate the property 71596  
factor as follows: 71597

(1) The property factor is a fraction, the numerator of which 71598  
is the average value of real property and tangible personal 71599  
property rented to the taxpayer that is located or used within 71600  
this state during the taxable year, the average value of real and 71601  
tangible personal property owned by the taxpayer that is located 71602  
or used within this state during the taxable year, and the average 71603  
value of the taxpayer's loans and credit card receivables that are 71604  
located within this state during the taxable year; and the 71605  
denominator of which is the average value of all such property 71606  
located or used within and without this state during the taxable 71607  
year. 71608

(2)(a) The value of real property and tangible personal 71609  
property owned by the taxpayer is the original cost or other basis 71610  
of such property for federal income tax purposes without regard to 71611  
depletion, depreciation, or amortization. 71612

(b) Loans are valued at their outstanding principal balance, 71613  
without regard to any reserve for bad debts. If a loan is 71614  
charged-off in whole or in part for federal income tax purposes, 71615  
the portion of the loan charged-off is not outstanding. A 71616  
specifically allocated reserve established pursuant to financial 71617  
accounting guidelines which is treated as charged-off for federal 71618  
income tax purposes shall be treated as charged-off for purposes 71619

of this section. 71620

(c) Credit card receivables are valued at their outstanding 71621  
principal balance, without regard to any reserve for bad debts. If 71622  
a credit card receivable is charged-off in whole or in part for 71623  
federal income tax purposes, the portion of the receivable 71624  
charged-off is not outstanding. 71625

(3) The average value of property owned by the taxpayer is 71626  
computed on an annual basis by adding the value of the property on 71627  
the first day of the taxable year and the value on the last day of 71628  
the taxable year and dividing the sum by two. If averaging on this 71629  
basis does not properly reflect average value, the tax 71630  
commissioner may require averaging on a more frequent basis. The 71631  
taxpayer may elect to average on a more frequent basis. When 71632  
averaging on a more frequent basis is required by the tax 71633  
commissioner or is elected by the taxpayer, the same method of 71634  
valuation must be used consistently by the taxpayer with respect 71635  
to property within and without this state and on all subsequent 71636  
returns unless the taxpayer receives prior permission from the tax 71637  
commissioner or the tax commissioner requires a different method 71638  
of determining value. 71639

(4)(a) The average value of real property and tangible 71640  
personal property that the taxpayer has rented from another and is 71641  
not treated as property owned by the taxpayer for federal income 71642  
tax purposes, shall be determined annually by multiplying the 71643  
gross rents payable during the taxable year by eight. 71644

(b) Where the use of the general method described in division 71645  
(D)(4)(a) of this section results in inaccurate valuations of 71646  
rented property, any other method which properly reflects the 71647  
value may be adopted by the tax commissioner or by the taxpayer 71648  
when approved in writing by the tax commissioner. Once approved, 71649  
such other method of valuation must be used on all subsequent 71650  
returns unless the taxpayer receives prior approval from the tax 71651

commissioner or the tax commissioner requires a different method 71652  
of valuation. 71653

(5)(a) Except as described in division (D)(5)(b) of this 71654  
section, real property and tangible personal property owned by or 71655  
rented to the taxpayer is considered to be located within this 71656  
state if it is physically located, situated, or used within this 71657  
state. 71658

(b) Transportation property is included in the numerator of 71659  
the property factor to the extent that the property is used in 71660  
this state. The extent an aircraft will be deemed to be used in 71661  
this state and the amount of value that is to be included in the 71662  
numerator of this state's property factor is determined by 71663  
multiplying the average value of the aircraft by a fraction, the 71664  
numerator of which is the number of landings of the aircraft in 71665  
this state and the denominator of which is the total number of 71666  
landings of the aircraft everywhere. If the extent of the use of 71667  
any transportation property within this state cannot be 71668  
determined, then the property will be deemed to be used wholly in 71669  
the state in which the property has its principal base of 71670  
operations. A motor vehicle will be deemed to be used wholly in 71671  
the state in which it is registered. 71672

(6)(a)(i) A loan, other than a loan or advance described in 71673  
division (D)(6)(d) of this section, is considered to be located 71674  
within this state if it is properly assigned to a regular place of 71675  
business of the taxpayer within this state. 71676

(ii) A loan is properly assigned to the regular place of 71677  
business with which it has a preponderance of substantive 71678  
contacts. A loan assigned by the taxpayer to a regular place of 71679  
business without the state shall be presumed to have been properly 71680  
assigned if: 71681

(I) The taxpayer has assigned, in the regular course of its 71682

business, such loan on its records to a regular place of business 71683  
consistent with federal or state regulatory requirements; 71684

(II) Such assignment on its records is based upon substantive 71685  
contacts of the load to such regular place of business; and 71686

(III) The taxpayer uses the records reflecting assignment of 71687  
loans for the filing of all state and local tax returns for which 71688  
an assignment of loans to a regular place of business is required. 71689

(iii) The presumption of proper assignment of a loan provided 71690  
in division (D)(6)(a)(ii) of this section may be rebutted upon a 71691  
showing by the tax commissioner, supported by a preponderance of 71692  
the evidence, that the preponderance of substantive contacts 71693  
regarding such loan did not occur at the regular place of business 71694  
to which it was assigned on the taxpayer's records. When such 71695  
presumption has been rebutted, the loan shall then be located 71696  
within this state if (1) the taxpayer had a regular place of 71697  
business within this state at the time the loan was made; and (2) 71698  
the taxpayer fails to show, by a preponderance of the evidence, 71699  
that the preponderance of substantive contacts regarding such loan 71700  
did not occur within this state. 71701

(b) In the case of a loan which is assigned by the taxpayer 71702  
to a place without this state which is not a regular place of 71703  
business, it shall be presumed, subject to rebuttal by the 71704  
taxpayer on a showing supported by the preponderance of evidence, 71705  
that the preponderance of substantive contacts regarding the loan 71706  
occurred within this state if, at the time the loan was made the 71707  
taxpayer's commercial domicile was within this state. 71708

(c) To determine the state in which the preponderance of 71709  
substantive contacts relating to a loan have occurred, the facts 71710  
and circumstances regarding the loan at issue shall be reviewed on 71711  
a case-by-case basis and consideration shall be given to such 71712  
activities as the solicitation, investigation, negotiation, 71713

approval, and administration of the loan. The terms 71714  
"solicitation," "investigation," "negotiation," "approval," and 71715  
"administration" are defined as follows: 71716

(i) "Solicitation" is either active or passive. Active 71717  
solicitation occurs when an employee of the taxpayer initiates the 71718  
contact with the customer. Such activity is located at the regular 71719  
place of business which the taxpayer's employee is regularly 71720  
connected with or working out of, regardless of where the services 71721  
of such employee were actually performed. Passive solicitation 71722  
occurs when the customer initiates the contact with the taxpayer. 71723  
If the customer's initial contact was not at a regular place of 71724  
business of the taxpayer, the regular place of business, if any, 71725  
where the passive solicitation occurred is determined by the facts 71726  
in each case. 71727

(ii) "Investigation" is the procedure whereby employees of 71728  
the taxpayer determine the creditworthiness of the customer as 71729  
well as the degree of risk involved in making a particular 71730  
agreement. Such activity is located at the regular place of 71731  
business which the taxpayer's employees are regularly connected 71732  
with or working out of, regardless of where the services of such 71733  
employees were actually performed. 71734

(iii) Negotiation is the procedure whereby employees of the 71735  
taxpayer and its customer determine the terms of the agreement, 71736  
such as the amount, duration, interest rate, frequency of 71737  
repayment, currency denomination, and security required. Such 71738  
activity is located at the regular place of business to which the 71739  
taxpayer's employees are regularly connected or working from, 71740  
regardless of where the services of such employees were actually 71741  
performed. 71742

(iv) "Approval" is the procedure whereby employees or the 71743  
board of directors of the taxpayer make the final determination 71744  
whether to enter into the agreement. Such activity is located at 71745

the regular place of business to which the taxpayer's employees 71746  
are regularly connected or working from, regardless of where the 71747  
services of such employees were actually performed. If the board 71748  
of directors makes the final determination, such activity is 71749  
located at the commercial domicile of the taxpayer. 71750

(v) "Administration" is the process of managing the account. 71751  
This process includes bookkeeping, collecting the payments, 71752  
corresponding with the customer, reporting to management regarding 71753  
the status of the agreement, and proceeding against the borrower 71754  
or the security interest if the borrower is in default. Such 71755  
activity is located at the regular place of business that oversees 71756  
this activity. 71757

(d) A loan or advance to a subsidiary corporation at least 71758  
fifty-one per cent of whose common stock is owned by the financial 71759  
institution shall be allocated in and out of the state by the 71760  
application of a ratio whose numerator is the sum of the net book 71761  
value of the subsidiary's real property owned in this state and 71762  
the subsidiary's tangible personal property owned in this state 71763  
and whose denominator is the sum of the subsidiary's real property 71764  
owned wherever located and the subsidiary's tangible personal 71765  
property owned wherever located. For purposes of calculating this 71766  
ratio, the taxpayer shall determine net book value in accordance 71767  
with generally accepted accounting principles. If the subsidiary 71768  
corporation owns at least fifty-one per cent of the common stock 71769  
of another corporation, the ratio shall be calculated by including 71770  
the other corporation's real property and tangible personal 71771  
property. The calculation of the ratio applies with respect to all 71772  
lower-tiered subsidiaries, provided that the immediate parent 71773  
corporation of the subsidiary owns at least fifty-one per cent of 71774  
the common stock of that subsidiary. 71775

(7) For purposes of determining the location of credit card 71776  
receivables, credit card receivables shall be treated as loans and 71777



shall be subject to division (D)(6) of this section. 71778

(8) A loan that has been properly assigned to a state shall, 71779  
absent any change of material fact, remain assigned to that state 71780  
for the length of the original term of the loan. Thereafter, the 71781  
loan may be properly assigned to another state if the loan has a 71782  
preponderance of substantive contact to a regular place of 71783  
business there. 71784

(E) A financial institution shall calculate the payroll 71785  
factor as follows: 71786

(1) The payroll factor is a fraction, the numerator of which 71787  
is the total amount paid in this state during the taxable year by 71788  
the taxpayer for compensation, and the denominator of which is the 71789  
total compensation paid both within and without this state during 71790  
the taxable year. 71791

(2) Compensation is paid in this state if any one of the 71792  
following tests, applied consecutively, is met: 71793

(a) The employee's services are performed entirely within 71794  
this state. 71795

(b) The employee's services are performed both within and 71796  
without this state, but the service performed without this state 71797  
is incidental to the employee's service within this state. The 71798  
term "incidental" means any service which is temporary or 71799  
transitory in nature, or which is rendered in connection with an 71800  
isolated transaction. 71801

(c) The employee's services are performed both within and 71802  
without this state, and: 71803

(i) The employee's principal base of operations is within 71804  
this state; or 71805

(ii) There is no principal base of operations in any state in 71806  
which some part of the services are performed, but the place from 71807

which the services are directed or controlled is in this state; or 71808

(iii) The principal base of operations and the place from 71809  
which the services are directed or controlled are not in any state 71810  
in which some part of the service is performed but the employee's 71811  
residence is in this state. 71812

(F) A financial institution shall calculate the sales factor 71813  
as follows: 71814

(1) The sales factor is a fraction, the numerator of which is 71815  
the receipts of the taxpayer in this state during the taxable year 71816  
and the denominator of which is the receipts of the taxpayer 71817  
within and without this state during the taxable year. The method 71818  
of calculating receipts for purposes of the denominator is the 71819  
same as the method used in determining receipts for purposes of 71820  
the numerator. 71821

(2) The numerator of the sales factor includes receipts from 71822  
the lease or rental of real property owned by the taxpayer if the 71823  
property is located within this state, or receipts from the 71824  
sublease of real property if the property is located within this 71825  
state. 71826

(3)(a) Except as described in division (F)(3)(b) of this 71827  
section the numerator of the sales factor includes receipts from 71828  
the lease or rental of tangible personal property owned by the 71829  
taxpayer if the property is located within this state when it is 71830  
first placed in service by the lessee. 71831

(b) Receipts from the lease or rental of transportation 71832  
property owned by the taxpayer are included in the numerator of 71833  
the sales factor to the extent that the property is used in this 71834  
state. The extent an aircraft will be deemed to be used in this 71835  
state and the amount of receipts that is to be included in the 71836  
numerator of this state's sales factor is determined by 71837  
multiplying all the receipts from the lease or rental of the 71838

aircraft by a fraction, the numerator of which is the number of  
landings of the aircraft in this state and the denominator of  
which is the total number of landings of the aircraft. If the  
extent of the use of any transportation property within this state  
cannot be determined, then the property will be deemed to be used  
wholly in the state in which the property has its principal base  
of operations. A motor vehicle will be deemed to be used wholly in  
the state in which it is registered.

(4)(a) The numerator of the sales factor includes interest  
and fees or penalties in the nature of interest from loans secured  
by real property if the property is located within this state. If  
the property is located both within this state and one or more  
other states, the receipts described in this paragraph are  
included in the numerator of the sales factor if more than fifty  
per cent of the fair market value of the real property is located  
within this state. If more than fifty per cent of the fair market  
value of the real property is not located within any one state,  
then the receipts described in this paragraph shall be included in  
the numerator of the sales factor if the borrower is located in  
this state.

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

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

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

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

(b) The amount of net gains, but not less than zero, from the sale of loans not secured by real property included in the numerator is determined by multiplying such net gains by a fraction the numerator of which is the amount included in the numerator of the sales factor pursuant to division (F)(5) of this section and the denominator of which is the total amount of interest and fees or penalties in the nature of interest from loans not secured by real property.

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

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

(9) The numerator of the sales factor includes all credit card issuer's reimbursement fees multiplied by a fraction, the

numerator of which is the amount included in the numerator of the 71901  
sales factor pursuant to division (F)(7) of this section and the 71902  
denominator of which is the taxpayer's total amount of interest 71903  
and fees or penalties in the nature of interest from credit card 71904  
receivables and fees charged to card holders. 71905

(10) The numerator of the sales factor includes receipts from 71906  
merchant discount if the commercial domicile of the merchant is in 71907  
this state. Such receipts shall be computed net of any card holder 71908  
charge backs, but shall not be reduced by any interchange 71909  
transaction fees or by any issuer's reimbursement fees paid to 71910  
another for charges made by its card holders. 71911

(11)(a)(i) The numerator of the sales factor includes loan 71912  
servicing fees derived from loans secured by real property 71913  
multiplied by a fraction the numerator of which is the amount 71914  
included in the numerator of the sales factor pursuant to division 71915  
(F)(4) of this section and the denominator of which is the total 71916  
amount of interest and fees or penalties in the nature of interest 71917  
from loans secured by real property. 71918

(ii) The numerator of the sales factor includes loan 71919  
servicing fees derived from loans not secured by real property 71920  
multiplied by a fraction the numerator of which is the amount 71921  
included in the numerator of the sales factor pursuant to division 71922  
(F)(5) of this section and the denominator of which is the total 71923  
amount of interest and fees or penalties in the nature of interest 71924  
from loans not secured by real property. 71925

(b) In circumstances in which the taxpayer receives loan 71926  
servicing fees for servicing either the secured or the unsecured 71927  
loans of another, the numerator of the sales factor shall include 71928  
such fees if the borrower is located in this state. 71929

(12) The numerator of the sales factor includes receipts from 71930  
services not otherwise apportioned under this section if the 71931

service is performed in this state. If the service is performed 71932  
both within and without this state, the numerator of the sales 71933  
factor includes receipts from services not otherwise apportioned 71934  
under this section, if a greater proportion of the income 71935  
producing activity is performed in this state based on cost of 71936  
performance. 71937

(13)(a) Interest, dividends, net gains, but not less than 71938  
zero, and other income from investment assets and activities and 71939  
from trading assets and activities shall be included in the sales 71940  
factor. Investment assets and activities and trading assets and 71941  
activities include but are not limited to: investment securities; 71942  
trading account assets; federal funds; securities purchased and 71943  
sold under agreements to resell or repurchase; options; futures 71944  
contracts; forward contracts; notional principal contracts such as 71945  
swaps; equities; and foreign currency transactions. With respect 71946  
to the investment and trading assets and activities described in 71947  
divisions (F)(13)(a)(i) and (ii) of this section, the sales factor 71948  
shall include the amounts described in such divisions. 71949

(i) The sales factor shall include the amount by which 71950  
interest from federal funds sold and securities purchased under 71951  
resale agreements exceeds interest expense on federal funds 71952  
purchased and securities sold under repurchase agreements. 71953

(ii) The sales factor shall include the amount by which 71954  
interest, dividends, gains, and other income from trading assets 71955  
and activities, including, but not limited to, assets and 71956  
activities in the matched book, in the arbitrage book, and foreign 71957  
currency transactions, exceed amounts paid in lieu of interest, 71958  
amounts paid in lieu of dividends, and losses from such assets and 71959  
activities. 71960

(b) The numerator of the sales factor includes interest, 71961  
dividends, net gains, but not less than zero, and other income 71962  
from investment assets and activities and from trading assets and 71963

activities described in division (F)(13)(a) of this section that 71964  
are attributable to this state. 71965

(i) The amount of interest, other than interest described in 71966  
division (F)(13)(b)(iv) of this section, dividends, other than 71967  
dividends described in that division, net gains, but not less than 71968  
zero, and other income from investment assets and activities in 71969  
the investment account to be attributed to this state and included 71970  
in the numerator is determined by multiplying all such income from 71971  
such assets and activities by a fraction, the numerator of which 71972  
is the average value of such assets which are properly assigned to 71973  
a regular place of business of the taxpayer within this state and 71974  
the denominator of which is the average value of all such assets. 71975

(ii) The amount of interest from federal funds sold and 71976  
purchased and from securities purchased under resale agreements 71977  
and securities sold under repurchase agreements attributable to 71978  
this state and included in the numerator is determined by 71979  
multiplying the amount described in division (F)(13)(a)(i) of this 71980  
section from such funds and such securities by a fraction, the 71981  
numerator of which is the average value of federal funds sold and 71982  
securities purchased under agreements to resell which are properly 71983  
assigned to a regular place of business of the taxpayer within 71984  
this state and the denominator of which is the average value of 71985  
all such funds and such securities. 71986

(iii) The amount of interest, dividends, gains, and other 71987  
income from trading assets and activities, including but not 71988  
limited to assets and activities in the matched book, in the 71989  
arbitrage book, and foreign currency transaction, but excluding 71990  
amounts described in division (F)(13)(b)(i) or (ii) of this 71991  
section, attributable to this state and included in the numerator 71992  
is determined by multiplying the amount described in division 71993  
(F)(13)(a)(ii) of this section by a fraction, the numerator of 71994  
which is the average value of such trading assets which are 71995

properly assigned to a regular place of business of the taxpayer 71996  
within this state and the denominator of which is the average 71997  
value of all such assets. 71998

(iv) The amount of dividends received on the capital stock 71999  
of, and the amount of interest received from loans and advances 72000  
to, subsidiary corporations at least fifty-one per cent of whose 72001  
common stock is owned by the reporting financial institution shall 72002  
be allocated in and out of this state by the application of a 72003  
ratio whose numerator is the sum of the net book value of the 72004  
payor's real property owned in this state and the payor's tangible 72005  
personal property owned in this state and whose denominator is the 72006  
sum of the net book value of the payor's real property owned 72007  
wherever located and the payor's tangible personal property owned 72008  
wherever located. For purposes of calculating this ratio, the 72009  
taxpayer shall determine net book value in accordance with 72010  
generally accepted accounting principles. 72011

(v) For purposes of this division, average value shall be 72012  
determined using the rules for determining the average value of 72013  
tangible personal property set forth in division (D)(2) and (3) of 72014  
this section. 72015

(c) In lieu of using the method set forth in division 72016  
(F)(13)(b) of this section, the taxpayer may elect, or the tax 72017  
commissioner may require in order to fairly represent the business 72018  
activity of the taxpayer in this state, the use of the method set 72019  
forth in division (F)(13)(c) of this section. 72020

(i) The amount of interest, other than interest described in 72021  
division (F)(13)(b)(iv) of this section, dividends, other than 72022  
dividends described in that division, net gains, but not less than 72023  
zero, and other income from investment assets and activities in 72024  
the investment account to be attributed to this state and included 72025  
in the numerator is determined by multiplying all such income from 72026  
such assets and activities by a fraction, the numerator of which 72027



is the gross income from such assets and activities which are 72028  
properly assigned to a regular place of business of the taxpayer 72029  
within this state, and the denominator of which is the gross 72030  
income from all such assets and activities. 72031

(ii) The amount of interest from federal funds sold and 72032  
purchased and from securities purchased under resale agreements 72033  
and securities sold under repurchase agreements attributable to 72034  
this state and included in the numerator is determined by 72035  
multiplying the amount described in division (F)(13)(a)(i) of this 72036  
section from such funds and such securities by a fraction, the 72037  
numerator of which is the gross income from such funds and such 72038  
securities which are properly assigned to a regular place of 72039  
business of the taxpayer within this state and the denominator of 72040  
which is the gross income from all such funds and such securities. 72041

(iii) The amount of interest, dividends, gains, and other 72042  
income from trading assets and activities, including, but not 72043  
limited to, assets and activities in the matched book, in the 72044  
arbitrage book, and foreign currency transactions, but excluding 72045  
amounts described in division (F)(13)(a)(i) or (ii) of this 72046  
section, attributable to this state and included in the numerator, 72047  
is determined by multiplying the amount described in division 72048  
(F)(13)(a)(ii) of this section by a fraction, the numerator of 72049  
which is the gross income from such trading assets and activities 72050  
which are properly assigned to a regular place of business of the 72051  
taxpayer within this state and the denominator of which is the 72052  
gross income from all such assets and activities. 72053

(iv) The amount of dividends received on the capital stock 72054  
of, and the amount of interest received from loans and advances 72055  
to, subsidiary corporations at least fifty-one per cent of whose 72056  
common stock is owned by the reporting financial institution shall 72057  
be allocated in and out of this state by the application of a 72058  
ratio whose numerator is the sum of the net book value of the 72059

payor's real property owned in this state and the payor's tangible 72060  
personal property owned in this state and whose denominator is the 72061  
sum of the payor's real property owned wherever located and the 72062  
payor's tangible personal property owned wherever located. For 72063  
purposes of calculating this ratio, the taxpayer shall determine 72064  
net book value in accordance with generally accepted accounting 72065  
principles. 72066

(d) If the taxpayer elects or is required by the tax 72067  
commissioner to use the method set forth in division (F)(13)(c) of 72068  
this section, it shall use this method on all subsequent returns 72069  
unless the taxpayer receives prior permission from the tax 72070  
commissioner to use or the tax commissioner requires a different 72071  
method. 72072

(e) The taxpayer shall have the burden of proving that an 72073  
investment asset or activity or trading asset or activity was 72074  
properly assigned to a regular place of business outside of this 72075  
state by demonstrating that the day-to-day decisions regarding the 72076  
asset or activity occurred at a regular place of business outside 72077  
this state. Where the day-to-day decisions regarding an investment 72078  
asset or activity or trading asset or activity occur at more than 72079  
one regular place of business and one such regular place of 72080  
business is in this state and one such regular place of business 72081  
is outside this state such asset or activity shall be considered 72082  
to be located at the regular place of business of the taxpayer 72083  
where the investment or trading policies or guidelines with 72084  
respect to the asset or activity are established. Unless the 72085  
taxpayer demonstrates to the contrary, such policies and 72086  
guidelines shall be presumed to be established at the commercial 72087  
domicile of the taxpayer. 72088

(14) The numerator of the sales factor includes all other 72089  
receipts if either: 72090

(a) The income-producing activity is performed solely in this 72091

state; or 72092

(b) The income-producing activity is performed both within 72093  
and without this state and a greater proportion of the 72094  
income-producing activity is performed within this state than in 72095  
any other state, based on costs of performance. 72096

(G) A qualified institution may calculate the base upon which 72097  
the fee provided for in division (D) of section 5733.06 of the 72098  
Revised Code is determined for each tax year by multiplying the 72099  
value of its issued and outstanding shares of stock determined 72100  
under division (B) of this section by a single deposits fraction 72101  
whose numerator is the deposits assigned to branches in this state 72102  
and whose denominator is the deposits assigned to branches 72103  
everywhere. Deposits shall be assigned to branches in the same 72104  
manner in which the assignment is made for regulatory purposes. If 72105  
the base calculated under this division is less than the base 72106  
calculated under division (C) of this section, then the qualifying 72107  
institution may elect to substitute the base calculated under this 72108  
division for the base calculated under division (C) of this 72109  
section. Such election may be made annually for each tax year on 72110  
the corporate report. The election need not accompany the report; 72111  
rather, the election may accompany a subsequently filed but timely 72112  
application for refund, a subsequently filed but timely amended 72113  
report, or a subsequently filed but timely petition for 72114  
reassessment. The election is not irrevocable and it applies only 72115  
to the specified tax year. Nothing in this division shall be 72116  
construed to extend any statute of limitations set forth in this 72117  
chapter. 72118

(H) If the apportionment provisions of this section do not 72119  
fairly represent the extent of the taxpayer's business activity in 72120  
this state, the taxpayer may petition for or the tax commissioner 72121  
may require, in respect to all or any part of the taxpayer's 72122  
business activity, if reasonable: 72123

(1) Separate accounting;	72124
(2) The exclusion of any one or more of the factors;	72125
(3) The inclusion of one or more additional factors which will fairly represent the taxpayer's business activity in this state; or	72126 72127 72128
(4) The employment of any other method to effectuate an equitable allocation and apportionment of the taxpayer's value.	72129 72130
<b>Sec. 5733.057.</b> As used in this section, "adjusted qualifying amount" has the same meaning as in section 5733.40 of the Revised Code.	72131 72132 72133
<u>This section does not apply to divisions (E) and (F) of section 5733.051 of the Revised Code.</u>	72134 72135
Except as otherwise provided in divisions (A) and (B) of section 5733.401 and in sections 5733.058 and 5747.401 of the Revised Code, in making all apportionment, allocation, income, gain, loss, deduction, tax, and credit computations under this chapter and under sections 5747.41 and 5747.43 of the Revised Code, each person shall include in that person's items of <u>business income, nonbusiness income</u> , adjusted qualifying amounts, allocable income or loss, if any, apportionable income or loss, property, compensation, and sales, the person's entire distributive share or proportionate share of the items of <u>business income, nonbusiness income</u> , adjusted qualifying amounts, allocable income or loss, apportionable income or loss, property, compensation, and sales of any pass-through entity in which the person has a direct or indirect ownership interest at any time during <u>the pass-through entity's calendar or fiscal year ending within, or with the last day of</u> the person's taxable year. A pass-through entity's direct or indirect distributive share or proportionate share of any other pass-through entity's items of <u>business income, nonbusiness</u>	72136 72137 72138 72139 72140 72141 72142 72143 72144 72145 72146 72147 72148 72149 72150 72151 72152 72153

income, adjusted qualifying amounts, allocable income or loss, 72154  
apportionable income or loss, property, compensation, and sales 72155  
shall be included for the purposes of computing the person's 72156  
distributive share or proportionate share of the pass-through 72157  
entity's items of business income, nonbusiness income, adjusted 72158  
qualifying amounts, allocable income or loss, apportionable income 72159  
or loss, property, compensation, and sales under this section. 72160  
Those items shall be in the same form as was recognized by the 72161  
pass-through entity. 72162

**Sec. 5733.059.** (A) As used in this section: 72163

(1) "Customer" means a person who purchases electricity for 72164  
consumption either by that person or by the person's related 72165  
member and the electricity is not for resale directly or 72166  
indirectly to any person other than a related member. 72167

(2) "Related member" has the same meaning as in division 72168  
(A)(6) of section 5733.042 of the Revised Code without regard to 72169  
division (B) of that section. 72170

(B) Except as provided in division (C) of this section, this 72171  
division applies only to sales of electric transmission and 72172  
distribution services. For purposes of sections 5733.05 and 72173  
5747.21 of the Revised Code: 72174

(1) Sales of the transmission of electricity are in this 72175  
state in proportion to the ratio of the wire mileage of the 72176  
taxpayer's transmission lines located in this state divided by the 72177  
wire mileage of the taxpayer's transmission lines located 72178  
everywhere. Transmission wire mileage shall be weighted for the 72179  
voltage capacity of each line. 72180

(2) Sales of the distribution of electricity are in this 72181  
state in proportion to the ratio of the wire mileage of the 72182  
taxpayer's distribution lines located in this state divided by the 72183

wire mileage of the taxpayer's distribution lines located 72184  
everywhere. Distribution wire mileage shall not be weighted for 72185  
the voltage capacity of each line. 72186

(C) This division applies only to a person that has 72187  
transmission or distribution lines in this state. If a contract 72188  
for the sale of electricity includes the seller's or the seller's 72189  
related member's obligation to transmit or distribute the 72190  
electricity and if the sales contract separately identifies the 72191  
price charged for the transmission or distribution of electricity, 72192  
the price charged for the transmission and distribution of 72193  
electricity shall be apportioned to this state in accordance with 72194  
division (B) of this section. Any remaining portion of the sales 72195  
price of the electricity shall be sitused to this state in 72196  
accordance with division (D) of this section. 72197

If the sales contract does not separately identify the price 72198  
charged for the transmission or distribution of electricity, the 72199  
sales price of the electricity shall be sitused to this state in 72200  
accordance with division (D) of this section. 72201

(D) Any person who makes a sale of electricity shall situs 72202  
the following to this state: 72203

(1) A sale of electricity directly or indirectly to a 72204  
customer to the extent the customer consumes the electricity in 72205  
this state; 72206

(2) A sale of electricity directly or indirectly to a related 72207  
member where the related member directly or indirectly sells 72208  
electricity to a customer to the extent the customer consumes the 72209  
electricity in this state; 72210

(3) A sale of electricity if the seller or the seller's 72211  
related member directly or indirectly delivers the electricity to 72212  
a location in this state or directly or indirectly delivers the 72213  
electricity exactly to the border of this state and another state; 72214

(4) A sale of electricity if the seller or the seller's related member directly or indirectly directs the delivery of the electricity to a location in this state or directly or indirectly directs the delivery of the electricity exactly to the border of this state and another state.

(E) If the situsing provisions of this section do not fairly represent the extent of the taxpayer's or the taxpayer's related member's activity in this state, the taxpayer may request, or the tax commissioner may require, in respect to all or part of a taxpayer's or related member's sales, if reasonable, any of the following:

(1) Separate accounting;

(2) The exclusion of one or more additional situsing factors that will fairly represent the taxpayer's and the related member's sales in this state;

(3) The inclusion of one or more additional situsing factors that will fairly represent the taxpayer's and the related member's sales in this state.

The taxpayer's request shall be in writing and shall be filed with the report required by section 5733.02 of the Revised Code, a timely filed petition for reassessment, or a timely filed amended report. An alternative situsing method shall be effective with the approval of the tax commissioner.

Nothing in this section shall be construed to extend any statute of limitations set forth in this chapter.

(F) If the situsing provisions of this section do not fairly represent activity in this state, the tax commissioner may promulgate rules to situs sales using a methodology that fairly reflects sales in this state.

(G) Notwithstanding ~~sections 5733.111 and 5747.131~~ section

5703.56 of the Revised Code to the contrary, a person situsing a 72245  
sale outside this state has the burden to establish by a 72246  
preponderance of the evidence that the doctrines enumerated in 72247  
~~those sections~~ that section do not apply. 72248

Sec. 5733.0511. (A) As used in this section: 72249

(1) "Qualifying telephone company taxpayer" means either of 72250  
the following: 72251

(a) A telephone company, but only if the telephone company 72252  
was subject to the tax imposed by section 5727.30 of the Revised 72253  
Code for gross receipts received during the period from July 1, 72254  
2003, to June 30, 2004, and the telephone company's property 72255  
subject to taxation under Chapter 5727. of the Revised Code for 72256  
tax years 2003 through 2006 was assessed using the true value 72257  
percentages provided for in division (B) of section 5727.111 of 72258  
the Revised Code. 72259

(b) Any taxpayer not described in division (A)(1)(a) of this 72260  
section if a telephone company described in division (A)(1)(a) of 72261  
this section transfers all or a portion of its assets and equity 72262  
directly or indirectly to the taxpayer, the transfer occurred as 72263  
part of an entity organization or reorganization, or subsequent 72264  
entity organization or reorganization, and the gain or loss with 72265  
respect to the transfer is not recognized in whole or in part for 72266  
federal income tax purposes under the Internal Revenue Code on 72267  
account of a transfer as part of an entity organization or 72268  
reorganization, or subsequent entity organization or 72269  
reorganization. 72270

(2) "Qualifying telephone company asset" means any asset 72271  
shown on the qualifying telephone company taxpayer's books and 72272  
records on December 31, 2003, in accordance with generally 72273  
accepted accounting principles. 72274



(3) "Net income" has the same meaning as in division (I) of section 5733.04 of the Revised Code. 72275  
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(4) "Book-tax difference" means the difference, if any, between a qualifying telephone company asset's net book value shown on the qualifying telephone company taxpayer's books and records on December 31, 2003, in accordance with generally accepted accounting principles, and such asset's adjusted basis on December 31, 2003. The book-tax difference may be a negative number. 72277  
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(5) Solely for purposes of division (A)(1)(a) of this section, "tax year" has the same meaning as used in section 5727.01 of the Revised Code. 72284  
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(B) In computing net income under division (I) of section 5733.04 of the Revised Code, a qualifying telephone company taxpayer shall adjust net income to reflect a ten-year amortization of the book-tax difference for each qualifying telephone company asset, in equal installments over each of the ten tax years beginning with 2010. If the net book value exceeds the adjusted basis of the asset as of December 31, 2003, net income shall be reduced in each of the ten years beginning with tax year 2010 by one-tenth of the book-tax difference. If the adjusted basis exceeds the net book value of the asset as of December 31, 2003, net income shall be increased in each of the ten years beginning with tax year 2010 by one-tenth of the absolute value of the book-tax difference. The adjustment to net income provided for by this division shall apply without regard to the disposal of those assets after December 31, 2003. 72287  
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(C) The allocation and apportionment of this amortization of the book-tax difference under this section shall be governed by division (B) of section 5733.05 and by section 5733.051 of the Revised Code. The tax commissioner may prescribe rules regarding 72302  
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the apportionment of the amortization of the book-tax difference 72306  
under this section. 72307

(D) Nothing in this section shall allow for an adjustment 72308  
more than once with respect to the same qualifying asset or allow 72309  
more than one corporation to claim an adjustment with respect to 72310  
the same qualifying telephone company asset. 72311

**Sec. 5733.06.** The tax hereby charged each corporation subject 72312  
to this chapter shall be the greater of the sum of divisions (A) 72313  
and (B) of this section, after the reduction, if any, provided by 72314  
division (J) of this section, or division (C) of this section, 72315  
after the reduction, if any, provided by division (J) of this 72316  
section, except that the tax hereby charged each financial 72317  
institution subject to this chapter shall be the amount computed 72318  
under division (D) of this section: 72319

(A) Except as set forth in division (F) of this section, five 72320  
and one-tenth per cent upon the first fifty thousand dollars of 72321  
the value of the taxpayer's issued and outstanding shares of stock 72322  
as determined under division (B) of section 5733.05 of the Revised 72323  
Code; 72324

(B) Except as set forth in division (F) of this section, 72325  
eight and one-half per cent upon the value so determined in excess 72326  
of fifty thousand dollars; or 72327

(C)(1) Except as otherwise provided under division (G) of 72328  
this section, four mills times that portion of the value of the 72329  
issued and outstanding shares of stock as determined under 72330  
division (C) of section 5733.05 of the Revised Code. For the 72331  
purposes of division (C) of this section, division (C)(2) of 72332  
section 5733.065, and division (C) of section 5733.066 of the 72333  
Revised Code, the value of the issued and outstanding shares of 72334  
stock of an eligible corporation for tax year 2003 through tax 72335  
year 2007, or of a qualified holding company, is zero. 72336

(2) As used in division (C) of this section, "eligible corporation" means a person treated as a corporation for federal income tax purposes that meets all of the following criteria: 72337  
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(a) The corporation conducts business for an entire taxable year as a qualified trade or business as defined by division (C) of section 122.15 of the Revised Code. 72340  
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(b) The corporation uses more than fifty per cent of the corporation's assets, based on net book value, that are located in Ohio solely to conduct activities that constitute a qualified trade or business as defined by section 122.15 of the Revised Code. 72343  
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(c) The corporation has been formed or organized not more than three years before the report required to be filed by section 5733.02 of the Revised Code is due, without regard to any extensions. 72348  
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(d) The corporation is not a related member, as defined in section 5733.042 of the Revised Code, at any time during the taxable year with respect to another person treated as a corporation for federal income tax purposes. A corporation is not a related member if during the entire taxable year at least seventy-five per cent of the corporation's stock is owned directly or through a pass-through entity by individuals, estates, and grantor trusts, and the individuals, estates, and grantor trusts do not directly or indirectly own more than twenty per cent of the value of another person treated as a corporation for federal income tax purposes that is conducting a qualified trade or business. 72352  
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(D) The tax charged each financial institution subject to this chapter shall be that portion of the value of the issued and outstanding shares of stock as determined under division (A) of section 5733.05 of the Revised Code, multiplied by the following 72364  
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amounts:	72368
(1) For tax years prior to the 1999 tax year, fifteen mills;	72369
(2) For the 1999 tax year, fourteen mills;	72370
(3) For tax year 2000 and thereafter, thirteen mills.	72371
(E) No tax shall be charged from any corporation that has	72372
been adjudicated bankrupt, or for which a receiver has been	72373
appointed, or that has made a general assignment for the benefit	72374
of creditors, except for the portion of the then current tax year	72375
during which the tax commissioner finds such corporation had the	72376
power to exercise its corporate franchise unimpaired by such	72377
proceedings or act. The minimum payment for <del>all corporations</del> <u>each</u>	72378
<u>corporation</u> shall be <del>fifty dollars</del> <u>as follows:</u>	72379
<u>(1) One thousand dollars in the case of a corporation having</u>	72380
<u>gross receipts for the taxable year equal to at least five million</u>	72381
<u>dollars from activities within or outside this state or in the</u>	72382
<u>case of a corporation employing at least three hundred employees</u>	72383
<u>at some time during the taxable year within or outside this state;</u>	72384
<u>(2) Fifty dollars in the case of any other corporation.</u>	72385
The tax charged to corporations under this chapter for the	72386
privilege of engaging in business in this state, which is an	72387
excise tax levied on the value of the issued and outstanding	72388
shares of stock, shall in no manner be construed as prohibiting or	72389
otherwise limiting the powers of municipal corporations, joint	72390
economic development zones created under section 715.691 of the	72391
Revised Code, and joint economic development districts created	72392
under section 715.70 or 715.71 or sections 715.72 to 715.81 of the	72393
Revised Code in this state to impose an income tax on the income	72394
of such corporations.	72395
(F) If two or more taxpayers satisfy the ownership or control	72396
requirements of division (A) of section 5733.052 of the Revised	72397

Code, each such taxpayer shall substitute "the taxpayer's pro-rata amount" for "fifty thousand dollars" in divisions (A) and (B) of this section. For purposes of this division, "the taxpayer's pro-rata amount" is an amount that, when added to the other such taxpayers' pro-rata amounts, does not exceed fifty thousand dollars. For the purpose of making that computation, the taxpayer's pro-rata amount shall not be less than zero. Nothing in this division derogates from or eliminates the requirement to make the alternative computation of tax under division (C) of this section.

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

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

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

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

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

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

(e) During any portion of that calendar year, or any portion of the immediately preceding calendar year, the corporation had net income that was not included in a report filed by the

corporation or its transferee pursuant to section 5733.02, 72429  
5733.021, 5733.03, 5733.031, or 5733.053 of the Revised Code; 72430

(f) The corporation would have been subject to the tax 72431  
computed under divisions (A), (B), (C), (F), and (G) of this 72432  
section if the corporation is assumed to be a corporation 72433  
described in division (A) of section 5733.01 of the Revised Code 72434  
on the first day of January immediately following the calendar 72435  
year to which division (H)(1)(a) of this section refers. 72436

(2) For the purposes of division (H) of this section, 72437  
"unreported net income" means net income that was not previously 72438  
included in a report filed pursuant to section 5733.02, 5733.021, 72439  
5733.03, 5733.031, or 5733.053 of the Revised Code and that was 72440  
realized or recognized during the calendar year to which division 72441  
(H)(1) of this section refers or the immediately preceding 72442  
calendar year. 72443

(3) Each exiting corporation shall pay a tax computed by 72444  
first allocating and apportioning the unreported net income 72445  
pursuant to division (B) of section 5733.05 and section 5733.051 72446  
and, if applicable, section 5733.052 of the Revised Code. The 72447  
exiting corporation then shall compute the tax due on its 72448  
unreported net income allocated and apportioned to this state by 72449  
applying divisions (A), (B), and (F) of this section to that 72450  
income. 72451

(4) Divisions (C) and (G) of this section, division (D)(2) of 72452  
section 5733.065, and division (C) of section 5733.066 of the 72453  
Revised Code do not apply to an exiting corporation, but exiting 72454  
corporations are subject to every other provision of this chapter. 72455

(5) Notwithstanding division (B) of section 5733.01 or 72456  
sections 5733.02, 5733.021, and 5733.03 of the Revised Code to the 72457  
contrary, each exiting corporation shall report and pay the tax 72458  
due under division (H) of this section on or before the 72459

thirty-first day of May immediately following the calendar year to 72460  
which division (H)(1)(a) of this section refers. The exiting 72461  
corporation shall file that report on the form most recently 72462  
prescribed by the tax commissioner for the purposes of complying 72463  
with sections 5733.02 and 5733.03 of the Revised Code. Upon 72464  
request by the corporation, the tax commissioner may extend the 72465  
date for filing the report. 72466

(6) If, on account of the application of section 5733.053 of 72467  
the Revised Code, net income is subject to the tax imposed by 72468  
divisions (A) and (B) of this section, such income shall not be 72469  
subject to the tax imposed by division (H)(3) of this section. 72470

(7) The amendments made to division (H) of this section by 72471  
Am. Sub. S.B. 287 of the 123rd general assembly do not apply to 72472  
any transfer, as defined in section 5733.053 of the Revised Code, 72473  
for which negotiations began prior to January 1, 2001, and that 72474  
was commenced in and completed during calendar year 2001, unless 72475  
the taxpayer makes an election prior to December 31, 2001, to 72476  
apply those amendments. 72477

(8) The tax commissioner may adopt rules governing division 72478  
(H) of this section. 72479

(I) Any reference in the Revised Code to "the tax imposed by 72480  
section 5733.06 of the Revised Code" or "the tax due under section 72481  
5733.06 of the Revised Code" includes the taxes imposed under 72482  
sections 5733.065 and 5733.066 of the Revised Code. 72483

(J)(1) Division (J) of this section applies solely to a 72484  
combined company. Section 5733.057 of the Revised Code shall apply 72485  
when calculating the adjustments required by division (J) of this 72486  
section. 72487

(2) Subject to division (J)(4) of this section, the total tax 72488  
calculated in divisions (A) and (B) of this section shall be 72489  
reduced by an amount calculated by multiplying such tax by a 72490

fraction, the numerator of which is the total taxable gross 72491  
receipts attributed to providing public utility activity other 72492  
than as an electric company under section 5727.03 of the Revised 72493  
Code for the year upon which the taxable gross receipts are 72494  
measured immediately preceding the tax year, and the denominator 72495  
of which is the total gross receipts from all sources for the year 72496  
upon which the taxable gross receipts are measured immediately 72497  
preceding the tax year. Nothing herein shall be construed to 72498  
exclude from the denominator any item of income described in 72499  
section 5733.051 of the Revised Code. 72500

(3) Subject to division (J)(4) of this section, the total tax 72501  
calculated in division (C) of this section shall be reduced by an 72502  
amount calculated by multiplying such tax by the fraction 72503  
described in division (J)(2) of this section. 72504

(4) In no event shall the reduction provided by division 72505  
(J)(2) or (J)(3) of this section exceed the amount of the excise 72506  
tax paid in accordance with section 5727.38 of the Revised Code, 72507  
for the year upon which the taxable gross receipts are measured 72508  
immediately preceding the tax year. 72509

**Sec. 5733.0611.** (A) There is hereby allowed a nonrefundable 72510  
credit against the tax imposed under section 5733.06 of the 72511  
Revised Code. The credit shall be equal to the taxpayer's 72512  
proportionate share of the lesser of either the tax due or the tax 72513  
paid by any qualifying entity under section 5733.41 of the Revised 72514  
Code for the qualifying taxable year of the qualifying entity that 72515  
ends in the taxable year of the taxpayer. The taxpayer shall claim 72516  
the credit for the taxpayer's taxable year in which ends the 72517  
qualifying entity's qualifying taxable year. 72518

In claiming the credit and determining its proportionate 72519  
share of the tax due and the tax paid by the qualifying entity, 72520  
the person claiming the credit shall follow the concepts set forth 72521



in subchapter K of the Internal Revenue Code. Nothing in this 72522  
division shall be construed to limit or disallow pass-through 72523  
treatment of a pass-through entity's income, deductions, credits, 72524  
or other amounts necessary to compute the tax imposed and the 72525  
credits allowed under this chapter. 72526

The credit shall be claimed in the order required under 72527  
section 5733.98 of the Revised Code. Any unused credit shall be 72528  
allowed as a credit in the ensuing tax year. Any such amount 72529  
allowed as a credit in an ensuing tax year shall be deducted from 72530  
the balance carried forward to the next ensuing tax year. 72531

(B) Any person that is not a taxpayer solely by reason of 72532  
division (A) or (C) of section 5733.09 of the Revised Code or a 72533  
person described in section 501(c) of the Internal Revenue Code or 72534  
division (F) of section 3334.01 of the Revised Code, but that 72535  
would be entitled to claim the nonrefundable credit under this 72536  
section if that person were a taxpayer, may file an application 72537  
for refund pursuant to section 5733.12 of the Revised Code. Upon 72538  
proper application for refund under that section, the tax 72539  
commissioner shall issue a refund in the amount of the credit to 72540  
which that person would have been entitled under division (A)(1) 72541  
of this section if the person had been a taxpayer, and as if the 72542  
credit were a refundable credit. 72543

(C) If an organization described in section 401(a) of the 72544  
Internal Revenue Code or a trust or fund is entitled to a 72545  
proportionate share of the lesser of either the tax due or the tax 72546  
paid by any qualifying entity under section 5733.41 of the Revised 72547  
Code, and if that proportionate share is then or could be 72548  
allocable to an exempt person as defined in division (D) of this 72549  
section, then the organization, trust, or fund may file an 72550  
application for refund with respect to such allocable amounts 72551  
pursuant to section 5733.12 of the Revised Code. Upon proper 72552  
application for refund under that section, the tax commissioner 72553

shall issue a refund in the amount of the credit to which the organization, trust, or fund would have been entitled under division (A)(1) of this section had the organization, trust, or fund been a taxpayer, and as if the credit were a refundable credit. To the extent that such an organization, trust, or fund is permitted to apply for a refund under this division, or to the extent that such an organization, trust, or fund has applied for such a refund, exempt persons are not entitled to the credit authorized under this section or section 5747.059 of the Revised Code.

(D)(1) For the purposes of division (C) of this section only, "exempt person" means any of the following:

(a) A person that is or may be the beneficiary of a trust if the trust is subject to Subchapter D of Chapter 1 of Subtitle A of the Internal Revenue Code.

(b) A person that is or may be the beneficiary of or the recipient of payments from a nuclear decommissioning reserve fund, a designated settlement fund, or any other trust or fund established to resolve and satisfy claims that may otherwise be asserted by the beneficiary or a member of the beneficiary's family. Sections 267(c)(4), 468A(e), and 468B(d)(2) of the Internal Revenue Code apply to the determination of whether such a person is an exempt person under division (D) of this section.

(c) A person, other than a person that is treated as a C corporation for federal income tax purposes, who is or may be the beneficiary of a trust that, under its governing instrument, is not required to distribute all of its income currently. Division (D)(1)(c) of this section applies only if the trust irrevocably agrees that for the taxable year during or for which the trust distributes any of its income to any of the beneficiaries, the trust is a qualifying trust as defined in section 5733.40 of the Revised Code and will pay the estimated tax, and will withhold and

pay the withheld tax as required under section 5733.41 and 72586  
sections 5747.40 to 5747.453 of the Revised Code. 72587

(2) An exempt person does not include any person that would 72588  
not qualify as an exempt person under the doctrines of "economic 72589  
reality," "sham transaction," "step doctrine," or "substance over 72590  
form." Notwithstanding ~~sections 5733.111 and 5747.131~~ section 72591  
5703.56 of the Revised Code to the contrary, an organization, 72592  
trust, or fund described in division (C) of this section bears the 72593  
burden of establishing by a preponderance of the evidence that any 72594  
transaction giving rise to a claim for a refundable credit under 72595  
this section does not have as a principal purpose a claim for that 72596  
credit. Nothing in this section shall be construed to limit solely 72597  
to this section the application of the doctrines referred to in 72598  
division (D)(2) of this section. 72599

(E) Nothing in this section shall be construed to allow a 72600  
refund more than once with respect to the taxes imposed under 72601  
section 5733.41 or 5747.41 of the Revised Code. 72602

**Sec. 5733.09.** (A) ~~An~~ (1) Except as provided in divisions 72603  
(A)(2) and (3) of this section, an incorporated company, whether 72604  
foreign or domestic, owning and operating a public utility in this 72605  
state, and required by law to file reports with the tax 72606  
commissioner and to pay an excise tax upon its gross receipts, and 72607  
insurance, fraternal, beneficial, bond investment, and other 72608  
corporations required by law to file annual reports with the 72609  
superintendent of insurance and dealers in intangibles, the shares 72610  
of which are, or the capital or ownership in capital employed by 72611  
such dealer is, subject to the taxes imposed by section 5707.03 of 72612  
the Revised Code, shall not be subject to this chapter, except for 72613  
sections 5733.031, 5733.042, 5733.05, 5733.052, 5733.053, 72614  
5733.069, 5733.0611, 5733.40, 5733.41, and sections 5747.40 to 72615  
5747.453 of the Revised Code. However, for reports required to be 72616

filed under section 5725.14 of the Revised Code in 2003 and 72617  
thereafter, nothing in this section shall be construed to exempt 72618  
the property of any dealer in intangibles under section 5725.13 of 72619  
the Revised Code from the tax imposed under section 5707.03 of the 72620  
Revised Code. ~~An~~ 72621

(2) An electric company subject to the filing requirements of 72622  
section 5727.08 of the Revised Code or otherwise having nexus with 72623  
or in this state under the Constitution of the United States, or 72624  
any other corporation having any gross receipts directly 72625  
attributable to providing public utility service as an electric 72626  
company or having any property directly attributable to providing 72627  
public utility service as an electric company, is subject to this 72628  
chapter. 72629

(3) A telephone company that no longer pays an excise tax 72630  
under section 5727.30 of the Revised Code on its gross receipts 72631  
billed after June 30, 2004, is first subject to taxation under 72632  
this chapter for tax year 2005. For that tax year, a telephone 72633  
company with a taxable year ending in 2004 shall compute the tax 72634  
imposed under this chapter, and shall compute the net operating 72635  
loss carry forward for tax year 2005, by multiplying the tax owed 72636  
under this chapter, net of all nonrefundable credits, or the loss 72637  
for the taxable year, by fifty per cent. 72638

(B) A corporation that has made an election under subchapter 72639  
S, chapter one, subtitle A, of the Internal Revenue Code for its 72640  
taxable year under such code is exempt from the tax imposed by 72641  
section 5733.06 of the Revised Code that is based on that taxable 72642  
year. 72643

A corporation that makes such an election shall file a notice 72644  
of such election with the tax commissioner between the first day 72645  
of January and the thirty-first day of March of each tax year that 72646  
the election is in effect. 72647

(C) An entity defined to be a "real estate investment trust" 72648  
by section 856 of the Internal Revenue Code, a "regulated 72649  
investment company" by section 851 of the Internal Revenue Code, 72650  
or a "real estate mortgage investment conduit" by section 860D of 72651  
the Internal Revenue Code, is exempt from taxation for a tax year 72652  
as a corporation under this chapter and is exempt from taxation 72653  
for a return year as a dealer in intangibles under Chapter 5725. 72654  
of the Revised Code if it provides the report required by this 72655  
division. By the last day of March of the tax or return year the 72656  
entity shall submit to the tax commissioner the name of the entity 72657  
with a list of the names, addresses, and social security or 72658  
federal identification numbers of all investors, shareholders, and 72659  
other similar investors who owned any interest or invested in the 72660  
entity during the preceding calendar year. The commissioner may 72661  
extend the date by which the report must be submitted for 72662  
reasonable cause shown by the entity. The commissioner may 72663  
prescribe the form of the report required for exemption under this 72664  
division. 72665

(D)(1) As used in this division: 72666

(a) "Commercial printer" means a person primarily engaged in 72667  
the business of commercial printing. However, "commercial printer" 72668  
does not include a person primarily engaged in the business of 72669  
providing duplicating services using photocopy machines or other 72670  
xerographic processes. 72671

(b) "Commercial printing" means printing by one or more 72672  
common processes such as letterpress, lithography, gravure, 72673  
screen, or digital imaging, and includes related activities such 72674  
as binding, platemaking, prepress operation, cartographic 72675  
composition, and typesetting. 72676

(c) "Contract for printing" means an oral or written 72677  
agreement for the purchase of printed materials produced by a 72678

commercial printer. 72679

(d) "Intangible property located at the premises of a 72680  
commercial printer" means intangible property of any kind owned or 72681  
licensed by a customer of the commercial printer and furnished to 72682  
the commercial printer for use in commercial printing. 72683

(e) "Printed material" means any tangible personal property 72684  
produced or processed by a commercial printer pursuant to a 72685  
contract for printing. 72686

(f) "Related member" has the same meaning as in ~~division~~ 72687  
~~(A)(6)~~ of section 5733.042 of the Revised Code without regard to 72688  
division (B) of that section. 72689

(2) Except as provided in divisions (D)(3) and (4) of this 72690  
section, a corporation not otherwise subject to the tax imposed by 72691  
section 5733.06 of the Revised Code for a tax year does not become 72692  
subject to that tax for the tax year solely by reason of any one 72693  
or more of the following occurring in this state during the 72694  
taxable year that ends immediately prior to the tax year: 72695

(a) Ownership by the corporation or a related member of the 72696  
corporation of tangible personal property or intangible property 72697  
located during all or any portion of the taxable year or on the 72698  
first day of the tax year at the premises of a commercial printer 72699  
with which the corporation or the corporation's related member has 72700  
a contract for printing with respect to such property or the 72701  
premises of a commercial printer's related member with which the 72702  
corporation or the corporation's related member has a contract for 72703  
printing with respect to such property; 72704

(b) Sales by the corporation or a related member of the 72705  
corporation of property produced at and shipped or distributed 72706  
from the premises of a commercial printer with which the 72707  
corporation or the corporation's related member has a contract for 72708  
printing with respect to such property or the premises of a 72709

commercial printer's related member with which the corporation or 72710  
the corporation's related member has a contract for printing with 72711  
respect to such property; 72712

(c) Activities of employees, officers, agents, or contractors 72713  
of the corporation or a related member of the corporation on the 72714  
premises of a commercial printer with which the corporation or the 72715  
corporation's related member has a contract for printing or the 72716  
premises of a commercial printer's related member with which the 72717  
corporation or the corporation's related member has a contract for 72718  
printing, where the activities are directly and solely related to 72719  
quality control, distribution, or printing services, or any 72720  
combination thereof, performed by or at the direction of the 72721  
commercial printer or the commercial printer's related member. 72722

(3) The exemption under this division does not apply for a 72723  
taxable year to any corporation having on the first day of January 72724  
of the tax year or at any time during the taxable year ending 72725  
immediately preceding the first day of January of the tax year a 72726  
related member which, on the first day of January of the tax year 72727  
or during any portion of such taxable year of the corporation, has 72728  
nexus in or with this state under the Constitution of the United 72729  
States or holds a certificate of compliance with the laws of this 72730  
state authorizing it to do business in this state. 72731

(4) With respect to allowing the exemption under this 72732  
division, the tax commissioner shall be guided by the doctrines of 72733  
"economic reality," "sham transaction," "step transaction," and 72734  
"substance over form." A corporation shall bear the burden of 72735  
establishing by a preponderance of the evidence that any 72736  
transaction giving rise to an exemption claimed under this 72737  
division did not have as a principal purpose the avoidance of any 72738  
portion of the tax imposed by section 5733.06 of the Revised Code. 72739

Application of the doctrines listed in division (D)(4) of 72740  
this section is not limited to this division. 72741

**Sec. 5733.121.** If a corporation entitled to a refund under 72742  
section 5733.11 or 5733.12 of the Revised Code is indebted to this 72743  
state for any tax, workers' compensation premium due under section 72744  
4123.35 of the Revised Code, unemployment compensation 72745  
contribution due under section 4141.25 of the Revised Code, or 72746  
unemployment compensation payment in lieu of contribution under 72747  
section 4141.241 of the Revised Code or fee ~~administered by the~~ 72748  
~~tax commissioner~~ that is paid to the state or to the clerk of 72749  
courts pursuant to section 4505.06 of the Revised Code, or any 72750  
charge, penalty, or interest arising from such a tax, workers' 72751  
compensation premium, unemployment compensation contribution, or 72752  
unemployment compensation payment in lieu of contribution under 72753  
section 4141.241 of the Revised Code or fee, the amount refundable 72754  
may be applied in satisfaction of the debt. If the amount 72755  
refundable is less than the amount of the debt, it may be applied 72756  
in partial satisfaction of the debt. If the amount refundable is 72757  
greater than the amount of the debt, the amount remaining after 72758  
satisfaction of the debt shall be refunded. If the corporation has 72759  
more than one such debt, any debt subject to section 5739.33 or 72760  
division (G) of section 5747.07 of the Revised Code shall be 72761  
satisfied first. This section applies only to debts that have 72762  
become final. 72763

The tax commissioner may, with the consent of the taxpayer, 72764  
provide for the crediting, against tax due for any tax year, of 72765  
the amount of any refund due the taxpayer under this chapter for a 72766  
preceding tax year. 72767

**Sec. 5733.18.** Annually, on the day fixed for the payment of 72768  
any excise or franchise tax required to be paid by law, such tax, 72769  
together with any penalties subsequently accruing thereon, shall 72770  
become a lien on all property in this state of a corporation, 72771  
whether such property is employed by the corporation in the 72772



prosecution of its business or is in the hands of an assignee, 72773  
trustee, or receiver for the benefit of the creditors and 72774  
stockholders. Such lien shall continue until such taxes, together 72775  
with any penalties subsequently accruing, are paid. 72776

Upon failure of such corporation to pay such tax on the day 72777  
fixed for payment, the tax commissioner may file, for which filing 72778  
no fee shall be charged, in the office of the county recorder in 72779  
each county in this state in which such corporation owns or has a 72780  
beneficial interest in real estate, notice of such lien containing 72781  
a brief description of such real estate. Such lien shall not be 72782  
valid as against any mortgagee, purchaser, or judgment creditor 72783  
whose rights have attached prior to the time such notice is so 72784  
filed in the county in which the real estate which is the subject 72785  
of such mortgage, purchase, or judgment lien is located. Such 72786  
notice shall be recorded in a book kept by the recorder, called 72787  
the corporation franchise lien record, and indexed under the name 72788  
of the corporation charged with such tax. When such tax, together 72789  
with any penalties subsequently accruing thereon, has been paid, 72790  
the tax commissioner shall furnish to the corporation an 72791  
acknowledgment of such payment which the corporation may record 72792  
with the recorder of each county in which notice of such lien has 72793  
been filed, for which recording the recorder shall charge and 72794  
receive a base fee of two dollars for services and a housing trust 72795  
fund fee of two dollars pursuant to section 317.36 of the Revised 72796  
Code. 72797

**Sec. 5733.22.** (A)(1) Any corporation whose articles of 72798  
incorporation or license certificate to do or transact business in 72799  
this state has been canceled by the secretary of state pursuant to 72800  
section 5733.20 of the Revised Code for failure to make any report 72801  
or return or to pay any tax or fee, shall be reinstated and again 72802  
entitled to exercise its rights, privileges, and franchises in 72803  
this state, and the secretary of state shall cancel the entry of 72804

cancellation to exercise its rights, privileges, and franchises	72805
upon compliance with all of the following:	72806
(a) Payment to the secretary of state of any additional fees	72807
and penalties required to be paid to the secretary of state;	72808
(b) Filing with the secretary of state a certificate from the	72809
tax commissioner that it has complied with all the requirements of	72810
law as to franchise or excise tax reports and paid all franchise	72811
or excise taxes, fees, or penalties due thereon for every year of	72812
its delinquency;	72813
(c) Payment to the secretary of state of an additional fee of	72814
ten dollars.	72815
(2) The applicant for reinstatement shall be required by the	72816
secretary of state, as a condition prerequisite to such	72817
reinstatement, to amend its articles by changing its name if all	72818
of the following apply:	72819
(a) The reinstatement is not made within one year from the	72820
date of the cancellation of its articles of incorporation or date	72821
of the cancellation of its license to do business;	72822
(b) It appears that the applicant's articles of incorporation	72823
or license certificate has been issued to another entity and is	72824
not distinguishable upon the record from the name of the	72825
applicant;	72826
(c) It appears that the articles of organization of a limited	72827
liability company, registration of a foreign limited liability	72828
company, certificate of limited partnership, registration of a	72829
foreign limited partnership, registration of a domestic or foreign	72830
limited liability partnership, or registration of a trade name has	72831
been issued to another entity and is not distinguishable upon the	72832
record from the name of the applicant. A certificate of	72833
reinstatement may be filed in the recorder's office of any county	72834
in the state, for which the recorder shall charge and collect a	72835

base fee of three dollars for services and a housing trust fund 72836  
fee of three dollars pursuant to section 317.36 of the Revised 72837  
Code. 72838

Any officer, shareholder, creditor, or receiver of any such 72839  
corporation may at any time take all steps required by this 72840  
section to effect such reinstatement. 72841

(B) The rights, privileges, and franchises of a corporation 72842  
whose articles of incorporation have been reinstated in accordance 72843  
with this section, are subject to section 1701.922 of the Revised 72844  
Code. 72845

(C) Notwithstanding a violation of section 5733.21 of the 72846  
Revised Code, upon reinstatement of a corporation's articles of 72847  
incorporation in accordance with this section, neither section 72848  
5733.20 nor section 5733.21 of the Revised Code shall be applied 72849  
to invalidate the exercise or attempt to exercise any right, 72850  
privilege, or franchise on behalf of the corporation by an 72851  
officer, agent, or employee of the corporation after cancellation 72852  
and prior to the reinstatement of the articles, if the conditions 72853  
set forth in divisions (B)(1)(a) and (b) of section 1701.922 of 72854  
the Revised Code are met. 72855

**Sec. 5733.45.** (A) For purposes of this section, a "qualifying 72856  
dealer in intangibles" is a dealer in intangibles that is a member 72857  
of a qualifying controlled group of which a financial institution 72858  
is also a member on the first day of the financial institution's 72859  
tax year. 72860

(B) For tax years 2002 and thereafter, there is hereby 72861  
allowed to each financial institution a nonrefundable credit 72862  
against the tax imposed by section 5733.06 of the Revised Code. 72863  
The amount of the credit shall be computed in accordance with 72864  
division (C) of this section. The credit shall be claimed in the 72865  
order prescribed by section 5733.98 of the Revised Code. The 72866

credit shall not exceed the amount of tax otherwise due under 72867  
section 5733.06 of the Revised Code after deducting any other 72868  
credits that precede the credit claimed under this section in that 72869  
order. 72870

(C) Subject to division (D) of this section, the amount of 72871  
the nonrefundable credit is the lesser of the amount described in 72872  
division (C)(1) of this section or the amount described in 72873  
division (C)(2) of this section. 72874

(1) The amount of tax that a qualifying dealer in intangibles 72875  
paid under Chapter 5707. of the Revised Code during the calendar 72876  
year immediately preceding the financial institution's tax year. 72877  
Such amount shall be reduced, but not below zero, by any refunds 72878  
of such tax received by the qualifying dealer in intangibles under 72879  
Chapter 5703. of the Revised Code during that calendar year. 72880

(2) The product of the amounts described in division 72881  
(C)(2)(a) to (C)(2)(c) of this section. The amount described in 72882  
division (C)(2)(a) of this section shall be ascertained on the 72883  
last day of the financial institution's taxable year immediately 72884  
preceding the tax year. 72885

(a) The cost of the financial institution's direct investment 72886  
in the capital stock of the qualifying dealer in intangibles. The 72887  
cost does not include any appreciation or goodwill to the extent 72888  
those amounts are allowed as an exempted asset on the financial 72889  
institution's annual report. 72890

(b) The ratio described in section 5725.15 of the Revised 72891  
Code for the calendar year immediately preceding the financial 72892  
institution's tax year; 72893

(c) The tax rate imposed under division (D) of section 72894  
5707.03 of the Revised Code for the calendar year immediately 72895  
preceding the financial institution's tax year. 72896

(D)(1) The principles and concepts set forth in section 72897

5733.057 of the Revised Code shall apply to ascertain if a dealer 72898  
in intangibles is a member of a qualifying controlled group of 72899  
which the financial institution also is a member and to ascertain 72900  
the cost of the financial institution's direct investment in the 72901  
capital stock of the qualifying dealer in intangibles. 72902

(2) Notwithstanding section ~~5733.111~~ 5703.56 of the Revised 72903  
Code to the contrary, a financial institution claiming the credit 72904  
provided by this section has the burden to establish by a 72905  
preponderance of the evidence that none of the doctrines 72906  
enumerated in that section would apply to deny to the financial 72907  
institution all or a part of the credit otherwise provided by this 72908  
section. 72909

(E) For tax years 2002 and 2003, the credit allowed by this 72910  
section applies only if the qualifying dealer in intangibles on 72911  
account of which the financial institution is claiming the credit 72912  
submits to the ~~Tax Commissioner~~ tax commissioner, not later than 72913  
January 15, 2002, a written statement that the qualifying dealer 72914  
in intangibles irrevocably agrees that it will not seek a refund 72915  
of the tax paid by the dealer under section 5707.03 of the Revised 72916  
Code in 2000 and 2001, and irrevocably agrees to continue paying 72917  
that tax in 2002, regardless of the amendment of section 5725.26 72918  
of the Revised Code by Am. Sub. H.B. 405 of the 124th general 72919  
assembly. 72920

**Sec. 5733.49.** Upon the issuance of a tax credit certificate 72921  
by the Ohio venture capital authority under section 150.07 of the 72922  
Revised Code, a credit may be claimed against the tax imposed by 72923  
section 5733.06 of the Revised Code. The credit shall be claimed 72924  
for the tax year specified in the certificate issued by the 72925  
authority and in the order required under section 5733.98 of the 72926  
Revised Code. If the taxpayer elected a refundable credit under 72927  
section 150.07 of the Revised Code, and the amount of the credit 72928

shown on the certificate exceeds the tax otherwise due under 72929  
sections 5733.06, 5733.065, and 5733.066 of the Revised Code after 72930  
all credits, including the credit allowed under this section, are 72931  
deducted in that order, the taxpayer shall receive a refund equal 72932  
to seventy-five per cent of that excess. If the taxpayer elected a 72933  
nonrefundable credit, the amount of the credit, claimed in that 72934  
order, shall not exceed the tax otherwise due under those sections 72935  
after all the taxpayer's credits are deducted in that order. If 72936  
the taxpayer elected a nonrefundable credit and the credit to 72937  
which the taxpayer would otherwise be entitled under this section 72938  
for any tax year is greater than the tax otherwise due under 72939  
sections 5733.06, 5733.065, and 5733.066 of the Revised Code, 72940  
after allowing for any other credits that precede the credit 72941  
allowed under this section, the excess shall be allowed as a 72942  
credit in each of the ensuing ten tax years, but the amount of any 72943  
excess credit allowed in the ensuing tax year shall be deducted 72944  
from the balance carried forward to the next tax year. 72945

Sec. 5733.55. (A) As used in this section: 72946

(1) "9-1-1 system" has the same meaning as in section 4931.40 72947  
of the Revised Code. 72948

(2) "Nonrecurring 9-1-1 charges" means nonrecurring charges 72949  
approved by the public utilities commission for the telephone 72950  
network portion of a 9-1-1 system pursuant to section 4931.47 of 72951  
the Revised Code. 72952

(3) "Eligible nonrecurring 9-1-1 charges" means all 72953  
nonrecurring 9-1-1 charges for a 9-1-1 system, except: 72954

(a) Charges for a system that was not established pursuant to 72955  
a plan adopted under section 4931.44 of the Revised Code or an 72956  
agreement under section 4931.48 of the Revised Code; 72957

(b) Charges for that part of a system established pursuant to 72958

such a plan or agreement that are excluded from the credit by 72959  
division (C)(2) of section 4931.47 of the Revised Code. 72960

(4) "Telephone company" has the same meaning as in section 72961  
5727.01 of the Revised Code. 72962

(B) Beginning in tax year 2005, a telephone company shall be 72963  
allowed a nonrefundable credit against the tax imposed by section 72964  
5733.06 of the Revised Code equal to the amount of its eligible 72965  
nonrecurring 9-1-1 charges. The credit shall be claimed for the 72966  
company's taxable year that covers the period in which the 9-1-1 72967  
service for which the credit is claimed becomes available for use. 72968  
The credit shall be claimed in the order required by section 72969  
5733.98 of the Revised Code. If the credit exceeds the total taxes 72970  
due under section 5733.06 of the Revised Code for the tax year, 72971  
the commissioner shall credit the excess against taxes due under 72972  
that section for succeeding tax years until the full amount of the 72973  
credit is granted. 72974

(C) After the last day a return, with any extensions, may be 72975  
filed by any telephone company that is eligible to claim a credit 72976  
under this section, the commissioner shall determine whether the 72977  
sum of the credits allowed for prior tax years commencing with tax 72978  
year 2005 plus the sum of the credits claimed for the current tax 72979  
year exceeds fifteen million dollars. If it does, the credits 72980  
allowed under this section for the current tax year shall be 72981  
reduced by a uniform percentage such that the sum of the credits 72982  
allowed for the current tax year do not exceed fifteen million 72983  
dollars claimed by all telephone companies for all tax years. 72984  
Thereafter, no credit shall be granted under this section, except 72985  
for the remaining portions of any credits allowed under division 72986  
(B) of this section. 72987

(D) A telephone company that is entitled to carry forward a 72988  
credit against its public utility excise tax liability under 72989  
section 5727.39 of the Revised Code is entitled to carry forward 72990

any amount of that credit remaining after its last public utility 72991  
excise tax payment for the period of July 1, 2003, through June 72992  
30, 2004, and claim that amount as a credit against its 72993  
corporation franchise tax liability under this section. Nothing in 72994  
this section authorizes a telephone company to claim a credit 72995  
under this section for any eligible nonrecurring 9-1-1 charges for 72996  
which it has already claimed a credit under section 5727.39 of the 72997  
Revised Code. 72998

Sec. 5733.56. Beginning in tax year 2005, a telephone company 72999  
that provides any telephone service program to aid the 73000  
communicatively impaired in accessing the telephone network under 73001  
section 4905.79 of the Revised Code is allowed a nonrefundable 73002  
credit against the tax imposed by section 5733.06 of the Revised 73003  
Code. The amount of the credit is the cost incurred by the company 73004  
for providing the telephone service program during its taxable 73005  
year, excluding any costs incurred prior to July 1, 2004. If the 73006  
tax commissioner determines that the credit claimed under this 73007  
section by a telephone company was not correct, the commissioner 73008  
shall determine the proper credit. 73009

A telephone company shall claim the credit in the order 73010  
required by section 5733.98 of the Revised Code. If the credit 73011  
exceeds the total taxes due under section 5733.06 of the Revised 73012  
Code for the tax year, the commissioner shall credit the excess 73013  
against taxes due under that section for succeeding tax years 73014  
until the full amount of the credit is granted. Nothing in this 73015  
section authorizes a telephone company to claim a credit under 73016  
this section for any costs incurred for providing a telephone 73017  
service program for which it is claiming a credit under former 73018  
section 5727.44 of the Revised Code. 73019

Sec. 5733.57. (A) As used in this section: 73020



(1) "Small telephone company" means a telephone company, 73021  
existing as such as of January 1, 2003, with twenty-five thousand 73022  
or fewer access lines as shown on the company's annual report 73023  
filed under section 4905.14 of the Revised Code for the calendar 73024  
year immediately preceding the tax year, and is an "incumbent 73025  
local exchange carrier" under 47 U.S.C. 251(h). 73026

(2) "Gross receipts tax amount" means the product obtained by 73027  
multiplying four and three-fourths per cent by the amount of a 73028  
small telephone company's taxable gross receipts, excluding the 73029  
deduction of twenty-five thousand dollars, that the tax 73030  
commissioner would have determined under section 5727.33 of the 73031  
Revised Code for that small telephone company for the annual 73032  
period ending on the thirtieth day of June of the calendar year 73033  
immediately preceding the tax year, as that section applied in the 73034  
measurement period from July 1, 2002, to June 30, 2003. 73035

(3) "Applicable percentage" means one hundred per cent for 73036  
tax year 2005; eighty per cent for tax year 2006; sixty per cent 73037  
for tax year 2007; forty per cent for tax year 2008; twenty per 73038  
cent for tax year 2009; and zero per cent for each subsequent tax 73039  
year thereafter. 73040

(4) "Applicable amount" means the amount resulting from 73041  
subtracting the gross receipts tax amount from the tax imposed by 73042  
sections 5733.06, 5733.065, and 5733.066 of the Revised Code for 73043  
the tax year, without regard to any credits available to the small 73044  
telephone company. 73045

(B)(1) Except as provided in division (B)(2) of this section, 73046  
beginning in tax year 2005, a small telephone company is hereby 73047  
allowed a nonrefundable credit against the tax imposed by sections 73048  
5733.06, 5733.065, and 5733.066 of the Revised Code, equal to the 73049  
product obtained by multiplying the applicable percentage by the 73050  
applicable amount. The credit shall be claimed in the order 73051

required by section 5733.98 of the Revised Code. 73052

(2) If the applicable amount for a tax year is less than 73053  
zero, a small telephone company shall not be allowed for that tax 73054  
year the credit provided under this section. 73055

**Sec. 5733.98.** (A) To provide a uniform procedure for 73056  
calculating the amount of tax imposed by section 5733.06 of the 73057  
Revised Code that is due under this chapter, a taxpayer shall 73058  
claim any credits to which it is entitled in the following order, 73059  
except as otherwise provided in section 5733.058 of the Revised 73060  
Code: 73061

(1) The credit for taxes paid by a qualifying pass-through 73062  
entity allowed under section 5733.0611 of the Revised Code; 73063

(2) The credit allowed for financial institutions under 73064  
section 5733.45 of the Revised Code; 73065

(3) The credit for qualifying affiliated groups under section 73066  
5733.068 of the Revised Code; 73067

(4) The subsidiary corporation credit under section 5733.067 73068  
of the Revised Code; 73069

(5) The savings and loan assessment credit under section 73070  
5733.063 of the Revised Code; 73071

(6) The credit for recycling and litter prevention donations 73072  
under section 5733.064 of the Revised Code; 73073

(7) The credit for employers that enter into agreements with 73074  
child day-care centers under section 5733.36 of the Revised Code; 73075

(8) The credit for employers that reimburse employee child 73076  
day-care expenses under section 5733.38 of the Revised Code; 73077

(9) The credit for maintaining railroad active grade crossing 73078  
warning devices under section 5733.43 of the Revised Code; 73079

(10) The credit for purchases of lights and reflectors under 73080

section 5733.44 of the Revised Code;	73081
(11) The job retention credit under division (B) of section 5733.0610 of the Revised Code;	73082 73083
(12) The credit for losses on loans made under the Ohio venture capital program under sections 150.01 to 150.10 of <del>th</del> <u>the</u> Revised Code if the taxpayer elected a nonrefundable credit under section 150.07 of the Revised Code;	73084 73085 73086 73087
(13) The credit for purchases of new manufacturing machinery and equipment under section 5733.31 or section 5733.311 of the Revised Code;	73088 73089 73090
(14) The second credit for purchases of new manufacturing machinery and equipment under section 5733.33 of the Revised Code;	73091 73092
(15) The job training credit under section 5733.42 of the Revised Code;	73093 73094
(16) The credit for qualified research expenses under section 5733.351 of the Revised Code;	73095 73096
(17) The enterprise zone credit under section 5709.66 of the Revised Code;	73097 73098
(18) The credit for the eligible costs associated with a voluntary action under section 5733.34 of the Revised Code;	73099 73100
(19) The credit for employers that establish on-site child day-care under section 5733.37 of the Revised Code;	73101 73102
(20) The ethanol plant investment credit under section 5733.46 of the Revised Code;	73103 73104
(21) The credit for purchases of qualifying grape production property under section 5733.32 of the Revised Code;	73105 73106
(22) The export sales credit under section 5733.069 of the Revised Code;	73107 73108
(23) The credit for research and development and technology	73109

transfer investors under section 5733.35 of the Revised Code;	73110
(24) The enterprise zone credits under section 5709.65 of the Revised Code;	73111 73112
(25) The credit for using Ohio coal under section 5733.39 of the Revised Code;	73113 73114
(26) <u>The credit for small telephone companies under section 5733.57 of the Revised Code;</u>	73115 73116
<u>(27) The credit for eligible nonrecurring 9-1-1 charges under section 5733.55 of the Revised Code;</u>	73117 73118
<u>(28) The credit for providing programs to aid the communicatively impaired under section 5733.56 of the Revised Code;</u>	73119 73120 73121
<u>(29)</u> The refundable jobs creation credit under division (A) of section 5733.0610 of the Revised Code;	73122 73123
<del>(27)</del> <u>(30)</u> The refundable credit for tax withheld under division (B)(2) of section 5747.062 of the Revised Code;	73124 73125
<del>(28)</del> <u>(31)</u> The credit for losses on loans made to the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code if the taxpayer elected a refundable credit under section 150.07 of the Revised Code.	73126 73127 73128 73129
(B) For any credit except the credits enumerated in divisions (A) <del>(26)</del> , <del>(27)</del> , <u>(29)</u> , <u>(30)</u> , and <del>(28)</del> <u>(31)</u> of this section, the amount of the credit for a tax year shall not exceed the tax due after allowing for any other credit that precedes it in the order required under this section. Any excess amount of a particular credit may be carried forward if authorized under the section creating that credit.	73130 73131 73132 73133 73134 73135 73136
<b>Sec. 5735.05.</b> (A) To provide revenue for maintaining the state highway system; to widen existing surfaces on such highways;	73137 73138

to resurface such highways; to pay that portion of the 73139  
construction cost of a highway project which a county, township, 73140  
or municipal corporation normally would be required to pay, but 73141  
which the director of transportation, pursuant to division (B) of 73142  
section 5531.08 of the Revised Code, determines instead will be 73143  
paid from moneys in the highway operating fund; to enable the 73144  
counties of the state properly to plan, maintain, and repair their 73145  
roads and to pay principal, interest, and charges on bonds and 73146  
other obligations issued pursuant to Chapter 133. of the Revised 73147  
Code for highway improvements; to enable the municipal 73148  
corporations to plan, construct, reconstruct, repave, widen, 73149  
maintain, repair, clear, and clean public highways, roads, and 73150  
streets, and to pay the principal, interest, and charges on bonds 73151  
and other obligations issued pursuant to Chapter 133. of the 73152  
Revised Code for highway improvements; to enable the Ohio turnpike 73153  
commission to construct, reconstruct, maintain, and repair 73154  
turnpike projects; to maintain and repair bridges and viaducts; to 73155  
purchase, erect, and maintain street and traffic signs and 73156  
markers; to purchase, erect, and maintain traffic lights and 73157  
signals; to pay the costs apportioned to the public under sections 73158  
4907.47 and 4907.471 of the Revised Code and to supplement revenue 73159  
already available for such purposes; to pay the costs incurred by 73160  
the public utilities commission in administering sections 4907.47 73161  
to 4907.476 of the Revised Code; to distribute equitably among 73162  
those persons using the privilege of driving motor vehicles upon 73163  
such highways and streets the cost of maintaining and repairing 73164  
them; to pay the interest, principal, and charges on highway 73165  
capital improvements bonds and other obligations issued pursuant 73166  
to Section 2m of Article VIII, Ohio Constitution, and section 73167  
151.06 of the Revised Code; to pay the interest, principal, and 73168  
charges on highway obligations issued pursuant to Section 2i of 73169  
Article VIII, Ohio Constitution, and sections 5528.30 and 5528.31 73170  
of the Revised Code; ~~and~~ to provide revenue for the purposes of 73171

sections 1547.71 to 1547.78 of the Revised Code; and to pay the 73172  
expenses of the department of taxation incident to the 73173  
administration of the motor fuel laws, a motor fuel excise tax is 73174  
hereby imposed on all motor fuel dealers upon receipt of motor 73175  
fuel within this state at the rate of two cents plus the cents per 73176  
gallon rate on each gallon so received, to be computed in the 73177  
manner set forth in section 5735.06 of the Revised Code; provided 73178  
that no tax is hereby imposed upon the following transactions: 73179

(1) The sale of dyed diesel fuel by a licensed motor fuel 73180  
dealer from a location other than a retail service station 73181  
provided the licensed motor fuel dealer places on the face of the 73182  
delivery document or invoice, or both if both are used, a 73183  
conspicuous notice stating that the fuel is dyed and is not for 73184  
taxable use, and that taxable use of that fuel is subject to a 73185  
penalty. The tax commissioner, by rule, may provide that any 73186  
notice conforming to rules or regulations issued by the United 73187  
States department of the treasury or the Internal Revenue Service 73188  
is sufficient notice for the purposes of division (A)(1) of this 73189  
section. 73190

(2) The sale of K-1 kerosene to a retail service station, 73191  
except when placed directly in the fuel supply tank of a motor 73192  
vehicle. Such sale shall be rebuttably presumed to not be 73193  
distributed or sold for use or used to generate power for the 73194  
operation of motor vehicles upon the public highways or upon the 73195  
waters within the boundaries of this state. 73196

(3) The sale of motor fuel by a licensed motor fuel dealer to 73197  
another licensed motor fuel dealer; 73198

(4) The exportation of motor fuel by a licensed motor fuel 73199  
dealer from this state to any other state or foreign country; 73200

(5) The sale of motor fuel to the United States government or 73201  
any of its agencies, except such tax as is permitted by it, where 73202

such sale is evidenced by an exemption certificate, in a form 73203  
approved by the tax commissioner, executed by the United States 73204  
government or an agency thereof certifying that the motor fuel 73205  
therein identified has been purchased for the exclusive use of the 73206  
United States government or its agency; 73207

(6) The sale of motor fuel ~~which~~ that is in the process of 73208  
transportation in foreign or interstate commerce, except ~~in so far~~ 73209  
insofar as it may be taxable under the Constitution and statutes 73210  
of the United States, and except as may be agreed upon in writing 73211  
by the dealer and the commissioner; 73212

(7) The sale of motor fuel when sold exclusively for use in 73213  
the operation of aircraft, where such sale is evidenced by an 73214  
exemption certificate prescribed by the commissioner and executed 73215  
by the purchaser certifying that the motor fuel purchased has been 73216  
purchased for exclusive use in the operation of aircraft; 73217

(8) The sale for exportation of motor fuel by a licensed 73218  
motor fuel dealer to a licensed exporter type A; 73219

(9) The sale for exportation of motor fuel by a licensed 73220  
motor fuel dealer to a licensed exporter type B, provided that the 73221  
destination state motor fuel tax has been paid or will be accrued 73222  
and paid by the licensed motor fuel dealer. 73223

(10) The sale to a consumer of diesel fuel, by a motor fuel 73224  
dealer for delivery from a bulk lot vehicle, for consumption in 73225  
operating a vessel when the use of such fuel in a vessel would 73226  
otherwise qualify for a refund under section 5735.14 of the 73227  
Revised Code. 73228

Division (A)(1) of this section does not apply to the sale or 73229  
distribution of dyed diesel fuel used to operate a motor vehicle 73230  
on the public highways or upon water within the boundaries of this 73231  
state by persons permitted under regulations of the United States 73232  
department of the treasury or of the Internal Revenue Service to 73233

so use dyed diesel fuel. 73234

(B) The two cent motor fuel tax levied by this section is 73235  
also for the purpose of paying the expenses of administering and 73236  
enforcing the state law relating to the registration and operation 73237  
of motor vehicles. 73238

(C) After the tax provided for by this section on the receipt 73239  
of any motor fuel has been paid by the motor fuel dealer, the 73240  
motor fuel may thereafter be used, sold, or resold by any person 73241  
having lawful title to it, without incurring liability for such 73242  
tax. 73243

If a licensed motor fuel dealer sells motor fuel received by 73244  
the licensed motor fuel dealer to another licensed motor fuel 73245  
dealer, the seller may deduct on the report required by section 73246  
5735.06 of the Revised Code the number of gallons so sold for the 73247  
month within which the motor fuel was sold or delivered. In this 73248  
event the number of gallons is deemed to have been received by the 73249  
purchaser, who shall report and pay the tax imposed thereon. 73250

Sec. 5735.053. There is hereby created in the state treasury 73251  
the motor fuel tax administration fund for the purpose of paying 73252  
the expenses of the department of taxation incident to the 73253  
administration of the motor fuel laws. After the treasurer of 73254  
state credits the tax refund fund out of tax receipts as required 73255  
by sections 5735.23, 5735.26, 5735.291, and 5735.30 of the Revised 73256  
Code, the treasurer of state shall transfer to the motor fuel tax 73257  
administration fund two hundred seventy-five one-thousandths per 73258  
cent of the receipts from the taxes levied by sections 5735.05, 73259  
5735.25, 5735.29, and 5735.30 of the Revised Code. 73260

**Sec. 5735.14. (A)** Any person who uses any motor fuel, on 73261  
which the tax imposed by this chapter has been paid, for the 73262  
purpose of operating stationary gas engines, tractors not used on 73263



public highways, unlicensed motor vehicles used exclusively in 73264  
intraplant operations, vessels when used in trade, including 73265  
vessels when used in connection with an activity that constitutes 73266  
a person's chief business or means of livelihood or any other 73267  
vessel used entirely for commercial purposes, vessels used for 73268  
commercial fishing, vessels used by the sea scout department of 73269  
the boy scouts of America chiefly for training scouts in 73270  
seamanship, vessels used or owned by any railroad company, 73271  
railroad car ferry company, the United States, this state, or any 73272  
political subdivision of this state, or aircraft, or who uses any 73273  
such fuel upon which such tax has been paid, for cleaning or for 73274  
dyeing, or any purpose other than the operation of motor vehicles 73275  
upon highways or upon waters within the boundaries of this state, 73276  
shall be reimbursed in the amount of the tax so paid on such motor 73277  
fuel as provided in this section; provided, that any person 73278  
purchasing motor fuel in this state on which taxes levied under 73279  
Title LVII of the Revised Code have been paid shall be reimbursed 73280  
for such taxes paid in this state on such fuel used by that person 73281  
in another state on which a tax is paid for such usage, except 73282  
such tax used as a credit against the tax levied by section 73283  
5728.06 of the Revised Code. A person shall not be reimbursed for 73284  
taxes paid on fuel that is used while a motor vehicle is idling or 73285  
used to provide comfort or safety in the operation of a motor 73286  
vehicle. Sales of motor fuel, on which the tax imposed by this 73287  
chapter has been paid, from one person to another do not 73288  
constitute use of the fuel and are not subject to a refund under 73289  
this section. 73290

Such (B) Any person who uses in this state any motor fuel 73291  
with water intentionally added to the fuel, on which the taxes 73292  
imposed by this chapter or Chapter 5728. of the Revised Code have 73293  
been paid, shall be reimbursed in the amount of the taxes so paid 73294  
on ninety-five per cent of the water. This division applies only 73295  
to motor fuel that contains at least nine per cent water, by 73296

volume. 73297

(C) A person claiming reimbursement under this section shall 73298  
file with the tax commissioner an application for refund within 73299  
one year from the date of purchase, stating the quantity of fuel 73300  
used for the refundable purposes other than the operation of motor 73301  
vehicles in division (A) or (B) of this section, except that no 73302  
person shall file a claim for the tax on fewer than one hundred 73303  
gallons of motor fuel. An application for refund filed for the 73304  
purpose of division (B) of this section also shall state the 73305  
quantity of water intentionally added to the motor fuel. No person 73306  
shall claim reimbursement under that division on fewer than one 73307  
hundred gallons of water. The application shall be accompanied by 73308  
the statement described in section 5735.15 of the Revised Code 73309  
showing such purchase, together with evidence of payment thereof. 73310

(D) After consideration of the application and statement, the 73311  
commissioner shall determine the amount of refund to which the 73312  
applicant is entitled. If the amount is not less than that 73313  
claimed, the commissioner shall certify the amount to the director 73314  
of budget and management and treasurer of state for payment from 73315  
the tax refund fund created by section 5703.052 of the Revised 73316  
Code. If the amount is less than that claimed, the commissioner 73317  
shall proceed in accordance with section 5703.70 of the Revised 73318  
Code. 73319

No refund shall be authorized or paid under this section on a 73320  
single claim for tax on fewer than one hundred gallons of motor 73321  
fuel. And, when water has been intentionally added to fuel, no 73322  
refund shall be authorized or paid under this section on a single 73323  
claim for tax on fewer than one hundred gallons of water. The 73324  
commissioner may require that the application be supported by the 73325  
affidavit of the claimant. 73326

The refund authorized by this section or section 5703.70 of 73327  
the Revised Code shall be reduced by the cents per gallon amount 73328

of any qualified fuel credit received under section 5735.145 of 73329  
the Revised Code, as determined by the commissioner, for each 73330  
gallon of qualified fuel included in the total gallonage of motor 73331  
fuel upon which the refund is computed. 73332

(E) The right to receive any refund under this section or 73333  
section 5703.70 of the Revised Code is not assignable. The payment 73334  
of this refund shall not be made to any person other than the 73335  
person originally entitled thereto who used the motor fuel upon 73336  
which the claim for refund is based, except that such refunds, 73337  
when allowed and certified as provided in this section, may be 73338  
paid to the executor, ~~the~~ administrator, ~~the~~ receiver, ~~the~~ trustee 73339  
in bankruptcy, or ~~the~~ assignee in insolvency proceedings of such 73340  
person. 73341

**Sec. 5735.142.** (A)(1) Any person who uses any motor fuel, on 73342  
which the tax imposed by sections 5735.05, 5735.25, and 5735.29 of 73343  
the Revised Code has been paid, for the purpose of operating a 73344  
transit bus shall be reimbursed in the amount of the tax paid on 73345  
motor fuel used by public transportation systems providing transit 73346  
or paratransit service on a regular and continuing basis within 73347  
the state; 73348

(2) A city, exempted village, joint vocational, or local 73349  
school district or educational service center that ~~uses~~ purchases 73350  
any motor fuel for school district or service center operations, 73351  
on which any tax imposed by section 5735.29 of the Revised Code 73352  
that became effective on or after July 1, 2003, has been paid, 73353  
may, if an application is filed under this section, be reimbursed 73354  
in the amount of all but two cents per gallon of ~~that~~ the total 73355  
tax imposed by such section and paid on motor fuel, ~~used for~~ 73356  
~~providing transportation for pupils in a vehicle the district owns~~ 73357  
~~or leases.~~ 73358

(B) Such person, school district, or educational service 73359

center shall file with the tax commissioner an application for 73360  
refund within one year from the date of purchase, stating the 73361  
quantity of fuel used for operating transit buses used by local 73362  
transit systems in furnishing scheduled common carrier, public 73363  
passenger land transportation service along regular routes 73364  
primarily in one or more municipal corporations or for operating 73365  
vehicles used ~~by for~~ for school districts to transport pupils district 73366  
or service center operations. However, no ~~person shall file a~~ 73367  
claim shall be made for the tax on fewer than one hundred gallons 73368  
of motor fuel. A school district or educational service center 73369  
shall not apply for a refund for any tax paid on motor fuel that 73370  
is sold by the district or educational service center. The 73371  
application shall be accompanied by the statement described in 73372  
section 5735.15 of the Revised Code showing the purchase, together 73373  
with evidence of payment thereof. 73374

(C) After consideration of the application and statement, the 73375  
commissioner shall determine the amount of refund to which the 73376  
applicant is entitled. If the amount is not less than that 73377  
claimed, the commissioner shall certify the amount to the director 73378  
of budget and management and treasurer of state for payment from 73379  
the tax refund fund created by section 5703.052 of the Revised 73380  
Code. If the amount is less than that claimed, the commissioner 73381  
shall proceed in accordance with section 5703.70 of the Revised 73382  
Code. 73383

The commissioner may require that the application be 73384  
supported by the affidavit of the claimant. No refund shall be 73385  
authorized or ordered for any single claim for the tax on fewer 73386  
than one hundred gallons of motor fuel. No refund shall be 73387  
authorized or ordered on motor fuel that is sold by a school 73388  
district or educational service center. 73389

(D) The refund authorized by this section or section 5703.70 73390  
of the Revised Code shall be reduced by the cents per gallon 73391

amount of any qualified fuel credit received under section 73392  
5735.145 of the Revised Code, as determined by the commissioner, 73393  
for each gallon of qualified fuel included in the total gallonage 73394  
of motor fuel upon which the refund is computed. 73395

(E) The right to receive any refund under this section or 73396  
section 5703.70 of the Revised Code is not assignable. The payment 73397  
of this refund shall not be made to any person or entity other 73398  
than the person or entity originally entitled thereto who used the 73399  
motor fuel upon which the claim for refund is based, except that 73400  
the refund when allowed and certified, as provided in this 73401  
section, may be paid to the executor, the administrator, the 73402  
receiver, the trustee in bankruptcy, or the assignee in insolvency 73403  
proceedings of the person. 73404

**Sec. 5735.15.** When motor fuel is sold to a person who claims 73405  
to be entitled to a refund under section 5735.14 or 5735.142 of 73406  
the Revised Code, the seller of such motor fuel shall ~~make out in~~ 73407  
~~duplicate on forms prescribed and supplied by the tax~~ 73408  
~~commissioner, which forms shall have printed thereon~~ provide to 73409  
the person documentation that indicates that the liability to the 73410  
state for the excise tax imposed under the motor fuel laws of this 73411  
state on such motor fuel has been assumed by the seller, and that 73412  
said excise tax has already been paid or will be paid by the 73413  
seller when the same becomes payable, ~~a statement setting.~~ The 73414  
documentation also shall set forth the name and address of the 73415  
purchaser, the number of gallons of motor fuel sold, the price 73416  
paid for or the price per gallon of the motor fuel sold, the 73417  
proposed use for which such motor fuel is purchased, and such 73418  
other information as the commissioner requires. When motor fuel is 73419  
sold to a person who claims to be entitled to reimbursement under 73420  
division (B) of section 5735.14 of the Revised Code, the 73421  
documentation also shall state the number of gallons of water 73422  
intentionally added to the motor fuel. ~~The original of such~~ 73423

statement documentation shall be given to the purchaser, and ~~the~~ 73424  
~~duplicate~~ a copy shall be retained by the seller. 73425

**Sec. 5735.19.** (A) The tax commissioner may examine, during 73426  
the usual business hours of the day, the records, books, ~~and~~ 73427  
~~papers~~ invoices, storage tanks, and any other equipment of any 73428  
motor fuel dealer, retail dealer, exporter, terminal operator, 73429  
purchaser, or common carrier pertaining to motor fuel received, 73430  
sold, shipped, or delivered, to determine whether the taxes 73431  
imposed by this chapter have been paid and to verify the truth and 73432  
accuracy of any statement, report, or return. ~~The~~ 73433

(B) The tax commissioner may, in the enforcement of the motor 73434  
fuel laws of this state, hold hearings, take the testimony of any 73435  
person, issue subpoenas and compel the attendance of witnesses, 73436  
and conduct such investigations as the commissioner deems 73437  
necessary, ~~but no person shall disclose the information acquired~~ 73438  
~~by the commissioner under this section, except when required to do~~ 73439  
~~so in court.~~ Such information or evidence is not privileged when 73440  
used by the state or any officer thereof in any proceeding for the 73441  
collection of the tax, or any prosecution for violation of the 73442  
motor fuel laws. 73443

(C) The commissioner may prescribe all forms upon which 73444  
reports shall be made to the commissioner, forms for claims for 73445  
refund presented to the commissioner, or forms of records to be 73446  
used by motor fuel dealers. 73447

(D)(1) As used in this division, "designated inspection site" 73448  
means any state highway inspection station, weigh station, mobile 73449  
station, or other similar location designated by the tax 73450  
commissioner to be used as a fuel inspection site. 73451

(2) An employee of the department of taxation that is so 73452  
authorized by the tax commissioner may physically inspect, 73453  
examine, or otherwise search any tank, reservoir, or other 73454

container that can or may be used for the production, storage, or 73455  
transportation of fuel, fuel dyes, or fuel markers, and books and 73456  
records, if any, that are maintained at the place of inspection 73457  
and are kept to determine tax liability under this chapter. 73458  
Inspections may be performed at any place at which motor fuel is 73459  
or may be produced or stored, or at any designated inspection 73460  
site. 73461

(3) An employee of the department of taxation who is a duly 73462  
authorized enforcement agent may detain any motor vehicle, train, 73463  
barge, ship, or vessel for the purpose of inspecting its fuel 73464  
tanks and storage tanks. Detainment shall be on the premises under 73465  
inspection or at a designated inspection site. Detainment may 73466  
continue for a reasonable period of time as is necessary to 73467  
determine the amount and composition of the fuel. 73468

(4) Any employee described in division (D)(2) or (3) of this 73469  
section who has been properly trained may take and remove samples 73470  
of fuel in quantities as are reasonably necessary to determine the 73471  
composition of the fuel. 73472

(5) No person shall refuse to allow an inspection under 73473  
division (D) of this section. Any person who refuses to allow an 73474  
inspection shall be subject to revocation or cancellation of any 73475  
license or permit issued under Chapter 5728. or 5735. of the 73476  
Revised Code. 73477

**Sec. 5735.23.** (A) Out of receipts from the tax levied by 73478  
section 5735.05 of the Revised Code, the treasurer of state shall 73479  
place to the credit of the tax refund fund established by section 73480  
5703.052 of the Revised Code amounts equal to the refunds 73481  
certified by the tax commissioner pursuant to sections 5735.13, 73482  
5735.14, 5735.141, 5735.142, and 5735.16 of the Revised Code. The 73483  
treasurer of state shall then transfer the amount required by 73484  
section 5735.051 of the Revised Code to the waterways safety fund 73485

and, the amount required by section 4907.472 of the Revised Code 73486  
to the grade crossing protection fund, and the amount required by 73487  
section 5735.053 of the Revised Code to the motor fuel tax 73488  
administration fund. 73489

(B) Except as provided in division (D) of this section, each 73490  
month the balance of the receipts from the tax levied by section 73491  
5735.05 of the Revised Code shall be credited, after receipt by 73492  
the treasurer of state of certification from the commissioners of 73493  
the sinking fund, as required by section 5528.35 of the Revised 73494  
Code, that there are sufficient moneys to the credit of the 73495  
highway obligations bond retirement fund to meet in full all 73496  
payments of interest, principal, and charges for the retirement of 73497  
highway obligations issued pursuant to Section 2i of Article VIII, 73498  
Ohio Constitution, and sections 5528.30 and 5528.31 of the Revised 73499  
Code due and payable during the current calendar year, as follows: 73500

(1) To the state and local government highway distribution 73501  
fund, which is hereby created in the state treasury, an amount 73502  
that is the same percentage of the balance to be credited as that 73503  
portion of the tax per gallon determined under division (B)(2)(a) 73504  
of section 5735.06 of the Revised Code is of the total tax per 73505  
gallon determined under divisions (B)(2)(a) and (b) of that 73506  
section. 73507

(2) After making the distribution to the state and local 73508  
government highway distribution fund, the remainder shall be 73509  
credited as follows: 73510

(a) Thirty per cent to the gasoline excise tax fund for 73511  
distribution pursuant to division (A)(1) of section 5735.27 of the 73512  
Revised Code; 73513

(b) Twenty-five per cent to the gasoline excise tax fund for 73514  
distribution pursuant to division (A)(3) of section 5735.27 of the 73515  
Revised Code; 73516



(c) Except as provided in division (D) of this section, 73517  
forty-five per cent to the highway operating fund for distribution 73518  
pursuant to division (B)(1) of section 5735.27 of the Revised 73519  
Code. 73520

(C) From the balance in the state and local government 73521  
highway distribution fund on the last day of each month there 73522  
shall be paid the following amounts: 73523

(1) To the local transportation improvement program fund 73524  
created by section 164.14 of the Revised Code, an amount equal to 73525  
a fraction of the balance in the state and local government 73526  
highway distribution fund, the numerator of which fraction is one 73527  
and the denominator of which fraction is that portion of the tax 73528  
per gallon determined under division (B)(2)(a) of section 5735.06 73529  
of the Revised Code; 73530

(2) An amount equal to five cents multiplied by the number of 73531  
gallons of motor fuel sold at stations operated by the Ohio 73532  
turnpike commission, such gallonage to be certified by the 73533  
commission to the treasurer of state not later than the last day 73534  
of the month following. The funds paid to the commission pursuant 73535  
to this section shall be expended for the construction, 73536  
reconstruction, maintenance, and repair of turnpike projects, 73537  
except that the funds may not be expended for the construction of 73538  
new interchanges. The funds also may be expended for the 73539  
construction, reconstruction, maintenance, and repair of those 73540  
portions of connecting public roads that serve existing 73541  
interchanges and are determined by the commission and the director 73542  
of transportation to be necessary for the safe merging of traffic 73543  
between the turnpike and those public roads. 73544

The remainder of the balance shall be distributed as follows 73545  
on the fifteenth day of the following month: 73546

(a) Ten and seven-tenths per cent shall be paid to municipal 73547

corporations for distribution pursuant to division (A)(1) of 73548  
section 5735.27 of the Revised Code and may be used for any 73549  
purpose for which payments received under that division may be 73550  
used. Beginning August 15, 2004, the sum of two hundred 73551  
forty-eight thousand six hundred twenty-five dollars shall be 73552  
~~annually~~ monthly subtracted from the amount so computed and 73553  
credited to the highway operating fund. 73554

(b) Five per cent shall be paid to townships for distribution 73555  
pursuant to division (A)(5) of section 5735.27 of the Revised Code 73556  
and may be used for any purpose for which payments received under 73557  
that division may be used. Beginning August 15, 2004, the sum of 73558  
eighty-seven thousand seven hundred fifty dollars shall be 73559  
~~annually~~ monthly subtracted from the amount so computed and 73560  
credited to the highway operating fund. 73561

(c) Nine and three-tenths per cent shall be paid to counties 73562  
for distribution pursuant to division (A)(3) of section 5735.27 of 73563  
the Revised Code and may be used for any purpose for which 73564  
payments received under that division may be used. Beginning 73565  
August 15, 2004, the sum of two hundred forty-eight thousand six 73566  
hundred twenty-five dollars shall be ~~annually~~ monthly subtracted 73567  
from the amount so computed and credited to the highway operating 73568  
fund. 73569

(d) Except as provided in division (D) of this section, the 73570  
balance shall be transferred to the highway operating fund and 73571  
used for the purposes set forth in division (B)(1) of section 73572  
5735.27 of the Revised Code. 73573

(D) Beginning on the first day of September each fiscal year, 73574  
any amounts required to be credited or transferred to the highway 73575  
operating fund pursuant to division (B)(2)(c) or (C)(2)(d) of this 73576  
section shall be credited or transferred to the highway capital 73577  
improvement bond service fund created in section 151.06 of the 73578  
Revised Code, until such time as the office of budget and 73579

management receives certification from the treasurer of state or 73580  
the treasurer of state's designee that sufficient money has been 73581  
credited or transferred to the bond service fund to meet in full 73582  
all payments of debt service and financing costs due during the 73583  
fiscal year from that fund. 73584

**Sec. 5735.26.** The treasurer of state shall place to the 73585  
credit of the tax refund fund created by section 5703.052 of the 73586  
Revised Code, out of receipts from the tax levied by section 73587  
5735.25 of the Revised Code, amounts equal to the refunds 73588  
certified by the tax commissioner pursuant to sections 5735.142 73589  
and 5735.25 of the Revised Code, which shall be paid from such 73590  
fund. ~~Receipts from the tax shall be used by the tax commissioner~~ 73591  
~~for the maintenance and administration of the motor fuel laws.~~ The 73592  
treasurer of state shall then transfer the amount required by 73593  
section 5735.051 of the Revised Code to the waterways safety fund 73594  
and the amount required by section 5735.053 of the Revised Code to 73595  
the motor fuel tax administration fund. 73596

The balance of taxes collected under section 5735.25 of the 73597  
Revised Code shall be credited as follows, after the credits to 73598  
the tax refund fund, ~~and after deduction of the cost of~~ 73599  
~~administration of the motor fuel laws,~~ and after the ~~transfer~~ 73600  
transfers to the waterways safety fund and motor fuel tax 73601  
administration fund, and after receipt by the treasurer of state 73602  
of certifications from the commissioners of the sinking fund 73603  
certifying, as required by sections 5528.15 and 5528.35 of the 73604  
Revised Code, there are sufficient moneys to the credit of the 73605  
highway improvement bond retirement fund to meet in full all 73606  
payments of interest, principal, and charges for the retirement of 73607  
bonds and other obligations issued pursuant to Section 2g of 73608  
Article VIII, Ohio Constitution, and sections 5528.10 and 5528.11 73609  
of the Revised Code due and payable during the current calendar 73610  
year, and that there are sufficient moneys to the credit of the 73611

highway obligations bond retirement fund to meet in full all 73612  
payments of interest, principal, and charges for the retirement of 73613  
highway obligations issued pursuant to Section 2i of Article VIII, 73614  
Ohio Constitution, and sections 5528.30 and 5528.31 of the Revised 73615  
Code due and payable during the current calendar year: 73616

(A) Sixty-seven and one-half per cent to the highway 73617  
operating fund for distribution pursuant to division (B)(2) of 73618  
section 5735.27 of the Revised Code; 73619

(B) Seven and one-half per cent to the gasoline excise tax 73620  
fund for distribution pursuant to division (A)(2) of such section; 73621

(C) Seven and one-half per cent to the gasoline excise tax 73622  
fund for distribution pursuant to division (A)(4) of such section; 73623

(D) Seventeen and one-half per cent to the gasoline excise 73624  
tax fund for distribution pursuant to division (A)(5) of such 73625  
section. 73626

**Sec. 5735.291.** (A) The treasurer of state shall place to the 73627  
credit of the tax refund fund created by section 5703.052 of the 73628  
Revised Code, out of receipts from the tax levied by section 73629  
5735.29 of the Revised Code, amounts equal to the refunds 73630  
certified by the tax commissioner pursuant to sections 5735.142 73631  
and 5735.29 of the Revised Code. The refunds provided for by 73632  
sections 5735.142 and 5735.29 of the Revised Code shall be paid 73633  
from such fund. The treasurer of state shall then transfer the 73634  
amount required by section 5735.051 of the Revised Code to the 73635  
waterways safety fund and the amount required by section 5735.053 73636  
of the Revised Code to the motor fuel tax administration fund. ~~The~~ 73637

The specified portion of the balance of taxes collected under 73638  
section 5735.29 of the Revised Code, after the credits to the tax 73639  
refund fund, ~~and after the transfer~~ transfers to the waterways 73640  
safety fund and the motor fuel tax administration fund, shall be 73641

credited to the gasoline excise tax fund. Subject to division (B) 73642  
of this section, forty-two and eighty-six hundredths per cent of 73643  
the specified portion shall be distributed among the municipal 73644  
corporations within the state in accordance with division (A)(2) 73645  
of section 5735.27 of the Revised Code, thirty-seven and fourteen 73646  
hundredths per cent of the specified portion shall be distributed 73647  
among the counties within the state in accordance with division 73648  
(A)(3) of section 5735.27 of the Revised Code, and twenty per cent 73649  
of the specified portion shall be combined with twenty per cent of 73650  
any amounts transferred from the highway operating fund to the 73651  
gasoline excise tax fund through biennial appropriations acts of 73652  
the general assembly pursuant to the planned phase-in of a new 73653  
source of funding for the state highway patrol, and shall be 73654  
distributed among the townships within the state in accordance 73655  
with division (A)(5)(b) of section 5735.27 of the Revised Code. 73656  
Subject to division (B) of this section, the remainder of the tax 73657  
levied by section 5735.29 of the Revised Code after receipt by the 73658  
treasurer of state of certifications from the commissioners of the 73659  
sinking fund certifying, as required by sections 5528.15 and 73660  
5528.35 of the Revised Code, that there are sufficient moneys to 73661  
the credit of the highway improvement bond retirement fund created 73662  
by section 5528.12 of the Revised Code to meet in full all 73663  
payments of interest, principal, and charges for the retirement of 73664  
bonds and other obligations issued pursuant to Section 2g of 73665  
Article VIII, Ohio Constitution, and sections 5528.10 and 5528.11 73666  
of the Revised Code due and payable during the current calendar 73667  
year, and that there are sufficient moneys to the credit of the 73668  
highway obligations bond retirement fund created by section 73669  
5528.32 of the Revised Code to meet in full all payments of 73670  
interest, principal, and charges for the retirement of highway 73671  
obligations issued pursuant to Section 2i of Article VIII, Ohio 73672  
Constitution, and sections 5528.30 and 5528.31 of the Revised Code 73673  
due and payable during the current calendar year, shall be 73674

credited to the highway operating fund, which is hereby created in 73675  
the state treasury and shall be used solely for the purposes 73676  
enumerated in section 5735.29 of the Revised Code. All investment 73677  
earnings of the fund shall be credited to the fund. 73678

(B)(1) Effective August 15, 2003, prior to the distribution 73679  
from the gasoline excise tax fund to municipal corporations of the 73680  
forty-two and eighty-six hundredths per cent of the specified 73681  
portion as provided in division (A) of this section, the 73682  
department of taxation shall deduct thirty-three and one-third per 73683  
cent of the amount specified in division (A)(5)(c) of section 73684  
5735.27 of the Revised Code and use it for distribution to 73685  
townships pursuant to division (A)(5)(b) of that section. 73686

(2) Effective August 15, 2003, prior to the distribution from 73687  
the gasoline excise tax fund to counties of the thirty-seven and 73688  
fourteen hundredths per cent of the specified portion as provided 73689  
in division (A) of this section, the department of taxation shall 73690  
deduct thirty-three and one-third per cent of the amount specified 73691  
in division (A)(5)(c) of section 5735.27 of the Revised Code and 73692  
use it for distribution to townships pursuant to division 73693  
(A)(5)(b) of that section. 73694

(3) Effective August 15, 2003, prior to crediting any revenue 73695  
resulting from the tax levied by section 5735.29 of the Revised 73696  
Code to the highway operating fund, the department of taxation 73697  
shall deduct thirty-three and one-third per cent of the amount 73698  
specified in division (A)(5)(c) of section 5735.27 of the Revised 73699  
Code and use it for distribution to townships pursuant to division 73700  
(A)(5)(b) of that section. 73701

(C) As used in this section, "specified portion" means all of 73702  
the following: 73703

(1) Until August 15, 2003, none of the taxes collected under 73704  
section 5735.29 of the Revised Code; 73705

(2) Effective August 15, 2003, one-eighth of the balance of 73706  
taxes collected under section 5735.29 of the Revised Code, after 73707  
the credits to the tax refund fund and ~~after the transfer~~ 73708  
transfers to the waterways safety fund and the motor fuel tax 73709  
administration fund; 73710

(3) Effective August 15, 2004, one-sixth of the balance of 73711  
taxes described in division (C)(2) of this section; 73712

(4) Effective August 15, 2005, three-sixteenths of the 73713  
balance of taxes described in division (C)(2) of this section. 73714

**Sec. 5735.30.** (A) For the purpose of providing funds to pay 73715  
the state's share of the cost of constructing and reconstructing 73716  
highways and eliminating railway grade crossings on the major 73717  
thoroughfares of the state highway system and urban extensions 73718  
thereof, to pay that portion of the construction cost of a highway 73719  
project which a county, township, or municipal corporation 73720  
normally would be required to pay, but which the director of 73721  
transportation, pursuant to division (B) of section 5531.08 of the 73722  
Revised Code, determines instead will be paid from moneys in the 73723  
highway operating fund, to pay the interest, principal, and 73724  
charges on bonds and other obligations issued pursuant to Section 73725  
2g of Article VIII, Ohio Constitution, and sections 5528.10 and 73726  
5528.11 of the Revised Code, to pay the interest, principal, and 73727  
charges on highway obligations issued pursuant to Section 2i of 73728  
Article VIII, Ohio Constitution, and sections 5528.30 and 5528.31 73729  
of the Revised Code, ~~and~~ to provide revenues for the purposes of 73730  
sections 1547.71 to 1547.78 of the Revised Code, and to pay the 73731  
expenses of the department of taxation incident to the 73732  
administration of the motor fuel laws, a motor fuel excise tax is 73733  
hereby imposed on all motor fuel dealers upon their receipt of 73734  
motor fuel within the state, at the rate of one cent on each 73735  
gallon so received, to be reported, computed, paid, collected, 73736

administered, enforced, refunded, and subject to the same 73737  
exemptions and penalties as provided in this chapter of the 73738  
Revised Code. 73739

The tax imposed by this section shall be in addition to the 73740  
tax imposed by sections 5735.05, 5735.25, and 5735.29 of the 73741  
Revised Code. 73742

(B) The treasurer of state shall place to the credit of the 73743  
tax refund fund created by section 5703.052 of the Revised Code, 73744  
out of receipts from the tax levied by this section, amounts equal 73745  
to the refunds certified by the tax commissioner pursuant to this 73746  
section. The refund provided for by ~~the first paragraph~~ division 73747  
(A) of this section shall be paid from such fund. The treasurer 73748  
shall then transfer the amount required by section 5735.051 of the 73749  
Revised Code to the waterways safety fund and the amount required 73750  
by section 5735.053 of the Revised Code to the motor fuel tax 73751  
administration fund. The balance of taxes for which the liability 73752  
has become fixed prior to July 1, 1955, under this section, after 73753  
the credit to the tax refund fund, shall be credited to the 73754  
highway operating fund. 73755

(C)(1) The moneys derived from the tax levied by this 73756  
section, after ~~the credit to the tax refund fund and the waterways~~ 73757  
~~safety fund as provided~~ and transfers required by division (B) of 73758  
this section, shall, during each calendar year, be credited to the 73759  
highway improvement bond retirement fund created by section 73760  
5528.12 of the Revised Code, until the commissioners of the 73761  
sinking fund certify to the treasurer of state, as required by 73762  
section 5528.17 of the Revised Code, that there are sufficient 73763  
moneys to the credit of the highway improvement bond retirement 73764  
fund to meet in full all payments of interest, principal, and 73765  
charges for the retirement of bonds and other obligations issued 73766  
pursuant to Section 2g of Article VIII, Ohio Constitution, and 73767  
sections 5528.10 and 5528.11 of the Revised Code due and payable 73768



during the current calendar year and during the next succeeding 73769  
calendar year. From the date of the receipt of the certification 73770  
required by section 5528.17 of the Revised Code by the treasurer 73771  
of state until the thirty-first day of December of the calendar 73772  
year in which such certification is made, all moneys received in 73773  
the state treasury from the tax levied by this section, after the 73774  
~~credit to the tax refund fund and the waterways safety fund as~~ 73775  
~~provided~~ and transfers required by division (B) of this section, 73776  
shall be credited to the highway obligations bond retirement fund 73777  
created by section 5528.32 of the Revised Code, until the 73778  
commissioners of the sinking fund certify to the treasurer of 73779  
state, as required by section 5528.38 of the Revised Code, that 73780  
there are sufficient moneys to the credit of the highway 73781  
obligations bond retirement fund to meet in full all payments of 73782  
interest, principal, and charges for the retirement of obligations 73783  
issued pursuant to Section 2i of Article VIII, Ohio Constitution, 73784  
and sections 5528.30 and 5528.31 of the Revised Code due and 73785  
payable during the current calendar year and during the next 73786  
succeeding calendar year. ~~From~~ 73787

(2) From the date of the receipt of the certification 73788  
required by section 5528.38 of the Revised Code by the treasurer 73789  
of state until the thirty-first day of December of the calendar 73790  
year in which such certification is made, all moneys received in 73791  
the state treasury from the tax levied by this section, after the 73792  
~~credit to the tax refund fund and the waterways safety fund as~~ 73793  
~~provided~~ and transfers required by division (B) of this section, 73794  
shall be credited to the highway operating fund, except as 73795  
provided in ~~the next succeeding paragraph~~ division (C)(3) of this 73796  
section. 73797

(3) From the date of the receipt by the treasurer of state of 73798  
certifications from the commissioners of the sinking fund, as 73799  
required by sections 5528.18 and 5528.39 of the Revised Code, 73800

certifying that the moneys to the credit of the highway 73801  
improvement bond retirement fund are sufficient to meet in full 73802  
all payments of interest, principal, and charges for the 73803  
retirement of all bonds and other obligations which may be issued 73804  
pursuant to Section 2g of Article VIII, Ohio Constitution, and 73805  
sections 5528.10 and 5528.11 of the Revised Code, and to the 73806  
credit of the highway obligations bond retirement fund are 73807  
sufficient to meet in full all payments of interest, principal, 73808  
and charges for the retirement of all obligations issued pursuant 73809  
to Section 2i of Article VIII, Ohio Constitution, and sections 73810  
5528.30 and 5528.31 of the Revised Code, the moneys derived from 73811  
the tax levied by this section, after the credit to the tax refund 73812  
fund and the waterways safety fund as provided and transfers 73813  
required by division (B) of this section, shall be credited to the 73814  
highway operating fund. 73815

**Sec. 5735.99.** (A) Whoever violates division (F) of section 73816  
5735.02, division (D) of section 5735.021, division (B) of section 73817  
5735.063, division (B) of section 5735.064, or division (A)(2) of 73818  
section 5735.20 of the Revised Code is guilty of a misdemeanor of 73819  
the first degree. 73820

(B) Whoever violates division (E) of section 5735.06 of the 73821  
Revised Code is guilty of a felony of the fourth degree. 73822

(C) Whoever violates section 5735.025 or division (A)(1) of 73823  
section 5735.20 of the Revised Code is guilty of a misdemeanor of 73824  
the first degree, if the tax owed or the fraudulent refund 73825  
received is not greater than five hundred dollars. If the tax owed 73826  
or the fraudulent refund received is greater than five hundred 73827  
dollars but not greater than ten thousand dollars, the offender is 73828  
guilty of a felony of the fourth degree; for each subsequent 73829  
offense when the tax owed or the fraudulent refund received is 73830  
greater than five hundred dollars but not greater than ten 73831

thousand dollars, the offender is guilty of a felony of the third 73832  
degree. If the tax owed or the fraudulent refund received is 73833  
greater than ten thousand dollars, the offender is guilty of a 73834  
felony of the second degree. 73835

(D) Whoever violates a provision of this chapter for which a 73836  
penalty is not otherwise prescribed under this section is guilty 73837  
of a misdemeanor of the fourth degree. 73838

(E) Whoever violates division (D)(5) of section 5735.19 of 73839  
the Revised Code is guilty of a misdemeanor of the first degree. 73840

**Sec. 5739.01.** As used in this chapter: 73841

(A) "Person" includes individuals, receivers, assignees, 73842  
trustees in bankruptcy, estates, firms, partnerships, 73843  
associations, joint-stock companies, joint ventures, clubs, 73844  
societies, corporations, the state and its political subdivisions, 73845  
and combinations of individuals of any form. 73846

(B) "Sale" and "selling" include all of the following 73847  
transactions for a consideration in any manner, whether absolutely 73848  
or conditionally, whether for a price or rental, in money or by 73849  
exchange, and by any means whatsoever: 73850

(1) All transactions by which title or possession, or both, 73851  
of tangible personal property, is or is to be transferred, or a 73852  
license to use or consume tangible personal property is or is to 73853  
be granted; 73854

(2) All transactions by which lodging by a hotel is or is to 73855  
be furnished to transient guests; 73856

(3) All transactions by which: 73857

(a) An item of tangible personal property is or is to be 73858  
repaired, except property, the purchase of which would not be 73859  
subject to the tax imposed by section 5739.02 of the Revised Code; 73860

(b) An item of tangible personal property is or is to be 73861  
installed, except property, the purchase of which would not be 73862  
subject to the tax imposed by section 5739.02 of the Revised Code 73863  
or property that is or is to be incorporated into and will become 73864  
a part of a production, transmission, transportation, or 73865  
distribution system for the delivery of a public utility service; 73866

(c) The service of washing, cleaning, waxing, polishing, or 73867  
painting a motor vehicle is or is to be furnished; 73868

(d) ~~Industrial~~ Until August 1, 2003, industrial laundry 73869  
cleaning services are or are to be provided and, on and after 73870  
August 1, 2003, laundry and dry cleaning services are or are to be 73871  
provided; 73872

(e) Automatic data processing, computer services, or 73873  
electronic information services are or are to be provided for use 73874  
in business when the true object of the transaction is the receipt 73875  
by the consumer of automatic data processing, computer services, 73876  
or electronic information services rather than the receipt of 73877  
personal or professional services to which automatic data 73878  
processing, computer services, or electronic information services 73879  
are incidental or supplemental. Notwithstanding any other 73880  
provision of this chapter, such transactions that occur between 73881  
members of an affiliated group are not sales. An affiliated group 73882  
means two or more persons related in such a way that one person 73883  
owns or controls the business operation of another member of the 73884  
group. In the case of corporations with stock, one corporation 73885  
owns or controls another if it owns more than fifty per cent of 73886  
the other corporation's common stock with voting rights. 73887

(f) Telecommunications service, other than mobile 73888  
telecommunications service after July 31, 2002, is or is to be 73889  
provided ~~that originates or terminates in this state and is~~ 73890  
~~charged in the records of the telecommunications service vendor to~~ 73891

~~the consumer's telephone number or account in this state, or that~~ 73892  
~~both originates and terminates in this state,~~ but does not 73893  
include transactions by which ~~telecommunications service is paid~~ 73894  
~~for by using a prepaid authorization number or prepaid telephone~~ 73895  
~~calling card, or by which~~ local telecommunications service is 73896  
obtained from a coin-operated telephone and paid for by using 73897  
coin; 73898

(g) Landscaping and lawn care service is or is to be 73899  
provided; 73900

(h) Private investigation and security service is or is to be 73901  
provided; 73902

(i) Information services or tangible personal property is 73903  
provided or ordered by means of a nine hundred telephone call; 73904

(j) Building maintenance and janitorial service is or is to 73905  
be provided; 73906

(k) Employment service is or is to be provided; 73907

(l) Employment placement service is or is to be provided; 73908

(m) Exterminating service is or is to be provided; 73909

(n) Physical fitness facility service is or is to be 73910  
provided; 73911

(o) Recreation and sports club service is or is to be 73912  
provided. 73913

(p) After July 31, 2002, mobile telecommunications service is 73914  
or is to be provided ~~in this state~~ when that service is sitused to 73915  
this state pursuant to the "Mobile Telecommunications Sourcing 73916  
Act," P~~r~~ Pub. L. No. 106-252, 114 Stat. 626 to 632 (2000), 4 73917  
U.S.C.A. 116 to 126, as amended. 73918

(q) On and after August 1, 2003, satellite broadcasting 73919  
service is or is to be provided; 73920

(r) On and after August 1, 2003, personal care service is or is to be provided to an individual. As used in this division, "personal care service" includes skin care, the application of cosmetics, manicuring, pedicuring, hair removal, tattooing, body piercing, tanning, massage, and other similar services. "Personal care service" does not include a service provided by or on the order of a licensed physician or licensed chiropractor, or the cutting, coloring, or styling of an individual's hair.

(s) On and after August 1, 2003, the transportation of persons by motor vehicle or aircraft is or is to be provided, when the transportation is entirely within this state, except for transportation provided by an ambulance service, by a transit bus, as defined in section 5735.01 of the Revised Code, and transportation provided by a citizen of the United States holding a certificate of public convenience and necessity issued under 49 U.S.C. 41102;

(t) On and after August 1, 2003, motor vehicle towing service is or is to be provided. As used in this division, "motor vehicle towing service" means the towing or conveyance of a wrecked, disabled, or illegally parked motor vehicle.

(u) On and after August 1, 2003, snow removal service is or is to be provided. As used in this division, "snow removal service" means the removal of snow by any mechanized means, but does not include the providing of such service by a person that has less than five thousand dollars in sales of such service during the calendar year.

(4) All transactions by which printed, imprinted, overprinted, lithographic, multilithic, blueprinted, photostatic, or other productions or reproductions of written or graphic matter are or are to be furnished or transferred;

(5) The production or fabrication of tangible personal

property for a consideration for consumers who furnish either 73952  
directly or indirectly the materials used in the production of 73953  
fabrication work; and include the furnishing, preparing, or 73954  
serving for a consideration of any tangible personal property 73955  
consumed on the premises of the person furnishing, preparing, or 73956  
serving such tangible personal property. Except as provided in 73957  
section 5739.03 of the Revised Code, a construction contract 73958  
pursuant to which tangible personal property is or is to be 73959  
incorporated into a structure or improvement on and becoming a 73960  
part of real property is not a sale of such tangible personal 73961  
property. The construction contractor is the consumer of such 73962  
tangible personal property, provided that the sale and 73963  
installation of carpeting, the sale and installation of 73964  
agricultural land tile, the sale and erection or installation of 73965  
portable grain bins, or the provision of landscaping and lawn care 73966  
service and the transfer of property as part of such service is 73967  
never a construction contract. The transfer of copyrighted motion 73968  
picture films for exhibition purposes is not a sale, except such 73969  
films as are used solely for advertising purposes. ~~Other than as~~ 73970  
~~provided in this section, "sale" and "selling" do not include~~ 73971  
~~transfers of interest in leased property where the original lessee~~ 73972  
~~and the terms of the original lease agreement remain unchanged, or~~ 73973  
~~professional, insurance, or personal service transactions that~~ 73974  
~~involve the transfer of tangible personal property as an~~ 73975  
~~inconsequential element, for which no separate charges are made.~~ 73976

As used in division (B)(5) of this section: 73977

(a) "Agricultural land tile" means fired clay or concrete 73978  
tile, or flexible or rigid perforated plastic pipe or tubing, 73979  
incorporated or to be incorporated into a subsurface drainage 73980  
system appurtenant to land used or to be used directly in 73981  
production by farming, agriculture, horticulture, or floriculture. 73982  
The term does not include such materials when they are or are to 73983

be incorporated into a drainage system appurtenant to a building 73984  
or structure even if the building or structure is used or to be 73985  
used in such production. 73986

(b) "Portable grain bin" means a structure that is used or to 73987  
be used by a person engaged in farming or agriculture to shelter 73988  
the person's grain and that is designed to be disassembled without 73989  
significant damage to its component parts. 73990

(6) All transactions in which all of the shares of stock of a 73991  
closely held corporation are transferred, if the corporation is 73992  
not engaging in business and its entire assets consist of boats, 73993  
planes, motor vehicles, or other tangible personal property 73994  
operated primarily for the use and enjoyment of the shareholders; 73995

(7) All transactions in which a warranty, maintenance or 73996  
service contract, or similar agreement by which the vendor of the 73997  
warranty, contract, or agreement agrees to repair or maintain the 73998  
tangible personal property of the consumer is or is to be 73999  
provided; 74000

(8) All transactions by which a prepaid authorization number 74001  
or a prepaid telephone calling card is or is to be transferred On 74002  
and after August 1, 2003, all transactions by which tangible 74003  
personal property is or is to be stored, except such property that 74004  
the consumer of the storage holds for sale in the regular course 74005  
of business. 74006

Except as provided in this section, "sale" and "selling" do 74007  
not include transfers of interest in leased property where the 74008  
original lessee and the terms of the original lease agreement 74009  
remain unchanged, or professional, insurance, or personal service 74010  
transactions that involve the transfer of tangible personal 74011  
property as an inconsequential element, for which no separate 74012  
charges are made. 74013

(C) "Vendor" means the person providing the service or by 74014



whom the transfer effected or license given by a sale is or is to 74015  
be made or given and, for sales described in division (B)(3)(i) of 74016  
this section, the telecommunications service vendor that provides 74017  
the nine hundred telephone service; if two or more persons are 74018  
engaged in business at the same place of business under a single 74019  
trade name in which all collections on account of sales by each 74020  
are made, such persons shall constitute a single vendor. 74021

Physicians, dentists, hospitals, and veterinarians who are 74022  
engaged in selling tangible personal property as received from 74023  
others, such as eyeglasses, mouthwashes, dentifrices, or similar 74024  
articles, are vendors. Veterinarians who are engaged in 74025  
transferring to others for a consideration drugs, the dispensing 74026  
of which does not require an order of a licensed veterinarian or 74027  
physician under federal law, are vendors. 74028

(D)(1) "Consumer" means the person for whom the service is 74029  
provided, to whom the transfer effected or license given by a sale 74030  
is or is to be made or given, to whom the service described in 74031  
division (B)(3)(f) or (i) of this section is charged, or to whom 74032  
the admission is granted. 74033

(2) Physicians, dentists, hospitals, and blood banks operated 74034  
by nonprofit institutions and persons licensed to practice 74035  
veterinary medicine, surgery, and dentistry are consumers of all 74036  
tangible personal property and services purchased by them in 74037  
connection with the practice of medicine, dentistry, the rendition 74038  
of hospital or blood bank service, or the practice of veterinary 74039  
medicine, surgery, and dentistry. In addition to being consumers 74040  
of drugs administered by them or by their assistants according to 74041  
their direction, veterinarians also are consumers of drugs that 74042  
under federal law may be dispensed only by or upon the order of a 74043  
licensed veterinarian or physician, when transferred by them to 74044  
others for a consideration to provide treatment to animals as 74045  
directed by the veterinarian. 74046

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

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

(b) In the case of a person who produces, rather than purchases, printed matter for the purpose of distributing it or having it distributed to the public or to a designated segment of the public, free of charge, that person is the consumer of all tangible personal property and services purchased for use or consumption in the production of that printed matter. That person is not entitled to claim ~~exception~~ exemption under division ~~(E)(8)(B)(43)(f)~~ of this section 5739.02 of the Revised Code for any material incorporated into the printed matter or any equipment, supplies, or services primarily used to produce the printed matter.

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

(5) A person who makes sales of any of the services listed in division (B)(3) of this section is the consumer of any tangible personal property used in performing the service. The purchase of

that property is not subject to the resale exception under 74078  
division (E)(1) of this section. 74079

(E) "Retail sale" and "sales at retail" include all sales, 74080  
except those in which the purpose of the consumer is: 74081

~~(1) To to resell the thing transferred or benefit of the 74082  
service provided, by a person engaging in business, in the form in 74083  
which the same is, or is to be, received by the person; 74084~~

~~(2) To incorporate the thing transferred as a material or a 74085  
part, into tangible personal property to be produced for sale by 74086  
manufacturing, assembling, processing, or refining, or to use or 74087  
consume the thing transferred directly in producing a product for 74088  
sale by mining, including without limitation the extraction from 74089  
the earth of all substances that are classed geologically as 74090  
minerals, production of crude oil and natural gas, farming, 74091  
agriculture, horticulture, or floriculture, and persons engaged in 74092  
rendering farming, agricultural, horticultural, or floricultural 74093  
services, and services in the exploration for, and production of, 74094  
crude oil and natural gas, for others are deemed engaged directly 74095  
in farming, agriculture, horticulture, and floriculture, or 74096  
exploration for, and production of, crude oil and natural gas; 74097  
directly in the rendition of a public utility service, except that 74098  
the sales tax levied by section 5739.02 of the Revised Code shall 74099  
be collected upon all meals, drinks, and food for human 74100  
consumption sold upon Pullman and railroad coaches. This paragraph 74101  
does not exempt or except from "retail sale" or "sales at retail" 74102  
the sale of tangible personal property that is to be incorporated 74103  
into a structure or improvement to real property. 74104~~

~~(3) To hold the thing transferred as security for the 74105  
performance of an obligation of the vendor; 74106~~

~~(4) To use or consume the thing transferred in the process of 74107  
reclamation as required by Chapters 1513. and 1514. of the Revised 74108~~

Code:	74109
<del>(5) To resell, hold, use, or consume the thing transferred as evidence of a contract of insurance;</del>	74110 74111
<del>(6) To use or consume the thing directly in commercial fishing;</del>	74112 74113
<del>(7) To incorporate the thing transferred as a material or a part into, or to use or consume the thing transferred directly in the production of, magazines distributed as controlled circulation publications;</del>	74114 74115 74116 74117
<del>(8) To use or consume the thing transferred in the production and preparation in suitable condition for market and sale of printed, imprinted, overprinted, lithographic, multilithic, blueprinted, photostatic, or other productions or reproductions of written or graphic matter;</del>	74118 74119 74120 74121 74122
<del>(9) To use the thing transferred, as described in section 5739.011 of the Revised Code, primarily in a manufacturing operation to produce tangible personal property for sale;</del>	74123 74124 74125
<del>(10) To use the benefit of a warranty, maintenance or service contract, or similar agreement, as defined in division (B)(7) of this section, to repair or maintain tangible personal property, if all of the property that is the subject of the warranty, contract, or agreement would be exempt on its purchase from the tax imposed by section 5739.02 of the Revised Code;</del>	74126 74127 74128 74129 74130 74131
<del>(11) To use the thing transferred as qualified research and development equipment;</del>	74132 74133
<del>(12) To use or consume the thing transferred primarily in storing, transporting, mailing, or otherwise handling purchased sales inventory in a warehouse, distribution center, or similar facility when the inventory is primarily distributed outside this state to retail stores of the person who owns or controls the</del>	74134 74135 74136 74137 74138

~~warehouse, distribution center, or similar facility, to retail 74139  
stores of an affiliated group of which that person is a member, or 74140  
by means of direct marketing. Division (E)(12) of this section 74141  
does not apply to motor vehicles registered for operation on the 74142  
public highways. As used in division (E)(12) of this section, 74143  
"affiliated group" has the same meaning as in division (B)(3)(e) 74144  
of this section and "direct marketing" has the same meaning as in 74145  
division (B)(36) of section 5739.02 of the Revised Code. 74146~~

~~(13) To use or consume the thing transferred to fulfill a 74147  
contractual obligation incurred by a warrantor pursuant to a 74148  
warranty provided as a part of the price of the tangible personal 74149  
property sold or by a vendor of a warranty, maintenance or service 74150  
contract, or similar agreement the provision of which is defined 74151  
as a sale under division (B)(7) of this section; 74152~~

~~(14) To use or consume the thing transferred in the 74153  
production of a newspaper for distribution to the public; 74154~~

~~(15) To use tangible personal property to perform a service 74155  
listed in division (B)(3) of this section, if the property is or 74156  
is to be permanently transferred to the consumer of the service as 74157  
an integral part of the performance of the service. 74158~~

~~As used in division (E) of this section, "thing" includes all 74159  
transactions included in divisions (B)(3)(a), (b), and (c) of this 74160  
section. 74161~~

~~Sales conducted through a coin-operated device that activates 74162  
vacuum equipment or equipment that dispenses water, whether or not 74163  
in combination with soap or other cleaning agents or wax, to the 74164  
consumer for the consumer's use on the premises in washing, 74165  
cleaning, or waxing a motor vehicle, provided no other personal 74166  
property or personal service is provided as part of the 74167  
transaction, are not retail sales or sales at retail. 74168~~

(F) "Business" includes any activity engaged in by any person 74169

with the object of gain, benefit, or advantage, either direct or 74170  
indirect. "Business" does not include the activity of a person in 74171  
managing and investing the person's own funds. 74172

(G) "Engaging in business" means commencing, conducting, or 74173  
continuing in business, and liquidating a business when the 74174  
liquidator thereof holds itself out to the public as conducting 74175  
such business. Making a casual sale is not engaging in business. 74176

(H)(1)(a) "Price," except as provided in divisions (H)(2) and 74177  
(3) of this section, means ~~the aggregate value in money of~~ 74178  
~~anything paid or delivered, or promised to be paid or delivered,~~ 74179  
~~in the complete performance of a retail sale, without any~~ 74180  
~~deduction on account of the cost of the property sold, cost of~~ 74181  
~~materials used, labor or service cost, interest, discount paid or~~ 74182  
~~allowed after the sale is consummated, or any other expense. If~~ 74183  
~~the retail sale consists of the rental or lease of tangible~~ 74184  
~~personal property, "price" means the aggregate value in money of~~ 74185  
~~anything paid or delivered, or promised to be paid or delivered,~~ 74186  
~~in the complete performance of the rental or lease, without any~~ 74187  
~~deduction for tax, interest, labor or service charge, damage~~ 74188  
~~liability waiver, termination or damage charge, discount paid or~~ 74189  
~~allowed after the lease is consummated, or any other expense.~~ 74190  
~~Except as provided in division (H)(4) of this section, the sales~~ 74191  
~~tax shall be calculated and collected by the lessor on each~~ 74192  
~~payment made by the lessee. "Price" does not include the~~ 74193  
~~consideration received as a deposit refundable to the consumer~~ 74194  
~~upon return of a beverage container, the consideration received as~~ 74195  
~~a deposit on a carton or case that is used for such returnable~~ 74196  
~~containers, or the consideration received as a refundable security~~ 74197  
~~deposit for the use of tangible personal property to the extent~~ 74198  
~~that it actually is refunded, if the consideration for such~~ 74199  
~~refundable deposit is separately stated from the consideration~~ 74200  
~~received or to be received for the tangible personal property~~ 74201

~~transferred in the retail sale. Such separation must appear in the 74202  
sales agreement or on the initial invoice or initial billing 74203  
rendered by the vendor to the consumer. "Price" also does not 74204  
include delivery charges that are separately stated on the initial 74205  
invoice or initial billing rendered by the vendor. Price is the 74206  
amount received inclusive of the tax, provided the vendor 74207  
establishes to the satisfaction of the tax commissioner that the 74208  
tax was added to the price. When the price includes both a charge 74209  
for tangible personal property and a charge for providing a 74210  
service and the sale of the property and the charge for the 74211  
service are separately taxable, or have a separately determinable 74212  
tax status, the price shall be separately stated for each such 74213  
charge so the tax can be correctly computed and charged. 74214~~

~~The tax collected by the vendor from the consumer under this 74215  
chapter is not part of the price, but is a tax collection for the 74216  
benefit of the state and of counties levying an additional sales 74217  
tax pursuant to section 5739.021 or 5739.026 of the Revised Code 74218  
and of transit authorities levying an additional sales tax 74219  
pursuant to section 5739.023 of the Revised Code. Except for the 74220  
discount authorized in section 5739.12 of the Revised Code and the 74221  
effects of any rounding pursuant to section 5703.055 of the 74222  
Revised Code, no person other than the state or such a county or 74223  
transit authority shall derive any benefit from the collection or 74224  
payment of such tax. 74225~~

~~As used in division (H)(1) of this section, "delivery 74226  
charges" means charges by the vendor for preparation and delivery 74227  
to a location designated by the consumer of tangible personal 74228  
property or a service, including transportation, shipping, 74229  
postage, handling, crating, and packing the total amount of 74230  
consideration, including cash, credit, property, and services, for 74231  
which tangible personal property or services are sold, leased, or 74232  
rented, valued in money, whether received in money or otherwise, 74233~~

<u>without any deduction for any of the following:</u>	74234
<u>(i) The vendor's cost of the property sold;</u>	74235
<u>(ii) The cost of materials used, labor or service costs, interest, losses, all costs of transportation to the vendor, all taxes imposed on the vendor, and any other expense of the vendor;</u>	74236 74237 74238
<u>(iii) Charges by the vendor for any services necessary to complete the sale;</u>	74239 74240
<u>(iv) On and after August 1, 2003, delivery charges. As used in this division, "delivery charges" means charges by the vendor for preparation and delivery to a location designated by the consumer of tangible personal property or a service, including transportation, shipping, postage, handling, crating, and packing.</u>	74241 74242 74243 74244 74245
<u>(v) Installation charges;</u>	74246
<u>(vi) The value of exempt tangible personal property given to the consumer where taxable and exempt tangible personal property have been bundled together and sold by the vendor as a single product or piece of merchandise.</u>	74247 74248 74249 74250
<u>(b) "Price" does not include any of the following:</u>	74251
<u>(i) Discounts, including cash, term, or coupons that are not reimbursed by a third party that are allowed by a vendor and taken by a consumer on a sale;</u>	74252 74253 74254
<u>(ii) Interest, financing, and carrying charges from credit extended on the sale of tangible personal property or services, if the amount is separately stated on the invoice, bill of sale, or similar document given to the purchaser;</u>	74255 74256 74257 74258
<u>(iii) Any taxes legally imposed directly on the consumer that are separately stated on the invoice, bill of sale, or similar document given to the consumer.</u>	74259 74260 74261
(2) In the case of a sale of any new motor vehicle by a new motor vehicle dealer, as defined in section 4517.01 of the Revised	74262 74263



Code, in which another motor vehicle is accepted by the dealer as 74264  
part of the consideration received, "price" has the same meaning 74265  
as in division (H)(1) of this section, reduced by the credit 74266  
afforded the consumer by the dealer for the motor vehicle received 74267  
in trade. 74268

(3) In the case of a sale of any watercraft or outboard motor 74269  
by a watercraft dealer licensed in accordance with section 74270  
1547.543 of the Revised Code, in which another watercraft, 74271  
watercraft and trailer, or outboard motor is accepted by the 74272  
dealer as part of the consideration received, "price" has the same 74273  
meaning as in division (H)(1) of this section, reduced by the 74274  
credit afforded the consumer by the dealer for the watercraft, 74275  
watercraft and trailer, or outboard motor received in trade. As 74276  
used in this division, "watercraft" includes an outdrive unit 74277  
attached to the watercraft. 74278

~~(4) In the case of the lease of any motor vehicle designed by 74279  
the manufacturer to carry a load of not more than one ton, 74280  
watercraft, outboard motor, or aircraft, or the lease of any 74281  
tangible personal property, other than motor vehicles designed by 74282  
the manufacturer to carry a load of more than one ton, to be used 74283  
by the lessee primarily for business purposes, the sales tax shall 74284  
be collected by the vendor at the time the lease is consummated 74285  
and shall be calculated by the vendor on the basis of the total 74286  
amount to be paid by the lessee under the lease agreement. If the 74287  
total amount of the consideration for the lease includes amounts 74288  
that are not calculated at the time the lease is executed, the tax 74289  
shall be calculated and collected by the vendor at the time such 74290  
amounts are billed to the lessee. In the case of an open end 74291  
lease, the sales tax shall be calculated by the vendor on the 74292  
basis of the total amount to be paid during the initial fixed term 74293  
of the lease, and then for each subsequent renewal period as it 74294  
comes due. 74295~~

~~As used in divisions (H)(3) and (4) of this section, "motor vehicle" has the same meaning as in section 4501.01 of the Revised Code, and "watercraft" includes an outdrive unit attached to the watercraft.~~

In the case of a transaction in which telecommunications service, mobile telecommunications service, or cable television service is sold in a bundled transaction with other distinct services for a single price that is not itemized, the entire price is subject to the taxes levied under sections 5739.02, 5739.021, 5739.023, and 5739.026 of the Revised Code, unless the vendor can reasonably identify the nontaxable portion from its books and records kept in the regular course of business. Upon the request of the consumer, the vendor shall disclose to the consumer the selling price for the taxable services included in the selling price for the taxable and nontaxable services billed on an aggregated basis. The burden of proving any nontaxable charges is on the vendor.

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

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

(K) "Premises" includes any real property or portion thereof upon which any person engages in selling tangible personal property at retail or making retail sales and also includes any real property or portion thereof designated for, or devoted to, use in conjunction with the business engaged in by such person.

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

(M) "Hotel" means every establishment kept, used, maintained, advertised, or held out to the public to be a place where sleeping accommodations are offered to guests, in which five or more rooms are used for the accommodation of such guests, whether the rooms are in one or several structures.

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

(O) "Making retail sales" means the effecting of transactions wherein one party is obligated to pay the price and the other party is obligated to provide a service or to transfer title to or possession of the item sold. "Making retail sales" does not include the preliminary acts of promoting or soliciting the retail sales, other than the distribution of printed matter which displays or describes and prices the item offered for sale, nor does it include delivery of a predetermined quantity of tangible personal property or transportation of property or personnel to or from a place where a service is performed, regardless of whether the vendor is a delivery vendor.

(P) "Used directly in the rendition of a public utility

service" means that property ~~which~~ that is to be incorporated into 74358  
and will become a part of the consumer's production, transmission, 74359  
transportation, or distribution system and that retains its 74360  
classification as tangible personal property after such 74361  
incorporation; fuel or power used in the production, transmission, 74362  
transportation, or distribution system; and tangible personal 74363  
property used in the repair and maintenance of the production, 74364  
transmission, transportation, or distribution system, including 74365  
only such motor vehicles as are specially designed and equipped 74366  
for such use. Tangible personal property and services used 74367  
primarily in providing highway transportation for hire are not 74368  
used directly in ~~providing~~ the rendition of a public utility 74369  
service ~~as defined in this division.~~ 74370

(Q) "Refining" means removing or separating a desirable 74371  
product from raw or contaminated materials by distillation or 74372  
physical, mechanical, or chemical processes. 74373

(R) "Assembly" and "assembling" mean attaching or fitting 74374  
together parts to form a product, but do not include packaging a 74375  
product. 74376

(S) "Manufacturing operation" means a process in which 74377  
materials are changed, converted, or transformed into a different 74378  
state or form from which they previously existed and includes 74379  
refining materials, assembling parts, and preparing raw materials 74380  
and parts by mixing, measuring, blending, or otherwise committing 74381  
such materials or parts to the manufacturing process. 74382  
"Manufacturing operation" does not include packaging. 74383

(T) "Fiscal officer" means, with respect to a regional 74384  
transit authority, the secretary-treasurer thereof, and with 74385  
respect to a county that is a transit authority, the fiscal 74386  
officer of the county transit board if one is appointed pursuant 74387  
to section 306.03 of the Revised Code or the county auditor if the 74388  
board of county commissioners operates the county transit system. 74389

(U) "Transit authority" means a regional transit authority 74390  
created pursuant to section 306.31 of the Revised Code or a county 74391  
in which a county transit system is created pursuant to section 74392  
306.01 of the Revised Code. For the purposes of this chapter, a 74393  
transit authority must extend to at least the entire area of a 74394  
single county. A transit authority that includes territory in more 74395  
than one county must include all the area of the most populous 74396  
county that is a part of such transit authority. County population 74397  
shall be measured by the most recent census taken by the United 74398  
States census bureau. 74399

(V) "Legislative authority" means, with respect to a regional 74400  
transit authority, the board of trustees thereof, and with respect 74401  
to a county that is a transit authority, the board of county 74402  
commissioners. 74403

(W) "Territory of the transit authority" means all of the 74404  
area included within the territorial boundaries of a transit 74405  
authority as they from time to time exist. Such territorial 74406  
boundaries must at all times include all the area of a single 74407  
county or all the area of the most populous county that is a part 74408  
of such transit authority. County population shall be measured by 74409  
the most recent census taken by the United States census bureau. 74410

(X) "Providing a service" means providing or furnishing 74411  
anything described in division (B)(3) of this section for 74412  
consideration. 74413

(Y)(1)(a) "Automatic data processing" means processing of 74414  
others' data, including keypunching or similar data entry services 74415  
together with verification thereof, or providing access to 74416  
computer equipment for the purpose of processing data. 74417

(b) "Computer services" means providing services consisting 74418  
of specifying computer hardware configurations and evaluating 74419  
technical processing characteristics, computer programming, and 74420

training of computer programmers and operators, provided in 74421  
conjunction with and to support the sale, lease, or operation of 74422  
taxable computer equipment or systems. 74423

(c) "Electronic information services" means providing access 74424  
to computer equipment by means of telecommunications equipment for 74425  
the purpose of either of the following: 74426

(i) Examining or acquiring data stored in or accessible to 74427  
the computer equipment; 74428

(ii) Placing data into the computer equipment to be retrieved 74429  
by designated recipients with access to the computer equipment. 74430

(d) "Automatic data processing, computer services, or 74431  
electronic information services" shall not include personal or 74432  
professional services. 74433

(2) As used in divisions (B)(3)(e) and (Y)(1) of this 74434  
section, "personal and professional services" means all services 74435  
other than automatic data processing, computer services, or 74436  
electronic information services, including but not limited to: 74437

(a) Accounting and legal services such as advice on tax 74438  
matters, asset management, budgetary matters, quality control, 74439  
information security, and auditing and any other situation where 74440  
the service provider receives data or information and studies, 74441  
alters, analyzes, interprets, or adjusts such material; 74442

(b) Analyzing business policies and procedures; 74443

(c) Identifying management information needs; 74444

(d) Feasibility studies, including economic and technical 74445  
analysis of existing or potential computer hardware or software 74446  
needs and alternatives; 74447

(e) Designing policies, procedures, and custom software for 74448  
collecting business information, and determining how data should 74449  
be summarized, sequenced, formatted, processed, controlled, and 74450

reported so that it will be meaningful to management; 74451

(f) Developing policies and procedures that document how 74452  
business events and transactions are to be authorized, executed, 74453  
and controlled; 74454

(g) Testing of business procedures; 74455

(h) Training personnel in business procedure applications; 74456

(i) Providing credit information to users of such information 74457  
by a consumer reporting agency, as defined in the "Fair Credit 74458  
Reporting Act," 84 Stat. 1114, 1129 (1970), 15 U.S.C. 1681a(f), or 74459  
as hereafter amended, including but not limited to gathering, 74460  
organizing, analyzing, recording, and furnishing such information 74461  
by any oral, written, graphic, or electronic medium; 74462

(j) Providing debt collection services by any oral, written, 74463  
graphic, or electronic means. 74464

The services listed in divisions (Y)(2)(a) to (j) of this 74465  
section are not automatic data processing or computer services. 74466

(Z) "Highway transportation for hire" means the 74467  
transportation of personal property belonging to others for 74468  
consideration by any of the following: 74469

(1) The holder of a permit or certificate issued by this 74470  
state or the United States authorizing the holder to engage in 74471  
transportation of personal property belonging to others for 74472  
consideration over or on highways, roadways, streets, or any 74473  
similar public thoroughfare; 74474

(2) A person who engages in the transportation of personal 74475  
property belonging to others for consideration over or on 74476  
highways, roadways, streets, or any similar public thoroughfare 74477  
but who could not have engaged in such transportation on December 74478  
11, 1985, unless the person was the holder of a permit or 74479  
certificate of the types described in division (Z)(1) of this 74480

section; 74481

(3) A person who leases a motor vehicle to and operates it 74482  
for a person described by division (Z)(1) or (2) of this section. 74483

(AA) "Telecommunications service" means the transmission of 74484  
any interactive, two-way electromagnetic communications, including 74485  
voice, image, data, and information, through the use of any medium 74486  
such as wires, cables, microwaves, cellular radio, radio waves, 74487  
light waves, or any combination of those or similar media. 74488  
"Telecommunications service" includes message toll service even 74489  
though the vendor provides the message toll service by means of 74490  
wide area transmission type service or private communications 74491  
service purchased from another telecommunications service 74492  
provider, ~~but~~ and other related fees and ancillary services, 74493  
including universal service fees, detailed billing service, 74494  
directory assistance, service initiation, voice mail service, and 74495  
vertical services, such as caller ID and three-way calling. 74496  
"Telecommunications service" does not include any of the 74497  
following: 74498

~~(1) Sales of incoming or outgoing wide area transmission 74499  
service or wide area transmission type service, including eight 74500  
hundred or eight hundred type service, to the person contracting 74501  
for the receipt of that service;~~ 74502

~~(2) Sales of private communications service to the person 74503  
contracting for the receipt of that service that entitles the 74504  
purchaser to exclusive or priority use of a communications channel 74505  
or group of channels between exchanges;~~ 74506

~~(3)~~ Sales of telecommunications service billed to persons 74507  
before January 1, 2004, by telephone companies subject to the 74508  
excise tax imposed by Chapter 5727. of the Revised Code; 74509

~~(4)~~(2) Sales of telecommunications service to a provider of 74510  
telecommunications service or of mobile telecommunications 74511



service, including access services, for use in providing 74512  
telecommunications service or mobile telecommunications service; 74513

~~(5)~~(3) Value-added nonvoice services in which computer 74514  
processing applications are used to act on the form, content, 74515  
code, or protocol of the information to be transmitted; 74516

~~(6)~~(4) Transmission of interactive video programming by a 74517  
cable television system as defined in section 505.90 of the 74518  
Revised Code; 74519

~~(7)~~(5) After July 31, 2002, mobile telecommunications 74520  
service. 74521

(BB) "~~Industrial laundry~~ Laundry and dry cleaning services" 74522  
means removing soil or dirt from ~~or supplying~~ towels, linens, ~~or~~ 74523  
articles of clothing, or other fabric items that belong to others 74524  
and ~~are used in a trade or business~~ supplying towels, linens, 74525  
articles of clothing, or other fabric items. "Laundry and dry 74526  
cleaning services" does not include the provision of self-service 74527  
facilities for use by consumers to remove soil or dirt from 74528  
towels, linens, articles of clothing, or other fabric items. 74529

(CC) "Magazines distributed as controlled circulation 74530  
publications" means magazines containing at least twenty-four 74531  
pages, at least twenty-five per cent editorial content, issued at 74532  
regular intervals four or more times a year, and circulated 74533  
without charge to the recipient, provided that such magazines are 74534  
not owned or controlled by individuals or business concerns which 74535  
conduct such publications as an auxiliary to, and essentially for 74536  
the advancement of the main business or calling of, those who own 74537  
or control them. 74538

(DD) "Landscaping and lawn care service" means the services 74539  
of planting, seeding, sodding, removing, cutting, trimming, 74540  
pruning, mulching, aerating, applying chemicals, watering, 74541  
fertilizing, and providing similar services to establish, promote, 74542

or control the growth of trees, shrubs, flowers, grass, ground 74543  
cover, and other flora, or otherwise maintaining a lawn or 74544  
landscape grown or maintained by the owner for ornamentation or 74545  
other nonagricultural purpose. However, "landscaping and lawn care 74546  
service" does not include the providing of such services by a 74547  
person who has less than five thousand dollars in sales of such 74548  
services during the calendar year. 74549

(EE) "Private investigation and security service" means the 74550  
performance of any activity for which the provider of such service 74551  
is required to be licensed pursuant to Chapter 4749. of the 74552  
Revised Code, or would be required to be so licensed in performing 74553  
such services in this state, and also includes the services of 74554  
conducting polygraph examinations and of monitoring or overseeing 74555  
the activities on or in, or the condition of, the consumer's home, 74556  
business, or other facility by means of electronic or similar 74557  
monitoring devices. "Private investigation and security service" 74558  
does not include special duty services provided by off-duty police 74559  
officers, deputy sheriffs, and other peace officers regularly 74560  
employed by the state or a political subdivision. 74561

(FF) "Information services" means providing conversation, 74562  
giving consultation or advice, playing or making a voice or other 74563  
recording, making or keeping a record of the number of callers, 74564  
and any other service provided to a consumer by means of a nine 74565  
hundred telephone call, except when the nine hundred telephone 74566  
call is the means by which the consumer makes a contribution to a 74567  
recognized charity. 74568

(GG) "Research and development" means designing, creating, or 74569  
formulating new or enhanced products, equipment, or manufacturing 74570  
processes, and also means conducting scientific or technological 74571  
inquiry and experimentation in the physical sciences with the goal 74572  
of increasing scientific knowledge which may reveal the bases for 74573  
new or enhanced products, equipment, or manufacturing processes. 74574

(HH) "Qualified research and development equipment" means 74575  
capitalized tangible personal property, and leased personal 74576  
property that would be capitalized if purchased, used by a person 74577  
primarily to perform research and development. Tangible personal 74578  
property primarily used in testing, as defined in division (A)(4) 74579  
of section 5739.011 of the Revised Code, or used for recording or 74580  
storing test results, is not qualified research and development 74581  
equipment unless such property is primarily used by the consumer 74582  
in testing the product, equipment, or manufacturing process being 74583  
created, designed, or formulated by the consumer in the research 74584  
and development activity or in recording or storing such test 74585  
results. 74586

(II) "Building maintenance and janitorial service" means 74587  
cleaning the interior or exterior of a building and any tangible 74588  
personal property located therein or thereon, including any 74589  
services incidental to such cleaning for which no separate charge 74590  
is made. However, "building maintenance and janitorial service" 74591  
does not include the providing of such service by a person who has 74592  
less than five thousand dollars in sales of such service during 74593  
the calendar year. 74594

(JJ) "Employment service" means providing or supplying 74595  
personnel, on a temporary or long-term basis, to perform work or 74596  
labor under the supervision or control of another, when the 74597  
personnel so supplied receive their wages, salary, or other 74598  
compensation from the provider of the service. "Employment 74599  
service" does not include: 74600

(1) Acting as a contractor or subcontractor, where the 74601  
personnel performing the work are not under the direct control of 74602  
the purchaser. 74603

(2) Medical and health care services. 74604

(3) Supplying personnel to a purchaser pursuant to a contract 74605

of at least one year between the service provider and the 74606  
purchaser that specifies that each employee covered under the 74607  
contract is assigned to the purchaser on a permanent basis. 74608

(4) Transactions between members of an affiliated group, as 74609  
defined in division (B)(3)(e) of this section. 74610

(KK) "Employment placement service" means locating or finding 74611  
employment for a person or finding or locating an employee to fill 74612  
an available position. 74613

(LL) "Exterminating service" means eradicating or attempting 74614  
to eradicate vermin infestations from a building or structure, or 74615  
the area surrounding a building or structure, and includes 74616  
activities to inspect, detect, or prevent vermin infestation of a 74617  
building or structure. 74618

(MM) "Physical fitness facility service" means all 74619  
transactions by which a membership is granted, maintained, or 74620  
renewed, including initiation fees, membership dues, renewal fees, 74621  
monthly minimum fees, and other similar fees and dues, by a 74622  
physical fitness facility such as an athletic club, health spa, or 74623  
gymnasium, which entitles the member to use the facility for 74624  
physical exercise. 74625

(NN) "Recreation and sports club service" means all 74626  
transactions by which a membership is granted, maintained, or 74627  
renewed, including initiation fees, membership dues, renewal fees, 74628  
monthly minimum fees, and other similar fees and dues, by a 74629  
recreation and sports club, which entitles the member to use the 74630  
facilities of the organization. "Recreation and sports club" means 74631  
an organization that has ownership of, or controls or leases on a 74632  
continuing, long-term basis, the facilities used by its members 74633  
and includes an aviation club, gun or shooting club, yacht club, 74634  
card club, swimming club, tennis club, golf club, country club, 74635  
riding club, amateur sports club, or similar organization. 74636

(OO) "Livestock" means farm animals commonly raised for food or food production, and includes but is not limited to cattle, sheep, goats, swine, and poultry. "Livestock" does not include invertebrates, fish, amphibians, reptiles, horses, domestic pets, animals for use in laboratories or for exhibition, or other animals not commonly raised for food or food production.

(PP) "Livestock structure" means a building or structure used exclusively for the housing, raising, feeding, or sheltering of livestock, and includes feed storage or handling structures and structures for livestock waste handling.

(QQ) "Horticulture" means the growing, cultivation, and production of flowers, fruits, herbs, vegetables, sod, mushrooms, and nursery stock. As used in this division, "nursery stock" has the same meaning as in section 927.51 of the Revised Code.

(RR) "Horticulture structure" means a building or structure used exclusively for the commercial growing, raising, or overwintering of horticultural products, and includes the area used for stocking, storing, and packing horticultural products when done in conjunction with the production of those products.

(SS) "Newspaper" means an unbound publication bearing a title or name that is regularly published, at least as frequently as biweekly, and distributed from a fixed place of business to the public in a specific geographic area, and that contains a substantial amount of news matter of international, national, or local events of interest to the general public.

(TT) "Professional racing team" means a person that employs at least twenty full-time employees for the purpose of conducting a motor vehicle racing business for profit. The person must conduct the business with the purpose of racing one or more motor racing vehicles in at least ten competitive professional racing events each year that comprise all or part of a motor racing

series sanctioned by one or more motor racing sanctioning 74668  
organizations. A "motor racing vehicle" means a vehicle for which 74669  
the chassis, engine, and parts are designed exclusively for motor 74670  
racing, and does not include a stock or production model vehicle 74671  
that may be modified for use in racing. For the purposes of this 74672  
division: 74673

(1) A "competitive professional racing event" is a motor 74674  
vehicle racing event sanctioned by one or more motor racing 74675  
sanctioning organizations, at which aggregate cash prizes in 74676  
excess of eight hundred thousand dollars are awarded to the 74677  
competitors. 74678

(2) "Full-time employee" means an individual who is employed 74679  
for consideration for thirty-five or more hours a week, or who 74680  
renders any other standard of service generally accepted by custom 74681  
or specified by contract as full-time employment. 74682

~~(UU)(1) "Prepaid authorization number" means a numeric or 74683  
alphanumeric combination that represents a prepaid account that 74684  
can be used by the account holder solely to obtain 74685  
telecommunications service, and includes any renewals or increases 74686  
in the prepaid account. 74687~~

~~(2) "Prepaid telephone calling card" means a tangible item 74688  
that contains a prepaid authorization number that can be used 74689  
solely to obtain telecommunications service, and includes any 74690  
renewals or increases in the prepaid account. 74691~~

~~(VV) "Lease" or "rental" means any transfer for a 74692  
consideration of the possession or control of and right to use, 74693  
but not title to, tangible personal property for a fixed period of 74694  
time greater than thirty days or for an open ended period of time 74695  
with a minimum fixed period of more than thirty days or indefinite 74696  
term, for consideration. "Lease" or "rental" includes future 74697  
options to purchase or extend, and agreements described in 26 74698~~

U.S.C. 7701(h)(1) covering motor vehicles and trailers where the amount of consideration may be increased or decreased by reference to the amount realized upon the sale or disposition of the property. "Lease" or "rental" does not include:

(a) A transfer of possession or control of tangible personal property under a security agreement or a deferred payment plan that requires the transfer of title upon completion of the required payments;

(b) A transfer of possession or control of tangible personal property under an agreement that requires the transfer of title upon completion of required payments and payment of an option price that does not exceed the greater of one hundred dollars or one per cent of the total required payments;

(c) Providing tangible personal property along with an operator for a fixed or indefinite period of time, if the operator is necessary for the property to perform as designed. For purposes of this division, the operator must do more than maintain, inspect, or set-up the tangible personal property.

(2) "Lease" and "rental," as defined in division (UU) of this section, shall not apply to leases or rentals that exist before the effective date of this amendment.

(3) "Lease" and "rental" have the same meaning as in division (UU)(1) of this section regardless of whether a transaction is characterized as a lease or rental under generally accepted accounting principles, the Internal Revenue Code, Title XIII of the Revised Code, or other federal, state, or local laws.

~~(WW)~~(VV) "Mobile telecommunications service" has the same meaning as in the "Mobile Telecommunications Sourcing Act," Pub. L. No. 106-252, 114 Stat. 631 (2000), 4 U.S.C.A. 124(7), as amended, and, on and after August 1, 2003, includes related fees and ancillary services, including universal service fees, detailed

billing service, directory assistance, service initiation, voice 74730  
mail service, and vertical services, such as caller ID and 74731  
three-way calling. 74732

~~(XX)~~(WW) "Certified service provider" has the same meaning as 74733  
in section 5740.01 of the Revised Code. 74734

(XX) "Satellite broadcasting service" means the distribution 74735  
or broadcasting of programming or services by satellite directly 74736  
to the subscriber's receiving equipment without the use of ground 74737  
receiving or distribution equipment, except the subscriber's 74738  
receiving equipment or equipment used in the uplink process to the 74739  
satellite, and includes all service and rental charges, premium 74740  
channels or other special services, installation and repair 74741  
service charges, and any other charges having any connection with 74742  
the provision of the satellite broadcasting service. 74743

(YY) "Tangible personal property" means personal property 74744  
that can be seen, weighed, measured, felt, or touched, or that is 74745  
in any other manner perceptible to the senses. For purposes of 74746  
this chapter and Chapter 5741. of the Revised Code, "tangible 74747  
personal property" includes motor vehicles, electricity, water, 74748  
gas, steam, and prewritten computer software. 74749

(ZZ) "Direct mail" means printed material delivered or 74750  
distributed by United States mail or other delivery service to a 74751  
mass audience or to addressees on a mailing list provided by the 74752  
consumer or at the direction of the consumer when the cost of the 74753  
items are not billed directly to the recipients. "Direct mail" 74754  
includes tangible personal property supplied directly or 74755  
indirectly by the consumer to the direct mail vendor for inclusion 74756  
in the package containing the printed material. "Direct mail" does 74757  
not include multiple items of printed material delivered to a 74758  
single address. 74759

(AAA) "Computer" means an electronic device that accepts 74760



information in digital or similar form and manipulates it for a 74761  
result based on a sequence of instructions. 74762

(BBB) "Computer software" means a set of coded instructions 74763  
designed to cause a computer or automatic data processing 74764  
equipment to perform a task. 74765

(CCC) "Delivered electronically" means delivery of computer 74766  
software from the seller to the purchaser by means other than 74767  
tangible storage media. 74768

(DDD) "Prewritten computer software" means computer software, 74769  
including prewritten upgrades, that is not designed and developed 74770  
by the author or other creator to the specifications of a specific 74771  
purchaser. The combining of two or more prewritten computer 74772  
software programs or prewritten portions thereof does not cause 74773  
the combination to be other than prewritten computer software. 74774  
"Prewritten computer software" includes software designed and 74775  
developed by the author or other creator to the specifications of 74776  
a specific purchaser when it is sold to a person other than the 74777  
purchaser. If a person modifies or enhances computer software of 74778  
which the person is not the author or creator, the person shall be 74779  
deemed to be the author or creator only of such person's 74780  
modifications or enhancements. Prewritten computer software or a 74781  
prewritten portion thereof that is modified or enhanced to any 74782  
degree, where such modification or enhancement is designed and 74783  
developed to the specifications of a specific purchaser, remains 74784  
prewritten computer software; provided, however, that where there 74785  
is a reasonable, separately stated charge or an invoice or other 74786  
statement of the price given to the purchaser for the modification 74787  
or enhancement, the modification or enhancement shall not 74788  
constitute prewritten computer software. 74789

(EEE)(1) Prior to July 1, 2004, "food" means cereals and 74790  
cereal products, milk and milk products including ice cream, meat 74791  
and meat products, fish and fish products, eggs and egg products, 74792

vegetables and vegetable products, fruits, fruit products, and 74793  
pure fruit juices, condiments, sugar and sugar products, coffee 74794  
and coffee substitutes, tea, and cocoa and cocoa products. "Food" 74795  
does not include spirituous liquors, wine, mixed beverages, or 74796  
beer; soft drinks; sodas and beverages that are ordinarily 74797  
dispensed at or in connection with bars and soda fountains, other 74798  
than coffee, tea, and cocoa; root beer and root beer extracts; 74799  
malt and malt extracts; mineral oils, cod liver oils, and halibut 74800  
liver oil; medicines, including tonics, vitamin preparations, and 74801  
other products sold primarily for their medicinal properties; and 74802  
water, including mineral, bottled, and carbonated waters, and ice. 74803

(2) On and after July 1, 2004, "food" means substances, 74804  
whether in liquid, concentrated, solid, frozen, dried, or 74805  
dehydrated form, that are sold for ingestion or chewing by humans 74806  
and are consumed for their taste or nutritional value. "Food" does 74807  
not include alcoholic beverages, dietary supplements, soft drinks, 74808  
or tobacco. 74809

(3) As used in division (EEE)(2) of this section: 74810

(a) "Alcoholic beverages" means beverages that are suitable 74811  
for human consumption and contain one-half of one per cent or more 74812  
of alcohol by volume. 74813

(b) "Dietary supplements" means any product, other than 74814  
tobacco, that is intended to supplement the diet and that is 74815  
intended for ingestion in tablet, capsule, powder, softgel, 74816  
gelcap, or liquid form, or, if not intended for ingestion in such 74817  
a form, is not represented as conventional food for use as a sole 74818  
item of a meal or of the diet; that is required to be labeled as a 74819  
dietary supplement, identifiable by the "supplement facts" box 74820  
found on the label, as required by 21 C.F.R. 101.36; and that 74821  
contains one or more of the following dietary ingredients: 74822

(i) A vitamin; 74823

<u>(ii) A mineral;</u>	74824
<u>(iii) An herb or other botanical;</u>	74825
<u>(iv) An amino acid;</u>	74826
<u>(v) A dietary substance for use by humans to supplement the diet by increasing the total dietary intake;</u>	74827 74828
<u>(vi) A concentrate, metabolite, constituent, extract, or combination of any ingredient described in divisions (EEE)(3)(b)(i) to (v) of this section.</u>	74829 74830 74831
<u>(c) "Soft drinks" means nonalcoholic beverages that contain natural or artificial sweeteners. "Soft drinks" does not include beverages that contain milk or milk products, soy, rice, or similar milk substitutes, or that contains greater than fifty per cent vegetable or fruit juice by volume.</u>	74832 74833 74834 74835 74836
<u>(d) "Tobacco" means cigarettes, cigars, chewing or pipe tobacco, or any other item that contains tobacco.</u>	74837 74838
<u>(FFF) "Drug" means a compound, substance, or preparation, and any component of a compound, substance, or preparation, other than food, dietary supplements, or alcoholic beverages that is recognized in the official United States pharmacopoeia, official homeopathic pharmacopoeia of the United States, or official national formulary, and supplements to them; is intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease; or is intended to affect the structure or any function of the body.</u>	74839 74840 74841 74842 74843 74844 74845 74846 74847
<u>(GGG) "Prescription" means an order, formula, or recipe issued in any form of oral, written, electronic, or other means of transmission by a duly licensed practitioner authorized by the laws of this state to issue a prescription.</u>	74848 74849 74850 74851
<u>(HHH) "Durable medical equipment" means equipment, including repair and replacement parts for such equipment, that can</u>	74852 74853

withstand repeated use, is primarily and customarily used to serve 74854  
a medical purpose, generally is not useful to a person in the 74855  
absence of illness or injury, and is not worn in or on the body. 74856

(III) "Mobility enhancing equipment" means equipment, 74857  
including repair and replacement parts for such equipment, that is 74858  
primarily and customarily used to provide or increase the ability 74859  
to move from one place to another and is appropriate for use 74860  
either in a home or a motor vehicle, that is not generally used by 74861  
persons with normal mobility, and that does not include any motor 74862  
vehicle or equipment on a motor vehicle normally provided by a 74863  
motor vehicle manufacturer. 74864

(JJJ) "Prosthetic device" means a replacement, corrective, or 74865  
supportive device, including repair and replacement parts for the 74866  
device, worn on or in the human body to artificially replace a 74867  
missing portion of the body, prevent or correct physical deformity 74868  
or malfunction, or support a weak or deformed portion of the body. 74869  
As used in this division, "prosthetic device" does not include 74870  
corrective eyeglasses, contact lenses, or dental prosthesis. 74871

(KKK)(1) "Fractional aircraft ownership program" means a 74872  
program in which persons within an affiliated group sell and 74873  
manage fractional ownership program aircraft, provided that at 74874  
least one hundred airworthy aircraft are operated in the program 74875  
and the program meets all of the following criteria: 74876

(a) Management services are provided by at least one program 74877  
manager within an affiliated group on behalf of the fractional 74878  
owners. 74879

(b) Each program aircraft is owned or possessed by at least 74880  
one fractional owner. 74881

(c) Each fractional owner owns or possesses at least a 74882  
one-sixteenth interest in at least one fixed-wing program 74883  
aircraft. 74884

(d) A dry-lease aircraft interchange arrangement is in effect among all of the fractional owners. 74885  
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(e) Multi-year program agreements are in effect regarding the fractional ownership, management services, and dry-lease aircraft interchange arrangement aspects of the program. 74887  
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(2) As used in division (KKK)(1) of this section: 74890

(a) "Affiliated group" has the same meaning as in division (B)(3)(e) of this section. 74891  
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(b) "Fractional owner" means a person that owns or possesses at least a one-sixteenth interest in a program aircraft and has entered into the agreements described in division (KKK)(1)(e) of this section. 74893  
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(c) "Fractional ownership program aircraft" or "program aircraft" means a turbojet aircraft that is owned or possessed by a fractional owner and that has been included in a dry-lease aircraft interchange arrangement and agreement under divisions (KKK)(1)(d) and (e) of this section, or an aircraft a program manager owns or possesses primarily for use in a fractional aircraft ownership program. 74897  
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(d) "Management services" means administrative and aviation support services furnished under a fractional aircraft ownership program in accordance with a management services agreement under division (KKK)(1)(e) of this section, and offered by the program manager to the fractional owners, including, at a minimum, the establishment and implementation of safety guidelines; the coordination of the scheduling of the program aircraft and crews; program aircraft maintenance; program aircraft insurance; crew training for crews employed, furnished, or contracted by the program manager or the fractional owner; the satisfaction of record-keeping requirements; and the development and use of an operations manual and a maintenance manual for the fractional 74904  
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<u>aircraft ownership program.</u>	74916
<u>(e) "Program manager" means the person that offers management</u>	74917
<u>services to fractional owners pursuant to a management services</u>	74918
<u>agreement under division (KKK)(1)(e) of this section.</u>	74919
<b>Sec. 5739.011.</b> (A) As used in this section:	74920
(1) "Manufacturer" means a person who is engaged in	74921
manufacturing, processing, assembling, or refining a product for	74922
sale.	74923
(2) "Manufacturing facility" means a single location where a	74924
manufacturing operation is conducted, including locations	74925
consisting of one or more buildings or structures in a contiguous	74926
area owned or controlled by the manufacturer.	74927
(3) "Materials handling" means the movement of the product	74928
being or to be manufactured, during which movement the product is	74929
not undergoing any substantial change or alteration in its state	74930
or form.	74931
(4) "Testing" means a process or procedure to identify the	74932
properties or assure the quality of a material or product.	74933
(5) "Completed product" means a manufactured item that is in	74934
the form and condition as it will be sold by the manufacturer. An	74935
item is completed when all processes that change or alter its	74936
state or form or enhance its value are finished, even though the	74937
item subsequently will be tested to ensure its quality or be	74938
packaged for storage or shipment.	74939
(6) "Continuous manufacturing operation" means the process in	74940
which raw materials or components are moved through the steps	74941
whereby manufacturing occurs. Materials handling of raw materials	74942
or parts from the point of receipt or preproduction storage or of	74943
a completed product, to or from storage, to or from packaging, or	74944
to the place from which the completed product will be shipped, is	74945

not a part of a continuous manufacturing operation. 74946

(B) For purposes of division ~~(E)(9)(B)(43)(g)~~ of section 74947  
~~5739.01~~ 5739.02 of the Revised Code, the "thing transferred" 74948  
includes, but is not limited to, any of the following: 74949

(1) Production machinery and equipment that act upon the 74950  
product or machinery and equipment that treat the materials or 74951  
parts in preparation for the manufacturing operation; 74952

(2) Materials handling equipment that moves the product 74953  
through a continuous manufacturing operation; equipment that 74954  
temporarily stores the product during the manufacturing operation; 74955  
or, excluding motor vehicles licensed to operate on public 74956  
highways, equipment used in intraplant or interplant transfers of 74957  
work in process where the plant or plants between which such 74958  
transfers occur are manufacturing facilities operated by the same 74959  
person; 74960

(3) Catalysts, solvents, water, acids, oil, and similar 74961  
consumables that interact with the product and that are an 74962  
integral part of the manufacturing operation; 74963

(4) Machinery, equipment, and other tangible personal 74964  
property used during the manufacturing operation that control, 74965  
physically support, produce power for, lubricate, or are otherwise 74966  
necessary for the functioning of production machinery and 74967  
equipment and the continuation of the manufacturing operation; 74968

(5) Machinery, equipment, fuel, power, material, parts, and 74969  
other tangible personal property used to manufacture machinery, 74970  
equipment, or other tangible personal property used in 74971  
manufacturing a product for sale; 74972

(6) Machinery, equipment, and other tangible personal 74973  
property used by a manufacturer to test raw materials, the product 74974  
being manufactured, or the completed product; 74975

(7) Machinery and equipment used to handle or temporarily store scrap that is intended to be reused in the manufacturing operation at the same manufacturing facility;	74976 74977 74978
(8) Coke, gas, water, steam, and similar substances used in the manufacturing operation; machinery and equipment used for, and fuel consumed in, producing or extracting those substances; machinery, equipment, and other tangible personal property used to treat, filter, pump, or otherwise make the substance suitable for use in the manufacturing operation; and machinery and equipment used for, and fuel consumed in, producing electricity for use in the manufacturing operation;	74979 74980 74981 74982 74983 74984 74985 74986
(9) Machinery, equipment, and other tangible personal property used to transport or transmit electricity, coke, gas, water, steam, or similar substances used in the manufacturing operation from the point of generation, if produced by the manufacturer, or from the point where the substance enters the manufacturing facility, if purchased by the manufacturer, to the manufacturing operation;	74987 74988 74989 74990 74991 74992 74993
(10) Machinery, equipment, and other tangible personal property that treats, filters, cools, refines, or otherwise renders water, steam, acid, oil, solvents, or similar substances used in the manufacturing operation reusable, provided that the substances are intended for reuse and not for disposal, sale, or transportation from the manufacturing facility;	74994 74995 74996 74997 74998 74999
(11) Parts, components, and repair and installation services for items described in division (B) of this section.	75000 75001
(C) For purposes of division <del>(E)(9)</del> (B)(43)(g) of section <del>5739.01</del> <u>5739.02</u> of the Revised Code, the "thing transferred" does not include any of the following:	75002 75003 75004
(1) Tangible personal property used in administrative, personnel, security, inventory control, record-keeping, ordering,	75005 75006



billing, or similar functions;	75007
(2) Tangible personal property used in storing raw materials	75008
or parts prior to the commencement of the manufacturing operation	75009
or used to handle or store a completed product, including storage	75010
that actively maintains a completed product in a marketable state	75011
or form;	75012
(3) Tangible personal property used to handle or store scrap	75013
or waste intended for disposal, sale, or other disposition, other	75014
than reuse in the manufacturing operation at the same	75015
manufacturing facility;	75016
(4) Tangible personal property that is or is to be	75017
incorporated into realty;	75018
(5) Machinery, equipment, and other tangible personal	75019
property used for ventilation, dust or gas collection, humidity or	75020
temperature regulation, or similar environmental control, except	75021
machinery, equipment, and other tangible personal property that	75022
totally regulates the environment in a special and limited area of	75023
the manufacturing facility where the regulation is essential for	75024
production to occur;	75025
(6) Tangible personal property used for the protection and	75026
safety of workers, unless the property is attached to or	75027
incorporated into machinery and equipment used in a continuous	75028
manufacturing operation;	75029
(7) Tangible personal property used to store fuel, water,	75030
solvents, acid, oil, or similar items consumed in the	75031
manufacturing operation;	75032
(8) Machinery, equipment, and other tangible personal	75033
property used to clean, repair, or maintain real or personal	75034
property in the manufacturing facility;	75035
(9) Motor vehicles registered for operation on public	75036

highways. 75037

(D) For purposes of division ~~(E)(9)(B)(43)(g)~~ of section 75038  
~~5739.01~~ 5739.02 of the Revised Code, if the "thing transferred" is 75039  
a machine used by a manufacturer in both a taxable and an exempt 75040  
manner, it shall be totally taxable or totally exempt from 75041  
taxation based upon its quantified primary use. If the "things 75042  
transferred" are fungibles, they shall be taxed based upon the 75043  
proportion of the fungibles used in a taxable manner. 75044

**Sec. 5739.02.** For the purpose of providing revenue with which 75045  
to meet the needs of the state, for the use of the general revenue 75046  
fund of the state, for the purpose of securing a thorough and 75047  
efficient system of common schools throughout the state, for the 75048  
purpose of affording revenues, in addition to those from general 75049  
property taxes, permitted under constitutional limitations, and 75050  
from other sources, for the support of local governmental 75051  
functions, and for the purpose of reimbursing the state for the 75052  
expense of administering this chapter, an excise tax is hereby 75053  
levied on each retail sale made in this state. 75054

(A)(1) The tax shall be collected pursuant to the schedules 75055  
as provided in section 5739.025 of the Revised Code, provided that 75056  
on and after July 1, 2003, and on or before June 30, 2005, the 75057  
rate of tax shall be six per cent. On and after July 1, 2005, the 75058  
rate of the tax shall be five per cent. The 75059

The tax applies and is collectible when the sale is made, 75060  
regardless of the time when the price is paid or delivered. 75061

~~In~~ (2) In the case of the lease or rental, with a fixed term 75062  
of more than thirty days or an indefinite term with a minimum 75063  
period of more than thirty days, of any motor vehicles designed by 75064  
the manufacturer to carry a load of not more than one ton, 75065  
watercraft, outboard motor, or aircraft, or of any tangible 75066  
personal property, other than motor vehicles designed by the 75067

manufacturer to carry a load of more than one ton, to be used by 75068  
the lessee or renter primarily for business purposes, the tax 75069  
shall be collected by the vendor at the time the lease or rental 75070  
is consummated and shall be calculated by the vendor on the basis 75071  
of the total amount to be paid by the lessee or renter under the 75072  
lease agreement. If the total amount of the consideration for the 75073  
lease or rental includes amounts that are not calculated at the 75074  
time the lease or rental is executed, the tax shall be calculated 75075  
and collected by the vendor at the time such amounts are billed to 75076  
the lessee or renter. In the case of an open-end lease or rental, 75077  
the tax shall be calculated by the vendor on the basis of the 75078  
total amount to be paid during the initial fixed term of the lease 75079  
or rental, and for each subsequent renewal period as it comes due. 75080  
As used in this division, "motor vehicle" has the same meaning as 75081  
in section 4501.01 of the Revised Code, and "watercraft" includes 75082  
an outdrive unit attached to the watercraft. 75083

A lease with a renewal clause and a termination penalty or 75084  
similar provision that applies if the renewal clause is not 75085  
exercised is presumed to be a sham transaction. In such a case, 75086  
the tax shall be calculated and paid on the basis of the entire 75087  
length of the lease period, including any renewal periods, until 75088  
the termination penalty or similar provision no longer applies. 75089  
The taxpayer shall bear the burden, by a preponderance of the 75090  
evidence, that the transaction or series of transactions is not a 75091  
sham transaction. 75092

(3) Except as provided in division (A)(2) of this section, in 75093  
the case of a sale, the price of which consists in whole or in 75094  
part of ~~rentals for the use of the thing transferred~~ the lease or 75095  
rental of tangible personal property, the tax, ~~as regards those~~ 75096  
~~rentals,~~ shall be measured by the installments of ~~those rentals~~ 75097  
that lease or rental. 75098

(4) In the case of a sale of a physical fitness facility 75099

~~service or recreation and sports club service defined under~~ 75100  
~~division (MM) or (NN) of section 5739.01 of the Revised Code, the~~ 75101  
price of which consists in whole or in part of a membership for 75102  
the receipt of the benefit of the service, the tax applicable to 75103  
the sale shall be measured by the installments thereof. 75104

(B) The tax does not apply to the following: 75105

(1) Sales to the state or any of its political subdivisions, 75106  
or to any other state or its political subdivisions if the laws of 75107  
that state exempt from taxation sales made to this state and its 75108  
political subdivisions; 75109

(2) Sales of food for human consumption off the premises 75110  
where sold; 75111

(3) Sales of food sold to students only in a cafeteria, 75112  
dormitory, fraternity, or sorority maintained in a private, 75113  
public, or parochial school, college, or university; 75114

(4) Sales of newspapers and of magazine subscriptions and 75115  
sales or transfers of magazines distributed as controlled 75116  
circulation publications; 75117

(5) The furnishing, preparing, or serving of meals without 75118  
charge by an employer to an employee provided the employer records 75119  
the meals as part compensation for services performed or work 75120  
done; 75121

(6) Sales of motor fuel upon receipt, use, distribution, or 75122  
sale of which in this state a tax is imposed by the law of this 75123  
state, but this exemption shall not apply to the sale of motor 75124  
fuel on which a refund of the tax is allowable under division (A) 75125  
of section 5735.14 of the Revised Code; and the tax commissioner 75126  
may deduct the amount of tax levied by this section applicable to 75127  
the price of motor fuel when granting a refund of motor fuel tax 75128  
pursuant to division (A) of section 5735.14 of the Revised Code 75129  
and shall cause the amount deducted to be paid into the general 75130

revenue fund of this state;	75131
(7) Sales of natural gas by a natural gas company, of water	75132
by a water-works company, or of steam by a heating company, if in	75133
each case the thing sold is delivered to consumers through pipes	75134
or conduits, and all sales of communications services by a	75135
<del>telephone or</del> telegraph company, all terms as defined in section	75136
5727.01 of the Revised Code, <u>and sales of electricity delivered</u>	75137
<u>through wires;</u>	75138
(8) Casual sales by a person, or auctioneer employed directly	75139
by the person to conduct such sales, except as to such sales of	75140
motor vehicles, watercraft or outboard motors required to be	75141
titled under section 1548.06 of the Revised Code, watercraft	75142
documented with the United States coast guard, snowmobiles, and	75143
all-purpose vehicles as defined in section 4519.01 of the Revised	75144
Code;	75145
(9) Sales of services or tangible personal property, other	75146
than motor vehicles, mobile homes, and manufactured homes, by	75147
churches, organizations exempt from taxation under section	75148
501(c)(3) of the Internal Revenue Code of 1986, or nonprofit	75149
organizations operated exclusively for charitable purposes as	75150
defined in division (B)(12) of this section, provided that the	75151
number of days on which such tangible personal property or	75152
services, other than items never subject to the tax, are sold does	75153
not exceed six in any calendar year. If the number of days on	75154
which such sales are made exceeds six in any calendar year, the	75155
church or organization shall be considered to be engaged in	75156
business and all subsequent sales by it shall be subject to the	75157
tax. In counting the number of days, all sales by groups within a	75158
church or within an organization shall be considered to be sales	75159
of that church or organization, except that sales made by separate	75160
student clubs and other groups of students of a primary or	75161
secondary school, and sales made by a parent-teacher association,	75162

booster group, or similar organization that raises money to 75163  
support or fund curricular or extracurricular activities of a 75164  
primary or secondary school, shall not be considered to be sales 75165  
of such school, and sales by each such club, group, association, 75166  
or organization shall be counted separately for purposes of the 75167  
six-day limitation. This division does not apply to sales by a 75168  
noncommercial educational radio or television broadcasting 75169  
station. 75170

(10) Sales not within the taxing power of this state under 75171  
the Constitution of the United States; 75172

(11) The Except for transactions that are sales under 75173  
division (B)(3)(s) of section 5739.01 of the Revised Code, the 75174  
transportation of persons or property, unless the transportation 75175  
is by a private investigation and security service; 75176

(12) Sales of tangible personal property or services to 75177  
churches, to organizations exempt from taxation under section 75178  
501(c)(3) of the Internal Revenue Code of 1986, and to any other 75179  
nonprofit organizations operated exclusively for charitable 75180  
purposes in this state, no part of the net income of which inures 75181  
to the benefit of any private shareholder or individual, and no 75182  
substantial part of the activities of which consists of carrying 75183  
on propaganda or otherwise attempting to influence legislation; 75184  
sales to offices administering one or more homes for the aged or 75185  
one or more hospital facilities exempt under section 140.08 of the 75186  
Revised Code; and sales to organizations described in division (D) 75187  
of section 5709.12 of the Revised Code. 75188

"Charitable purposes" means the relief of poverty; the 75189  
improvement of health through the alleviation of illness, disease, 75190  
or injury; the operation of an organization exclusively for the 75191  
provision of professional, laundry, printing, and purchasing 75192  
services to hospitals or charitable institutions; the operation of 75193  
a home for the aged, as defined in section 5701.13 of the Revised 75194

Code; the operation of a radio or television broadcasting station 75195  
that is licensed by the federal communications commission as a 75196  
noncommercial educational radio or television station; the 75197  
operation of a nonprofit animal adoption service or a county 75198  
humane society; the promotion of education by an institution of 75199  
learning that maintains a faculty of qualified instructors, 75200  
teaches regular continuous courses of study, and confers a 75201  
recognized diploma upon completion of a specific curriculum; the 75202  
operation of a parent-teacher association, booster group, or 75203  
similar organization primarily engaged in the promotion and 75204  
support of the curricular or extracurricular activities of a 75205  
primary or secondary school; the operation of a community or area 75206  
center in which presentations in music, dramatics, the arts, and 75207  
related fields are made in order to foster public interest and 75208  
education therein; the production of performances in music, 75209  
dramatics, and the arts; or the promotion of education by an 75210  
organization engaged in carrying on research in, or the 75211  
dissemination of, scientific and technological knowledge and 75212  
information primarily for the public. 75213

Nothing in this division shall be deemed to exempt sales to 75214  
any organization for use in the operation or carrying on of a 75215  
trade or business, or sales to a home for the aged for use in the 75216  
operation of independent living facilities as defined in division 75217  
(A) of section 5709.12 of the Revised Code. 75218

(13) Building and construction materials and services sold to 75219  
construction contractors for incorporation into a structure or 75220  
improvement to real property under a construction contract with 75221  
this state or a political subdivision of this state, or with the 75222  
United States government or any of its agencies; building and 75223  
construction materials and services sold to construction 75224  
contractors for incorporation into a structure or improvement to 75225  
real property that are accepted for ownership by this state or any 75226

of its political subdivisions, or by the United States government 75227  
or any of its agencies at the time of completion of the structures 75228  
or improvements; building and construction materials sold to 75229  
construction contractors for incorporation into a horticulture 75230  
structure or livestock structure for a person engaged in the 75231  
business of horticulture or producing livestock; building 75232  
materials and services sold to a construction contractor for 75233  
incorporation into a house of public worship or religious 75234  
education, or a building used exclusively for charitable purposes 75235  
under a construction contract with an organization whose purpose 75236  
is as described in division (B)(12) of this section; building 75237  
materials and services sold to a construction contractor for 75238  
incorporation into a building under a construction contract with 75239  
an organization exempt from taxation under section 501(c)(3) of 75240  
the Internal Revenue Code of 1986 when the building is to be used 75241  
exclusively for the organization's exempt purposes; building and 75242  
construction materials sold for incorporation into the original 75243  
construction of a sports facility under section 307.696 of the 75244  
Revised Code; and building and construction materials and services 75245  
sold to a construction contractor for incorporation into real 75246  
property outside this state if such materials and services, when 75247  
sold to a construction contractor in the state in which the real 75248  
property is located for incorporation into real property in that 75249  
state, would be exempt from a tax on sales levied by that state; 75250

(14) Sales of ships or vessels or rail rolling stock used or 75251  
to be used principally in interstate or foreign commerce, and 75252  
repairs, alterations, fuel, and lubricants for such ships or 75253  
vessels or rail rolling stock; 75254

(15) Sales to persons engaged in any of the activities 75255  
mentioned in division ~~(E)(2)~~(B)(43)(a) or ~~(9)(g)~~ of this section 75256  
~~5739.01 of the Revised Code~~, to persons engaged in making retail 75257  
sales, or to persons who purchase for sale from a manufacturer 75258



tangible personal property that was produced by the manufacturer 75259  
in accordance with specific designs provided by the purchaser, of 75260  
packages, including material, labels, and parts for packages, and 75261  
of machinery, equipment, and material for use primarily in 75262  
packaging tangible personal property produced for sale, including 75263  
any machinery, equipment, and supplies used to make labels or 75264  
packages, to prepare packages or products for labeling, or to 75265  
label packages or products, by or on the order of the person doing 75266  
the packaging, or sold at retail. "Packages" includes bags, 75267  
baskets, cartons, crates, boxes, cans, bottles, bindings, 75268  
wrappings, and other similar devices and containers, and 75269  
"packaging" means placing therein. 75270

(16) Sales of food to persons using food stamp benefits to 75271  
purchase the food. As used in this division ~~(B)(16) of this~~ 75272  
~~section~~, "food" has the same meaning as in the "Food Stamp Act of 75273  
1977," 91 Stat. 958, 7 U.S.C. 2012, as amended, and federal 75274  
regulations adopted pursuant to that act. 75275

(17) Sales to persons engaged in farming, agriculture, 75276  
horticulture, or floriculture, of tangible personal property for 75277  
use or consumption directly in the production by farming, 75278  
agriculture, horticulture, or floriculture of other tangible 75279  
personal property for use or consumption directly in the 75280  
production of tangible personal property for sale by farming, 75281  
agriculture, horticulture, or floriculture; or material and parts 75282  
for incorporation into any such tangible personal property for use 75283  
or consumption in production; and of tangible personal property 75284  
for such use or consumption in the conditioning or holding of 75285  
products produced by and for such use, consumption, or sale by 75286  
persons engaged in farming, agriculture, horticulture, or 75287  
floriculture, except where such property is incorporated into real 75288  
property; 75289

(18) Sales of drugs for a human being, dispensed ~~by a~~ 75290

~~licensed pharmacist upon the order of a licensed health professional authorized to prescribe drugs to a human being, as the term "licensed health professional authorized to prescribe drugs" is defined in section 4729.01 of the Revised Code pursuant to a prescription; insulin as recognized in the official United States pharmacopoeia; urine and blood testing materials when used by diabetics or persons with hypoglycemia to test for glucose or acetone; hypodermic syringes and needles when used by diabetics for insulin injections; epoetin alfa when purchased for use in the treatment of persons with end-stage renal medical disease; hospital beds when purchased for use by persons with medical problems for medical purposes; and medical oxygen and medical oxygen-dispensing equipment when purchased for use by persons with medical problems for medical purposes;~~

~~(19)(a) Sales of artificial limbs or portion thereof, breast prostheses, and other prosthetic devices for humans; braces or other devices for supporting weakened or nonfunctioning parts of the human body; crutches or other devices to aid human perambulation; and items of tangible personal property used to supplement impaired functions of the human body such as respiration, hearing, or elimination;~~

~~(b) Sales of wheelchairs; items incorporated into or used in conjunction with a motor vehicle for the purpose of transporting wheelchairs, other than transportation conducted in connection with the sale or delivery of wheelchairs; and items incorporated into or used in conjunction with a motor vehicle that are specifically designed to assist a person with a disability to access or operate the motor vehicle. As used in this division, "person with a disability" means any person who has lost the use of one or both legs or one or both arms, who is blind, deaf, or disabled to the extent that the person is unable to move about without the aid of crutches or a wheelchair, or whose mobility is~~

~~restricted by a permanent cardiovascular, pulmonary, or other  
disabling condition.~~ 75323  
75324

~~(c) No exemption under this division shall be allowed for  
nonprescription drugs, medicines, or remedies; items or devices  
used to supplement vision; items or devices whose function is  
solely or primarily cosmetic; or physical fitness equipment. This  
division does not apply to sales to a physician or medical  
facility for use in the treatment of a patient, durable medical  
equipment for home use, or mobility enhancing equipment, when made  
pursuant to a prescription and when such devices or equipment are  
for use by a human being.~~ 75325  
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(20) Sales of emergency and fire protection vehicles and 75334  
equipment to nonprofit organizations for use solely in providing 75335  
fire protection and emergency services, including trauma care and 75336  
emergency medical services, for political subdivisions of the 75337  
state; 75338

(21) Sales of tangible personal property manufactured in this 75339  
state, if sold by the manufacturer in this state to a retailer for 75340  
use in the retail business of the retailer outside of this state 75341  
and if possession is taken from the manufacturer by the purchaser 75342  
within this state for the sole purpose of immediately removing the 75343  
same from this state in a vehicle owned by the purchaser; 75344

(22) Sales of services provided by the state or any of its 75345  
political subdivisions, agencies, instrumentalities, institutions, 75346  
or authorities, or by governmental entities of the state or any of 75347  
its political subdivisions, agencies, instrumentalities, 75348  
institutions, or authorities; 75349

(23) Sales of motor vehicles to nonresidents of this state 75350  
upon the presentation of an affidavit executed in this state by 75351  
the nonresident purchaser affirming that the purchaser is a 75352  
nonresident of this state, that possession of the motor vehicle is 75353

taken in this state for the sole purpose of immediately removing 75354  
it from this state, that the motor vehicle will be permanently 75355  
titled and registered in another state, and that the motor vehicle 75356  
will not be used in this state; 75357

(24) Sales to persons engaged in the preparation of eggs for 75358  
sale of tangible personal property used or consumed directly in 75359  
such preparation, including such tangible personal property used 75360  
for cleaning, sanitizing, preserving, grading, sorting, and 75361  
classifying by size; packages, including material and parts for 75362  
packages, and machinery, equipment, and material for use in 75363  
packaging eggs for sale; and handling and transportation equipment 75364  
and parts therefor, except motor vehicles licensed to operate on 75365  
public highways, used in intraplant or interplant transfers or 75366  
shipment of eggs in the process of preparation for sale, when the 75367  
plant or plants within or between which such transfers or 75368  
shipments occur are operated by the same person. "Packages" 75369  
includes containers, cases, baskets, flats, fillers, filler flats, 75370  
cartons, closure materials, labels, and labeling materials, and 75371  
"packaging" means placing therein. 75372

(25)(a) Sales of water to a consumer for residential use, 75373  
except the sale of bottled water, distilled water, mineral water, 75374  
carbonated water, or ice; 75375

(b) Sales of water by a nonprofit corporation engaged 75376  
exclusively in the treatment, distribution, and sale of water to 75377  
consumers, if such water is delivered to consumers through pipes 75378  
or tubing. 75379

(26) Fees charged for inspection or reinspection of motor 75380  
vehicles under section 3704.14 of the Revised Code; 75381

(27) Sales to persons licensed to conduct a food service 75382  
operation pursuant to section 3717.43 of the Revised Code, of 75383  
tangible personal property primarily used directly for the 75384

following:	75385
(a) To prepare food for human consumption for sale;	75386
(b) To preserve food that has been or will be prepared for human consumption for sale by the food service operator, not including tangible personal property used to display food for selection by the consumer;	75387 75388 75389 75390
(c) To clean tangible personal property used to prepare or serve food for human consumption for sale.	75391 75392
(28) Sales of animals by nonprofit animal adoption services or county humane societies;	75393 75394
(29) Sales of services to a corporation described in division (A) of section 5709.72 of the Revised Code, and sales of tangible personal property that qualifies for exemption from taxation under section 5709.72 of the Revised Code;	75395 75396 75397 75398
(30) Sales and installation of agricultural land tile, as defined in division (B)(5)(a) of section 5739.01 of the Revised Code;	75399 75400 75401
(31) Sales and erection or installation of portable grain bins, as defined in division (B)(5)(b) of section 5739.01 of the Revised Code;	75402 75403 75404
(32) The sale, lease, repair, and maintenance of, parts for, or items attached to or incorporated in, motor vehicles that are primarily used for transporting tangible personal property by a person engaged in highway transportation for hire;	75405 75406 75407 75408
(33) Sales to the state headquarters of any veterans' organization in this state that is either incorporated and issued a charter by the congress of the United States or is recognized by the United States veterans administration, for use by the headquarters;	75409 75410 75411 75412 75413
(34) Sales to a telecommunications service vendor, <u>mobile</u>	75414

telecommunications service vendor, or satellite broadcasting 75415  
service vendor of tangible personal property and services used 75416  
directly and primarily in transmitting, receiving, switching, or 75417  
recording any interactive, one- or two-way electromagnetic 75418  
communications, including voice, image, data, and information, 75419  
through the use of any medium, including, but not limited to, 75420  
poles, wires, cables, switching equipment, computers, and record 75421  
storage devices and media, and component parts for the tangible 75422  
personal property. The exemption provided in this division ~~(B)(34)~~ 75423  
~~of this section~~ shall be in lieu of all other ~~exceptions~~ 75424  
exemptions under division ~~(E)(2)(B)(43)(a)~~ of this section ~~5739.01~~ 75425  
~~of the Revised Code~~ to which a ~~telecommunications service~~ the 75426  
vendor may otherwise be entitled, based upon the use of the thing 75427  
purchased in providing the telecommunications, mobile 75428  
telecommunications, or satellite broadcasting service. 75429

(35) Sales of investment metal bullion and investment coins. 75430  
"Investment metal bullion" means any elementary precious metal 75431  
that has been put through a process of smelting or refining, 75432  
including, but not limited to, gold, silver, platinum, and 75433  
palladium, and which is in such state or condition that its value 75434  
depends upon its content and not upon its form. "Investment metal 75435  
bullion" does not include fabricated precious metal that has been 75436  
processed or manufactured for one or more specific and customary 75437  
industrial, professional, or artistic uses. "Investment coins" 75438  
means numismatic coins or other forms of money and legal tender 75439  
manufactured of gold, silver, platinum, palladium, or other metal 75440  
under the laws of the United States or any foreign nation with a 75441  
fair market value greater than any statutory or nominal value of 75442  
such coins. 75443

(36)(a) Sales where the purpose of the consumer is to use or 75444  
consume the things transferred in making retail sales and 75445  
consisting of newspaper inserts, catalogues, coupons, flyers, gift 75446

certificates, or other advertising material that prices and 75447  
describes tangible personal property offered for retail sale. 75448

(b) Sales to direct marketing vendors of preliminary 75449  
materials such as photographs, artwork, and typesetting that will 75450  
be used in printing advertising material; of printed matter that 75451  
offers free merchandise or chances to win sweepstake prizes and 75452  
that is mailed to potential customers with advertising material 75453  
described in division (B)(36)(a) of this section; and of equipment 75454  
such as telephones, computers, facsimile machines, and similar 75455  
tangible personal property primarily used to accept orders for 75456  
direct marketing retail sales. 75457

(c) Sales of automatic food vending machines that preserve 75458  
food with a shelf life of forty-five days or less by refrigeration 75459  
and dispense it to the consumer. 75460

For purposes of division (B)(36) of this section, "direct 75461  
marketing" means the method of selling where consumers order 75462  
tangible personal property by United States mail, delivery 75463  
service, or telecommunication and the vendor delivers or ships the 75464  
tangible personal property sold to the consumer from a warehouse, 75465  
catalogue distribution center, or similar fulfillment facility by 75466  
means of the United States mail, delivery service, or common 75467  
carrier. 75468

(37) Sales to a person engaged in the business of 75469  
horticulture or producing livestock of materials to be 75470  
incorporated into a horticulture structure or livestock structure; 75471

~~(38) The sale of a motor vehicle that is used exclusively for 75472  
a vanpool ridesharing arrangement to persons participating in the 75473  
vanpool ridesharing arrangement when the vendor is selling the 75474  
vehicle pursuant to a contract between the vendor and the 75475  
department of transportation; 75476~~

~~(39) Sales of personal computers, computer monitors, computer 75477~~

keyboards, modems, and other peripheral computer equipment to an 75478  
individual who is licensed or certified to teach in an elementary 75479  
or a secondary school in this state for use by that individual in 75480  
preparation for teaching elementary or secondary school students; 75481

~~(40)~~(39) Sales to a professional racing team of any of the 75482  
following: 75483

(a) Motor racing vehicles; 75484

(b) Repair services for motor racing vehicles; 75485

(c) Items of property that are attached to or incorporated in 75486  
motor racing vehicles, including engines, chassis, and all other 75487  
components of the vehicles, and all spare, replacement, and 75488  
rebuilt parts or components of the vehicles; except not including 75489  
tires, consumable fluids, paint, and accessories consisting of 75490  
instrumentation sensors and related items added to the vehicle to 75491  
collect and transmit data by means of telemetry and other forms of 75492  
communication. 75493

~~(41)~~(40) Sales of used manufactured homes and used mobile 75494  
homes, as defined in section 5739.0210 of the Revised Code, made 75495  
on or after January 1, 2000; 75496

~~(42)~~(41) Sales of tangible personal property and services to 75497  
a provider of electricity used or consumed directly and primarily 75498  
in generating, transmitting, or distributing electricity for use 75499  
by others, including property that is or is to be incorporated 75500  
into and will become a part of the consumer's production, 75501  
transmission, or distribution system and that retains its 75502  
classification as tangible personal property after incorporation; 75503  
fuel or power used in the production, transmission, or 75504  
distribution of electricity; and tangible personal property and 75505  
services used in the repair and maintenance of the production, 75506  
transmission, or distribution system, including only those motor 75507  
vehicles as are specially designed and equipped for such use. The 75508



exemption provided in this division shall be in lieu of all other 75509  
~~exceptions~~ exemptions in division ~~(E)-(2)-(B)(43)(a)~~ of this section 75510  
~~5739.01 of the Revised Code~~ to which a provider of electricity may 75511  
otherwise be entitled based on the use of the tangible personal 75512  
property or service purchased in generating, transmitting, or 75513  
distributing electricity. 75514

(42) Sales to a person providing services under division 75515  
(B)(3)(s) of section 5739.01 of the Revised Code of tangible 75516  
personal property and services used directly and primarily in 75517  
providing taxable services under that section. 75518

(43) Sales where the purpose of the purchaser is to do any of 75519  
the following: 75520

(a) To incorporate the thing transferred as a material or a 75521  
part into tangible personal property to be produced for sale by 75522  
manufacturing, assembling, processing, or refining; or to use or 75523  
consume the thing transferred directly in producing tangible 75524  
personal property for sale by mining, including, without 75525  
limitation, the extraction from the earth of all substances that 75526  
are classed geologically as minerals, production of crude oil and 75527  
natural gas, farming, agriculture, horticulture, or floriculture, 75528  
or directly in the rendition of a public utility service, except 75529  
that the sales tax levied by this section shall be collected upon 75530  
all meals, drinks, and food for human consumption sold when 75531  
transporting persons. Persons engaged in rendering farming, 75532  
agricultural, horticultural, or floricultural services, and 75533  
services in the exploration for, and production of, crude oil and 75534  
natural gas, for others are deemed engaged directly in farming, 75535  
agriculture, horticulture, and floriculture, or exploration for, 75536  
and production of, crude oil and natural gas. This paragraph does 75537  
not exempt from "retail sale" or "sales at retail" the sale of 75538  
tangible personal property that is to be incorporated into a 75539  
structure or improvement to real property. 75540

<u>(b) To hold the thing transferred as security for the performance of an obligation of the vendor;</u>	75541 75542
<u>(c) To resell, hold, use, or consume the thing transferred as evidence of a contract of insurance;</u>	75543 75544
<u>(d) To use or consume the thing directly in commercial fishing;</u>	75545 75546
<u>(e) To incorporate the thing transferred as a material or a part into, or to use or consume the thing transferred directly in the production of, magazines distributed as controlled circulation publications;</u>	75547 75548 75549 75550
<u>(f) To use or consume the thing transferred in the production and preparation in suitable condition for market and sale of printed, imprinted, overprinted, lithographic, multilithic, blueprinted, photostatic, or other productions or reproductions of written or graphic matter;</u>	75551 75552 75553 75554 75555
<u>(g) To use the thing transferred, as described in section 5739.011 of the Revised Code, primarily in a manufacturing operation to produce tangible personal property for sale;</u>	75556 75557 75558
<u>(h) To use the benefit of a warranty, maintenance or service contract, or similar agreement, as described in division (B)(7) of section 5739.01 of the Revised Code, to repair or maintain tangible personal property, if all of the property that is the subject of the warranty, contract, or agreement would not be subject to the tax imposed by this section;</u>	75559 75560 75561 75562 75563 75564
<u>(i) To use the thing transferred as qualified research and development equipment;</u>	75565 75566
<u>(j) To use or consume the thing transferred primarily in storing, transporting, mailing, or otherwise handling purchased sales inventory in a warehouse, distribution center, or similar facility when the inventory is primarily distributed outside this</u>	75567 75568 75569 75570

state to retail stores of the person who owns or controls the 75571  
warehouse, distribution center, or similar facility, to retail 75572  
stores of an affiliated group of which that person is a member, or 75573  
by means of direct marketing. This division does not apply to 75574  
motor vehicles registered for operation on the public highways. As 75575  
used in this division, "affiliated group" has the same meaning as 75576  
in division (B)(3)(e) of section 5739.01 of the Revised Code and 75577  
"direct marketing" has the same meaning as in division (B)(36) of 75578  
this section. 75579

(k) To use or consume the thing transferred to fulfill a 75580  
contractual obligation incurred by a warrantor pursuant to a 75581  
warranty provided as a part of the price of the tangible personal 75582  
property sold or by a vendor of a warranty, maintenance or service 75583  
contract, or similar agreement the provision of which is defined 75584  
as a sale under division (B)(7) of section 5739.01 of the Revised 75585  
Code; 75586

(l) To use or consume the thing transferred in the production 75587  
of a newspaper for distribution to the public; 75588

(m) To use tangible personal property to perform a service 75589  
listed in division (B)(3) of section 5739.01 of the Revised Code, 75590  
if the property is or is to be permanently transferred to the 75591  
consumer of the service as an integral part of the performance of 75592  
the service. 75593

As used in division (B)(43) of this section, "thing" includes 75594  
all transactions included in divisions (B)(3)(a), (b), and (e) of 75595  
section 5739.01 of the Revised Code. 75596

(44) Sales conducted through a coin operated device that 75597  
activates vacuum equipment or equipment that dispenses water, 75598  
whether or not in combination with soap or other cleaning agents 75599  
or wax, to the consumer for the consumer's use on the premises in 75600  
washing, cleaning, or waxing a motor vehicle, provided no other 75601

personal property or personal service is provided as part of the 75602  
transaction. 75603

(45) Sales of replacement and modification parts for engines, 75604  
airframes, instruments, and interiors in, and paint for, aircraft 75605  
used primarily in a fractional aircraft ownership program, and 75606  
sales of services for the repair, modification, and maintenance of 75607  
such aircraft, and machinery, equipment, and supplies primarily 75608  
used to provide those services. 75609

(46) Sales of telecommunications service that is used 75610  
directly and primarily to perform the functions of a call center. 75611  
As used in this division, "call center" means any physical 75612  
location where telephone calls are placed or received in high 75613  
volume for the purpose of making sales, marketing, customer 75614  
service, technical support, or other specialized business 75615  
activity, and that employs at least fifty individuals that engage 75616  
in call center activities on a full-time basis, or sufficient 75617  
individuals to fill fifty full-time equivalent positions. 75618

(C) For the purpose of the proper administration of this 75619  
chapter, and to prevent the evasion of the tax, it is presumed 75620  
that all sales made in this state are subject to the tax until the 75621  
contrary is established. 75622

~~As used in this section, except in division (B)(16) of this~~ 75623  
~~section, "food" includes cereals and cereal products, milk and~~ 75624  
~~milk products including ice cream, meat and meat products, fish~~ 75625  
~~and fish products, eggs and egg products, vegetables and vegetable~~ 75626  
~~products, fruits, fruit products, and pure fruit juices,~~ 75627  
~~condiments, sugar and sugar products, coffee and coffee~~ 75628  
~~substitutes, tea, and cocoa and cocoa products. It does not~~ 75629  
~~include: spirituous liquors, wine, mixed beverages, or beer; soft~~ 75630  
~~drinks; sodas and beverages that are ordinarily dispensed at or in~~ 75631  
~~connection with bars and soda fountains, other than coffee, tea,~~ 75632  
~~and cocoa; root beer and root beer extracts; malt and malt~~ 75633

~~extracts; mineral oils, cod liver oils, and halibut liver oil;~~ 75634  
~~medicines, including tonics, vitamin preparations, and other~~ 75635  
~~products sold primarily for their medicinal properties; and water,~~ 75636  
~~including mineral, bottled, and carbonated waters, and ice.~~ 75637

~~(C)~~(D) The levy of this tax on retail sales of recreation and 75638  
sports club service shall not prevent a municipal corporation from 75639  
levying any tax on recreation and sports club dues or on any 75640  
income generated by recreation and sports club dues. 75641

(E) The tax collected by the vendor from the consumer under 75642  
this chapter is not part of the price, but is a tax collection for 75643  
the benefit of the state, and of counties levying an additional 75644  
sales tax pursuant to section 5739.021 or 5739.026 of the Revised 75645  
Code and of transit authorities levying an additional sales tax 75646  
pursuant to section 5739.023 of the Revised Code. Except for the 75647  
discount authorized under section 5739.12 of the Revised Code and 75648  
the effects of any rounding pursuant to section 5703.055 of the 75649  
Revised Code, no person other than the state or such a county or 75650  
transit authority shall derive any benefit from the collection or 75651  
payment of the tax levied by this section or section 5739.021, 75652  
5739.023, or 5739.026 of the Revised Code. 75653

**Sec. 5739.021.** (A) For the purpose of providing additional 75654  
general revenues for the county or supporting criminal and 75655  
administrative justice services in the county, or both, and to pay 75656  
the expenses of administering such levy, any county may levy a tax 75657  
at the rate of not more than one per cent at any multiple of 75658  
one-fourth of one per cent upon every retail sale made in the 75659  
county, except sales of watercraft and outboard motors required to 75660  
be titled pursuant to Chapter 1548. of the Revised Code and sales 75661  
of motor vehicles, and may increase the rate of an existing tax to 75662  
not more than one per cent at any multiple of one-fourth of one 75663  
per cent. 75664

The tax shall be levied and the rate increased pursuant to a resolution of the board of county commissioners. The resolution shall state the purpose for which the tax is to be levied and the number of years for which the tax is to be levied, or that it is for a continuing period of time. If the tax is to be levied for the purpose of providing additional general revenues and for the purpose of supporting criminal and administrative justice services, the resolution shall state the rate or amount of the tax to be apportioned to each such purpose. The rate or amount may be different for each year the tax is to be levied, but the rates or amounts actually apportioned each year shall not be different from that stated in the resolution for that year. If the resolution is adopted as an emergency measure necessary for the immediate preservation of the public peace, health, or safety, it must receive an affirmative vote of all of the members of the board of county commissioners and shall state the reasons for such necessity. A The board shall deliver a certified copy of the resolution shall be delivered to the tax commissioner either personally or by certified mail, not later than the sixtieth sixty-fifth day prior to the date on which the tax is to become effective, which shall be the first day of the calendar quarter.

Prior to the adoption of any resolution under this section, the board of county commissioners shall conduct two public hearings on the resolution, the second hearing to be not less than three nor more than ten days after the first. Notice of the date, time, and place of the hearings shall be given by publication in a newspaper of general circulation in the county once a week on the same day of the week for two consecutive weeks, the second publication being not less than ten nor more than thirty days prior to the first hearing.

Except as provided in division (B)(3) of this section, the resolution shall ~~become effective on the first day of a calendar~~

~~quarter following the expiration of sixty days from the date of~~ 75697  
~~its adoption,~~ be subject to a referendum as provided in sections 75698  
305.31 to 305.41 of the Revised Code. 75699

If a petition for a referendum is filed, the county auditor 75700  
with whom the petition was filed shall, within five days, notify 75701  
the board of county commissioners and the tax commissioner of the 75702  
filing of the petition by certified mail. If the board of 75703  
elections with which the petition was filed declares the petition 75704  
invalid, the board of elections, within five days, shall notify 75705  
the board of county commissioners and the tax commissioner of that 75706  
declaration by certified mail. If the petition is declared to be 75707  
invalid, the effective date of the tax or increased rate of tax 75708  
levied by this section shall be the first day of a calendar 75709  
quarter following the expiration of ~~sixty~~sixty-five days from the date 75710  
~~the petition was declared invalid by commissioner receives notice~~ 75711  
from the board of elections that the petition is invalid. 75712

(B)(1) A resolution that is not adopted as an emergency 75713  
measure may direct the board of elections to submit the question 75714  
of levying the tax or increasing the rate of tax to the electors 75715  
of the county at a special election held on the date specified by 75716  
the board of county commissioners in the resolution, provided that 75717  
the election occurs not less than seventy-five days after a 75718  
certified copy of such resolution is transmitted to the board of 75719  
elections and the election is not held in February or August of 75720  
any year. Upon transmission of the resolution to the board of 75721  
elections, the board of county commissioners shall notify the tax 75722  
commissioner in writing of the levy question to be submitted to 75723  
the electors. No resolution adopted under this division shall go 75724  
into effect unless approved by a majority of those voting upon it, 75725  
and, except as provided in division (B)(3) of this section, shall 75726  
become effective on the first day of a calendar quarter following 75727  
the expiration of ~~sixty~~sixty-five days from the date ~~of notice to the~~ 75728

tax commissioner ~~by~~ receives notice from the board of elections of 75729  
the affirmative vote. 75730

(2) A resolution that is adopted as an emergency measure 75731  
shall go into effect as provided in division (A) of this section, 75732  
but may direct the board of elections to submit the question of 75733  
repealing the tax or increase in the rate of the tax to the 75734  
electors of the county at the next general election in the county 75735  
occurring not less than seventy-five days after a certified copy 75736  
of the resolution is transmitted to the board of elections. Upon 75737  
transmission of the resolution to the board of elections, the 75738  
board of county commissioners shall notify the tax commissioner in 75739  
writing of the levy question to be submitted to the electors. The 75740  
ballot question shall be the same as that prescribed in section 75741  
5739.022 of the Revised Code. The board of elections shall notify 75742  
the board of county commissioners and the tax commissioner of the 75743  
result of the election immediately after the result has been 75744  
declared. If a majority of the qualified electors voting on the 75745  
question of repealing the tax or increase in the rate of the tax 75746  
vote for repeal of the tax or repeal of the increase, the board of 75747  
county commissioners, on the first day of a calendar quarter 75748  
following the expiration of sixty-five days after the date ~~it~~ 75749  
~~received~~ the board and tax commissioner receive notice of the 75750  
result of the election, shall, in the case of a repeal of the tax, 75751  
cease to levy the tax, or, in the case of a repeal of an increase 75752  
in the rate of the tax, cease to levy the increased rate and levy 75753  
the tax at the rate at which it was imposed immediately prior to 75754  
the increase in rate. 75755

(3) If a vendor that is registered with the central 75756  
electronic registration system provided for in section 5740.05 of 75757  
the Revised Code makes a sale in this state by printed catalog and 75758  
the consumer computed the tax on the sale based on local rates 75759  
published in the catalog, any tax levied or repealed or rate 75760



changed under this section shall not apply to such ~~sales~~ a sale 75761  
until the first day of a calendar quarter following the expiration 75762  
of one hundred twenty days from the date of notice by the tax 75763  
commissioner ~~to the vendor, or to the vendor's certified service~~ 75764  
~~provider, if the vendor has selected one~~ pursuant to division (H) 75765  
of this section. 75766

(C) If a resolution is rejected at a referendum or if a 75767  
resolution adopted after January 1, 1982, as an emergency measure 75768  
is repealed by the electors pursuant to division (B)(2) of this 75769  
section or section 5739.022 of the Revised Code, then for one year 75770  
after the date of the election at which the resolution was 75771  
rejected or repealed the board of county commissioners may not 75772  
adopt any resolution authorized by this section as an emergency 75773  
measure. 75774

(D) The board of county commissioners, at any time while a 75775  
tax levied under this section is in effect, may by resolution 75776  
reduce the rate at which the tax is levied to a lower rate 75777  
authorized by this section. Any reduction in the rate at which the 75778  
tax is levied shall be made effective on the first day of a 75779  
calendar quarter next following the ~~sixtieth~~ sixty-fifth day after 75780  
~~the certification~~ a certified copy of the resolution is delivered 75781  
to the tax commissioner. 75782

(E) The tax on every retail sale subject to a tax levied 75783  
pursuant to this section shall be in addition to the tax levied by 75784  
section 5739.02 of the Revised Code and any tax levied pursuant to 75785  
section 5739.023 or 5739.026 of the Revised Code. 75786

A county that levies a tax pursuant to this section shall 75787  
levy a tax at the same rate pursuant to section 5741.021 of the 75788  
Revised Code. 75789

The additional tax levied by the county shall be collected 75790  
pursuant to section 5739.025 of the Revised Code. If the 75791

additional tax or some portion thereof is levied for the purpose 75792  
of criminal and administrative justice services, the revenue from 75793  
the tax, or the amount or rate apportioned to that purpose, shall 75794  
be credited to a special fund created in the county treasury for 75795  
receipt of that revenue. 75796

Any tax levied pursuant to this section is subject to the 75797  
exemptions provided in section 5739.02 of the Revised Code and in 75798  
addition shall not be applicable to sales not within the taxing 75799  
power of a county under the Constitution of the United States or 75800  
the Ohio Constitution. 75801

(F) For purposes of this section, a copy of a resolution is 75802  
"certified" when it contains a written statement attesting that 75803  
the copy is a true and exact reproduction of the original 75804  
resolution. 75805

(G) If a board of commissioners intends to adopt a resolution 75806  
to levy a tax in whole or in part for the purpose of criminal and 75807  
administrative justice services, the board shall prepare and make 75808  
available at the first public hearing at which the resolution is 75809  
considered a statement containing the following information: 75810

(1) For each of the two preceding fiscal years, the amount of 75811  
expenditures made by the county from the county general fund for 75812  
the purpose of criminal and administrative justice services; 75813

(2) For the fiscal year in which the resolution is adopted, 75814  
the board's estimate of the amount of expenditures to be made by 75815  
the county from the county general fund for the purpose of 75816  
criminal and administrative justice services; 75817

(3) For each of the two fiscal years after the fiscal year in 75818  
which the resolution is adopted, the board's preliminary plan for 75819  
expenditures to be made from the county general fund for the 75820  
purpose of criminal and administrative justice services, both 75821  
under the assumption that the tax will be imposed for that purpose 75822

and under the assumption that the tax would not be imposed for 75823  
that purpose, and for expenditures to be made from the special 75824  
fund created under division (E) of this section under the 75825  
assumption that the tax will be imposed for that purpose. 75826

The board shall prepare the statement and the preliminary 75827  
plan using the best information available to the board at the time 75828  
the statement is prepared. Neither the statement nor the 75829  
preliminary plan shall be used as a basis to challenge the 75830  
validity of the tax in any court of competent jurisdiction, nor 75831  
shall the statement or preliminary plan limit the authority of the 75832  
board to appropriate, pursuant to section 5705.38 of the Revised 75833  
Code, an amount different from that specified in the preliminary 75834  
plan. 75835

(H) Upon receipt from a board of county commissioners of a 75836  
certified copy of a resolution required by division (A) or (D) of 75837  
this section, or from the board of elections of a notice of the 75838  
results of an election required by division (A) or (B)(1) or (2) 75839  
of this section, the tax commissioner shall provide notice of a 75840  
tax rate change in a manner that is reasonably accessible to all 75841  
affected vendors. The commissioner shall provide this notice at 75842  
least sixty days prior to the effective date of the rate change. 75843  
The commissioner, by rule, may establish the method by which 75844  
notice will be provided. 75845

(I) As used in this section, "criminal and administrative 75846  
justice services" means the exercise by the county sheriff of all 75847  
powers and duties vested in that office by law; the exercise by 75848  
the county prosecuting attorney of all powers and duties vested in 75849  
that office by law; the exercise by any court in the county of all 75850  
powers and duties vested in that court; the exercise by the clerk 75851  
of the court of common pleas, any clerk of a municipal court 75852  
having jurisdiction throughout the county, or the clerk of any 75853  
county court of all powers and duties vested in the clerk by law 75854

except, in the case of the clerk of the court of common pleas, the 75855  
titling of motor vehicles or watercraft pursuant to Chapter 1548. 75856  
or 4505. of the Revised Code; the exercise by the county coroner 75857  
of all powers and duties vested in that office by law; making 75858  
payments to any other public agency or a private, nonprofit 75859  
agency, the purposes of which in the county include the diversion, 75860  
adjudication, detention, or rehabilitation of criminals or 75861  
juvenile offenders; the operation and maintenance of any detention 75862  
facility, as defined in section 2921.01 of the Revised Code; and 75863  
the construction, acquisition, equipping, or repair of such a 75864  
detention facility, including the payment of any debt charges 75865  
incurred in the issuance of securities pursuant to Chapter 133. of 75866  
the Revised Code for the purpose of constructing, acquiring, 75867  
equipping, or repairing such a facility. 75868

**Sec. 5739.022.** (A) The question of repeal of either a county 75869  
permissive tax or an increase in the rate of a county permissive 75870  
tax that was adopted as an emergency measure pursuant to section 75871  
5739.021 or 5739.026 of the Revised Code may be initiated by 75872  
filing with the board of elections of the county not less than 75873  
seventy-five days before the general election in any year a 75874  
petition requesting that an election be held on the question. The 75875  
question of repealing an increase in the rate of the county 75876  
permissive tax shall be submitted to the electors as a separate 75877  
question from the repeal of the tax in effect prior to the 75878  
increase in the rate. Any petition filed under this section shall 75879  
be signed by qualified electors residing in the county equal in 75880  
number to ten per cent of those voting for governor at the most 75881  
recent gubernatorial election. 75882

After determination by it that the petition is valid, the 75883  
board of elections shall submit the question to the electors of 75884  
the county at the next general election. The election shall be 75885  
conducted, canvassed, and certified in the same manner as regular 75886

elections for county offices in the county. The board of elections 75887  
shall notify the tax commissioner, in writing, of the election 75888  
upon determining that the petition is valid. Notice of the 75889  
election shall also be published in a newspaper of general 75890  
circulation in the district once a week for four consecutive weeks 75891  
prior to the election, stating the purpose, the time, and the 75892  
place of the election. The form of the ballot cast at the election 75893  
shall be prescribed by the secretary of state; however, the ballot 75894  
question shall read, "shall the tax (or, increase in the rate of 75895  
the tax) be retained? 75896

	Yes
	No

"

The question covered by the petition shall be submitted as a 75901  
separate proposition, but it may be printed on the same ballot 75902  
with any other proposition submitted at the same election other 75903  
than the election of officers. 75904

(B) If a majority of the qualified electors voting on the 75905  
question of repeal of either a county permissive tax or an 75906  
increase in the rate of a county permissive tax approve the 75907  
repeal, the board of elections shall notify the board of county 75908  
commissioners and the tax commissioner of the result of the 75909  
election immediately after the result has been declared. The board 75910  
of county commissioners shall, on the first day of the ~~month~~ 75911  
calendar quarter following the expiration of ~~thirty~~ sixty-five 75912  
days after the date ~~it receives~~ the board and the tax commissioner 75913  
receive the notice, in the case of a repeal of a county permissive 75914  
tax, cease to levy the tax, or, in the case of a repeal of an 75915  
increase in the rate of a county permissive tax, levy the tax at 75916  
the rate at which it was imposed immediately prior to the increase 75917  
in rate and cease to levy the increased rate. 75918

(C) Upon receipt from a board of elections of a notice of the results of an election required by division (B) of this section, the tax commissioner shall provide notice of a tax repeal or rate change in a manner that is reasonably accessible to all affected vendors. The commissioner shall provide this notice at least sixty days prior to the effective date of the rate change. The commissioner, by rule, may establish the method by which notice will be provided. 75919  
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(D) If a vendor that is registered with the central electronic registration system provided for in section 5740.05 of the Revised Code makes a sale in this state by printed catalog and the consumer computed the tax on the sale based on local rates published in the catalog, any tax repealed or rate changed under this section shall not apply to such a sale until the first day of a calendar quarter following the expiration of one hundred twenty days from the date of notice by the tax commissioner pursuant to division (C) of this section. 75927  
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**Sec. 5739.023.** (A)(1) For the purpose of providing additional general revenues for a transit authority and paying the expenses of administering such levy, any transit authority as defined in division (U) of section 5739.01 of the Revised Code may levy a tax upon every retail sale made in the territory of the transit authority, except sales of watercraft and outboard motors required to be titled pursuant to Chapter 1548. of the Revised Code and sales of motor vehicles, at a rate of not more than one and one-half per cent at any multiple of one-fourth of one per cent and may increase the existing rate of tax to not more than one and one-half per cent at any multiple of one-fourth of one per cent. The tax shall be levied and the rate increased pursuant to a resolution of the legislative authority of the transit authority and a certified copy of the resolution shall be delivered by the 75936  
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fiscal officer to the board of elections as provided in section 75950  
3505.071 of the Revised Code and to the tax commissioner. The 75951  
resolution shall specify the number of years for which the tax is 75952  
to be in effect or that the tax is for a continuing period of 75953  
time, and the date of the election on the question of the tax 75954  
pursuant to section 306.70 of the Revised Code. The board of 75955  
elections shall certify the results of the election to the transit 75956  
authority and tax commissioner. 75957

(2) Except as provided in division (C) of this section, the 75958  
tax levied by the resolution shall become effective on the first 75959  
day of a calendar quarter next following the ~~sixtieth~~ sixty-fifth 75960  
day following the date the tax commissioner receives from the 75961  
board of elections the certification of the results of the 75962  
election on the question of the tax ~~by the board of elections~~. 75963

(B) The legislative authority may, at any time while the tax 75964  
is in effect, by resolution fix the rate of the tax at any rate 75965  
authorized by this section and not in excess of that approved by 75966  
the voters pursuant to section 306.70 of the Revised Code. Except 75967  
as provided in division (C) of this section, any change in the 75968  
rate of the tax shall be made effective on the first day of a 75969  
calendar quarter next following the ~~sixtieth~~ sixty-fifth day 75970  
following the date the tax commissioner receives the certification 75971  
of the resolution ~~to the tax commissioner~~; provided, that in any 75972  
case where bonds, or notes in anticipation of bonds, of a regional 75973  
transit authority have been issued under section 306.40 of the 75974  
Revised Code without a vote of the electors while the tax proposed 75975  
to be reduced was in effect, the board of trustees of the regional 75976  
transit authority shall continue to levy and collect under 75977  
authority of the original election authorizing the tax a rate of 75978  
tax that the board of trustees reasonably estimates will produce 75979  
an amount in that year equal to the amount of principal of and 75980  
interest on those bonds as is payable in that year. 75981

(C) Upon receipt from the board of elections of the certification of the results of the election required by division (A) of this section, or from the legislative authority of the certification of a resolution under division (B) of this section, the tax commissioner shall provide notice of a tax rate change in a manner that is reasonably accessible to all affected vendors. The commissioner shall provide this notice at least sixty days prior to the effective date of the rate change. The commissioner, by rule, may establish the method by which notice will be provided. 75982  
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(D) If a vendor that is registered with the central electronic registration system provided for in section 5740.05 of the Revised Code makes a sale in this state by printed catalog and the consumer computed the tax on the sale based on local rates published in the catalog, any tax levied or rate changed under this section shall not apply to such a sale until the first day of a calendar quarter following the expiration of one hundred twenty days from the date of notice by the tax commissioner ~~to the vendor, or to the vendor's certified service provider, if the vendor has selected one~~ pursuant to division (C) of this section. 75992  
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~~(D)~~(E) The tax on every retail sale subject to a tax levied pursuant to this section is in addition to the tax levied by section 5739.02 of the Revised Code and any tax levied pursuant to section 5739.021 or 5739.026 of the Revised Code. 76002  
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~~(E)~~(F) The additional tax levied by the transit authority shall be collected pursuant to section 5739.025 of the Revised Code. 76006  
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~~(F)~~(G) Any tax levied pursuant to this section is subject to the exemptions provided in section 5739.02 of the Revised Code and in addition shall not be applicable to sales not within the taxing power of a transit authority under the constitution of the United 76009  
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States or the constitution of this state. 76013

~~(G)~~(H) The rate of a tax levied under this section is subject 76014  
to reduction under section 5739.028 of the Revised Code, if a 76015  
ballot question is approved by voters pursuant to that section. 76016

**Sec. 5739.025.** As used in this section, "local tax" means a 76017  
tax imposed pursuant to section 5739.021, 5739.023, 5739.026, 76018  
5741.021, 5741.022, or 5741.023 of the Revised Code. 76019

(A) The taxes levied by sections 5739.02 and 5741.02 of the 76020  
Revised Code shall be collected as follows: 76021

(1) On and after July 1, 2003, and on or before June 30, 76022  
2005, in accordance with the following schedule: 76023

<u>If the price</u>		<u>The amount of</u>	
<u>is at least</u>	<u>But not more than</u>	<u>the tax is</u>	
<u>\$ .01</u>	<u>\$ .15</u>	<u>No tax</u>	76026
<u>.16</u>	<u>.16</u>	<u>1¢</u>	76027
<u>.17</u>	<u>.33</u>	<u>2¢</u>	76028
<u>.34</u>	<u>.50</u>	<u>3¢</u>	76029
<u>.51</u>	<u>.66</u>	<u>4¢</u>	76030
<u>.67</u>	<u>.83</u>	<u>5¢</u>	76031
<u>.84</u>	<u>1.00</u>	<u>6¢</u>	76032

If the price exceeds one dollar, the tax is six cents on each 76033  
one dollar. If the price exceeds one dollar or a multiple thereof 76034  
by not more than seventeen cents, the amount of tax is six cents 76035  
for each one dollar plus one cent. If the price exceeds one dollar 76036  
or a multiple thereof by more than seventeen cents, the amount of 76037  
tax is six cents for each one dollar plus the amount of tax for 76038  
prices eighteen cents through ninety-nine cents in accordance with 76039  
the schedule above. 76040

(2) On and after July 1, 2005, and on and before December 31, 76041  
2005, in accordance with the following schedule: 76042

If the price	But not	The amount	76043
is at least	more than	of the tax is	76044
\$ .01	\$ .15	No tax	76045
.16	.20	1¢	76046
.21	.40	2¢	76047
.41	.60	3¢	76048
.61	.80	4¢	76049
.81	1.00	5¢	76050

If the price exceeds one dollar, the tax is five cents on 76051  
each one dollar. If the price exceeds one dollar or a multiple 76052  
thereof by not more than twenty cents, the amount of tax is five 76053  
cents for each one dollar plus one cent. If the price exceeds one 76054  
dollar or a multiple thereof by more than twenty cents, the amount 76055  
of tax is five cents for each one dollar plus the amount of tax 76056  
for prices twenty-one cents through ninety-nine cents in 76057  
accordance with the schedule above. 76058

(B) The On and after July 1, 2003, and on and before June 30, 76059  
2005, the combined taxes levied by sections 5739.02 and 5741.02 76060  
and pursuant to sections 5739.021, 5739.023, 5739.026, 5741.021, 76061  
5741.022, and 5741.023 of the Revised Code shall be collected in 76062  
accordance with the following schedules: 76063

(1) When the combined rate of state and local tax is six and 76064  
one-fourth per cent: 76065

<u>If the price</u>		<u>The amount of</u>	76066
<u>is at least</u>	<u>But not more than</u>	<u>the tax is</u>	76067
<u>\$ .01</u>	<u>\$ .15</u>	<u>No tax</u>	76068
<u>.16</u>	<u>.16</u>	<u>1¢</u>	76069
<u>.17</u>	<u>.32</u>	<u>2¢</u>	76070
<u>.33</u>	<u>.48</u>	<u>3¢</u>	76071
<u>.49</u>	<u>.64</u>	<u>4¢</u>	76072
<u>.65</u>	<u>.80</u>	<u>5¢</u>	76073
<u>.81</u>	<u>.96</u>	<u>6¢</u>	76074

<u>.97</u>	<u>1.12</u>	<u>7¢</u>	76075
<u>1.13</u>	<u>1.28</u>	<u>8¢</u>	76076
<u>1.29</u>	<u>1.44</u>	<u>9¢</u>	76077
<u>1.45</u>	<u>1.60</u>	<u>10¢</u>	76078
<u>1.61</u>	<u>1.76</u>	<u>11¢</u>	76079
<u>1.77</u>	<u>1.92</u>	<u>12¢</u>	76080
<u>1.93</u>	<u>2.08</u>	<u>13¢</u>	76081
<u>2.09</u>	<u>2.24</u>	<u>14¢</u>	76082
<u>2.25</u>	<u>2.40</u>	<u>15¢</u>	76083
<u>2.41</u>	<u>2.56</u>	<u>16¢</u>	76084
<u>2.57</u>	<u>2.72</u>	<u>17¢</u>	76085
<u>2.73</u>	<u>2.88</u>	<u>18¢</u>	76086
<u>2.89</u>	<u>3.04</u>	<u>19¢</u>	76087
<u>3.05</u>	<u>3.20</u>	<u>20¢</u>	76088
<u>3.21</u>	<u>3.36</u>	<u>21¢</u>	76089
<u>3.37</u>	<u>3.52</u>	<u>22¢</u>	76090
<u>3.53</u>	<u>3.68</u>	<u>23¢</u>	76091
<u>3.69</u>	<u>3.84</u>	<u>24¢</u>	76092
<u>3.85</u>	<u>4.00</u>	<u>25¢</u>	76093

If the price exceeds four dollars, the tax is twenty-five cents on each four dollars. If the price exceeds four dollars or a multiple thereof by not more than sixteen cents, the amount of tax is twenty-five cents for each four dollars plus one cent. If the price exceeds four dollars or a multiple thereof by more than sixteen cents, the amount of tax is twenty-five cents for each four dollars plus the amount of tax for prices seventeen cents through three dollars and ninety-nine cents in accordance with the schedule above.

(2) When the combined rate of state and local tax is six and one-half per cent:

<u>If the price</u>		<u>The amount of</u>	76105
<u>is at least</u>	<u>But not more than</u>	<u>the tax is</u>	76106

<u>\$ .01</u>	<u>\$ .15</u>	<u>No tax</u>	76107
<u>.16</u>	<u>.30</u>	<u>2¢</u>	76108
<u>.31</u>	<u>.46</u>	<u>3¢</u>	76109
<u>.47</u>	<u>.61</u>	<u>4¢</u>	76110
<u>.62</u>	<u>.76</u>	<u>5¢</u>	76111
<u>.77</u>	<u>.92</u>	<u>6¢</u>	76112
<u>.93</u>	<u>1.07</u>	<u>7¢</u>	76113
<u>1.08</u>	<u>1.23</u>	<u>8¢</u>	76114
<u>1.24</u>	<u>1.38</u>	<u>9¢</u>	76115
<u>1.39</u>	<u>1.53</u>	<u>10¢</u>	76116
<u>1.54</u>	<u>1.69</u>	<u>11¢</u>	76117
<u>1.70</u>	<u>1.84</u>	<u>12¢</u>	76118
<u>1.85</u>	<u>2.00</u>	<u>13¢</u>	76119

If the price exceeds two dollars, the tax is thirteen cents 76120  
on each two dollars. If the price exceeds two dollars or a 76121  
multiple thereof by not more than fifteen cents, the amount of tax 76122  
is thirteen cents for each two dollars plus one cent. If the price 76123  
exceeds two dollars or a multiple thereof by more than fifteen 76124  
cents, the amount of tax is thirteen cents for each two dollars 76125  
plus the amount of tax for prices sixteen cents through one dollar 76126  
and ninety-nine cents in accordance with the schedule above. 76127

(3) When the combined rate of state and local tax is six and 76128  
three-fourths per cent: 76129

<u>If the price</u>		<u>The amount of</u>	76130
<u>is at least</u>	<u>But not more than</u>	<u>the tax is</u>	76131
<u>\$ .01</u>	<u>\$ .15</u>	<u>No tax</u>	76132
<u>.16</u>	<u>.29</u>	<u>2¢</u>	76133
<u>.30</u>	<u>.44</u>	<u>3¢</u>	76134
<u>.45</u>	<u>.59</u>	<u>4¢</u>	76135
<u>.60</u>	<u>.74</u>	<u>5¢</u>	76136
<u>.75</u>	<u>.88</u>	<u>6¢</u>	76137
<u>.89</u>	<u>1.03</u>	<u>7¢</u>	76138

<u>1.04</u>	<u>1.18</u>	<u>8¢</u>	76139
<u>1.19</u>	<u>1.33</u>	<u>9¢</u>	76140
<u>1.34</u>	<u>1.48</u>	<u>10¢</u>	76141
<u>1.49</u>	<u>1.62</u>	<u>11¢</u>	76142
<u>1.63</u>	<u>1.77</u>	<u>12¢</u>	76143
<u>1.78</u>	<u>1.92</u>	<u>13¢</u>	76144
<u>1.93</u>	<u>2.07</u>	<u>14¢</u>	76145
<u>2.08</u>	<u>2.22</u>	<u>15¢</u>	76146
<u>2.23</u>	<u>2.37</u>	<u>16¢</u>	76147
<u>2.38</u>	<u>2.51</u>	<u>17¢</u>	76148
<u>2.52</u>	<u>2.66</u>	<u>18¢</u>	76149
<u>2.67</u>	<u>2.81</u>	<u>19¢</u>	76150
<u>2.82</u>	<u>2.96</u>	<u>20¢</u>	76151
<u>2.97</u>	<u>3.11</u>	<u>21¢</u>	76152
<u>3.12</u>	<u>3.25</u>	<u>22¢</u>	76153
<u>3.26</u>	<u>3.40</u>	<u>23¢</u>	76154
<u>3.41</u>	<u>3.55</u>	<u>24¢</u>	76155
<u>3.56</u>	<u>3.70</u>	<u>25¢</u>	76156
<u>3.71</u>	<u>3.85</u>	<u>26¢</u>	76157
<u>3.86</u>	<u>4.00</u>	<u>27¢</u>	76158

If the price exceeds four dollars, the tax is twenty-seven 76159  
cents on each four dollars. If the price exceeds four dollars or a 76160  
multiple thereof by not more than fourteen cents, the amount of 76161  
tax is twenty-seven cents for each four dollars plus one cent. If 76162  
the price exceeds four dollars or a multiple thereof by more than 76163  
fourteen but by not more than twenty-nine cents, the amount of tax 76164  
is twenty-seven cents for each four dollars plus two cents. If the 76165  
price exceeds four dollars or a multiple thereof by more than 76166  
twenty-nine cents the amount of tax is twenty-seven cents for each 76167  
four dollars plus the amount of tax for prices thirty cents 76168  
through three dollars and ninety-nine cents in accordance with the 76169  
schedule above. 76170

(4) When the combined rate of state and local tax is seven 76171  
per cent: 76172

<u>If the price</u>		<u>The amount of</u>	
<u>is at least</u>	<u>But not more than</u>	<u>the tax is</u>	
<u>\$ .01</u>	<u>\$ .15</u>	<u>No tax</u>	76175
<u>.16</u>	<u>.28</u>	<u>2¢</u>	76176
<u>.29</u>	<u>.42</u>	<u>3¢</u>	76177
<u>.43</u>	<u>.57</u>	<u>4¢</u>	76178
<u>.58</u>	<u>.71</u>	<u>5¢</u>	76179
<u>.72</u>	<u>.85</u>	<u>6¢</u>	76180
<u>.86</u>	<u>1.00</u>	<u>7¢</u>	76181

If the price exceeds one dollar, the tax is seven cents on 76182  
each one dollar. If the price exceeds one dollar or a multiple 76183  
thereof by not more than fifteen cents, the amount of tax is seven 76184  
cents for each one dollar plus one cent. If the price exceeds one 76185  
dollar or a multiple thereof by more than fifteen cents, the 76186  
amount of tax is seven cents for each one dollar plus the amount 76187  
of tax for prices sixteen cents through ninety-nine cents in 76188  
accordance with the schedule above. 76189

(5) When the combined rate of state and local tax is seven 76190  
and one-fourth per cent: 76191

<u>If the price</u>		<u>The amount of</u>	
<u>is at least</u>	<u>But not more than</u>	<u>the tax is</u>	
<u>\$ .01</u>	<u>\$ .15</u>	<u>No tax</u>	76194
<u>.16</u>	<u>.27</u>	<u>2¢</u>	76195
<u>.28</u>	<u>.41</u>	<u>3¢</u>	76196
<u>.42</u>	<u>.55</u>	<u>4¢</u>	76197
<u>.56</u>	<u>.68</u>	<u>5¢</u>	76198
<u>.69</u>	<u>.82</u>	<u>6¢</u>	76199
<u>.83</u>	<u>.96</u>	<u>7¢</u>	76200
<u>.97</u>	<u>1.10</u>	<u>8¢</u>	76201
<u>1.11</u>	<u>1.24</u>	<u>9¢</u>	76202

<u>1.25</u>	<u>1.37</u>	<u>10¢</u>	76203
<u>1.38</u>	<u>1.51</u>	<u>11¢</u>	76204
<u>1.52</u>	<u>1.65</u>	<u>12¢</u>	76205
<u>1.66</u>	<u>1.79</u>	<u>13¢</u>	76206
<u>1.80</u>	<u>1.93</u>	<u>14¢</u>	76207
<u>1.94</u>	<u>2.06</u>	<u>15¢</u>	76208
<u>2.07</u>	<u>2.20</u>	<u>16¢</u>	76209
<u>2.21</u>	<u>2.34</u>	<u>17¢</u>	76210
<u>2.35</u>	<u>2.48</u>	<u>18¢</u>	76211
<u>2.49</u>	<u>2.62</u>	<u>19¢</u>	76212
<u>2.63</u>	<u>2.75</u>	<u>20¢</u>	76213
<u>2.76</u>	<u>2.89</u>	<u>21¢</u>	76214
<u>2.90</u>	<u>3.03</u>	<u>22¢</u>	76215
<u>3.04</u>	<u>3.17</u>	<u>23¢</u>	76216
<u>3.18</u>	<u>3.31</u>	<u>24¢</u>	76217
<u>3.32</u>	<u>3.44</u>	<u>25¢</u>	76218
<u>3.45</u>	<u>3.58</u>	<u>26¢</u>	76219
<u>3.59</u>	<u>3.72</u>	<u>27¢</u>	76220
<u>3.73</u>	<u>3.86</u>	<u>28¢</u>	76221
<u>3.87</u>	<u>4.00</u>	<u>29¢</u>	76222

If the price exceeds four dollars, the tax is twenty-nine 76223  
cents on each four dollars. If the price exceeds four dollars or a 76224  
multiple thereof by not more than thirteen cents, the amount of 76225  
tax is twenty-nine cents for each four dollars plus one cent. If 76226  
the price exceeds four dollars or a multiple thereof by more than 76227  
thirteen cents but by not more than twenty-seven cents, the amount 76228  
of tax is twenty-nine cents for each four dollars plus two cents. 76229  
If the price exceeds four dollars or a multiple thereof by more 76230  
than twenty-seven cents, the amount of tax is twenty-nine cents 76231  
for each four dollars plus the amount of tax for prices 76232  
twenty-eight cents through three dollars and ninety-nine cents in 76233  
accordance with the schedule above. 76234

(6) When the combined rate of state and local tax is seven 76235  
and one-half per cent: 76236

<u>If the price</u>		<u>The amount of</u>	
<u>is at least</u>	<u>But not more than</u>	<u>the tax is</u>	
<u>\$ .01</u>	<u>\$ .15</u>	<u>No tax</u>	76239
<u>.16</u>	<u>.26</u>	<u>2¢</u>	76240
<u>.27</u>	<u>.40</u>	<u>3¢</u>	76241
<u>.41</u>	<u>.53</u>	<u>4¢</u>	76242
<u>.54</u>	<u>.65</u>	<u>5¢</u>	76243
<u>.66</u>	<u>.80</u>	<u>6¢</u>	76244
<u>.81</u>	<u>.93</u>	<u>7¢</u>	76245
<u>.94</u>	<u>1.06</u>	<u>8¢</u>	76246
<u>1.07</u>	<u>1.20</u>	<u>9¢</u>	76247
<u>1.21</u>	<u>1.33</u>	<u>10¢</u>	76248
<u>1.34</u>	<u>1.46</u>	<u>11¢</u>	76249
<u>1.47</u>	<u>1.60</u>	<u>12¢</u>	76250
<u>1.61</u>	<u>1.73</u>	<u>13¢</u>	76251
<u>1.74</u>	<u>1.86</u>	<u>14¢</u>	76252
<u>1.87</u>	<u>2.00</u>	<u>15¢</u>	76253

If the price exceeds two dollars, the tax is fifteen cents on 76254  
each two dollars. If the price exceeds two dollars or a multiple 76255  
thereof by not more than fifteen cents, the amount of tax is 76256  
fifteen cents for each two dollars plus one cent. If the price 76257  
exceeds two dollars or a multiple thereof by more than fifteen 76258  
cents, the amount of tax is fifteen cents for each two dollars 76259  
plus the amount of tax for prices sixteen cents through one dollar 76260  
and ninety-nine cents in accordance with the schedule above. 76261

(7) When the combined rate of state and local tax is seven 76262  
and three-fourths per cent: 76263

<u>If the price</u>		<u>The amount of</u>	
<u>is at least</u>	<u>But not more than</u>	<u>the tax is</u>	
<u>\$ .01</u>	<u>\$ .15</u>	<u>No tax</u>	76266



<u>.16</u>	<u>.25</u>	<u>2¢</u>	76267
<u>.26</u>	<u>.38</u>	<u>3¢</u>	76268
<u>.39</u>	<u>.51</u>	<u>4¢</u>	76269
<u>.52</u>	<u>.64</u>	<u>5¢</u>	76270
<u>.65</u>	<u>.77</u>	<u>6¢</u>	76271
<u>.78</u>	<u>.90</u>	<u>7¢</u>	76272
<u>.91</u>	<u>1.03</u>	<u>8¢</u>	76273
<u>1.04</u>	<u>1.16</u>	<u>9¢</u>	76274
<u>1.17</u>	<u>1.29</u>	<u>10¢</u>	76275
<u>1.30</u>	<u>1.41</u>	<u>11¢</u>	76276
<u>1.42</u>	<u>1.54</u>	<u>12¢</u>	76277
<u>1.55</u>	<u>1.67</u>	<u>13¢</u>	76278
<u>1.68</u>	<u>1.80</u>	<u>14¢</u>	76279
<u>1.81</u>	<u>1.93</u>	<u>15¢</u>	76280
<u>1.94</u>	<u>2.06</u>	<u>16¢</u>	76281
<u>2.07</u>	<u>2.19</u>	<u>17¢</u>	76282
<u>2.20</u>	<u>2.32</u>	<u>18¢</u>	76283
<u>2.33</u>	<u>2.45</u>	<u>19¢</u>	76284
<u>2.46</u>	<u>2.58</u>	<u>20¢</u>	76285
<u>2.59</u>	<u>2.70</u>	<u>21¢</u>	76286
<u>2.71</u>	<u>2.83</u>	<u>22¢</u>	76287
<u>2.84</u>	<u>2.96</u>	<u>23¢</u>	76288
<u>2.97</u>	<u>3.09</u>	<u>24¢</u>	76289
<u>3.10</u>	<u>3.22</u>	<u>25¢</u>	76290
<u>3.23</u>	<u>3.35</u>	<u>26¢</u>	76291
<u>3.36</u>	<u>3.48</u>	<u>27¢</u>	76292
<u>3.49</u>	<u>3.61</u>	<u>28¢</u>	76293
<u>3.62</u>	<u>3.74</u>	<u>29¢</u>	76294
<u>3.75</u>	<u>3.87</u>	<u>30¢</u>	76295
<u>3.88</u>	<u>4.00</u>	<u>31¢</u>	76296

If the price exceeds four dollars, the tax is thirty-one 76297  
cents on each four dollars. If the price exceeds four dollars or a 76298  
multiple thereof by not more than twelve cents, the amount of tax 76299

is thirty-one cents for each four dollars plus one cent. If the 76300  
price exceeds four dollars or a multiple thereof by more than 76301  
twelve cents but by not more than twenty-five cents, the amount of 76302  
tax is thirty-one cents for each four dollars plus two cents. If 76303  
the price exceeds four dollars or a multiple thereof by more than 76304  
twenty-five cents, the amount of tax is thirty-one cents for each 76305  
four dollars plus the amount of tax for prices twenty-six cents 76306  
through three dollars and ninety-nine cents in accordance with the 76307  
schedule above. 76308

(8) When the combined rate of state and local tax is eight 76309  
per cent: 76310

<u>If the price</u>		<u>The amount of</u>	
<u>is at least</u>	<u>But not more than</u>	<u>the tax is</u>	
<u>\$ .01</u>	<u>\$ .15</u>	<u>No tax</u>	76313
<u>.16</u>	<u>.25</u>	<u>2¢</u>	76314
<u>.26</u>	<u>.37</u>	<u>3¢</u>	76315
<u>.38</u>	<u>.50</u>	<u>4¢</u>	76316
<u>.51</u>	<u>.62</u>	<u>5¢</u>	76317
<u>.63</u>	<u>.75</u>	<u>6¢</u>	76318
<u>.76</u>	<u>.87</u>	<u>7¢</u>	76319
<u>.88</u>	<u>1.00</u>	<u>8¢</u>	76320

If the price exceeds one dollar, the tax is eight cents on 76321  
each one dollar. If the price exceeds one dollar or a multiple 76322  
thereof by not more than twelve cents, the amount of tax is eight 76323  
cents for each one dollar plus one cent. If the price exceeds one 76324  
dollar or a multiple thereof by more than twelve cents but not 76325  
more than twenty-five cents, the amount of tax is eight cents for 76326  
each one dollar plus two cents. If the price exceeds one dollar or 76327  
a multiple thereof by more than twenty-five cents, the amount of 76328  
tax is eight cents for each one dollar plus the amount of tax for 76329  
prices twenty-six cents through ninety-nine cents in accordance 76330  
with the schedule above. 76331

<u>(9) When the combined rate of state and local tax is eight</u>			76332
<u>and one-fourth per cent:</u>			76333
<u>If the price</u>		<u>The amount of</u>	76334
<u>is at least</u>	<u>But not more than</u>	<u>the tax is</u>	76335
<u>\$ .01</u>	<u>\$ .15</u>	<u>No tax</u>	76336
<u>.16</u>	<u>.24</u>	<u>2¢</u>	76337
<u>.25</u>	<u>.36</u>	<u>3¢</u>	76338
<u>.37</u>	<u>.48</u>	<u>4¢</u>	76339
<u>.49</u>	<u>.60</u>	<u>5¢</u>	76340
<u>.61</u>	<u>.72</u>	<u>6¢</u>	76341
<u>.73</u>	<u>.84</u>	<u>7¢</u>	76342
<u>.85</u>	<u>.96</u>	<u>8¢</u>	76343
<u>.97</u>	<u>1.09</u>	<u>9¢</u>	76344
<u>1.10</u>	<u>1.21</u>	<u>10¢</u>	76345
<u>1.22</u>	<u>1.33</u>	<u>11¢</u>	76346
<u>1.34</u>	<u>1.45</u>	<u>12¢</u>	76347
<u>1.46</u>	<u>1.57</u>	<u>13¢</u>	76348
<u>1.58</u>	<u>1.69</u>	<u>14¢</u>	76349
<u>1.70</u>	<u>1.81</u>	<u>15¢</u>	76350
<u>1.82</u>	<u>1.93</u>	<u>16¢</u>	76351
<u>1.94</u>	<u>2.06</u>	<u>17¢</u>	76352
<u>2.07</u>	<u>2.18</u>	<u>18¢</u>	76353
<u>2.19</u>	<u>2.30</u>	<u>19¢</u>	76354
<u>2.31</u>	<u>2.42</u>	<u>20¢</u>	76355
<u>2.43</u>	<u>2.54</u>	<u>21¢</u>	76356
<u>2.55</u>	<u>2.66</u>	<u>22¢</u>	76357
<u>2.67</u>	<u>2.78</u>	<u>23¢</u>	76358
<u>2.79</u>	<u>2.90</u>	<u>24¢</u>	76359
<u>2.91</u>	<u>3.03</u>	<u>25¢</u>	76360
<u>3.04</u>	<u>3.15</u>	<u>26¢</u>	76361
<u>3.16</u>	<u>3.27</u>	<u>27¢</u>	76362
<u>3.28</u>	<u>3.39</u>	<u>28¢</u>	76363
<u>3.40</u>	<u>3.51</u>	<u>29¢</u>	76364

<u>3.52</u>	<u>3.63</u>	<u>30¢</u>	76365
<u>3.64</u>	<u>3.75</u>	<u>31¢</u>	76366
<u>3.76</u>	<u>3.87</u>	<u>32¢</u>	76367
<u>3.88</u>	<u>4.00</u>	<u>33¢</u>	76368

If the price exceeds four dollars, the tax is thirty-three 76369  
cents on each four dollars. If the price exceeds four dollars or a 76370  
multiple thereof by not more than eleven cents, the amount of tax 76371  
is thirty-three cents for each four dollars plus one cent. If the 76372  
price exceeds four dollars or a multiple thereof by more than 76373  
eleven cents but by not more than twenty-four cents, the amount of 76374  
tax is thirty-three cents for each four dollars plus two cents. If 76375  
the price exceeds four dollars or a multiple thereof by more than 76376  
twenty-four cents, the amount of tax is thirty-three cents for 76377  
each four dollars plus the amount of tax for prices twenty-six 76378  
cents through three dollars and ninety-nine cents in accordance 76379  
with the schedule above. 76380

(10) When the combined rate of state and local tax is eight 76381  
and one-half per cent: 76382

<u>If the price</u>		<u>The amount of</u>	76383
<u>is at least</u>	<u>But not more than</u>	<u>the tax is</u>	76384
<u>\$ .01</u>	<u>\$ .15</u>	<u>No tax</u>	76385
<u>.16</u>	<u>.23</u>	<u>2¢</u>	76386
<u>.24</u>	<u>.35</u>	<u>3¢</u>	76387
<u>.36</u>	<u>.47</u>	<u>4¢</u>	76388
<u>.48</u>	<u>.58</u>	<u>5¢</u>	76389
<u>.59</u>	<u>.70</u>	<u>6¢</u>	76390
<u>.71</u>	<u>.82</u>	<u>7¢</u>	76391
<u>.83</u>	<u>.94</u>	<u>8¢</u>	76392
<u>.95</u>	<u>1.05</u>	<u>9¢</u>	76393
<u>1.06</u>	<u>1.17</u>	<u>10¢</u>	76394
<u>1.18</u>	<u>1.29</u>	<u>11¢</u>	76395
<u>1.30</u>	<u>1.41</u>	<u>12¢</u>	76396

<u>1.42</u>	<u>1.52</u>	<u>13¢</u>	76397
<u>1.53</u>	<u>1.64</u>	<u>14¢</u>	76398
<u>1.65</u>	<u>1.76</u>	<u>15¢</u>	76399
<u>1.77</u>	<u>1.88</u>	<u>16¢</u>	76400
<u>1.89</u>	<u>2.00</u>	<u>17¢</u>	76401

If the price exceeds two dollars, the tax is seventeen cents 76402  
on each two dollars. If the price exceeds two dollars or a 76403  
multiple thereof by not more than eleven cents, the amount of tax 76404  
is seventeen cents for each two dollars plus one cent. If the 76405  
price exceeds two dollars or a multiple thereof by more than 76406  
eleven cents but by not more than twenty-three cents, the amount 76407  
of tax is seventeen cents for each two dollars plus two cents. If 76408  
the price exceeds two dollars or a multiple thereof by more than 76409  
twenty-three cents, the amount of tax is seventeen cents for each 76410  
two dollars plus the amount of tax for prices twenty-four cents 76411  
through one dollar and ninety-nine cents in accordance with the 76412  
schedule above. 76413

(11) When the combined rate of state and local tax is eight 76414  
and three-fourths per cent: 76415

<u>If the price</u>		<u>The amount of</u>	
<u>is at least</u>	<u>But not more than</u>	<u>the tax is</u>	
<u>\$ .01</u>	<u>\$ .15</u>	<u>No tax</u>	76418
<u>.16</u>	<u>.22</u>	<u>2¢</u>	76419
<u>.23</u>	<u>.34</u>	<u>3¢</u>	76420
<u>.35</u>	<u>.45</u>	<u>4¢</u>	76421
<u>.46</u>	<u>.57</u>	<u>5¢</u>	76422
<u>.58</u>	<u>.68</u>	<u>6¢</u>	76423
<u>.69</u>	<u>.80</u>	<u>7¢</u>	76424
<u>.81</u>	<u>.91</u>	<u>8¢</u>	76425
<u>.92</u>	<u>1.02</u>	<u>9¢</u>	76426
<u>1.03</u>	<u>1.14</u>	<u>10¢</u>	76427
<u>1.15</u>	<u>1.25</u>	<u>11¢</u>	76428

<u>1.26</u>	<u>1.37</u>	<u>12¢</u>	76429
<u>1.38</u>	<u>1.48</u>	<u>13¢</u>	76430
<u>1.49</u>	<u>1.60</u>	<u>14¢</u>	76431
<u>1.61</u>	<u>1.71</u>	<u>15¢</u>	76432
<u>1.72</u>	<u>1.82</u>	<u>16¢</u>	76433
<u>1.83</u>	<u>1.94</u>	<u>17¢</u>	76434
<u>1.95</u>	<u>2.05</u>	<u>18¢</u>	76435
<u>2.06</u>	<u>2.17</u>	<u>19¢</u>	76436
<u>2.18</u>	<u>2.28</u>	<u>20¢</u>	76437
<u>2.29</u>	<u>2.40</u>	<u>21¢</u>	76438
<u>2.41</u>	<u>2.51</u>	<u>22¢</u>	76439
<u>2.52</u>	<u>2.62</u>	<u>23¢</u>	76440
<u>2.63</u>	<u>2.74</u>	<u>24¢</u>	76441
<u>2.75</u>	<u>2.85</u>	<u>25¢</u>	76442
<u>2.86</u>	<u>2.97</u>	<u>26¢</u>	76443
<u>2.98</u>	<u>3.08</u>	<u>27¢</u>	76444
<u>3.09</u>	<u>3.20</u>	<u>28¢</u>	76445
<u>3.21</u>	<u>3.31</u>	<u>29¢</u>	76446
<u>3.32</u>	<u>3.42</u>	<u>30¢</u>	76447
<u>3.43</u>	<u>3.54</u>	<u>31¢</u>	76448
<u>3.55</u>	<u>3.65</u>	<u>32¢</u>	76449
<u>3.66</u>	<u>3.77</u>	<u>33¢</u>	76450
<u>3.78</u>	<u>3.88</u>	<u>34¢</u>	76451
<u>3.89</u>	<u>4.00</u>	<u>35¢</u>	76452

If the price exceeds four dollars, the tax is thirty-five 76453  
cents on each four dollars. If the price exceeds four dollars or a 76454  
multiple thereof by not more than eleven cents, the amount of tax 76455  
is thirty-five cents for each four dollars plus one cent. If the 76456  
price exceeds four dollars or a multiple thereof by more than 76457  
eleven cents but by not more than twenty-two cents, the amount of 76458  
tax is thirty-five cents for each four dollars plus two cents. If 76459  
the price exceeds four dollars or a multiple thereof by more than 76460  
twenty-two cents, the amount of tax is thirty-five cents for each 76461

four dollars plus the amount of tax for prices twenty-three cents 76462  
through three dollars and ninety-nine cents in accordance with the 76463  
schedule above. 76464

(12) When the combined rate of state and local tax is nine 76465  
per cent: 76466

<u>If the price</u>		<u>The amount of</u>	
<u>is at least</u>	<u>But not more than</u>	<u>the tax is</u>	
<u>\$ .01</u>	<u>\$ .15</u>	<u>No tax</u>	76469
<u>.16</u>	<u>.22</u>	<u>2¢</u>	76470
<u>.23</u>	<u>.33</u>	<u>3¢</u>	76471
<u>.34</u>	<u>.44</u>	<u>4¢</u>	76472
<u>.45</u>	<u>.55</u>	<u>5¢</u>	76473
<u>.56</u>	<u>.66</u>	<u>6¢</u>	76474
<u>.67</u>	<u>.77</u>	<u>7¢</u>	76475
<u>.78</u>	<u>.88</u>	<u>8¢</u>	76476
<u>.89</u>	<u>1.00</u>	<u>9¢</u>	76477

If the price exceeds one dollar, the tax is nine cents on 76478  
each one dollar. If the price exceeds one dollar or a multiple 76479  
thereof by not more than eleven cents, the amount of tax is nine 76480  
cents for each one dollar plus one cent. If the price exceeds one 76481  
dollar or a multiple thereof by more than eleven cents but by not 76482  
more than twenty-two cents, the amount of tax is nine cents for 76483  
each one dollar plus two cents. If the price exceeds one dollar or 76484  
a multiple thereof by more than twenty-two cents, the amount of 76485  
tax is nine cents for each one dollar plus the amount of tax for 76486  
prices twenty-three cents through ninety-nine cents in accordance 76487  
with the schedule above. 76488

(C) On and after July 1, 2005, and on and before December 31, 76489  
2005, the combined taxes levied by sections 5739.02 and 5741.02 76490  
and pursuant to sections 5739.021, 5739.023, 5739.026, 5741.021, 76491  
5741.022, and 5741.023 of the Revised Code shall be collected in 76492  
accordance with the following schedules: 76493

(1) When the total rate of local tax is one-fourth per cent:			76494
If the price	But not	The amount	76495
is at least	more than	of the tax is	76496
\$ .01	\$ .15	No tax	76497
.16	.19	1¢	76498
.20	.38	2¢	76499
.39	.57	3¢	76500
.58	.76	4¢	76501
.77	.95	5¢	76502
.96	1.14	6¢	76503
1.15	1.33	7¢	76504
1.34	1.52	8¢	76505
1.53	1.71	9¢	76506
1.72	1.90	10¢	76507
1.91	2.09	11¢	76508
2.10	2.28	12¢	76509
2.29	2.47	13¢	76510
2.48	2.66	14¢	76511
2.67	2.85	15¢	76512
2.86	3.04	16¢	76513
3.05	3.23	17¢	76514
3.24	3.42	18¢	76515
3.43	3.61	19¢	76516
3.62	3.80	20¢	76517
3.81	4.00	21¢	76518
If the price exceeds four dollars, the tax is twenty-one			76519
cents on each four dollars. If the price exceeds four dollars or a			76520
multiple thereof by not more than nineteen cents, the amount of			76521
tax is twenty-one cents for each four dollars plus one cent. If			76522
the price exceeds four dollars or a multiple thereof by more than			76523
nineteen cents, the amount of tax is twenty-one cents for each			76524
four dollars plus the amount of tax for prices twenty cents			76525



through three dollars and ninety-nine cents in accordance with the schedule above.

(2) When the combined rate of local tax is one-half per cent:

If the price is at least	But not more than	The amount of the tax is	
\$ .01	\$ .15	No tax	76531
.16	.18	1¢	76532
.19	.36	2¢	76533
.37	.54	3¢	76534
.55	.72	4¢	76535
.73	.90	5¢	76536
.91	1.09	6¢	76537
1.10	1.27	7¢	76538
1.28	1.46	8¢	76539
1.47	1.64	9¢	76540
1.65	1.82	10¢	76541
1.83	2.00	11¢	76542

If the price exceeds two dollars, the tax is eleven cents on each two dollars. If the price exceeds two dollars or a multiple thereof by not more than eighteen cents, the amount of tax is eleven cents for each two dollars plus one cent. If the price exceeds two dollars or a multiple thereof by more than eighteen cents, the amount of tax is eleven cents for each two dollars plus the amount of tax for prices nineteen cents through one dollar and ninety-nine cents in accordance with the schedule above.

(3) When the combined rate of local tax is three-fourths per cent:

If the price is at least	But not more than	The amount of the tax is	
\$ .01	\$ .15	No tax	76555
.16	.17	1¢	76556
.18	.34	2¢	76557

.35	.52	3¢	76558
.53	.69	4¢	76559
.70	.86	5¢	76560
.87	1.04	6¢	76561
1.05	1.21	7¢	76562
1.22	1.39	8¢	76563
1.40	1.56	9¢	76564
1.57	1.73	10¢	76565
1.74	1.91	11¢	76566
1.92	2.08	12¢	76567
2.09	2.26	13¢	76568
2.27	2.43	14¢	76569
2.44	2.60	15¢	76570
2.61	2.78	16¢	76571
2.79	2.95	17¢	76572
2.96	3.13	18¢	76573
3.14	3.30	19¢	76574
3.31	3.47	20¢	76575
3.48	3.65	21¢	76576
3.66	3.82	22¢	76577
3.83	4.00	23¢	76578

If the price exceeds four dollars, the tax is twenty-three cents on each four dollars. If the price exceeds four dollars or a multiple thereof by not more than seventeen cents, the amount of tax is twenty-three cents for each four dollars plus one cent. If the price exceeds four dollars or a multiple thereof by more than seventeen cents, the amount of tax is twenty-three cents for each four dollars plus the amount of tax for prices eighteen cents through three dollars and ninety-nine cents in accordance with the schedule above.

(4) When the combined rate of local tax is one per cent:  
If the price                      But not                      The amount

is at least	more than	of the tax is	76590
\$ .01	\$ .15	No tax	76591
.16	.17	1¢	76592
.18	.34	2¢	76593
.35	.50	3¢	76594
.51	.67	4¢	76595
.68	.83	5¢	76596
.84	1.00	6¢	76597

If the price exceeds one dollar, the tax is six cents on each one dollar. If the price exceeds one dollar or a multiple thereof by not more than seventeen cents, the amount of tax is six cents for each one dollar plus one cent. If the price exceeds one dollar or a multiple thereof by more than seventeen cents, the amount of tax is six cents for each one dollar plus the amount of tax for prices eighteen cents through ninety-nine cents in accordance with the schedule above.

(5) When the combined rate of local tax is one and one-fourth per cent:

If the price	But not	The amount	76608
is at least	more than	of the tax is	76609
\$ .01	\$ .15	No tax	76610
.16	.16	1¢	76611
.17	.32	2¢	76612
.33	.48	3¢	76613
.49	.64	4¢	76614
.65	.80	5¢	76615
.81	.96	6¢	76616
.97	1.12	7¢	76617
1.13	1.28	8¢	76618
1.29	1.44	9¢	76619
1.45	1.60	10¢	76620
1.61	1.76	11¢	76621

1.77	1.92	12¢	76622
1.93	2.08	13¢	76623
2.09	2.24	14¢	76624
2.25	2.40	15¢	76625
2.41	2.56	16¢	76626
2.57	2.72	17¢	76627
2.73	2.88	18¢	76628
2.89	3.04	19¢	76629
3.05	3.20	20¢	76630
3.21	3.36	21¢	76631
3.37	3.52	22¢	76632
3.53	3.68	23¢	76633
3.69	3.84	24¢	76634
3.85	4.00	25¢	76635

If the price exceeds four dollars, the tax is twenty-five cents on each four dollars. If the price exceeds four dollars or a multiple thereof by not more than sixteen cents, the amount of tax is twenty-five cents for each four dollars plus one cent. If the price exceeds four dollars or a multiple thereof by more than sixteen cents, the amount of tax is twenty-five cents for each four dollars plus the amount of tax for prices seventeen cents through three dollars and ninety-nine cents in accordance with the schedule above.

(6) When the combined rate of local tax is one and one-half per cent:

If the price is at least	But not more than	The amount of the tax is	
\$ .01	\$ .15	No tax	76649
.16	.30	2¢	76650
.31	.46	3¢	76651
.47	.61	4¢	76652
.62	.76	5¢	76653

.77	.92	6¢	76654
.93	1.07	7¢	76655
1.08	1.23	8¢	76656
1.24	1.38	9¢	76657
1.39	1.53	10¢	76658
1.54	1.69	11¢	76659
1.70	1.84	12¢	76660
1.85	2.00	13¢	76661

If the price exceeds two dollars, the tax is thirteen cents 76662  
on each two dollars. If the price exceeds two dollars or a 76663  
multiple thereof by not more than fifteen cents, the amount of tax 76664  
is thirteen cents for each two dollars plus one cent. If the price 76665  
exceeds two dollars or a multiple thereof by more than fifteen 76666  
cents, the amount of tax is thirteen cents for each two dollars 76667  
plus the amount of tax for prices sixteen cents through one dollar 76668  
and ninety-nine cents in accordance with the schedule above. 76669

(7) When the combined rate of local tax is one and 76670  
three-fourths per cent: 76671

If the price	But not	The amount	
is at least	more than	of the tax is	
\$ .01	\$ .15	No tax	76672
.16	.29	2¢	76673
.30	.44	3¢	76674
.45	.59	4¢	76675
.60	.74	5¢	76676
.75	.88	6¢	76677
.89	1.03	7¢	76678
1.04	1.18	8¢	76679
1.19	1.33	9¢	76680
1.34	1.48	10¢	76681
1.49	1.62	11¢	76682
1.63	1.77	12¢	76683

1.78	1.92	13¢	76686
1.93	2.07	14¢	76687
2.08	2.22	15¢	76688
2.23	2.37	16¢	76689
2.38	2.51	17¢	76690
2.52	2.66	18¢	76691
2.67	2.81	19¢	76692
2.82	2.96	20¢	76693
2.97	3.11	21¢	76694
3.12	3.25	22¢	76695
3.26	3.40	23¢	76696
3.41	3.55	24¢	76697
3.56	3.70	25¢	76698
3.71	3.85	26¢	76699
3.86	4.00	27¢	76700

If the price exceeds four dollars, the tax is twenty-seven cents on each four dollars. If the price exceeds four dollars or a multiple thereof by not more than fourteen cents, the amount of tax is twenty-seven cents for each four dollars plus one cent. If the price exceeds four dollars or a multiple thereof by more than fourteen but by not more than twenty-nine cents, the amount of tax is twenty-seven cents for each four dollars plus two cents. If the price exceeds four dollars or a multiple thereof by more than twenty-nine cents the amount of tax is twenty-seven cents for each four dollars plus the amount of tax for prices thirty cents through three dollars and ninety-nine cents in accordance with the schedule above.

(8) When the combined rate of local tax is two per cent:

If the price	But not	The amount	76713
is at least	more than	of the tax is	76714
\$ .01	\$ .15	No tax	76715
.16	.28	2¢	76716

.29	.42	3¢	76718
.43	.57	4¢	76719
.58	.71	5¢	76720
.72	.85	6¢	76721
.86	1.00	7¢	76722

If the price exceeds one dollar, the tax is seven cents on 76723  
each one dollar. If the price exceeds one dollar or a multiple 76724  
thereof by not more than fifteen cents, the amount of tax is seven 76725  
cents for each one dollar plus one cent. If the price exceeds one 76726  
dollar or a multiple thereof by more than fifteen cents, the 76727  
amount of tax is seven cents for each one dollar plus the amount 76728  
of tax for prices sixteen cents through ninety-nine cents in 76729  
accordance with the schedule above. 76730

(9) When the combined rate of local tax is two and one-fourth 76731  
per cent: 76732

If the price	But not	The amount	
is at least	more than	of the tax is	
\$ .01	\$ .15	No tax	76733
.16	.27	2¢	76734
.28	.41	3¢	76735
.42	.55	4¢	76736
.56	.68	5¢	76737
.69	.82	6¢	76738
.83	.96	7¢	76739
.97	1.10	8¢	76740
1.11	1.24	9¢	76741
1.25	1.37	10¢	76742
1.38	1.51	11¢	76743
1.52	1.65	12¢	76744
1.66	1.79	13¢	76745
1.80	1.93	14¢	76746
1.94	2.06	15¢	76747

2.07	2.20	16¢	76750
2.21	2.34	17¢	76751
2.35	2.48	18¢	76752
2.49	2.62	19¢	76753
2.63	2.75	20¢	76754
2.76	2.89	21¢	76755
2.90	3.03	22¢	76756
3.04	3.17	23¢	76757
3.18	3.31	24¢	76758
3.32	3.44	25¢	76759
3.45	3.58	26¢	76760
3.59	3.72	27¢	76761
3.73	3.86	28¢	76762
3.87	4.00	29¢	76763

If the price exceeds four dollars, the tax is twenty-nine cents on each four dollars. If the price exceeds four dollars or a multiple thereof by not more than thirteen cents, the amount of tax is twenty-nine cents for each four dollars plus one cent. If the price exceeds four dollars or a multiple thereof by more than thirteen cents but by not more than twenty-seven cents, the amount of tax is twenty-nine cents for each four dollars plus two cents. If the price exceeds four dollars or a multiple thereof by more than twenty-seven cents, the amount of tax is twenty-nine cents for each four dollars plus the amount of tax for prices twenty-eight cents through three dollars and ninety-nine cents in accordance with the schedule above.

(10) When the combined rate of local tax is two and one-half per cent:

If the price	But not	The amount	76778
is at least	more than	of the tax is	76779
\$ .01	\$ .15	No tax	76780
.16	.26	2¢	76781



.27	.40	3¢	76782
.41	.53	4¢	76783
.54	.65	5¢	76784
.66	.80	6¢	76785
.81	.93	7¢	76786
.94	1.06	8¢	76787
1.07	1.20	9¢	76788
1.21	1.33	10¢	76789
1.34	1.46	11¢	76790
1.47	1.60	12¢	76791
1.61	1.73	13¢	76792
1.74	1.86	14¢	76793
1.87	2.00	15¢	76794

If the price exceeds two dollars, the tax is fifteen cents on 76795  
each two dollars. If the price exceeds two dollars or a multiple 76796  
thereof by not more than fifteen cents, the amount of tax is 76797  
fifteen cents for each two dollars plus one cent. If the price 76798  
exceeds two dollars or a multiple thereof by more than fifteen 76799  
cents, the amount of tax is fifteen cents for each two dollars 76800  
plus the amount of tax for prices sixteen cents through one dollar 76801  
and ninety-nine cents in accordance with the schedule above. 76802

(11) When the combined rate of local tax is two and 76803  
three-fourths per cent: 76804

If the price	But not	The amount	
is at least	more than	of the tax is	
\$ .01	\$ .15	No tax	76805
.16	.25	2¢	76806
.26	.38	3¢	76807
.39	.51	4¢	76808
.52	.64	5¢	76809
.65	.77	6¢	76810
.78	.90	7¢	76811

.91	1.03	8¢	76814
1.04	1.16	9¢	76815
1.17	1.29	10¢	76816
1.30	1.41	11¢	76817
1.42	1.54	12¢	76818
1.55	1.67	13¢	76819
1.68	1.80	14¢	76820
1.81	1.93	15¢	76821
1.94	2.06	16¢	76822
2.07	2.19	17¢	76823
2.20	2.32	18¢	76824
2.33	2.45	19¢	76825
2.46	2.58	20¢	76826
2.59	2.70	21¢	76827
2.71	2.83	22¢	76828
2.84	2.96	23¢	76829
2.97	3.09	24¢	76830
3.10	3.22	25¢	76831
3.23	3.35	26¢	76832
3.36	3.48	27¢	76833
3.49	3.61	28¢	76834
3.62	3.74	29¢	76835
3.75	3.87	30¢	76836
3.88	4.00	31¢	76837

If the price exceeds four dollars, the tax is thirty-one 76838  
cents on each four dollars. If the price exceeds four dollars or a 76839  
multiple thereof by not more than twelve cents, the amount of tax 76840  
is thirty-one cents for each four dollars plus one cent. If the 76841  
price exceeds four dollars or a multiple thereof by more than 76842  
twelve cents but not more than twenty-five cents, the amount of 76843  
tax is thirty-one cents for each four dollars plus two cents. If 76844  
the price exceeds four dollars or a multiple thereof by more than 76845  
twenty-five cents, the amount of tax is thirty-one cents for each 76846

four dollars plus the amount of tax for prices twenty-six cents 76847  
through three dollars and ninety-nine cents in accordance with the 76848  
schedule above. 76849

(12) When the combined rate of local tax is three per cent: 76850

If the price	But not	The amount	
is at least	more than	of the tax is	
\$ .01	\$ .15	No tax	76853
.16	.25	2¢	76854
.26	.37	3¢	76855
.38	.50	4¢	76856
.51	.62	5¢	76857
.63	.75	6¢	76858
.76	.87	7¢	76859
.88	1.00	8¢	76860

If the price exceeds one dollar, the tax is eight cents on 76861  
each one dollar. If the price exceeds one dollar or a multiple 76862  
thereof by not more than twelve cents, the amount of tax is eight 76863  
cents for each one dollar plus one cent. If the price exceeds one 76864  
dollar or a multiple thereof by more than twelve cents but not 76865  
more than twenty-five cents, the amount of tax is eight cents for 76866  
each one dollar plus two cents. If the price exceeds one dollar or 76867  
a multiple thereof by more than twenty-five cents, the amount of 76868  
tax is eight cents for each one dollar plus the amount of tax for 76869  
prices twenty-six cents through ninety-nine cents in accordance 76870  
with the schedule above. 76871

~~(C)~~(D) In lieu of collecting the tax pursuant to the 76872  
schedules set forth in divisions (A) ~~and~~, (B), ~~and~~ (C) of this 76873  
section, a vendor may compute the tax on each sale as follows: 76874

(1) On sales of fifteen cents or less, no tax shall apply. 76875

(2) On sales in excess of fifteen cents, multiply the price 76876  
by the aggregate rate of taxes in effect under sections ~~5739-01~~ 76877

5739.02 and 5741.02 and sections 5739.021, 5739.023, 5739.026, 76878  
5741.021, 5741.022, and 5741.023 of the Revised Code. The 76879  
computation shall be carried out to six decimal places. If the 76880  
result is a fractional amount of a cent, the calculated tax shall 76881  
be increased to the next highest cent and that amount shall be 76882  
collected by the vendor. 76883

~~(D)~~(E) On and after January 1, 2006, a vendor shall compute 76884  
the tax on each sale by multiplying the price by the aggregate 76885  
rate of taxes in effect under sections 5739.02 and 5741.02, and 76886  
sections 5739.021, 5739.023, 5739.026, 5741.021, 5741.022, and 76887  
5741.023 of the Revised Code. The computation shall be carried out 76888  
to three decimal places. If the result is a fractional amount of a 76889  
cent, the calculated tax shall be rounded to a whole cent using a 76890  
method that rounds up to the next cent whenever the third decimal 76891  
place is greater than four. A vendor may elect to compute the tax 76892  
due on a transaction on an item or an invoice basis. 76893

(F) In auditing a vendor, the tax commissioner shall consider 76894  
the method prescribed by this section that was used by the vendor 76895  
in determining and collecting the tax due under this chapter on 76896  
taxable transactions. If the vendor correctly collects and remits 76897  
the tax due under this chapter in accordance with the schedules in 76898  
divisions (A) ~~and~~, (B), ~~and~~ (C) of this section or in accordance 76899  
with the computation prescribed in division ~~(C)~~(D) or (E) of this 76900  
section, the commissioner shall not assess any additional tax on 76901  
those transactions. 76902

(G)(1) With respect to a sale of a fractional ownership 76903  
program aircraft used primarily in a fractional aircraft ownership 76904  
program, including all accessories attached to such aircraft, the 76905  
tax shall be calculated pursuant to divisions (A) to (E) of this 76906  
section, provided that the tax commissioner shall modify those 76907  
calculations so that the maximum tax on each program aircraft is 76908  
eight hundred dollars. In the case of a sale of a fractional 76909

interest that is less than one hundred per cent of the program 76910  
aircraft, the tax charged on the transaction shall be eight 76911  
hundred dollars multiplied by a fraction, the numerator of which 76912  
is the percentage of ownership or possession in the aircraft being 76913  
purchased in the transaction, and the denominator of which is one 76914  
hundred per cent. 76915

(2) Notwithstanding any other provision of law to the 76916  
contrary, the tax calculated under division (G)(1) of this section 76917  
and paid with respect to the sale of a fractional ownership 76918  
program aircraft used primarily in a fractional aircraft ownership 76919  
program shall be credited to the general revenue fund. 76920

**Sec. 5739.026.** (A) A board of county commissioners may levy a 76921  
tax of one-fourth or one-half of one per cent on every retail sale 76922  
in the county, except sales of watercraft and outboard motors 76923  
required to be titled pursuant to Chapter 1548. of the Revised 76924  
Code and sales of motor vehicles, and may increase an existing 76925  
rate of one-fourth of one per cent to one-half of one per cent, to 76926  
pay the expenses of administering the tax and, except as provided 76927  
in division (A)(6) of this section, for any one or more of the 76928  
following purposes provided that the aggregate levy for all such 76929  
purposes does not exceed one-half of one per cent: 76930

(1) To provide additional revenues for the payment of bonds 76931  
or notes issued in anticipation of bonds issued by a convention 76932  
facilities authority established by the board of county 76933  
commissioners under Chapter 351. of the Revised Code and to 76934  
provide additional operating revenues for the convention 76935  
facilities authority; 76936

(2) To provide additional revenues for a transit authority 76937  
operating in the county; 76938

(3) To provide additional revenue for the county's general 76939  
fund; 76940

(4) To provide additional revenue for permanent improvements 76941  
within the county to be distributed by the community improvements 76942  
board in accordance with section 307.283 and to pay principal, 76943  
interest, and premium on bonds issued under section 307.284 of the 76944  
Revised Code; 76945

(5) To provide additional revenue for the acquisition, 76946  
construction, equipping, or repair of any specific permanent 76947  
improvement or any class or group of permanent improvements, which 76948  
improvement or class or group of improvements shall be enumerated 76949  
in the resolution required by division (D) of this section, and to 76950  
pay principal, interest, premium, and other costs associated with 76951  
the issuance of bonds or notes in anticipation of bonds issued 76952  
pursuant to Chapter 133. of the Revised Code for the acquisition, 76953  
construction, equipping, or repair of the specific permanent 76954  
improvement or class or group of permanent improvements; 76955

(6) To provide revenue for the implementation and operation 76956  
of a 9-1-1 system in the county. If the tax is levied or the rate 76957  
increased exclusively for such purpose, the tax shall not be 76958  
levied or the rate increased for more than five years. At the end 76959  
of the last year the tax is levied or the rate increased, any 76960  
balance remaining in the special fund established for such purpose 76961  
shall remain in that fund and be used exclusively for such purpose 76962  
until the fund is completely expended, and, notwithstanding 76963  
section 5705.16 of the Revised Code, the board of county 76964  
commissioners shall not petition for the transfer of money from 76965  
such special fund, and the tax commissioner shall not approve such 76966  
a petition. 76967

If the tax is levied or the rate increased for such purpose 76968  
for more than five years, the board of county commissioners also 76969  
shall levy the tax or increase the rate of the tax for one or more 76970  
of the purposes described in divisions (A)(1) to (5) of this 76971  
section and shall prescribe the method for allocating the revenues 76972

from the tax each year in the manner required by division (C) of 76973  
this section. 76974

(7) To provide additional revenue for the operation or 76975  
maintenance of a detention facility, as that term is defined under 76976  
division (F) of section 2921.01 of the Revised Code; 76977

(8) To provide revenue to finance the construction or 76978  
renovation of a sports facility, but only if the tax is levied for 76979  
that purpose in the manner prescribed by section 5739.028 of the 76980  
Revised Code. 76981

As used in division (A)(8) of this section: 76982

(a) "Sports facility" means a facility intended to house 76983  
major league professional athletic teams. 76984

(b) "Constructing" or "construction" includes providing 76985  
fixtures, furnishings, and equipment. 76986

(9) To provide additional revenue for the acquisition of 76987  
agricultural easements, as defined in section 5301.67 of the 76988  
Revised Code; to pay principal, interest, and premium on bonds 76989  
issued under section 133.60 of the Revised Code; and for the 76990  
supervision and enforcement of agricultural easements held by the 76991  
county. 76992

Pursuant to section 755.171 of the Revised Code, a board of 76993  
county commissioners may pledge and contribute revenue from a tax 76994  
levied for the purpose of division (A)(5) of this section to the 76995  
payment of debt charges on bonds issued under section 755.17 of 76996  
the Revised Code. 76997

The rate of tax shall be a multiple of one-fourth of one per 76998  
cent, unless a portion of the rate of an existing tax levied under 76999  
section 5739.023 of the Revised Code has been reduced, and the 77000  
rate of tax levied under this section has been increased, pursuant 77001  
to section 5739.028 of the Revised Code, in which case the 77002

aggregate of the rates of tax levied under this section and 77003  
section 5739.023 of the Revised Code shall be a multiple of 77004  
one-fourth of one per cent. The tax shall be levied and the rate 77005  
increased pursuant to a resolution adopted by a majority of the 77006  
members of the board. The board shall deliver a certified copy of 77007  
the resolution to the tax commissioner, not later than the 77008  
sixty-fifth day prior to the date on which the tax is to become 77009  
effective, which shall be the first day of a calendar quarter. 77010

Prior to the adoption of any resolution to levy the tax or to 77011  
increase the rate of tax exclusively for the purpose set forth in 77012  
division (A)(3) of this section, the board of county commissioners 77013  
shall conduct two public hearings on the resolution, the second 77014  
hearing to be no fewer than three nor more than ten days after the 77015  
first. Notice of the date, time, and place of the hearings shall 77016  
be given by publication in a newspaper of general circulation in 77017  
the county once a week on the same day of the week for two 77018  
consecutive weeks, the second publication being no fewer than ten 77019  
nor more than thirty days prior to the first hearing. Except as 77020  
provided in division (E) of this section, the resolution shall 77021  
~~become effective on the first day of a calendar quarter following~~ 77022  
~~the expiration of sixty days from the date of its adoption, be~~ 77023  
subject to a referendum as provided in sections 305.31 to 305.41 77024  
of the Revised Code. If the resolution is adopted as an emergency 77025  
measure necessary for the immediate preservation of the public 77026  
peace, health, or safety, it must receive an affirmative vote of 77027  
all of the members of the board of county commissioners and shall 77028  
state the reasons for the necessity. 77029

If the tax is for more than one of the purposes set forth in 77030  
divisions (A)(1) to (7) and (9) of this section or is exclusively 77031  
for one of the purposes set forth in division (A)(1), (2), (4), 77032  
(5), (6), (7), or (9) of this section, the resolution shall not go 77033  
into effect unless it is approved by a majority of the electors 77034



voting on the question of the tax. 77035

(B) The board of county commissioners shall adopt a 77036  
resolution under section 351.02 of the Revised Code creating the 77037  
convention facilities authority, or under section 307.283 of the 77038  
Revised Code creating the community improvements board, before 77039  
adopting a resolution levying a tax for the purpose of a 77040  
convention facilities authority under division (A)(1) of this 77041  
section or for the purpose of a community improvements board under 77042  
division (A)(4) of this section. 77043

(C)(1) If the tax is to be used for more than one of the 77044  
purposes set forth in divisions (A)(1) to (7) and (9) of this 77045  
section, the board of county commissioners shall establish the 77046  
method that will be used to determine the amount or proportion of 77047  
the tax revenue received by the county during each year that will 77048  
be distributed for each of those purposes, including, if 77049  
applicable, provisions governing the reallocation of a convention 77050  
facilities authority's allocation if the authority is dissolved 77051  
while the tax is in effect. The allocation method may provide that 77052  
different proportions or amounts of the tax shall be distributed 77053  
among the purposes in different years, but it shall clearly 77054  
describe the method that will be used for each year. Except as 77055  
otherwise provided in division (C)(2) of this section, the 77056  
allocation method established by the board is not subject to 77057  
amendment during the life of the tax. 77058

(2) Subsequent to holding a public hearing on the proposed 77059  
amendment, the board of county commissioners may amend the 77060  
allocation method established under division (C)(1) of this 77061  
section for any year, if the amendment is approved by the 77062  
governing board of each entity whose allocation for the year would 77063  
be reduced by the proposed amendment. In the case of a tax that is 77064  
levied for a continuing period of time, the board may not so amend 77065  
the allocation method for any year before the sixth year that the 77066

tax is in effect. 77067

(a) If the additional revenues provided to the convention 77068  
facilities authority are pledged by the authority for the payment 77069  
of convention facilities authority revenue bonds for as long as 77070  
such bonds are outstanding, no reduction of the authority's 77071  
allocation of the tax shall be made for any year except to the 77072  
extent that the reduced authority allocation, when combined with 77073  
the authority's other revenues pledged for that purpose, is 77074  
sufficient to meet the debt service requirements for that year on 77075  
such bonds. 77076

(b) If the additional revenues provided to the county are 77077  
pledged by the county for the payment of bonds or notes described 77078  
in division (A)(4) or (5) of this section, for as long as such 77079  
bonds or notes are outstanding, no reduction of the county's or 77080  
the community improvements board's allocation of the tax shall be 77081  
made for any year, except to the extent that the reduced county or 77082  
community improvements board allocation is sufficient to meet the 77083  
debt service requirements for that year on such bonds or notes. 77084

(c) If the additional revenues provided to the transit 77085  
authority are pledged by the authority for the payment of revenue 77086  
bonds issued under section 306.37 of the Revised Code, for as long 77087  
as such bonds are outstanding, no reduction of the authority's 77088  
allocation of tax shall be made for any year, except to the extent 77089  
that the authority's reduced allocation, when combined with the 77090  
authority's other revenues pledged for that purpose, is sufficient 77091  
to meet the debt service requirements for that year on such bonds. 77092

(d) If the additional revenues provided to the county are 77093  
pledged by the county for the payment of bonds or notes issued 77094  
under section 133.60 of the Revised Code, for so long as the bonds 77095  
or notes are outstanding, no reduction of the county's allocation 77096  
of the tax shall be made for any year, except to the extent that 77097  
the reduced county allocation is sufficient to meet the debt 77098

service requirements for that year on the bonds or notes. 77099

(D)(1) The resolution levying the tax or increasing the rate 77100  
of tax shall state the rate of the tax or the rate of the 77101  
increase; the purpose or purposes for which it is to be levied; 77102  
the number of years for which it is to be levied or that it is for 77103  
a continuing period of time; the allocation method required by 77104  
division (C) of this section; and if required to be submitted to 77105  
the electors of the county under division (A) of this section, the 77106  
date of the election at which the proposal shall be submitted to 77107  
the electors of the county, which shall be not less than 77108  
seventy-five days after the certification of a copy of the 77109  
resolution to the board of elections and, if the tax is to be 77110  
levied exclusively for the purpose set forth in division (A)(3) of 77111  
this section, shall not occur in February or August of any year. 77112  
Upon certification of the resolution to the board of elections, 77113  
the board of county commissioners shall notify the tax 77114  
commissioner in writing of the levy question to be submitted to 77115  
the electors. If approved by a majority of the electors, the tax 77116  
shall become effective on the first day of a calendar quarter next 77117  
following the ~~sixtieth~~ sixty-fifth day following the ~~certification~~ 77118  
~~of the results of the election to~~ date the board of county 77119  
commissioners and ~~the~~ tax commissioner by receive from the board 77120  
of elections the certification of the results of the election, 77121  
except as provided in division (E) of this section. 77122

(2)(a) A resolution specifying that the tax is to be used 77123  
exclusively for the purpose set forth in division (A)(3) of this 77124  
section that is not adopted as an emergency measure may direct the 77125  
board of elections to submit the question of levying the tax or 77126  
increasing the rate of the tax to the electors of the county at a 77127  
special election held on the date specified by the board of county 77128  
commissioners in the resolution, provided that the election occurs 77129  
not less than seventy-five days after the resolution is certified 77130

to the board of elections and the election is not held in February 77131  
or August of any year. Upon certification of the resolution to the 77132  
board of elections, the board of county commissioners shall notify 77133  
the tax commissioner in writing of the levy question to be 77134  
submitted to the electors. No resolution adopted under division 77135  
(D)(2)(a) of this section shall go into effect unless approved by 77136  
a majority of those voting upon it and, except as provided in 77137  
division (E) of this section, not until the first day of a 77138  
calendar quarter following the expiration of sixty-five days from 77139  
the date ~~of the notice to~~ the tax commissioner ~~by~~ receives notice 77140  
from the board of elections of the affirmative vote. 77141

(b) A resolution specifying that the tax is to be used 77142  
exclusively for the purpose set forth in division (A)(3) of this 77143  
section that is adopted as an emergency measure shall become 77144  
effective as provided in division (A) of this section, but may 77145  
direct the board of elections to submit the question of repealing 77146  
the tax or increase in the rate of the tax to the electors of the 77147  
county at the next general election in the county occurring not 77148  
less than seventy-five days after the resolution is certified to 77149  
the board of elections. Upon certification of the resolution to 77150  
the board of elections, the board of county commissioners shall 77151  
notify the tax commissioner in writing of the levy question to be 77152  
submitted to the electors. The ballot question shall be the same 77153  
as that prescribed in section 5739.022 of the Revised Code. The 77154  
board of elections shall notify the board of county commissioners 77155  
and the tax commissioner of the result of the election immediately 77156  
after the result has been declared. If a majority of the qualified 77157  
electors voting on the question of repealing the tax or increase 77158  
in the rate of the tax vote for repeal of the tax or repeal of the 77159  
increase, the board of county commissioners, on the first day of a 77160  
calendar quarter following the expiration of sixty-five days after 77161  
the date ~~it~~ the board and tax commissioner received notice of the 77162  
result of the election, shall, in the case of a repeal of the tax, 77163

cease to levy the tax, or, in the case of a repeal of an increase 77164  
in the rate of the tax, cease to levy the increased rate and levy 77165  
the tax at the rate at which it was imposed immediately prior to 77166  
the increase in rate. 77167

(c) A board of county commissioners, by resolution, may 77168  
reduce the rate of a tax levied exclusively for the purpose set 77169  
forth in division (A)(3) of this section to a lower rate 77170  
authorized by this section. Any such reduction shall be made 77171  
effective on the first day of the calendar quarter ~~specified in~~ 77172  
~~the resolution, but not sooner than the first day of the month~~ 77173  
next following the ~~sixtieth~~ sixty-fifth day after the ~~resolution~~ 77174  
~~is certified to the tax commissioner~~ receives a certified copy of 77175  
the resolution from the board. 77176

(E) If a vendor that is registered with the central 77177  
electronic registration system provided for in section 5740.05 of 77178  
the Revised Code makes a sale in this state by printed catalog and 77179  
the consumer computed the tax on the sale based on local rates 77180  
published in the catalog, any tax levied or repealed or rate 77181  
changed under this section shall not apply to such a sale until 77182  
the first day of a calendar quarter following the expiration of 77183  
one hundred twenty days from the date of notice by the tax 77184  
commissioner ~~to the vendor, or to the vendor's certified service~~ 77185  
~~provider, if the vendor has selected one~~ pursuant to division (G) 77186  
of this section. 77187

(F) The tax levied pursuant to this section shall be in 77188  
addition to the tax levied by section 5739.02 of the Revised Code 77189  
and any tax levied pursuant to section 5739.021 or 5739.023 of the 77190  
Revised Code. 77191

A county that levies a tax pursuant to this section shall 77192  
levy a tax at the same rate pursuant to section 5741.023 of the 77193  
Revised Code. 77194

The additional tax levied by the county shall be collected 77195  
pursuant to section 5739.025 of the Revised Code. 77196

Any tax levied pursuant to this section is subject to the 77197  
exemptions provided in section 5739.02 of the Revised Code and in 77198  
addition shall not be applicable to sales not within the taxing 77199  
power of a county under the Constitution of the United States or 77200  
the Ohio Constitution. 77201

(G) Upon receipt from a board of county commissioners of a 77202  
certified copy of a resolution required by division (A) of this 77203  
section, or from the board of elections a notice of the results of 77204  
an election required by division (D)(1), (2)(a), (b), or (c) of 77205  
this section, the tax commissioner shall provide notice of a tax 77206  
rate change in a manner that is reasonably accessible to all 77207  
affected vendors. The commissioner shall provide this notice at 77208  
least sixty days prior to the effective date of the rate change. 77209  
The commissioner, by rule, may establish the method by which 77210  
notice will be provided. 77211

**Sec. 5739.03.** Except as provided in section 5739.05 of the 77212  
Revised Code, the tax imposed by or pursuant to section 5739.02, 77213  
5739.021, 5739.023, or 5739.026 of the Revised Code shall be paid 77214  
by the consumer to the vendor, and each vendor shall collect from 77215  
the consumer, as a trustee for the state of Ohio, the full and 77216  
exact amount of the tax payable on each taxable sale, in the 77217  
manner and at the times provided as follows: 77218

(A) If the price is, at or prior to the provision of the 77219  
service or the delivery of possession of the thing sold to the 77220  
consumer, paid in currency passed from hand to hand by the 77221  
consumer or the consumer's agent to the vendor or the vendor's 77222  
agent, the vendor or the vendor's agent shall collect the tax with 77223  
and at the same time as the price; 77224

(B) If the price is otherwise paid or to be paid, the vendor 77225  
or the vendor's agent shall, at or prior to the provision of the 77226  
service or the delivery of possession of the thing sold to the 77227  
consumer, charge the tax imposed by or pursuant to section 77228  
5739.02, 5739.021, 5739.023, or 5739.026 of the Revised Code to 77229  
the account of the consumer, which amount shall be collected by 77230  
the vendor from the consumer in addition to the price. Such sale 77231  
shall be reported on and the amount of the tax applicable thereto 77232  
shall be remitted with the return for the period in which the sale 77233  
is made, and the amount of the tax shall become a legal charge in 77234  
favor of the vendor and against the consumer. 77235

If any sale is claimed to be exempt under division (E) of 77236  
section 5739.01 of the Revised Code or under section 5739.02 of 77237  
the Revised Code, with the exception of divisions (B)(1) to (11) 77238  
or (28) of section 5739.02 of the Revised Code, the consumer must 77239  
furnish to the vendor, and the vendor must obtain from the 77240  
consumer, a certificate specifying the reason that the sale is not 77241  
legally subject to the tax. If the transaction is claimed to be 77242  
exempt under division (B)(13) of section 5739.02 of the Revised 77243  
Code, the exemption certificate shall be signed by both the 77244  
contractor and the contractee and such contractee shall be deemed 77245  
to be the consumer of all items purchased under such claim of 77246  
exemption in the event it is subsequently determined that the 77247  
exemption is not properly claimed. The certificate shall be in 77248  
such form as the tax commissioner by regulation prescribes. If no 77249  
certificate is furnished or obtained within the period for filing 77250  
the return for the period in which such sale is consummated, it 77251  
shall be presumed that the tax applies. ~~The~~ Failure to have so 77252  
furnished, or to have so obtained, a certificate shall not prevent 77253  
a vendor or consumer from establishing that the sale is not 77254  
~~subject~~ subject to the tax within ~~sixty~~ one hundred twenty days of 77255  
the giving of notice by the commissioner of intention to levy an 77256

~~assessment~~ assessment, in which event the tax shall not apply. 77257

Certificates need not be obtained nor furnished where the 77258  
identity of the consumer is such that the transaction is never 77259  
subject to the tax imposed or where the item of tangible personal 77260  
property sold or the service provided is never subject to the tax 77261  
imposed, regardless of use, or when the sale is in interstate 77262  
commerce. 77263

(C) As used in this division, "contractee" means a person who 77264  
seeks to enter or enters into a contract or agreement with a 77265  
contractor or vendor for the construction of real property or for 77266  
the sale and installation onto real property of tangible personal 77267  
property. 77268

Any contractor or vendor may request from any contractee a 77269  
certification of what portion of the property to be transferred 77270  
under such contract or agreement is to be incorporated into the 77271  
realty and what portion will retain its status as tangible 77272  
personal property after installation is completed. The contractor 77273  
or vendor shall request the certification by certified mail 77274  
delivered to the contractee, return receipt requested. Upon 77275  
receipt of such request and prior to entering into the contract or 77276  
agreement, the contractee shall furnish to the contractor or 77277  
vendor a certification sufficiently detailed to enable the 77278  
contractor or vendor to ascertain the resulting classification of 77279  
all materials purchased or fabricated by the contractor or vendor 77280  
and transferred to the contractee. This requirement applies to a 77281  
contractee regardless of whether the contractee holds a direct 77282  
payment permit under section 5739.031 of the Revised Code or 77283  
furnishes to the contractor or vendor an exemption certificate as 77284  
provided under this section. 77285

For the purposes of the taxes levied by this chapter and 77286  
Chapter 5741. of the Revised Code, the contractor or vendor may in 77287  
good faith rely on the contractee's certification. Notwithstanding 77288



division (B) of section 5739.01 of the Revised Code, if the tax 77289  
commissioner determines that certain property certified by the 77290  
contractee as tangible personal property pursuant to this division 77291  
is, in fact, real property, the contractee shall be considered to 77292  
be the consumer of all materials so incorporated into that real 77293  
property and shall be liable for the applicable tax, and the 77294  
contractor or vendor shall be excused from any liability on those 77295  
materials. 77296

If a contractee fails to provide such certification upon the 77297  
request of the contractor or vendor, the contractor or vendor 77298  
shall comply with the provisions of this chapter and Chapter 5741. 77299  
of the Revised Code without the certification. If the tax 77300  
commissioner determines that such compliance has been performed in 77301  
good faith and that certain property treated as tangible personal 77302  
property by the contractor or vendor is, in fact, real property, 77303  
the contractee shall be considered to be the consumer of all 77304  
materials so incorporated into that real property and shall be 77305  
liable for the applicable tax and the construction contractor or 77306  
vendor shall be excused from any liability on those materials. 77307

This division does not apply to any contract or agreement 77308  
where the tax commissioner determines as a fact that a 77309  
certification under this division was made solely on the decision 77310  
or advice of the contractor or vendor. 77311

(D) Notwithstanding division (B) of section 5739.01 of the 77312  
Revised Code, whenever the total rate of tax imposed under this 77313  
chapter is increased after the date after a construction contract 77314  
is entered into, the contractee shall reimburse the construction 77315  
contractor for any additional tax paid on tangible property 77316  
consumed or services received pursuant to the contract. 77317

(E) A vendor who files a petition for reassessment contesting 77318  
the assessment of tax on sales for which the vendor obtained no 77319  
valid exemption certificates and for which the vendor failed to 77320

establish that the sales were properly not subject to the tax 77321  
during the one-hundred-twenty-day period allowed under division 77322  
(B) of this section, may present to the tax commissioner 77323  
additional evidence to prove that the sales were properly subject 77324  
to a claim of exception or exemption. The vendor shall file such 77325  
evidence within ninety days of the receipt by the vendor of the 77326  
notice of assessment, except that, upon application and for 77327  
reasonable cause, the period for submitting such evidence shall be 77328  
extended thirty days. 77329

The commissioner shall consider such additional evidence in 77330  
reaching the final determination on the assessment and petition 77331  
for reassessment. 77332

(F) Whenever a vendor refunds to the consumer the full price 77333  
of an item of tangible personal property on which the tax imposed 77334  
under this chapter has been paid, the vendor shall also refund the 77335  
full amount of the tax paid. 77336

**Sec. 5739.032.** (A) If the total amount of tax required to be 77337  
paid by a permit holder under section 5739.031 of the Revised Code 77338  
for any calendar year ~~indicated in the following schedule~~ equals 77339  
or exceeds ~~the amounts prescribed for that year in the schedule~~ 77340  
seventy-five thousand dollars, the permit holder shall remit each 77341  
monthly tax payment in the second ensuing and each succeeding year 77342  
by electronic funds transfer as prescribed by division (B) of this 77343  
section. 77344

Year	<del>1992</del>	<del>1993 through 1999</del>	<del>2000 and thereafter</del>	
Tax payment	\$1,200,000	\$600,000	\$60,000	77345 77346

If a permit holder's tax payment for each of two consecutive 77347  
years ~~beginning with 2000~~ is less than ~~sixty~~ seventy-five thousand 77348  
dollars, the permit holder is relieved of the requirement to remit 77349  
taxes by electronic funds transfer for the year that next follows 77350  
the second of the consecutive years in which the tax payment is 77351

less than ~~sixty thousand dollars~~ that amount, and is relieved of 77352  
that requirement for each succeeding year, unless the tax payment 77353  
in a subsequent year equals or exceeds ~~sixty~~ seventy-five thousand 77354  
dollars. 77355

The tax commissioner shall notify each permit holder required 77356  
to remit taxes by electronic funds transfer of the permit holder's 77357  
obligation to do so, shall maintain an updated list of those 77358  
permit holders, and shall timely certify the list and any 77359  
additions thereto or deletions therefrom to the treasurer of 77360  
state. Failure by the tax commissioner to notify a permit holder 77361  
subject to this section to remit taxes by electronic funds 77362  
transfer does not relieve the permit holder of its obligation to 77363  
remit taxes by electronic funds transfer. 77364

(B) Permit holders required by division (A) of this section 77365  
to remit payments by electronic funds transfer shall remit such 77366  
payments to the treasurer of state in the manner prescribed by 77367  
this section and rules adopted by the treasurer of state under 77368  
section 113.061 of the Revised Code, and on or before the 77369  
following dates: 77370

(1) On or before each of the ~~eleventh, eighteenth,~~ fifteenth 77371  
and twenty-fifth days of each month, a permit holder shall remit 77372  
an amount equal to ~~one-fourth~~ thirty-seven and one-half per cent 77373  
of the permit holder's total tax liability for the same month in 77374  
the preceding calendar year. 77375

(2) On or before the twenty-third day of each month, a permit 77376  
holder shall report the taxes due for the previous month and shall 77377  
remit that amount, less any amounts paid for that month as 77378  
required by division (B)(1) of this section. 77379

The payment of taxes by electronic funds transfer does not 77380  
affect a permit holder's obligation to file the monthly return as 77381  
required under section 5739.031 of the Revised Code. 77382

(C) A permit holder required by this section to remit taxes 77383  
by electronic funds transfer may apply to the treasurer of state 77384  
in the manner prescribed by the treasurer of state to be excused 77385  
from that requirement. The treasurer of state may excuse the 77386  
permit holder from remittance by electronic funds transfer for 77387  
good cause shown for the period of time requested by the permit 77388  
holder or for a portion of that period. The treasurer of state 77389  
shall notify the tax commissioner and the permit holder of the 77390  
treasurer of state's decision as soon as is practicable. 77391

(D)(1) If a permit holder that is required to remit payments 77392  
under division (B) of this section fails to make a payment, the 77393  
commissioner may impose an additional charge not to exceed five 77394  
per cent of that unpaid amount. 77395

(2) If a permit holder required by this section to remit 77396  
taxes by electronic funds transfer remits those taxes by some 77397  
means other than by electronic funds transfer as prescribed by 77398  
this section and the rules adopted by the treasurer of state, and 77399  
the tax commissioner determines that such failure was not due to 77400  
reasonable cause or was due to willful neglect, the commissioner 77401  
may impose an additional charge not to exceed the lesser of five 77402  
per cent of the amount of the taxes required to be paid by 77403  
electronic funds transfer or five thousand dollars. 77404

(3) Any additional charge imposed under division (D)(1) or 77405  
(2) of this section is in addition to any other penalty or charge 77406  
imposed under this chapter, and shall be considered as revenue 77407  
arising from taxes imposed under this chapter. An additional 77408  
charge may be collected by assessment in the manner prescribed by 77409  
section 5739.13 of the Revised Code. The tax commissioner may 77410  
waive all or a portion of such a charge and may adopt rules 77411  
governing such waiver. 77412

No additional charge shall be imposed under division (D)(2) 77413

of this section against a permit holder that has been notified of 77414  
its obligation to remit taxes under this section and that remits 77415  
its first two tax payments after such notification by some means 77416  
other than electronic funds transfer. The additional charge may be 77417  
imposed upon the remittance of any subsequent tax payment that the 77418  
permit holder remits by some means other than electronic funds 77419  
transfer. 77420

**Sec. 5739.033.** The amount of tax due pursuant to sections 77421  
5739.02, 5739.021, 5739.023, and 5739.026 of the Revised Code is 77422  
the sum of the taxes imposed pursuant to those sections at the 77423  
situs of the sale as determined under this section or, if 77424  
applicable, under division (C) of section 5739.031 of the Revised 77425  
Code. 77426

(A) Except as otherwise provided in this section, division 77427  
(C) of section 5739.031, and section 5739.034 of the Revised Code, 77428  
the situs of all sales is the vendor's place of business. 77429

(1) If the consumer or the consumer's agent takes possession 77430  
of the tangible personal property at a place of business of the 77431  
vendor where the purchase contract or agreement was made, the 77432  
situs of the sale is that place of business. 77433

(2) If the consumer or the consumer's agent takes possession 77434  
of the tangible personal property other than at a place of 77435  
business of the vendor, or takes possession at a warehouse or 77436  
similar facility of the vendor, the situs of the sale is the 77437  
vendor's place of business where the purchase contract or 77438  
agreement was made or the purchase order was received. 77439

(3) If the vendor provides a service specified in division 77440  
(B)(3)(a), (b), (c), (d), (n), ~~or (o), (r), (s), or (t)~~ of section 77441  
5739.01 or makes a sale specified in division (B)(8) of section 77442  
5739.01 of the Revised Code, the situs of the sale is the vendor's 77443  
place of business where the service is performed or the contract 77444

or agreement for the service was made or the purchase order was received. 77445  
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(B) If the vendor is a transient vendor as specified in 77447  
division (B) of section 5739.17 of the Revised Code, the situs of 77448  
the sale is the vendor's temporary place of business or, if the 77449  
transient vendor is the lessor of titled motor vehicles, titled 77450  
watercraft, or titled outboard motors, at the location where the 77451  
lessee keeps the leased property. 77452

(C) If the vendor makes sales of tangible personal property 77453  
from a stock of goods carried in a motor vehicle, from which the 77454  
purchaser makes selection and takes possession, or from which the 77455  
vendor sells tangible personal property the quantity of which has 77456  
not been determined prior to the time the purchaser takes 77457  
possession, the situs of the sale is the location of the motor 77458  
vehicle when the sale is made. 77459

(D) If the vendor is a delivery vendor as specified in 77460  
division (D) of section 5739.17 of the Revised Code, the situs of 77461  
the sale is the place where the tangible personal property is 77462  
delivered, where the leased property is used, or where the service 77463  
is performed or received. 77464

(E) If the vendor provides a service specified in division 77465  
(B)(3)(e), (g), (h), (j), (k), (l), ~~or (m)~~, (q), or (u) of section 77466  
5739.01 of the Revised Code, the situs of the sale is the location 77467  
of the consumer where the service is performed or received. 77468

(F) ~~Except as provided in division (I) or (J) of this~~ 77469  
~~section:~~ 77470

~~(1) If the vendor provides a service specified in division 77471  
(B)(3)(f) or (i) of section 5739.01 of the Revised Code, the situs 77472  
of the sale is the location of the telephone number or account as 77473  
reflected in the records of the vendor. 77474~~

~~(2) In the case of a telecommunications service, if the 77475~~

~~telephone number or account is located outside this state, the~~ 77476  
~~situs of the sale is the location in this state from which the~~ 77477  
~~service originated.~~ 77478

~~(G)~~ If the vendor provides lodging to transient guests as 77479  
specified in division (B)(2) of section 5739.01 of the Revised 77480  
Code, the situs of the sale is the location where the lodging is 77481  
located. 77482

~~(H)~~(G) If the vendor sells a warranty, maintenance or service 77483  
contract, or similar agreement as specified in division (B)(7) of 77484  
section 5739.01 of the Revised Code and the vendor is a delivery 77485  
vendor, the situs of the sale is the location of the consumer. If 77486  
the vendor is not a delivery vendor, the situs of the sale is the 77487  
vendor's place of business where the contract or agreement was 77488  
made, unless the warranty or contract is a component of the sale 77489  
of a titled motor vehicle, titled watercraft, or titled outboard 77490  
motor, in which case the situs of the sale is the county of 77491  
titling. 77492

~~(I)~~(H) Except as otherwise provided in this division, if the 77493  
vendor sells a prepaid authorization number or a prepaid telephone 77494  
calling card, the situs of the sale is the vendor's place of 77495  
business and shall be taxed at the time of sale. If the vendor 77496  
sells a prepaid authorization number or prepaid telephone calling 77497  
card through a telephone call, electronic commerce, or any other 77498  
form of remote commerce, the situs of the sale is the consumer's 77499  
shipping address, or, if there is no item shipped, at the 77500  
consumer's billing address. 77501

**Sec. 5739.034.** (A) As used in this section: 77502

(1) "Air-to-ground radiotelephone service" means a radio 77503  
service, as defined in 47 C.F.R. 22.99, in which common carriers 77504  
are authorized to offer and provide radio telecommunications 77505  
service for hire to subscribers in aircraft. 77506

(2) "Call-by-call basis" means any method of charging for telecommunications services where the price is measured by individual calls. 77507  
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(3) "Customer" means the person or entity that contracts with a seller of telecommunications service. If the end user of telecommunications service is not the contracting party, the end user of the telecommunications service is the customer of the telecommunications service. "Customer" does not include a reseller of telecommunications service or of mobile telecommunications service of a serving carrier under an agreement to serve the customer outside the home service provider's licensed service area. 77510  
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(4) "End user" means the person who utilizes the telecommunications service. In the case of a person other than an individual, "end user" means the individual who utilizes the service on behalf of the person. 77519  
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(5) "Home service provider" has the same meaning as in the "Mobile Telecommunications Sourcing Act," Pub. L. No. 106-252, 114 Stat. 631 (2000), 4 U.S.C. 124(5), as amended. 77523  
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(6) "Place of primary use" means the street address representative of where the customer's use of the telecommunications service primarily occurs, which must be the residential street address or the primary business street address of the customer. In the case of mobile telecommunications services, "place of primary use" must be within the licensed service area of the home service provider. 77526  
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(7) "Post-paid calling service" means the telecommunications service obtained by making a payment on a call-by-call basis either through the use of a credit card or payment mechanism such as a bank card, travel card, credit card, or debit card, or by charge made to a telephone number that is not associated with the 77533  
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origination or termination of the telecommunications service. 77538

"Post-paid calling service" includes a telecommunications service 77539

that would be a prepaid calling service, but for the fact that it 77540

is not exclusively a telecommunications service. 77541

(8) "Prepaid calling service" means the right to access 77542

exclusively a telecommunications service that must be paid for in 77543

advance, that enables the origination of calls using an access 77544

number or authorization code, whether manually or electronically 77545

dialed, and that is sold in predetermined units or dollars of 77546

which the number declines with use in a known amount. 77547

(9) "Service address" means: 77548

(a) The location of the telecommunications equipment to which 77549

a customer's call is charged and from which the call originates or 77550

terminates, regardless of where the call is billed or paid. 77551

(b) If the location in division (A)(9)(a) of this section is 77552

not known, "service address" means the origination point of the 77553

signal of the telecommunications service first identified by 77554

either the seller's telecommunications system or in information 77555

received by the seller from its service provider, where the system 77556

used to transport such signals is not that of the seller. 77557

(c) If the locations in divisions (A)(9)(a) and (b) of this 77558

section are not known, "service address" means the location of the 77559

customer's place of primary use. 77560

(B) The amount of tax due pursuant to sections 5739.02, 77561

5739.021, 5739.023, and 5739.026 of the Revised Code on sales of 77562

telecommunications service, information service, or mobile 77563

telecommunications service, is the sum of the taxes imposed 77564

pursuant to those sections at the sourcing location of the sale as 77565

determined under this section. 77566

(C) Except for the telecommunications services described in 77567

division (E) of this section, the sale of telecommunications 77568

service sold on a call-by-call basis shall be sourced to each 77569  
level of taxing jurisdiction where the call originates and 77570  
terminates in that jurisdiction, or each level of taxing 77571  
jurisdiction where the call either originates or terminates and in 77572  
which the service address also is located. 77573

(D) Except for the telecommunications services described in 77574  
division (E) of this section, a sale of telecommunications 77575  
services sold on a basis other than a call-by-call basis shall be 77576  
sourced to the customer's place of primary use. 77577

(E) The sale of the following telecommunications services 77578  
shall be sourced to each level of taxing jurisdiction, as follows: 77579

(1) A sale of mobile telecommunications service, other than 77580  
air-to-ground radiotelephone service and prepaid calling service, 77581  
shall be sourced to the customer's place of primary use as 77582  
required by the Mobile Telecommunications Sourcing Act. 77583

(2) A sale of post-paid calling service shall be sourced to 77584  
the origination point of the telecommunications signal as first 77585  
identified by the service provider's telecommunications system, or 77586  
information received by the seller from its service provider, 77587  
where the system used to transport such signals is not that of the 77588  
seller. 77589

(3) A sale of prepaid calling service made prior to January 77590  
1, 2004, shall be sourced under division (H) of section 5739.033 77591  
of the Revised Code. On and after January 1, 2004, a sale of 77592  
mobile telecommunications service that is a prepaid 77593  
telecommunications service shall be sourced under division (A)(5) 77594  
of section 5739.033 of the Revised Code, but in lieu of sourcing 77595  
the sale of the service under that section, it may be sourced to 77596  
the location associated with the mobile telephone number. 77597

**Sec. 5739.09.** (A)(1) A board of county commissioners may, by 77598

resolution adopted by a majority of the members of the board, levy 77599  
an excise tax not to exceed three per cent on transactions by 77600  
which lodging by a hotel is or is to be furnished to transient 77601  
guests. The board shall establish all regulations necessary to 77602  
provide for the administration and allocation of the tax. The 77603  
regulations may prescribe the time for payment of the tax, and may 77604  
provide for the imposition of a penalty or interest, or both, for 77605  
late payments, provided that the penalty does not exceed ten per 77606  
cent of the amount of tax due, and the rate at which interest 77607  
accrues does not exceed the rate per annum prescribed pursuant to 77608  
section 5703.47 of the Revised Code. Except as provided in 77609  
divisions (A)(2), (3), ~~and (4)~~, and (5) of this section, the 77610  
regulations shall provide, after deducting the real and actual 77611  
costs of administering the tax, for the return to each municipal 77612  
corporation or township that does not levy an excise tax on the 77613  
transactions, a uniform percentage of the tax collected in the 77614  
municipal corporation or in the unincorporated portion of the 77615  
township from each transaction, not to exceed thirty-three and 77616  
one-third per cent. The remainder of the revenue arising from the 77617  
tax shall be deposited in a separate fund and shall be spent 77618  
solely to make contributions to the convention and visitors' 77619  
bureau operating within the county, including a pledge and 77620  
contribution of any portion of the remainder pursuant to an 77621  
agreement authorized by section 307.695 of the Revised Code. 77622  
Except as provided in division (A)(2), (3), ~~or (4)~~, or (5) or (H) 77623  
of this section, on and after May 10, 1994, a board of county 77624  
commissioners may not levy an excise tax pursuant to this division 77625  
in any municipal corporation or township located wholly or partly 77626  
within the county that has in effect an ordinance or resolution 77627  
levying an excise tax pursuant to division (B) of this section. 77628  
The board of a county that has levied a tax under division (C) of 77629  
this section may, by resolution adopted within ninety days after 77630  
July 15, 1985, by a majority of the members of the board, amend 77631

the resolution levying a tax under this division to provide for a 77632  
portion of that tax to be pledged and contributed in accordance 77633  
with an agreement entered into under section 307.695 of the 77634  
Revised Code. A tax, any revenue from which is pledged pursuant to 77635  
such an agreement, shall remain in effect at the rate at which it 77636  
is imposed for the duration of the period for which the revenue 77637  
from the tax has been so pledged. 77638

(2) A board of county commissioners that levies an excise tax 77639  
under division (A)(1) of this section on June 30, 1997, at a rate 77640  
of three per cent, and that has pledged revenue from the tax to an 77641  
agreement entered into under section 307.695 of the Revised Code, 77642  
may amend the resolution levying that tax to provide for an 77643  
increase in the rate of the tax up to five per cent on each 77644  
transaction; to provide that revenue from the increase in the rate 77645  
shall be spent solely to make contributions to the convention and 77646  
visitors' bureau operating within the county to be used 77647  
specifically for promotion, advertising, and marketing of the 77648  
region in which the county is located; to provide that the rate in 77649  
excess of the three per cent levied under division (A)(1) of this 77650  
section shall remain in effect at the rate at which it is imposed 77651  
for the duration of the period during which any agreement is in 77652  
effect that was entered into under section 307.695 of the Revised 77653  
Code by the board of county commissioners levying a tax under 77654  
division (A)(1) of this section; and to provide that no portion of 77655  
that revenue need be returned to townships or municipal 77656  
corporations as would otherwise be required under division (A)(1) 77657  
of this section. 77658

(3) A board of county commissioners that levies a tax under 77659  
division (A)(1) of this section on March 18, 1999, at a rate of 77660  
three per cent may, by resolution adopted not later than 77661  
forty-five days after March 18, 1999, amend the resolution levying 77662  
the tax to provide for all of the following: 77663

(a) That the rate of the tax shall be increased by not more than an additional four per cent on each transaction;

(b) That all of the revenue from the increase in the rate shall be pledged and contributed to a convention facilities authority established by the board of county commissioners under Chapter 351. of the Revised Code on or before November 15, 1998, and used to pay costs of constructing, maintaining, operating, and promoting a facility in the county, including paying bonds, or notes issued in anticipation of bonds, as provided by that chapter;

(c) That no portion of the revenue arising from the increase in rate need be returned to municipal corporations or townships as otherwise required under division (A)(1) of this section;

(d) That the increase in rate shall not be subject to diminution by initiative or referendum or by law while any bonds, or notes in anticipation of bonds, issued by the authority under Chapter 351. of the Revised Code to which the revenue is pledged, remain outstanding in accordance with their terms, unless provision is made by law or by the board of county commissioners for an adequate substitute therefor that is satisfactory to the trustee if a trust agreement secures the bonds.

Division (A)(3) of this section does not apply to the board of county commissioners of any county in which a convention center or facility exists or is being constructed on November 15, 1998, or of any county in which a convention facilities authority levies a tax pursuant to section 351.021 of the Revised Code on that date.

As used in division (A)(3) of this section, "cost" and "facility" have the same meanings as in section 351.01 of the Revised Code, and "convention center" has the same meaning as in section 307.695 of the Revised Code.

(4) A board of county commissioners that levies a tax under 77695  
division (A)(1) of this section on June 30, 2002, at a rate of 77696  
three per cent may, by resolution adopted not later than September 77697  
30, 2002, amend the resolution levying the tax to provide for all 77698  
of the following: 77699

(a) That the rate of the tax shall be increased by not more 77700  
than an additional three and one-half per cent on each 77701  
transaction; 77702

(b) That all of the revenue from the increase in rate shall 77703  
be pledged and contributed to a convention facilities authority 77704  
established by the board of county commissioners under Chapter 77705  
351. of the Revised Code on or before May 15, 2002, and be used to 77706  
pay costs of constructing, expanding, maintaining, operating, or 77707  
promoting a convention center in the county, including paying 77708  
bonds, or notes issued in anticipation of bonds, as provided by 77709  
that chapter; 77710

(c) That no portion of the revenue arising from the increase 77711  
in rate need be returned to municipal corporations or townships as 77712  
otherwise required under division (A)(1) of this section; 77713

(d) That the increase in rate shall not be subject to 77714  
diminution by initiative or referendum or by law while any bonds, 77715  
or notes in anticipation of bonds, issued by the authority under 77716  
Chapter 351. of the Revised Code to which the revenue is pledged, 77717  
remain outstanding in accordance with their terms, unless 77718  
provision is made by law or by the board of county commissioners 77719  
for an adequate substitute therefor that is satisfactory to the 77720  
trustee if a trust agreement secures the bonds. 77721

As used in division (A)(4) of this section, "cost" has the 77722  
same meaning as in section 351.01 of the Revised Code, and 77723  
"convention center" has the same meaning as in section 307.695 of 77724  
the Revised Code. 77725

<u>(5)(a) As used in division (A)(5) of this section:</u>	77726
<u>(i) "Port authority" means a port authority created under Chapter 4582. of the Revised Code.</u>	77727 77728
<u>(ii) "Port authority military-use facility" means port authority facilities on which or adjacent to which is located an installation of the armed forces of the United States, a reserve component thereof, or the national guard and at least part of which is made available for use, for consideration, by the armed forces of the United States, a reserve component thereof, or the national guard.</u>	77729 77730 77731 77732 77733 77734 77735
<u>(b) For the purpose of contributing revenue to pay operating expenses of a port authority that operates a port authority military-use facility, the board of county commissioners of a county that created, participated in the creation of, or has joined such a port authority may do one or both of the following:</u>	77736 77737 77738 77739 77740
<u>(i) Amend a resolution previously adopted under division (A)(1) of this section to designate some or all of the revenue from the tax levied under the resolution to be used for that purpose, notwithstanding that division;</u>	77741 77742 77743 77744
<u>(ii) Amend a resolution previously adopted under division (A)(1) of this section to increase the rate of the tax by not more than an additional two per cent and use the revenue from the increase exclusively for that purpose.</u>	77745 77746 77747 77748
<u>(c) If a board of county commissioners amends a resolution to increase the rate of a tax as authorized in division (A)(5)(b)(ii) of this section, the board also may amend the resolution to specify that the increase in rate of the tax does not apply to "hotels," as otherwise defined in section 5739.01 of the Revised Code, having fewer rooms used for the accommodation of guests than a number of rooms specified by the board.</u>	77749 77750 77751 77752 77753 77754 77755

(B)(1) The legislative authority of a municipal corporation 77756  
or the board of trustees of a township that is not wholly or 77757  
partly located in a county that has in effect a resolution levying 77758  
an excise tax pursuant to division (A)(1) of this section may, by 77759  
ordinance or resolution, levy an excise tax not to exceed three 77760  
per cent on transactions by which lodging by a hotel is or is to 77761  
be furnished to transient guests. The legislative authority of the 77762  
municipal corporation or the board of trustees of the township 77763  
shall deposit at least fifty per cent of the revenue from the tax 77764  
levied pursuant to this division into a separate fund, which shall 77765  
be spent solely to make contributions to convention and visitors' 77766  
bureaus operating within the county in which the municipal 77767  
corporation or township is wholly or partly located, and the 77768  
balance of that revenue shall be deposited in the general fund. 77769  
The municipal corporation or township shall establish all 77770  
regulations necessary to provide for the administration and 77771  
allocation of the tax. The regulations may prescribe the time for 77772  
payment of the tax, and may provide for the imposition of a 77773  
penalty or interest, or both, for late payments, provided that the 77774  
penalty does not exceed ten per cent of the amount of tax due, and 77775  
the rate at which interest accrues does not exceed the rate per 77776  
annum prescribed pursuant to section 5703.47 of the Revised Code. 77777  
The levy of a tax under this division is in addition to any tax 77778  
imposed on the same transaction by a municipal corporation or a 77779  
township as authorized by division (A) of section 5739.08 of the 77780  
Revised Code. 77781

(2) The legislative authority of the most populous municipal 77782  
corporation located wholly or partly in a county in which the 77783  
board of county commissioners has levied a tax under division 77784  
(A)(4) of this section may amend, on or before September 30, 2002, 77785  
that municipal corporation's ordinance or resolution that levies 77786  
an excise tax on transactions by which lodging by a hotel is or is 77787



to be furnished to transient guests, to provide for all of the 77788  
following: 77789

(a) That the rate of the tax shall be increased by not more 77790  
than an additional one per cent on each transaction; 77791

(b) That all of the revenue from the increase in rate shall 77792  
be pledged and contributed to a convention facilities authority 77793  
established by the board of county commissioners under Chapter 77794  
351. of the Revised Code on or before May 15, 2002, and be used to 77795  
pay costs of constructing, expanding, maintaining, operating, or 77796  
promoting a convention center in the county, including paying 77797  
bonds, or notes issued in anticipation of bonds, as provided by 77798  
that chapter; 77799

(c) That the increase in rate shall not be subject to 77800  
diminution by initiative or referendum or by law while any bonds, 77801  
or notes in anticipation of bonds, issued by the authority under 77802  
Chapter 351. of the Revised Code to which the revenue is pledged, 77803  
remain outstanding in accordance with their terms, unless 77804  
provision is made by law, by the board of county commissioners, or 77805  
by the legislative authority, for an adequate substitute therefor 77806  
that is satisfactory to the trustee if a trust agreement secures 77807  
the bonds. 77808

As used in division (B)(2) of this section, "cost" has the 77809  
same meaning as in section 351.01 of the Revised Code, and 77810  
"convention center" has the same meaning as in section 307.695 of 77811  
the Revised Code. 77812

(C) For the purpose of making the payments authorized by 77813  
section 307.695 of the Revised Code to construct and equip a 77814  
convention center in the county and to cover the costs of 77815  
administering the tax, a board of county commissioners of a county 77816  
where a tax imposed under division (A)(1) of this section is in 77817  
effect may, by resolution adopted within ninety days after July 77818

15, 1985, by a majority of the members of the board, levy an 77819  
additional excise tax not to exceed three per cent on transactions 77820  
by which lodging by a hotel is or is to be furnished to transient 77821  
guests. The tax authorized by this division shall be in addition 77822  
to any tax that is levied pursuant to division (A) of this 77823  
section, but it shall not apply to transactions subject to a tax 77824  
levied by a municipal corporation or township pursuant to the 77825  
authorization granted by division (A) of section 5739.08 of the 77826  
Revised Code. The board shall establish all regulations necessary 77827  
to provide for the administration and allocation of the tax. The 77828  
regulations may prescribe the time for payment of the tax, and may 77829  
provide for the imposition of a penalty or interest, or both, for 77830  
late payments, provided that the penalty does not exceed ten per 77831  
cent of the amount of tax due, and the rate at which interest 77832  
accrues does not exceed the rate per annum prescribed pursuant to 77833  
section 5703.47 of the Revised Code. All revenues arising from the 77834  
tax shall be expended in accordance with section 307.695 of the 77835  
Revised Code. A tax imposed under this division shall remain in 77836  
effect at the rate at which it is imposed for the duration of the 77837  
period for which the revenue from the tax has been pledged 77838  
pursuant to that section. 77839

(D) For the purpose of providing contributions under division 77840  
(B)(1) of section 307.671 of the Revised Code to enable the 77841  
acquisition, construction, and equipping of a port authority 77842  
educational and cultural facility in the county and, to the extent 77843  
provided for in the cooperative agreement authorized by that 77844  
section, for the purpose of paying debt service charges on bonds, 77845  
or notes in anticipation of bonds, described in division (B)(1)(b) 77846  
of that section, a board of county commissioners, by resolution 77847  
adopted within ninety days after December 22, 1992, by a majority 77848  
of the members of the board, may levy an additional excise tax not 77849  
to exceed one and one-half per cent on transactions by which 77850  
lodging by a hotel is or is to be furnished to transient guests. 77851

The excise tax authorized by this division shall be in addition to 77852  
any tax that is levied pursuant to divisions (A), (B), and (C) of 77853  
this section, to any excise tax levied pursuant to section 5739.08 77854  
of the Revised Code, and to any excise tax levied pursuant to 77855  
section 351.021 of the Revised Code. The board of county 77856  
commissioners shall establish all regulations necessary to provide 77857  
for the administration and allocation of the tax that are not 77858  
inconsistent with this section or section 307.671 of the Revised 77859  
Code. The regulations may prescribe the time for payment of the 77860  
tax, and may provide for the imposition of a penalty or interest, 77861  
or both, for late payments, provided that the penalty does not 77862  
exceed ten per cent of the amount of tax due, and the rate at 77863  
which interest accrues does not exceed the rate per annum 77864  
prescribed pursuant to section 5703.47 of the Revised Code. All 77865  
revenues arising from the tax shall be expended in accordance with 77866  
section 307.671 of the Revised Code and division (D) of this 77867  
section. The levy of a tax imposed under this division may not 77868  
commence prior to the first day of the month next following the 77869  
execution of the cooperative agreement authorized by section 77870  
307.671 of the Revised Code by all parties to that agreement. The 77871  
tax shall remain in effect at the rate at which it is imposed for 77872  
the period of time described in division (C) of section 307.671 of 77873  
the Revised Code for which the revenue from the tax has been 77874  
pledged by the county to the corporation pursuant to that section, 77875  
but, to any extent provided for in the cooperative agreement, for 77876  
no lesser period than the period of time required for payment of 77877  
the debt service charges on bonds, or notes in anticipation of 77878  
bonds, described in division (B)(1)(b) of that section. 77879

(E) For the purpose of paying the costs of acquiring, 77880  
constructing, equipping, and improving a municipal educational and 77881  
cultural facility, including debt service charges on bonds 77882  
provided for in division (B) of section 307.672 of the Revised 77883  
Code, and for any additional purposes determined by the county in 77884

the resolution levying the tax or amendments to the resolution, 77885  
including subsequent amendments providing for paying costs of 77886  
acquiring, constructing, renovating, rehabilitating, equipping, 77887  
and improving a port authority educational and cultural performing 77888  
arts facility, as defined in section 307.674 of the Revised Code, 77889  
and including debt service charges on bonds provided for in 77890  
division (B) of section 307.674 of the Revised Code, the 77891  
legislative authority of a county, by resolution adopted within 77892  
ninety days after June 30, 1993, by a majority of the members of 77893  
the legislative authority, may levy an additional excise tax not 77894  
to exceed one and one-half per cent on transactions by which 77895  
lodging by a hotel is or is to be furnished to transient guests. 77896  
The excise tax authorized by this division shall be in addition to 77897  
any tax that is levied pursuant to divisions (A), (B), (C), and 77898  
(D) of this section, to any excise tax levied pursuant to section 77899  
5739.08 of the Revised Code, and to any excise tax levied pursuant 77900  
to section 351.021 of the Revised Code. The legislative authority 77901  
of the county shall establish all regulations necessary to provide 77902  
for the administration and allocation of the tax. The regulations 77903  
may prescribe the time for payment of the tax, and may provide for 77904  
the imposition of a penalty or interest, or both, for late 77905  
payments, provided that the penalty does not exceed ten per cent 77906  
of the amount of tax due, and the rate at which interest accrues 77907  
does not exceed the rate per annum prescribed pursuant to section 77908  
5703.47 of the Revised Code. All revenues arising from the tax 77909  
shall be expended in accordance with section 307.672 of the 77910  
Revised Code and this division. The levy of a tax imposed under 77911  
this division shall not commence prior to the first day of the 77912  
month next following the execution of the cooperative agreement 77913  
authorized by section 307.672 of the Revised Code by all parties 77914  
to that agreement. The tax shall remain in effect at the rate at 77915  
which it is imposed for the period of time determined by the 77916  
legislative authority of the county, but not to exceed fifteen 77917

years. 77918

(F) The legislative authority of a county that has levied a 77919  
tax under division (E) of this section may, by resolution adopted 77920  
within one hundred eighty days after January 4, 2001, by a 77921  
majority of the members of the legislative authority, amend the 77922  
resolution levying a tax under that division to provide for the 77923  
use of the proceeds of that tax, to the extent that it is no 77924  
longer needed for its original purpose as determined by the 77925  
parties to a cooperative agreement amendment pursuant to division 77926  
(D) of section 307.672 of the Revised Code, to pay costs of 77927  
acquiring, constructing, renovating, rehabilitating, equipping, 77928  
and improving a port authority educational and cultural performing 77929  
arts facility, including debt service charges on bonds provided 77930  
for in division (B) of section 307.674 of the Revised Code, and to 77931  
pay all obligations under any guaranty agreements, reimbursement 77932  
agreements, or other credit enhancement agreements described in 77933  
division (C) of section 307.674 of the Revised Code. The 77934  
resolution may also provide for the extension of the tax at the 77935  
same rate for the longer of the period of time determined by the 77936  
legislative authority of the county, but not to exceed an 77937  
additional twenty-five years, or the period of time required to 77938  
pay all debt service charges on bonds provided for in division (B) 77939  
of section 307.672 of the Revised Code and on port authority 77940  
revenue bonds provided for in division (B) of section 307.674 of 77941  
the Revised Code. All revenues arising from the amendment and 77942  
extension of the tax shall be expended in accordance with section 77943  
307.674 of the Revised Code, this division, and division (E) of 77944  
this section. 77945

(G) For purposes of a tax levied by a county, township, or 77946  
municipal corporation under this section or section 5739.08 of the 77947  
Revised Code, a board of county commissioners, board of township 77948  
trustees, or the legislative authority of a municipal corporation 77949

may adopt a resolution or ordinance at any time specifying that 77950  
"hotel," as otherwise defined in section 5739.01 of the Revised 77951  
Code, includes establishments in which fewer than five rooms are 77952  
used for the accommodation of guests. The resolution or ordinance 77953  
may apply to a tax imposed pursuant to this section prior to the 77954  
adoption of the resolution or ordinance if the resolution or 77955  
ordinance so states, but the tax shall not apply to transactions 77956  
by which lodging by such an establishment is provided to transient 77957  
guests prior to the adoption of the resolution or ordinance. 77958

(H)(1) As used in this division: 77959

(a) "Convention facilities authority" has the same meaning as 77960  
in section 351.01 of the Revised Code. 77961

(b) "Convention center" has the same meaning as in section 77962  
307.695 of the Revised Code. 77963

(2) Notwithstanding any contrary provision of division (D) of 77964  
this section, the legislative authority of a county with a 77965  
population of one million or more according to the most recent 77966  
federal decennial census that has levied a tax under division (D) 77967  
of this section may, by resolution adopted by a majority of the 77968  
members of the legislative authority, provide for the extension of 77969  
such levy and may provide that the proceeds of that tax, to the 77970  
extent that they are no longer needed for their original purpose 77971  
as defined by a cooperative agreement entered into under section 77972  
307.671 of the Revised Code, shall be deposited into the county 77973  
general revenue fund. The resolution shall provide for the 77974  
extension of the tax at a rate not to exceed the rate specified in 77975  
division (D) of this section for a period of time determined by 77976  
the legislative authority of the county, but not to exceed an 77977  
additional forty years. 77978

(3) The legislative authority of a county with a population 77979  
of one million or more that has levied a tax under division (A)(1) 77980

of this section may, by resolution adopted by a majority of the 77981  
members of the legislative authority, increase the rate of the tax 77982  
levied by such county under division (A)(1) of this section to a 77983  
rate not to exceed five per cent on transactions by which lodging 77984  
by a hotel is or is to be furnished to transient guests. 77985  
Notwithstanding any contrary provision of division (A)(1) of this 77986  
section, the resolution may provide that all collections resulting 77987  
from the rate levied in excess of three per cent, after deducting 77988  
the real and actual costs of administering the tax, shall be 77989  
deposited in the county general fund. 77990

(4) The legislative authority of a county with a population 77991  
of one million or more that has levied a tax under division (A)(1) 77992  
of this section may, by resolution adopted on or before August 30, 77993  
2004, by a majority of the members of the legislative authority, 77994  
provide that all or a portion of the proceeds of the tax levied 77995  
under division (A)(1) of this section, after deducting the real 77996  
and actual costs of administering the tax and the amounts required 77997  
to be returned to townships and municipal corporations with 77998  
respect to the first three per cent levied under division (A)(1) 77999  
of this section, shall be deposited in the county general fund, 78000  
provided that such proceeds shall be used to satisfy any pledges 78001  
made in connection with an agreement entered into under section 78002  
307.695 of the Revised Code. 78003

(5) No amount collected from a tax levied, extended, or 78004  
required to be deposited in the county general fund under division 78005  
(H) of this section shall be contributed to a convention 78006  
facilities authority, corporation, or other entity created after 78007  
July 1, 2003, for the principal purpose of constructing, 78008  
improving, expanding, equipping, financing, or operating a 78009  
convention center unless the mayor of the municipal corporation in 78010  
which the convention center is to be operated by that convention 78011  
facilities authority, corporation, or other entity has consented 78012

to the creation of that convention facilities authority, 78013  
corporation, or entity. Notwithstanding any contrary provision of 78014  
section 351.04 of the Revised Code, if a tax is levied by a county 78015  
under division (H) of this section, the board of county 78016  
commissioners of that county may determine the manner of 78017  
selection, the qualifications, the number, and terms of office of 78018  
the members of the board of directors of any convention facilities 78019  
authority, corporation, or other entity described in division 78020  
(H)(5) of this section. 78021

(6)(a) No amount collected from a tax levied, extended, or 78022  
required to be deposited in the county general fund under division 78023  
(H) of this section may be used for any purpose other than paying 78024  
the direct and indirect costs of constructing, improving, 78025  
expanding, equipping, financing, or operating a convention center 78026  
and for the real and actual costs of administering the tax, 78027  
unless, prior to the adoption of the resolution of the legislative 78028  
authority of the county authorizing the levy, extension, increase, 78029  
or deposit, the county and the mayor of the most populous 78030  
municipal corporation in that county have entered into an 78031  
agreement as to the use of such amounts, provided that such 78032  
agreement has been approved by a majority of the mayors of the 78033  
other municipal corporations in that county. The agreement shall 78034  
provide that the amounts to be used for purposes other than paying 78035  
the convention center or administrative costs described in 78036  
division (H)(6)(a) of this section be used only for the direct and 78037  
indirect costs of capital improvements, including the financing of 78038  
capital improvements. 78039

(b) If the county in which the tax is levied has an 78040  
association of mayors and city managers, the approval of that 78041  
association of an agreement described in division (H)(6)(a) of 78042  
this section shall be considered to be the approval of the 78043  
majority of the mayors of the other municipal corporations for 78044



purposes of that division. 78045

(7) Each year, the auditor of state shall conduct an audit of 78046  
the uses of any amounts collected from taxes levied, extended, or 78047  
deposited under division (H) of this section and shall prepare a 78048  
report of the auditor of state's findings. The auditor of state 78049  
shall submit the report to the legislative authority of the county 78050  
that has levied, extended, or deposited the tax, the speaker of 78051  
the house of representatives, the president of the senate, and the 78052  
leaders of the minority parties of the house of representatives 78053  
and the senate. 78054

**Sec. 5739.10.** (A) In addition to the tax levied ~~in~~ by section 78055  
5739.02 of the Revised Code and any tax levied pursuant to section 78056  
5739.021, 5739.023, or 5739.026 of the Revised Code, and to secure 78057  
the same objectives specified in ~~said those~~ sections, there is 78058  
hereby levied upon the privilege of engaging in the business of 78059  
making retail sales, an excise tax of six per cent on and after 78060  
July 1, 2003, and on and before June 30, 2005, and an excise tax 78061  
of five per cent on and after July 1, 2005, or, in the case of 78062  
retail sales subject to a tax levied pursuant to section 5739.021, 78063  
5739.023, or 5739.026 of the Revised Code, a percentage equal to 78064  
the aggregate rate of such taxes and the tax levied by section 78065  
5739.02 of the Revised Code of the receipts derived from all 78066  
retail sales, ~~except retail sales under sixteen cents and those to~~ 78067  
which the excise tax imposed by section 5739.02 of the Revised 78068  
Code is made inapplicable by division (B) of ~~said that~~ section. 78069

(B) For the purpose of this section, no vendor shall be 78070  
required to maintain records of ~~individual retail sales of~~ 78071  
~~tangible personal property under sixteen cents or~~ sales of food 78072  
for human consumption off the premises where sold, and no 78073  
assessment shall be made against any vendor for ~~retail sales of~~ 78074  
78075

~~less than sixteen cents or for~~ sales of food for human consumption 78076  
off the premises where sold, solely because the vendor has no 78077  
records of, or has inadequate records of, ~~retail sales of less~~ 78078  
~~than sixteen cents or such~~ sales of food for human consumption off 78079  
~~the premises where sold;~~ provided that where a vendor does not 78080  
have adequate records of receipts from ~~his retail sales in excess~~ 78081  
~~of fifteen cents or the vendor's~~ sales of food for human 78082  
consumption on the premises where sold, the tax commissioner may 78083  
refuse to accept the vendor's return and, upon the basis of test 78084  
checks of the vendor's business for a representative period, and 78085  
other information relating to the sales made by such vendor, 78086  
determine the proportion that taxable retail sales bear to all ~~his~~ 78087  
of the vendor's retail sales. The tax imposed by this section 78088  
shall be determined by deducting from the sum representing five or 78089  
six per cent, as applicable under division (A) of this section, 78090  
or, in the case of retail sales subject to a tax levied pursuant 78091  
to section 5739.021, 5739.023, or 5739.026 of the Revised Code, a 78092  
percentage equal to the aggregate rate of such taxes and the tax 78093  
levied by section 5739.02 of the Revised Code of the receipts from 78094  
such retail sales, the amount of tax paid to the state or to a 78095  
clerk of a court of common pleas. The section does not affect any 78096  
duty of the vendor under sections 5739.01 to 5739.19 and 5739.26 78097  
to 5739.31 of the Revised Code, nor the liability of any consumer 78098  
to pay any tax imposed by or pursuant to section 5739.02, 78099  
5739.021, 5739.023, or 5739.026 of the Revised Code. 78100

**Sec. 5739.12.** (A) Each person who has or is required to have 78101  
a vendor's license, on or before the twenty-third day of each 78102  
month, shall make and file a return for the preceding month, on 78103  
forms prescribed by the tax commissioner, and shall pay the tax 78104  
shown on the return to be due. The commissioner may require a 78105  
vendor that operates from multiple locations or has multiple 78106  
vendor's licenses to report all tax liabilities on one 78107

consolidated return. The return shall show the amount of tax due 78108  
from the vendor to the state for the period covered by the return 78109  
and such other information as the commissioner deems necessary for 78110  
the proper administration of this chapter. The commissioner may 78111  
extend the time for making and filing returns and paying the tax, 78112  
and may require that the return for the last month of any annual 78113  
or semiannual period, as determined by the commissioner, be a 78114  
reconciliation return detailing the vendor's sales activity for 78115  
the preceding annual or semiannual period. The reconciliation 78116  
return shall be filed by the last day of the month following the 78117  
last month of the annual or semiannual period. The commissioner 78118  
may remit all or any part of amounts or penalties that may become 78119  
due under this chapter and may adopt rules relating thereto. Such 78120  
return shall be filed by mailing it to the tax commissioner, 78121  
together with payment of the amount of tax shown to be due thereon 78122  
after deduction of any discount provided for under this section. 78123  
Remittance shall be made payable to the treasurer of state. The 78124  
return shall be considered filed when received by the tax 78125  
commissioner, and the payment shall be considered made when 78126  
received by the tax commissioner or when credited to an account 78127  
designated by the treasurer of state or the tax commissioner. 78128

(B) If the return is filed and the amount of tax shown 78129  
thereon to be due is paid on or before the date such return is 78130  
required to be filed, the vendor shall be entitled to a the 78131  
following discount of three-fourths: 78132

(1) On and after July 1, 2003, and on and before June 30, 78133  
2005, nine-tenths of one per cent of the amount shown to be due on 78134  
the return; 78135

(2) On and after July 1, 2005, three-fourths of one per cent 78136  
of the amount shown to be due on the return, ~~but a.~~ 78137

A vendor that has selected a certified service provider as 78138  
its agent shall not be entitled to the discount. Amounts paid to 78139

the clerk of courts pursuant to section 4505.06 of the Revised 78140  
Code shall be subject to the ~~three-fourths of one per cent~~ 78141  
applicable discount. The discount shall be in consideration for 78142  
prompt payment to the clerk of courts and for other services 78143  
performed by the vendor in the collection of the tax. 78144

(C)(1) Upon application to the commissioner, a vendor who is 78145  
required to file monthly returns may be relieved of the 78146  
requirement to report and pay the actual tax due, provided that 78147  
the vendor agrees to remit to the tax commissioner payment of not 78148  
less than an amount determined by the commissioner to be the 78149  
average monthly tax liability of the vendor, based upon a review 78150  
of the returns or other information pertaining to such vendor for 78151  
a period of not less than six months nor more than two years 78152  
immediately preceding the filing of the application. Vendors who 78153  
agree to the above conditions shall make and file an annual or 78154  
semiannual reconciliation return, as prescribed by the 78155  
commissioner. The reconciliation return shall be filed by mailing 78156  
or delivering it to the tax commissioner, together with payment of 78157  
the amount of tax shown to be due thereon after deduction of any 78158  
discount provided in this section. Remittance shall be made 78159  
payable to the treasurer of state. Failure of a vendor to comply 78160  
with any of the above conditions may result in immediate 78161  
reinstatement of the requirement of reporting and paying the 78162  
actual tax liability on each monthly return, and the commissioner 78163  
may at the commissioner's discretion deny the vendor the right to 78164  
report and pay based upon the average monthly liability for a 78165  
period not to exceed two years. The amount ascertained by the 78166  
commissioner to be the average monthly tax liability of a vendor 78167  
may be adjusted, based upon a review of the returns or other 78168  
information pertaining to the vendor for a period of not less than 78169  
six months nor more than two years preceding such adjustment. 78170

(2) The commissioner may authorize vendors whose tax 78171

liability is not such as to merit monthly returns, as ascertained 78172  
by the commissioner upon the basis of administrative costs to the 78173  
state, to make and file returns at less frequent intervals. When 78174  
returns are filed at less frequent intervals in accordance with 78175  
such authorization, the vendor shall be allowed the discount ~~of~~ 78176  
~~three-fourths of one per cent~~ provided in this section in 78177  
consideration for prompt payment with the return, provided the 78178  
return is filed together with payment of the amount of tax shown 78179  
to be due thereon, at the time specified by the commissioner, but 78180  
a vendor that has selected a certified service provider as its 78181  
agent shall not be entitled to the discount. 78182

(D) Any vendor who fails to file a return or pay the full 78183  
amount of the tax shown on the return to be due under this section 78184  
and the rules of the commissioner may, for each such return the 78185  
vendor fails to file or each such tax the vendor fails to pay in 78186  
full as shown on the return within the period prescribed by this 78187  
section and the rules of the commissioner, be required to forfeit 78188  
and pay into the state treasury an additional charge not exceeding 78189  
fifty dollars or ten per cent of the tax required to be paid for 78190  
the reporting period, whichever is greater, as revenue arising 78191  
from the tax imposed by this chapter, and such sum may be 78192  
collected by assessment in the manner provided in section 5739.13 78193  
of the Revised Code. The commissioner may remit all or a portion 78194  
of the additional charge and may adopt rules relating to the 78195  
imposition and remission of the additional charge. 78196

(E) If the amount required to be collected by a vendor from 78197  
consumers is in excess of ~~five per cent~~ the applicable percentage 78198  
of the vendor's receipts from sales that are taxable under section 78199  
5739.02 of the Revised Code, or in the case of sales subject to a 78200  
tax levied pursuant to section 5739.021, 5739.023, or 5739.026 of 78201  
the Revised Code, in excess of the percentage equal to the 78202  
aggregate rate of such taxes and the tax levied by section 5739.02 78203

of the Revised Code, such excess shall be remitted along with the 78204  
remittance of the amount of tax due under section 5739.10 of the 78205  
Revised Code. 78206

(F) The commissioner, if the commissioner deems it necessary 78207  
in order to insure the payment of the tax imposed by this chapter, 78208  
may require returns and payments to be made for other than monthly 78209  
periods. The returns shall be signed by the vendor or the vendor's 78210  
authorized agent. 78211

(G) Any vendor required to file a return and pay the tax 78212  
under this section, whose total payment ~~in any year indicated in~~ 78213  
~~division (A) of section 5739.122 of the Revised Code~~ equals or 78214  
exceeds the amount shown in ~~that~~ division (A) of section 5739.122 78215  
of the Revised Code, shall make each payment required by this 78216  
section in the second ensuing and each succeeding year by 78217  
electronic funds transfer as prescribed by, and on or before the 78218  
dates specified in, section 5739.122 of the Revised Code, except 78219  
as otherwise prescribed by that section. For a vendor that 78220  
operates from multiple locations or has multiple vendor's 78221  
licenses, in determining whether the vendor's total payment equals 78222  
or exceeds the amount shown in division (A) of that section, the 78223  
vendor's total payment amount shall be the amount of the vendor's 78224  
total tax liability for the previous calendar year for all of the 78225  
vendor's locations or licenses. 78226

**Sec. 5739.121.** (A) As used in this section, "bad debt" means 78227  
any debt that has become worthless or uncollectible in the time 78228  
period between a vendor's preceding return and the present return, 78229  
~~have~~ has been uncollected for at least six months, and that may be 78230  
claimed as a deduction pursuant to the "Internal Revenue Code of 78231  
1954," 68A Stat. 50, 26 U.S.C. 166, as amended, and regulations 78232  
adopted pursuant thereto, or that could be claimed as such a 78233  
deduction if the vendor kept accounts on an accrual basis. "Bad 78234

debt" does not include any interest or sales tax on the purchase price, uncollectible amounts on property that remains in the possession of the vendor until the full purchase price is paid, expenses incurred in attempting to collect any account receivable or for any portion of the debt recovered, ~~any accounts receivable that have been sold to a third party for collection,~~ and repossessed property.

(B) In computing taxable receipts for purposes of this chapter, a vendor may deduct the amount of bad debts, ~~as defined in this section.~~ The amount deducted must be charged off as uncollectible on the books of the vendor. A deduction may be claimed only with respect to bad debts on which the taxes pursuant to sections 5739.10 and 5739.12 of the Revised Code were paid in a preceding tax period. If the vendor's business consists of taxable and nontaxable transactions, the deduction shall equal the full amount of the debt if the debt is documented as a taxable transaction in the vendor's records. If no such documentation is available, the maximum deduction on any bad debt shall equal the amount of the bad debt multiplied by the quotient obtained by dividing the sales taxed pursuant to this chapter during the preceding calendar year by all sales during the preceding calendar year, whether taxed or not. If a consumer or other person pays all or part of a bad debt with respect to which a vendor claimed a deduction under this section, the vendor shall be liable for the amount of taxes deducted in connection with that portion of the debt for which payment is received and shall remit such taxes in the vendor's next payment to the tax commissioner.

(C) Any claim for a bad debt deduction under this section shall be supported by such evidence as the tax commissioner by rule requires. The commissioner shall review any change in the rate of taxation applicable to any taxable sales by a vendor claiming a deduction pursuant to this section and adopt rules for

altering the deduction in the event of such a change in order to 78267  
ensure that the deduction on any bad debt does not result in the 78268  
vendor claiming the deduction recovering any more or less than the 78269  
taxes imposed on the sale that constitutes the bad debt. 78270

(D) In any reporting period in which the amount of bad debt 78271  
exceeds the amount of taxable sales for the period, the vendor may 78272  
file a refund claim for any tax collected on the bad debt in 78273  
excess of the tax reported on the return. The refund claim shall 78274  
be filed in the manner provided in section 5739.07 of the Revised 78275  
Code, except that the claim may be filed within four years of the 78276  
due date of the return on which the bad debt first could have been 78277  
claimed. 78278

(E) When the filing responsibilities of a vendor have been 78279  
assumed by a certified service provider, the certified service 78280  
provider shall claim the bad debt allowance provided by this 78281  
section on behalf of the vendor. The certified service provider 78282  
shall credit or refund to the vendor the full amount of any bad 78283  
debt allowance or refund. 78284

(F) No person other than the vendor in the transaction that 78285  
generated the bad debt or, as provided in division (E) of this 78286  
section, a certified service provider, may claim the bad debt 78287  
allowance provided by this section. 78288

**Sec. 5739.122.** (A) If the total amount of tax required to be 78289  
paid by a vendor under section 5739.12 of the Revised Code for any 78290  
calendar year ~~indicated in the following schedule~~ equals or 78291  
~~exceeds the amounts prescribed for that year in the schedule~~ 78292  
~~seventy-five thousand dollars,~~ the vendor shall remit each monthly 78293  
tax payment in the second ensuing and each succeeding tax year by 78294  
electronic funds transfer as prescribed by divisions (B) and (C) 78295  
of this section. 78296

Year                    1992                    ~~1993 through 1999~~                    ~~2000 and thereafter~~                    78297



Tax payment    \$1,200,000                      \$600,000                      \$60,000                      78298

          If a vendor's tax payment for each of two consecutive years                      78299  
~~beginning with 2000~~ is less than ~~sixty~~ seventy-five thousand                      78300  
dollars, the vendor is relieved of the requirement to remit taxes                      78301  
by electronic funds transfer for the year that next follows the                      78302  
second of the consecutive years in which the tax payment is less                      78303  
than ~~sixty thousand dollars~~ that amount, and is relieved of that                      78304  
requirement for each succeeding year, unless the tax payment in a                      78305  
subsequent year equals or exceeds ~~sixty~~ seventy-five thousand                      78306  
dollars.                      78307

          The tax commissioner shall notify each vendor required to                      78308  
remit taxes by electronic funds transfer of the vendor's                      78309  
obligation to do so, shall maintain an updated list of those                      78310  
vendors, and shall timely certify the list and any additions                      78311  
thereto or deletions therefrom to the treasurer of state. Failure                      78312  
by the tax commissioner to notify a vendor subject to this section                      78313  
to remit taxes by electronic funds transfer does not relieve the                      78314  
vendor of its obligation to remit taxes by electronic funds                      78315  
transfer.                      78316

          (B) Vendors required by division (A) of this section to remit                      78317  
payments by electronic funds transfer shall remit such payments to                      78318  
the treasurer of state in the manner prescribed by this section                      78319  
and rules adopted by the treasurer of state under section 113.061                      78320  
of the Revised Code, and on or before the following dates:                      78321

          (1) On or before the ~~eleventh~~ fifteenth day of each month, a                      78322  
vendor shall remit an amount equal to the taxes collected during                      78323  
the first ~~seven~~ eleven days of the month. ~~On or before the~~                      78324  
~~eighteenth day of each month, a vendor shall remit an amount equal~~                      78325  
~~to the taxes collected on the eighth through the fourteenth day of~~                      78326  
~~the month.~~ On or before the twenty-fifth day of each month, a                      78327  
vendor shall remit an amount equal to the taxes collected on the                      78328  
~~fifteenth~~ twelfth through the twenty-first day of the month.                      78329

(2) In lieu of remitting the actual amounts collected for the 78330  
periods specified in division (B)(1) of this section, a vendor 78331  
may, on or before each of the ~~eleventh, eighteenth,~~ fifteenth and 78332  
twenty-fifth days of each month, remit an amount equal to 78333  
~~one-fourth~~ thirty-seven and one-half per cent of the vendor's 78334  
total tax liability for the same month in the preceding calendar 78335  
year. 78336

(3) On or before the twenty-third day of each month, a vendor 78337  
shall report the taxes collected for the previous month and shall 78338  
remit that amount, less any amounts paid for that month as 78339  
required by division (B)(1) or (2) of this section. 78340

The payment of taxes by electronic funds transfer does not 78341  
affect a vendor's obligation to file the monthly return as 78342  
required under section 5739.12 of the Revised Code. 78343

(C) A vendor required by this section to remit taxes by 78344  
electronic funds transfer may apply to the treasurer of state in 78345  
the manner prescribed by the treasurer of state to be excused from 78346  
that requirement. The treasurer of state may excuse the vendor 78347  
from remittance by electronic funds transfer for good cause shown 78348  
for the period of time requested by the vendor or for a portion of 78349  
that period. The treasurer of state shall notify the tax 78350  
commissioner and the vendor of the treasurer of state's decision 78351  
as soon as is practicable. 78352

(D)(1) If a vendor that is required to remit payments under 78353  
division (B) of this section fails to make a payment, the 78354  
commissioner may impose an additional charge not to exceed five 78355  
per cent of that unpaid amount. 78356

(2) If a vendor required by this section to remit taxes by 78357  
electronic funds transfer remits those taxes by some means other 78358  
than by electronic funds transfer as prescribed by this section 78359  
and the rules adopted by the treasurer of state, and the treasurer 78360

of state determines that such failure was not due to reasonable 78361  
cause or was due to willful neglect, the treasurer of state shall 78362  
notify the tax commissioner of the failure to remit by electronic 78363  
funds transfer and shall provide the commissioner with any 78364  
information used in making that determination. The tax 78365  
commissioner may impose an additional charge not to exceed the 78366  
lesser of five per cent of the amount of the taxes required to be 78367  
paid by electronic funds transfer or five thousand dollars. 78368

(3) Any additional charge imposed under division (D)(1) or 78369  
(2) of this section is in addition to any other penalty or charge 78370  
imposed under this chapter, and shall be considered as revenue 78371  
arising from taxes imposed under this chapter. An additional 78372  
charge may be collected by assessment in the manner prescribed by 78373  
section 5739.13 of the Revised Code. The tax commissioner may 78374  
waive all or a portion of such a charge and may adopt rules 78375  
governing such waiver. 78376

No additional charge shall be imposed under division (D)(2) 78377  
of this section against a vendor that has been notified of its 78378  
obligation to remit taxes under this section and that remits its 78379  
first two tax payments after such notification by some means other 78380  
than electronic funds transfer. The additional charge may be 78381  
imposed upon the remittance of any subsequent tax payment that the 78382  
vendor remits by some means other than electronic funds transfer. 78383

**Sec. 5739.17.** (A) No person shall engage in making retail 78384  
sales subject to a tax imposed by or pursuant to section 5739.02, 78385  
5739.021, 5739.023, or 5739.026 of the Revised Code as a business 78386  
without having a license therefor, except as otherwise provided in 78387  
divisions (A)(1), (2), and (3) of this section. 78388

(1) In the dissolution of a partnership by death, the 78389  
surviving partner may operate under the license of the partnership 78390  
for a period of sixty days. 78391

(2) The heirs or legal representatives of deceased persons, 78392  
and receivers and trustees in bankruptcy, appointed by any 78393  
competent authority, may operate under the license of the person 78394  
so succeeded in possession. 78395

(3) Two or more persons who are not partners may operate a 78396  
single place of business under one license. In such case neither 78397  
the retirement of any such person from business at that place of 78398  
business, nor the entrance of any person, under an existing 78399  
arrangement, shall affect the license or require the issuance of a 78400  
new license, unless the person retiring from the business is the 78401  
individual named on the vendor's license. 78402

Except as otherwise provided in this section, each applicant 78403  
for a license shall make out and deliver to the county auditor of 78404  
each county in which the applicant desires to engage in business, 78405  
upon a blank to be furnished by such auditor for that purpose, a 78406  
statement showing the name of the applicant, each place of 78407  
business in the county where the applicant will make retail sales, 78408  
the nature of the business, and any other information the tax 78409  
commissioner reasonably prescribes in the form of a statement 78410  
prescribed by the commissioner. 78411

At the time of making the application, the applicant shall 78412  
pay into the county treasury a license fee in the sum of 78413  
twenty-five dollars for each fixed place of business in the county 78414  
that will be the situs of retail sales. Upon receipt of the 78415  
application and exhibition of the county treasurer's receipt, 78416  
showing the payment of the license fee, the county auditor shall 78417  
issue to the applicant a license for each fixed place of business 78418  
designated in the application, authorizing the applicant to engage 78419  
in business at that location. If a vendor's identity changes, the 78420  
vendor shall apply for a new license. If a vendor wishes to move 78421  
an existing fixed place of business to a new location within the 78422  
same county, the vendor shall obtain a new vendor's license or 78423

submit a request to the tax commissioner to transfer the existing 78424  
vendor's license to the new location. When the new location has 78425  
been verified as being within the same county, the commissioner 78426  
shall authorize the transfer and notify the county auditor of the 78427  
change of location. If a vendor wishes to move an existing fixed 78428  
place of business to another county, the vendor's license shall 78429  
not transfer and the vendor shall obtain a new vendor's license 78430  
from the county in which the business is to be located. The form 78431  
of the license shall be prescribed by the commissioner. The fees 78432  
collected shall be credited to the general fund of the county. 78433

A vendor that makes retail sales subject to tax under Chapter 78434  
5739. of the Revised Code pursuant to a permit issued by the 78435  
division of liquor control shall obtain a vendor's license in the 78436  
identical name and for the identical address as shown on the 78437  
permit. 78438

Except as otherwise provided in this section, if a vendor has 78439  
no fixed place of business and sells from a vehicle, each vehicle 78440  
intended to be used within a county constitutes a place of 78441  
business for the purpose of this section. 78442

(B) As used in this division, "transient vendor" means any 78443  
person who makes sales of tangible personal property from vending 78444  
machines located on land owned by others, who leases titled motor 78445  
vehicles, titled watercraft, or titled outboard motors, who 78446  
effectuates leases that are taxed according to division 78447  
~~(H)(4)(A)(2)~~ of section ~~5739.01~~ 5739.02 of the Revised Code, or 78448  
who, in the usual course of the person's business, transports 78449  
inventory, stock of goods, or similar tangible personal property 78450  
to a temporary place of business or temporary exhibition, show, 78451  
fair, flea market, or similar event in a county in which the 78452  
person has no fixed place of business, for the purpose of making 78453  
retail sales of such property. A "temporary place of business" 78454  
means any public or quasi-public place including, but not limited 78455

to, a hotel, rooming house, storeroom, building, part of a 78456  
building, tent, vacant lot, railroad car, or motor vehicle that is 78457  
temporarily occupied for the purpose of making retail sales of 78458  
goods to the public. A place of business is not temporary if the 78459  
same person conducted business at the place continuously for more 78460  
than six months or occupied the premises as the person's permanent 78461  
residence for more than six months, or if the person intends it to 78462  
be a fixed place of business. 78463

Any transient vendor, in lieu of obtaining a vendor's license 78464  
under division (A) of this section for counties in which the 78465  
transient vendor has no fixed place of business, may apply to the 78466  
tax commissioner, on a form prescribed by the commissioner, for a 78467  
transient vendor's license. The transient vendor's license 78468  
authorizes the transient vendor to make retail sales in any county 78469  
in which the transient vendor does not maintain a fixed place of 78470  
business. Any holder of a transient vendor's license shall not be 78471  
required to obtain a separate vendor's license from the county 78472  
auditor in that county. Upon the commissioner's determination that 78473  
an applicant is a transient vendor, the applicant shall pay a 78474  
license fee in the amount of twenty-five dollars, at which time 78475  
the tax commissioner shall issue the license. The tax commissioner 78476  
may require a vendor to be licensed as a transient vendor if, in 78477  
the opinion of the commissioner, such licensing is necessary for 78478  
the efficient administration of the tax. 78479

Any holder of a valid transient vendor's license may make 78480  
retail sales at a temporary place of business or temporary 78481  
exhibition, show, fair, flea market, or similar event, held 78482  
anywhere in the state without complying with any provision of 78483  
section 311.37 of the Revised Code. Any holder of a valid vendor's 78484  
license may make retail sales as a transient vendor at a temporary 78485  
place of business or temporary exhibition, show, fair, flea 78486  
market, or similar event held in any county in which the vendor 78487

maintains a fixed place of business for which the vendor holds a 78488  
vendor's license without obtaining a transient vendor's license. 78489

(C) As used in this division, "service vendor" means any 78490  
person who, in the usual course of the person's business, sells 78491  
services described in division (B)(3)(e), (f), (g), (h), (i), (j), 78492  
(k), (l), ~~or~~ (m), (q), or (u) of section 5739.01 of the Revised 78493  
Code. 78494

Every service vendor shall make application to the tax 78495  
commissioner for a service vendor's license. Each applicant shall 78496  
pay a license fee in the amount of twenty-five dollars. Upon the 78497  
commissioner's determination that an applicant is a service vendor 78498  
and payment of the fee, the commissioner shall issue the applicant 78499  
a service vendor's license. 78500

Only sales described in division (B)(3)(e), (f), (g), (h), 78501  
(i), (j), (k), (l), ~~or~~ (m), (q), or (u) of section 5739.01 of the 78502  
Revised Code may be made under authority of a service vendor's 78503  
license, and that license authorizes sales to be made at any place 78504  
in this state. Any service vendor who makes sales of other 78505  
services or tangible personal property subject to the sales tax 78506  
also shall be licensed under division (A), (B), or (D) of this 78507  
section. 78508

(D) As used in this division, "delivery vendor" means any 78509  
vendor who engages in one or more of the activities described in 78510  
divisions (D)(1) to (4) of this section, and who maintains no 78511  
store, showroom, or similar fixed place of business or other 78512  
location where merchandise regularly is offered for sale or 78513  
displayed or shown in catalogs for selection or pick-up by 78514  
consumers, or where consumers bring goods for repair or other 78515  
service. 78516

(1) The vendor makes retail sales of tangible personal 78517  
property; 78518

(2) The vendor rents or leases, at retail, tangible personal property, except titled motor vehicles, titled watercraft, or titled outboard motors;

(3) The vendor provides a service, at retail, described in division (B)(3)(a), (b), (c), or (d) of section 5739.01 of the Revised Code; or

(4) The vendor makes retail sales of warranty, maintenance or service contracts, or similar agreements as described in division (B)(7) of section 5739.01 of the Revised Code.

A transient vendor or a seller registered pursuant to section 5741.17 of the Revised Code is not a delivery vendor.

Delivery vendors shall apply to the tax commissioner, on a form prescribed by the commissioner, for a delivery vendor's license. Each applicant shall pay a license fee of twenty-five dollars for each delivery vendor's license, to be credited to the general revenue fund. Upon the commissioner's determination that the applicant is a delivery vendor, the commissioner shall issue the license. A delivery vendor's license authorizes retail sales to be made throughout the state. All sales of the vendor must be reported under the delivery license. The commissioner may require a vendor to be licensed as a delivery vendor if, in the opinion of the commissioner, such licensing is necessary for the efficient administration of the tax. The commissioner shall not issue a delivery vendor license to a vendor who holds a license issued under division (A) of this section.

(E) Any transient vendor who is issued a license pursuant to this section shall display the license or a copy of it prominently, in plain view, at every place of business of the transient vendor. Every owner, organizer, or promoter who operates a fair, flea market, show, exhibition, convention, or similar event at which transient vendors are present shall keep a



comprehensive record of all such vendors, listing the vendor's 78550  
name, permanent address, vendor's license number, and the type of 78551  
goods sold. Such records shall be kept for four years and shall be 78552  
open to inspection by the tax commissioner. 78553

**Sec. 5739.21.** (A) Four and two-tenths per cent of all money 78554  
deposited into the state treasury under sections 5739.01 to 78555  
5739.31 of the Revised Code and not required to be distributed as 78556  
provided in section 5739.102 of the Revised Code or division (B) 78557  
of this section shall be credited to the local government fund for 78558  
distribution in accordance with section 5747.50 of the Revised 78559  
Code, six-tenths of one per cent shall be credited to the local 78560  
government revenue assistance fund for distribution in accordance 78561  
with section 5747.61 of the Revised Code, and ninety-five and 78562  
two-tenths per cent shall be credited to the general revenue fund. 78563

(B)(1) In any case where any county or transit authority has 78564  
levied a tax or taxes pursuant to section 5739.021, 5739.023, or 78565  
5739.026 of the Revised Code, the tax commissioner shall, within 78566  
forty-five days after the end of each month, determine and certify 78567  
to the director of budget and management the amount of the 78568  
proceeds of such tax or taxes received during that month from 78569  
billings and assessments ~~received during that month, or shown on~~ 78570  
associated with tax returns or reports filed during that month, to 78571  
be returned to the county or transit authority levying the tax or 78572  
taxes. The amount to be returned to each county and transit 78573  
authority shall be a fraction of the aggregate amount of money 78574  
collected with respect to each area in which one or more of such 78575  
taxes are concurrently in effect with the tax levied by section 78576  
5739.02 of the Revised Code, ~~the.~~ The numerator of which the 78577  
fraction is the rate of the tax levied by the county or transit 78578  
authority and the denominator of ~~which the fraction~~ is the 78579  
aggregate rate of such taxes applicable to such area; ~~provided,~~ 78580  
~~that the.~~ The amount to be returned to each county or transit 78581

authority shall be reduced by the amount of any refunds of county 78582  
or transit authority tax paid pursuant to section 5739.07 of the 78583  
Revised Code during the same month, or transfers made pursuant to 78584  
division (B)(2) of section 5703.052 of the Revised Code. 78585

(2) On a periodic basis, using the best information 78586  
available, the tax commissioner shall distribute any amount of a 78587  
county or transit authority tax that cannot be distributed under 78588  
division (B)(1) of this section. Through audit or other means, the 78589  
commissioner shall attempt to obtain the information necessary to 78590  
make the distribution as provided under that division and, on 78591  
receipt of that information, shall make adjustments to 78592  
distributions previously made under this division. 78593

(C) The aggregate amount to be returned to any county or 78594  
transit authority shall be reduced by one per cent, which shall be 78595  
certified directly to the credit of the local sales tax 78596  
administrative fund, which is hereby created in the state 78597  
treasury. For the purpose of determining the amount to be returned 78598  
to a county and transit authority in which the rate of tax imposed 78599  
by the transit authority has been reduced under section 5739.028 78600  
of the Revised Code, the tax commissioner shall use the respective 78601  
rates of tax imposed by the county or transit authority that 78602  
results from the change in the rates authorized under that 78603  
section. ~~The~~ 78604

(D) The director of budget and management shall transfer, 78605  
from the same funds and in the same proportions specified in 78606  
division (A) of this section, to the permissive tax distribution 78607  
fund created by division (B)(1) of section 4301.423 of the Revised 78608  
Code and to the local sales tax administrative fund, the amounts 78609  
certified by the tax commissioner. The tax commissioner shall 78610  
then, on or before the twentieth day of the month in which such 78611  
certification is made, provide for payment of such respective 78612  
amounts to the county treasurer and to the fiscal officer of the 78613

transit authority levying the tax or taxes. The amount transferred 78614  
to the local sales tax administrative fund is for use by the tax 78615  
commissioner in defraying costs incurred in administering such 78616  
taxes levied by a county or transit authority. 78617

**Sec. 5739.33.** If any corporation, limited liability company, 78618  
or business trust required to file returns and to remit tax due to 78619  
the state under this chapter, including a holder of a direct 78620  
payment permit under section 5739.031 of the Revised Code, fails 78621  
for any reason to make the filing or payment, any of its employees 78622  
having control or supervision of or charged with the 78623  
responsibility of filing returns and making payments, or any of 78624  
its officers, members, managers, or trustees who are responsible 78625  
for the execution of the corporation's, limited liability 78626  
company's, or business trust's fiscal responsibilities, shall be 78627  
personally liable for the failure. The dissolution, termination, 78628  
or bankruptcy of a corporation, limited liability company, or 78629  
business trust shall not discharge a responsible officer's, 78630  
member's, manager's, employee's, or trustee's liability for a 78631  
failure of the corporation, limited liability company, or business 78632  
trust to file returns or remit tax due. The sum due for the 78633  
liability may be collected by assessment in the manner provided in 78634  
section 5739.13 of the Revised Code. 78635

**Sec. 5741.01.** As used in this chapter: 78636

(A) "Person" includes individuals, receivers, assignees, 78637  
trustees in bankruptcy, estates, firms, partnerships, 78638  
associations, joint-stock companies, joint ventures, clubs, 78639  
societies, corporations, business trusts, governments, and 78640  
combinations of individuals of any form. 78641

(B) "Storage" means and includes any keeping or retention in 78642  
this state for use or other consumption in this state. 78643

(C) "Use" means and includes the exercise of any right or 78644  
power incidental to the ownership of the thing used. A thing is 78645  
also "used" in this state if its consumer gives or otherwise 78646  
distributes it, without charge, to recipients in this state. 78647

(D) "Purchase" means acquired or received for a 78648  
consideration, whether such acquisition or receipt was effected by 78649  
a transfer of title, or of possession, or of both, or a license to 78650  
use or consume; whether such transfer was absolute or conditional, 78651  
and by whatever means the transfer was effected; and whether the 78652  
consideration was money, credit, barter, or exchange. Purchase 78653  
includes production, even though the article produced was used, 78654  
stored, or consumed by the producer. The transfer of copyrighted 78655  
motion picture films for exhibition purposes is not a purchase, 78656  
except such films as are used solely for advertising purposes. 78657

(E) "Seller" means the person from whom a purchase is made, 78658  
and includes every person engaged in this state or elsewhere in 78659  
the business of selling tangible personal property or providing a 78660  
service for storage, use, or other consumption or benefit in this 78661  
state; and when, in the opinion of the tax commissioner, it is 78662  
necessary for the efficient administration of this chapter, to 78663  
regard any salesman, representative, peddler, or canvasser as the 78664  
agent of a dealer, distributor, supervisor, or employer under whom 78665  
the person operates, or from whom the person obtains tangible 78666  
personal property, sold by the person for storage, use, or other 78667  
consumption in this state, irrespective of whether or not the 78668  
person is making such sales on the person's own behalf, or on 78669  
behalf of such dealer, distributor, supervisor, or employer, the 78670  
commissioner may regard the person as such agent, and may regard 78671  
such dealer, distributor, supervisor, or employer as the seller. 78672  
"Seller" does not include any person to the extent the person 78673  
provides a communications medium, such as, but not limited to, 78674  
newspapers, magazines, radio, television, or cable television, by 78675

means of which sellers solicit purchases of their goods or 78676  
services. 78677

(F) "Consumer" means any person who has purchased tangible 78678  
personal property or has been provided a service for storage, use, 78679  
or other consumption or benefit in this state. "Consumer" does not 78680  
include a person who receives, without charge, tangible personal 78681  
property or a service. 78682

A person who performs a facility management or similar 78683  
service contract for a contractee is a consumer of all tangible 78684  
personal property and services purchased for use in connection 78685  
with the performance of such contract, regardless of whether title 78686  
to any such property vests in the contractee. The purchase of such 78687  
property and services is not subject to the exception for resale 78688  
under division (E)~~(1)~~ of section 5739.01 of the Revised Code. 78689

(G)(1) "Price," ~~except as provided in the case of watercraft,~~ 78690  
~~outboard motors, or new motor vehicles, means the aggregate value~~ 78691  
~~in money of anything paid or delivered, or promised to be paid or~~ 78692  
~~delivered, by a consumer to a seller in the complete performance~~ 78693  
~~of the transaction by which tangible personal property has been~~ 78694  
~~purchased or a service has been provided for storage, use, or~~ 78695  
~~other consumption or benefit in this state, without any deduction~~ 78696  
~~or exclusion on account of the cost of the property sold, cost of~~ 78697  
~~materials used, labor or service cost, interest, discount paid or~~ 78698  
~~allowed after the sale is consummated, or any other expense. If~~ 78699  
~~the transaction consists of the rental or lease of tangible~~ 78700  
~~personal property, "price" means the aggregate value in money of~~ 78701  
~~anything paid or delivered, or promised to be paid or delivered by~~ 78702  
~~the lessee to the lessor, in the complete performance of the~~ 78703  
~~rental or lease, without any deduction or exclusion of tax,~~ 78704  
~~interest, labor or service charge, damage liability waiver,~~ 78705  
~~termination or damage charge, discount paid or allowed after the~~ 78706  
~~lease is consummated, or any other expense. Except as provided in~~ 78707

~~division (G)(6) of this section, the tax shall be calculated and 78708  
collected by the lessor on each payment made by the lessee. If a 78709  
consumer produces the tangible personal property used by the 78710  
consumer, the price is the produced cost of such tangible personal 78711  
property. "Price" does not include delivery charges that are 78712  
separately stated on the initial invoice or initial billing 78713  
rendered by the seller. 78714~~

~~The tax collected by the seller from the consumer under this 78715  
chapter is not a part of the price, but is a tax collection for 78716  
the benefit of the state, and of counties levying an additional 78717  
use tax pursuant to section 5741.021 or 5741.023 of the Revised 78718  
Code and of transit authorities levying an additional use tax 78719  
pursuant to section 5741.022 of the Revised Code and, except for 78720  
the discount authorized under section 5741.12 of the Revised Code 78721  
and the effects of any rounding pursuant to section 5703.055 of 78722  
the Revised Code, no person other than the state or such a county 78723  
or transit authority shall derive any benefit from the collection 78724  
or payment of such tax. 78725~~

~~As used in division divisions (G)~~(1)~~(2) to (6) of this 78726  
section, "delivery charges" means charges by the seller for 78727  
preparation and delivery to a location designated by the consumer 78728  
of tangible personal property or a service, including 78729  
transportation, shipping, postage, handling, crating, and packing 78730  
has the same meaning as in division (H)(1) of section 5739.01 of 78731  
the Revised Code. 78732~~

~~(2) In the case of watercraft, outboard motors, or new motor 78733  
vehicles, "price" has the same meaning as in division divisions 78734  
(H)(2) and (3) of section 5739.01 of the Revised Code. 78735~~

~~(3) In the case of a nonresident business consumer that 78736  
purchases and uses tangible personal property outside this state 78737  
and subsequently temporarily stores, uses, or otherwise consumes 78738  
such tangible personal property in the conduct of business in this 78739~~

state, the consumer or the tax commissioner may determine the 78740  
price based on the value of the temporary storage, use, or other 78741  
consumption, in lieu of determining the price pursuant to division 78742  
(G)(1) of this section. A price determination made by the consumer 78743  
is subject to review and redetermination by the commissioner. 78744

(4) In the case of tangible personal property held in this 78745  
state as inventory for sale or lease, and that is temporarily 78746  
stored, used, or otherwise consumed in a taxable manner, the price 78747  
is the value of the temporary use. A price determination made by 78748  
the consumer is subject to review and redetermination by the 78749  
commissioner. 78750

(5) In the case of tangible personal property originally 78751  
purchased and used by the consumer outside this state, and that 78752  
becomes permanently stored, used, or otherwise consumed in this 78753  
state more than six months after its acquisition by the consumer, 78754  
the consumer or the commissioner may determine the price based on 78755  
the current value of such tangible personal property, in lieu of 78756  
determining the price pursuant to division (G)(1) of this section. 78757  
A price determination made by the consumer is subject to review 78758  
and redetermination by the commissioner. 78759

~~(6) In the case of the purchase or lease of any motor vehicle 78760  
designed by the manufacturer to carry a load of not more than one 78761  
ton, watercraft, outboard motor, or aircraft, or the lease of any 78762  
tangible personal property, other than motor vehicles designed by 78763  
the manufacturer to carry a load of more than one ton, to be used 78764  
by the lessee primarily for business purposes, the tax shall be 78765  
collected by the vendor at the time the lease is consummated and 78766  
calculated by the vendor on the basis of the total amount to be 78767  
paid by the lessee under the lease agreement. If the total amount 78768  
of the consideration for the lease includes amounts that are not 78769  
calculated at the time the lease is executed, the tax shall be 78770  
calculated and collected by the vendor at the time such amounts 78771~~

are billed to the lessee. In the case of an open end lease, the 78772  
tax shall be calculated by the vendor on the basis of the total 78773  
amount to be paid during the initial fixed term of the lease, and 78774  
then for each subsequent renewal period as it comes due. As used 78775  
in division (G)(6) of this section only, "motor vehicle" has the 78776  
same meaning as in section 4501.01 of the Revised Code If a 78777  
consumer produces tangible personal property for sale and removes 78778  
that property from inventory for the consumer's own use, the price 78779  
is the produced cost of that tangible personal property. 78780

(H) "Nexus with this state" means that the seller engages in 78781  
continuous and widespread solicitation of purchases from residents 78782  
of this state or otherwise purposefully directs its business 78783  
activities at residents of this state. 78784

(I) "Substantial nexus with this state" means that the seller 78785  
has sufficient contact with this state, in accordance with Section 78786  
8 of Article I of the Constitution of the United States, to allow 78787  
the state to require the seller to collect and remit use tax on 78788  
sales of tangible personal property or services made to consumers 78789  
in this state. "Substantial nexus with this state" exists when the 78790  
seller does any of the following: 78791

(1) Maintains a place of business within this state, whether 78792  
operated by employees or agents of the seller, by a member of an 78793  
affiliated group, as ~~described~~ defined in division (B)(3)(e) of 78794  
section 5739.01 of the Revised Code, of which the seller is a 78795  
member, or by a franchisee using a trade name of the seller; 78796

(2) Regularly has employees, agents, representatives, 78797  
solicitors, installers, repairmen, salesmen, or other individuals 78798  
in this state for the purpose of conducting the business of the 78799  
seller; 78800

(3) Uses a person in this state for the purpose of receiving 78801  
or processing orders of the seller's goods or services; 78802



(4) Makes regular deliveries of tangible personal property 78803  
into this state by means other than common carrier; 78804

(5) Has membership in an affiliated group, as described in 78805  
division (B)(3)(e) of section 5739.01 of the Revised Code, at 78806  
least one other member of which has substantial nexus with this 78807  
state; 78808

(6) Owns tangible personal property that is rented or leased 78809  
to a consumer in this state, or offers tangible personal property, 78810  
on approval, to consumers in this state; 78811

(7) Except as provided in section 5703.65 of the Revised 78812  
Code, is registered with the secretary of state to do business in 78813  
this state or is registered or licensed by any state agency, 78814  
board, or commission to transact business in this state or to make 78815  
sales to persons in this state; 78816

(8) Has any other contact with this state that would allow 78817  
this state to require the seller to collect and remit use tax 78818  
under Section 8 of Article I of the Constitution of the United 78819  
States. 78820

(J) "Fiscal officer" means, with respect to a regional 78821  
transit authority, the secretary-treasurer thereof, and with 78822  
respect to a county which is a transit authority, the fiscal 78823  
officer of the county transit board appointed pursuant to section 78824  
306.03 of the Revised Code or, if the board of county 78825  
commissioners operates the county transit system, the county 78826  
auditor. 78827

(K) "Territory of the transit authority" means all of the 78828  
area included within the territorial boundaries of a transit 78829  
authority as they from time to time exist. Such territorial 78830  
boundaries must at all times include all the area of a single 78831  
county or all the area of the most populous county which is a part 78832  
of such transit authority. County population shall be measured by 78833

the most recent census taken by the United States census bureau. 78834

(L) "Transit authority" means a regional transit authority 78835  
created pursuant to section 306.31 of the Revised Code or a county 78836  
in which a county transit system is created pursuant to section 78837  
306.01 of the Revised Code. For the purposes of this chapter, a 78838  
transit authority must extend to at least the entire area of a 78839  
single county. A transit authority which includes territory in 78840  
more than one county must include all the area of the most 78841  
populous county which is a part of such transit authority. County 78842  
population shall be measured by the most recent census taken by 78843  
the United States census bureau. 78844

(M) "Providing a service" has the same meaning as in division 78845  
(X) of section 5739.01 of the Revised Code. 78846

(N) "Other consumption" includes receiving the benefits of a 78847  
service. 78848

(O) "~~Lease~~" ~~means any transfer for a consideration of the~~ 78849  
~~possession of and right to use, but not title to, tangible~~ 78850  
~~personal property for a fixed period of time greater than thirty~~ 78851  
~~days or for an open ended period of time with a minimum fixed~~ 78852  
~~period of more than thirty days or "rental" has the same meaning~~ 78853  
~~as in division (UU) of section 5739.01 of the Revised Code.~~ 78854

(P) "Certified service provider" has the same meaning as in 78855  
section 5740.01 of the Revised Code. 78856

**Sec. 5741.02.** (A)(1) For the use of the general revenue fund 78857  
of the state, an excise tax is hereby levied on the storage, use, 78858  
or other consumption in this state of tangible personal property 78859  
or the benefit realized in this state of any service provided. The 78860  
tax shall be collected pursuant to the schedules as provided in 78861  
section 5739.025 of the Revised Code, provided that on and after 78862  
July 1, 2003, and on or before June 30, 2005, the rate of the tax 78863

shall be six per cent. On and after July 1, 2005, the rate of the 78864  
tax shall be five per cent. 78865

(2) In the case of the lease or rental, with a fixed term of 78866  
more than thirty days or an indefinite term with a minimum period 78867  
of more than thirty days, of any motor vehicles designed by the 78868  
manufacturer to carry a load of not more than one ton, watercraft, 78869  
outboard motor, or aircraft, or of any tangible personal property, 78870  
other than motor vehicles designed by the manufacturer to carry a 78871  
load of more than one ton, to be used by the lessee or renter 78872  
primarily for business purposes, the tax shall be collected by the 78873  
seller at the time the lease or rental is consummated and shall be 78874  
calculated by the seller on the basis of the total amount to be 78875  
paid by the lessee or renter under the lease or rental agreement. 78876  
If the total amount of the consideration for the lease or rental 78877  
includes amounts that are not calculated at the time the lease or 78878  
rental is executed, the tax shall be calculated and collected by 78879  
the seller at the time such amounts are billed to the lessee or 78880  
renter. In the case of an open-end lease or rental, the tax shall 78881  
be calculated by the seller on the basis of the total amount to be 78882  
paid during the initial fixed term of the lease or rental, and for 78883  
each subsequent renewal period as it comes due. As used in this 78884  
division, "motor vehicle" has the same meaning as in section 78885  
4501.01 of the Revised Code, and "watercraft" includes an outdrive 78886  
unit attached to the watercraft. 78887

(3) Except as provided in division (A)(2) of this section, in 78888  
the case of a transaction, the price of which consists in whole or 78889  
part of the lease or rental of tangible personal property, the tax 78890  
shall be measured by the installments of those leases or rentals. 78891

(B) Each consumer, storing, using, or otherwise consuming in 78892  
this state tangible personal property or realizing in this state 78893  
the benefit of any service provided, shall be liable for the tax, 78894  
and such liability shall not be extinguished until the tax has 78895

been paid to this state; provided, that the consumer shall be 78896  
relieved from further liability for the tax if the tax has been 78897  
paid to a seller in accordance with section 5741.04 of the Revised 78898  
Code or prepaid by the seller in accordance with section 5741.06 78899  
of the Revised Code. 78900

(C) The tax does not apply to the storage, use, or 78901  
consumption in this state of the following described tangible 78902  
personal property or services, nor to the storage, use, or 78903  
consumption or benefit in this state of tangible personal property 78904  
or services purchased under the following described circumstances: 78905

(1) When the sale of property or service in this state is 78906  
subject to the excise tax imposed by sections 5739.01 to 5739.31 78907  
of the Revised Code, provided said tax has been paid; 78908

(2) Except as provided in division (D) of this section, 78909  
tangible personal property or services, the acquisition of which, 78910  
if made in Ohio, would be a sale not subject to the tax imposed by 78911  
sections 5739.01 to 5739.31 of the Revised Code; 78912

(3) Property or services, the storage, use, or other 78913  
consumption of or benefit from which this state is prohibited from 78914  
taxing by the Constitution of the United States, laws of the 78915  
United States, or the Constitution of this state. This exemption 78916  
shall not exempt from the application of the tax imposed by this 78917  
section the storage, use, or consumption of tangible personal 78918  
property that was purchased in interstate commerce, but that has 78919  
come to rest in this state, provided that fuel to be used or 78920  
transported in carrying on interstate commerce that is stopped 78921  
within this state pending transfer from one conveyance to another 78922  
is exempt from the excise tax imposed by this section and section 78923  
5739.02 of the Revised Code; 78924

(4) Transient use of tangible personal property in this state 78925  
by a nonresident tourist or vacationer, or a non-business use 78926

within this state by a nonresident of this state, if the property 78927  
so used was purchased outside this state for use outside this 78928  
state and is not required to be registered or licensed under the 78929  
laws of this state; 78930

(5) Tangible personal property or services rendered, upon 78931  
which taxes have been paid to another jurisdiction to the extent 78932  
of the amount of the tax paid to such other jurisdiction. Where 78933  
the amount of the tax imposed by this section and imposed pursuant 78934  
to section 5741.021, 5741.022, or 5741.023 of the Revised Code 78935  
exceeds the amount paid to another jurisdiction, the difference 78936  
shall be allocated between the tax imposed by this section and any 78937  
tax imposed by a county or a transit authority pursuant to section 78938  
5741.021, 5741.022, or 5741.023 of the Revised Code, in proportion 78939  
to the respective rates of such taxes. 78940

As used in this subdivision, "taxes paid to another 78941  
jurisdiction" means the total amount of retail sales or use tax or 78942  
similar tax based upon the sale, purchase, or use of tangible 78943  
personal property or services rendered legally, levied by and paid 78944  
to another state or political subdivision thereof, or to the 78945  
District of Columbia, where the payment of such tax does not 78946  
entitle the taxpayer to any refund or credit for such payment. 78947

(6) The transfer of a used manufactured home or used mobile 78948  
home, as defined by section 5739.0210 of the Revised Code, made on 78949  
or after January 1, 2000; 78950

(7) Drugs that are or are intended to be distributed free of 78951  
charge to a practitioner licensed to prescribe, dispense, and 78952  
administer drugs to a human being in the course of a professional 78953  
practice and that by law may be dispensed only by or upon the 78954  
order of such a practitioner. 78955

(D) The tax applies to the storage, use, or other consumption 78956  
in this state of tangible personal property or services, the 78957

acquisition of which at the time of sale was excepted under 78958  
division (E)~~(1)~~ of section 5739.01 of the Revised Code from the 78959  
tax imposed by section 5739.02 of the Revised Code, but which has 78960  
subsequently been temporarily or permanently stored, used, or 78961  
otherwise consumed in a taxable manner. 78962

(E)(1) If any transaction is claimed to be exempt under 78963  
division (E) of section 5739.01 of the Revised Code or under 78964  
section 5739.02 of the Revised Code, with the exception of 78965  
divisions (B)(1) to (11) or (28) of section 5739.02 of the Revised 78966  
Code, the consumer shall provide to the seller, and the seller 78967  
shall obtain from the consumer, a certificate specifying the 78968  
reason that the transaction is not subject to the tax. The 78969  
certificate shall be provided either in a hard copy form or 78970  
electronic form, as prescribed by the tax commissioner. If the 78971  
transaction is claimed to be exempt under division (B)(13) of 78972  
section 5739.02 of the Revised Code, the exemption certificate 78973  
shall be provided by both the contractor and contractee. Such 78974  
contractee shall be deemed to be the consumer of all items 78975  
purchased under the claim of exemption if it is subsequently 78976  
determined that the exemption is not properly claimed. The 78977  
certificate shall be in such form as the tax commissioner by rule 78978  
prescribes. The seller shall maintain records, including exemption 78979  
certificates, of all sales on which a consumer has claimed an 78980  
exemption, and provide them to the tax commissioner on request. 78981

(2) If no certificate is provided or obtained within the 78982  
period for filing the return for the period in which the 78983  
transaction is consummated, it shall be presumed that the tax 78984  
applies. The failure to have so provided or obtained a certificate 78985  
shall not preclude a seller or consumer from establishing, within 78986  
one hundred twenty days of the giving of notice by the 78987  
commissioner of intention to levy an assessment, that the 78988  
transaction is not subject to the tax. 78989

(F) A seller who files a petition for reassessment contesting the assessment of tax on transactions for which the seller obtained no valid exemption certificates, and for which the seller failed to establish that the transactions were not subject to the tax during the one-hundred-twenty-day period allowed under division (E) of this section, may present to the tax commissioner additional evidence to prove that the transactions were exempt. The seller shall file such evidence within ninety days of the receipt by the seller of the notice of assessment, except that, upon application and for reasonable cause, the tax commissioner may extend the period for submitting such evidence thirty days.

(G) For the purpose of the proper administration of sections 5741.01 to 5741.22 of the Revised Code, and to prevent the evasion of the tax hereby levied, it shall be presumed that any use, storage, or other consumption of tangible personal property in this state is subject to the tax until the contrary is established.

(H) The tax collected by the seller from the consumer under this chapter is not part of the price, but is a tax collection for the benefit of the state, and of counties levying an additional use tax pursuant to section 5741.021 or 5741.023 of the Revised Code and of transit authorities levying an additional use tax pursuant to section 5741.022 of the Revised Code. Except for the discount authorized under section 5741.12 of the Revised Code and the effects of any rounding pursuant to section 5703.055 of the Revised Code, no person other than the state or such a county or transit authority shall derive any benefit from the collection of such tax.

**Sec. 5741.021.** (A) For the purpose of providing additional general revenues for the county or supporting criminal and administrative justice services in the county, or both, and to pay

the expenses of administering such levy, any county which levies a 79021  
tax pursuant to section 5739.021 of the Revised Code shall levy a 79022  
tax at the same rate levied pursuant to section 5739.021 of the 79023  
Revised Code on the storage, use, or other consumption in the 79024  
county of the following: 79025

(1) Motor vehicles ~~acquired on or after May 1, 1970~~, and 79026  
watercraft and outboard motors required to be titled in the county 79027  
pursuant to Chapter 1548. of the Revised Code and acquired ~~on or~~ 79028  
~~after April 1, 1990~~, by a transaction subject to the tax imposed 79029  
by section 5739.02 of the Revised Code; 79030

(2) In addition to the tax imposed by section 5741.02 of the 79031  
Revised Code, tangible personal property and services subject to 79032  
the tax levied by this state as provided in section 5741.02 of the 79033  
Revised Code, and tangible personal property and services 79034  
purchased in another county within this state by a transaction 79035  
subject to the tax imposed by section 5739.02 of the Revised Code. 79036

The tax shall be levied pursuant to a resolution of the board 79037  
of county commissioners which shall be adopted after publication 79038  
of notice and hearing in the same manner as provided in section 79039  
5739.021 of the Revised Code. Such resolution shall be adopted and 79040  
shall become effective on the same day as the resolution adopted 79041  
by the board of county commissioners levying a sales tax pursuant 79042  
to section 5739.021 of the Revised Code and shall remain in effect 79043  
until such sales tax is repealed. 79044

(B) The tax levied pursuant to this section on the storage, 79045  
use, or other consumption of tangible personal property and on the 79046  
benefit of a service realized shall be in addition to the tax 79047  
levied by section 5741.02 of the Revised Code and, except as 79048  
provided in division (D) of this section, any tax levied pursuant 79049  
to sections 5741.022 and 5741.023 of the Revised Code. 79050

(C) The additional tax levied by the county shall be 79051



collected pursuant to ~~the schedules in~~ section 5739.025 of the Revised Code. If the additional tax or some portion thereof is levied for the purpose of criminal and administrative justice services, the revenue from the tax, or the amount or rate apportioned to that purpose, shall be credited to a special fund created in the county treasury for receipt of that revenue.

(D) The tax levied pursuant to this section shall not be applicable to any benefit of a service realized or to any storage, use, or consumption of property not within the taxing power of a county under the constitution of the United States or the constitution of this state, or to property or services on which a tax levied by a county or transit authority pursuant to this section or section 5739.021, 5739.023, 5739.026, 5741.022, or 5741.023 of the Revised Code has been paid, if the sum of the taxes paid pursuant to those sections is equal to or greater than the sum of the taxes due under this section and sections 5741.022 and 5741.023 of the Revised Code. If the sum of the taxes paid is less than the sum of the taxes due under this section and sections 5741.022 and 5741.023 of the Revised Code, the amount of tax paid shall be credited against the amount of tax due.

(E) As used in this section, "criminal and administrative justice services" has the same meaning as in section 5739.021 of the Revised Code.

**Sec. 5741.022.** (A) For the purpose of providing additional general revenues for the transit authority and paying the expenses of administering such levy, any transit authority as defined in section 5741.01 of the Revised Code that levies a tax pursuant to section 5739.023 of the Revised Code shall levy a tax at the same rate levied pursuant to such section on the storage, use, or other consumption in the territory of the transit authority of the following:

(1) Motor vehicles ~~acquired on or after June 29, 1974,~~ and 79083  
watercraft and outboard motors required to be titled in the county 79084  
pursuant to Chapter 1548. of the Revised Code and acquired ~~on or~~ 79085  
~~after April 1, 1990,~~ by a transaction subject to the tax imposed 79086  
by section 5739.02 of the Revised Code; 79087

(2) In addition to the tax imposed by section 5741.02 of the 79088  
Revised Code, tangible personal property and services subject to 79089  
the tax levied by this state as provided in section 5741.02 of the 79090  
Revised Code, and tangible personal property and services 79091  
purchased in another county within this state by a transaction 79092  
subject to the tax imposed by section 5739.02 of the Revised Code. 79093

The tax shall be in effect at the same time and at the same 79094  
rate and shall be levied pursuant to the resolution of the 79095  
legislative authority of the transit authority levying a sales tax 79096  
pursuant to section 5739.023 of the Revised Code. 79097

(B) The tax levied pursuant to this section on the storage, 79098  
use, or other consumption of tangible personal property and on the 79099  
benefit of a service realized shall be in addition to the tax 79100  
levied by section 5741.02 of the Revised Code and, except as 79101  
provided in division (D) of this section, any tax levied pursuant 79102  
to sections 5741.021 and 5741.023 of the Revised Code. 79103

(C) The additional tax levied by the authority shall be 79104  
collected pursuant to ~~the schedules in~~ section 5739.025 of the 79105  
Revised Code. 79106

(D) The tax levied pursuant to this section shall not be 79107  
applicable to any benefit of a service realized or to any storage, 79108  
use, or consumption of property not within the taxing power of a 79109  
transit authority under the constitution of the United States or 79110  
the constitution of this state, or to property or services on 79111  
which a tax levied by a county or transit authority pursuant to 79112  
this section or section 5739.021, 5739.023, 5739.026, 5741.021, or 79113

5741.023 of the Revised Code has been paid, if the sum of the 79114  
taxes paid pursuant to those sections is equal to or greater than 79115  
the sum of the taxes due under this section and sections 5741.021 79116  
and 5741.023 of the Revised Code. If the sum of the taxes paid is 79117  
less than the sum of the taxes due under this section and sections 79118  
5741.021 and 5741.023 of the Revised Code, the amount of tax paid 79119  
shall be credited against the amount of tax due. 79120

(E) The rate of a tax levied under this section is subject to 79121  
reduction under section 5739.028 of the Revised Code if a ballot 79122  
question is approved by voters pursuant to that section. 79123

**Sec. 5741.023.** (A) For the same purposes for which it has 79124  
imposed a tax under section 5739.026 of the Revised Code, any 79125  
county ~~which~~ that levies a tax pursuant to such section shall levy 79126  
a tax at the same rate levied pursuant to such section on the 79127  
storage, use, or other consumption in the county of the following: 79128

(1) Motor vehicles, and watercraft and outboard motors 79129  
required to be titled in the county pursuant to Chapter 1548. of 79130  
the Revised Code, acquired by a transaction subject to the tax 79131  
imposed by section 5739.02 of the Revised Code; 79132

(2) In addition to the tax imposed by section 5741.02 of the 79133  
Revised Code, tangible personal property and services subject to 79134  
the tax levied by this state as provided in section 5741.02 of the 79135  
Revised Code, and tangible personal property and services 79136  
purchased in another county within this state by a transaction 79137  
subject to the tax imposed by section 5739.02 of the Revised Code. 79138

The tax shall be levied pursuant to a resolution of the board 79139  
of county commissioners, which shall be adopted in the same manner 79140  
as provided in section 5739.026 of the Revised Code. Such 79141  
resolution shall be adopted and shall become effective on the same 79142  
day as the resolution adopted by the board of county commissioners 79143  
levying a sales tax pursuant to such section and shall remain in 79144

effect until such sales tax is repealed or expires. 79145

(B) The tax levied pursuant to this section shall be in 79146  
addition to the tax levied by section 5741.02 of the Revised Code 79147  
and, except as provided in division (D) of this section, any tax 79148  
levied pursuant to sections 5741.021 and 5741.022 of the Revised 79149  
Code. 79150

(C) The additional tax levied by the county shall be 79151  
collected pursuant to ~~the schedules in~~ section 5739.025 of the 79152  
Revised Code. 79153

(D) The tax levied pursuant to this section shall not be 79154  
applicable to any benefit of a service realized or to any storage, 79155  
use, or consumption of property not within the taxing power of a 79156  
county under the constitution of the United States or the 79157  
constitution of this state, or to property or services on which 79158  
tax levied by a county or transit authority pursuant to this 79159  
section or section 5739.021, 5739.023, 5739.026, 5741.021, or 79160  
5741.022 of the Revised Code has been paid, if the sum of the 79161  
taxes paid pursuant to those sections is equal to or greater than 79162  
the sum of the taxes due under this section and sections 5741.021 79163  
and 5741.022 of the Revised Code. If the sum of the taxes paid is 79164  
less than the sum of the taxes due under this section and sections 79165  
5741.021 and 5741.022 of the Revised Code, the amount of tax paid 79166  
shall be credited against the amount of tax due. 79167

**Sec. 5741.121.** (A) If the total amount of tax required to be 79168  
paid by a seller or consumer under section 5741.12 of the Revised 79169  
Code for any year ~~indicated in the following schedule~~ equals or 79170  
~~exceeds the amount prescribed for that year in the schedule~~ 79171  
seventy-five thousand dollars, the seller or consumer shall remit 79172  
each monthly tax payment in the second ensuing and each succeeding 79173  
year by electronic funds transfer as prescribed by division (B) of 79174  
this section. 79175

Year	1992	<del>1993 through 1999</del>	<del>2000 and thereafter</del>	79176
Tax payment	\$1,200,000	\$600,000	\$60,000	79177

If a seller's or consumer's tax payment for each of two consecutive years ~~beginning with 2000~~ is less than ~~sixty~~ seventy-five thousand dollars, the seller or consumer 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~~ that amount, and is relieved of that requirement for each succeeding year, unless the tax payment in a subsequent year equals or exceeds ~~sixty~~ seventy-five thousand dollars.

The tax commissioner shall notify each seller or consumer required to remit taxes by electronic funds transfer of the seller's or consumer's obligation to do so, shall maintain an updated list of those sellers and consumers, 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 seller or consumer subject to this section to remit taxes by electronic funds transfer does not relieve the seller or consumer of the obligation to remit taxes by electronic funds transfer.

(B) Sellers and consumers 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:

(1)(a) On or before the ~~eleventh~~ fifteenth day of each month, a seller shall remit an amount equal to the taxes collected during the first ~~seven~~ eleven 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 79208  
seller shall remit an amount equal to the taxes collected on the 79209  
~~fifteenth~~ twelfth through the twenty-first day of the month. 79210

(b) In lieu of remitting the actual amounts collected for the 79211  
periods specified in division (B)(1)(a) of this section, a seller 79212  
may, on or before each of the ~~eleventh, eighteenth,~~ fifteenth and 79213  
twenty-fifth days of each month, remit an amount equal to 79214  
~~one-fourth~~ thirty-seven and one-half per cent of the seller's 79215  
total tax liability for the same month in the preceding calendar 79216  
year. 79217

(2) On or before each of the ~~eleventh, eighteenth,~~ fifteenth 79218  
and twenty-fifth days of each month, a consumer shall remit an 79219  
amount equal to ~~one-fourth~~ thirty-seven and one-half per cent of 79220  
the consumer's total tax liability for the same month in the 79221  
preceding calendar year. 79222

(3) On or before the twenty-third day of each month, a seller 79223  
shall report the taxes collected and a consumer shall report the 79224  
taxes due for the previous month and shall remit that amount, less 79225  
any amounts paid for that month as required by division (B)(1)(a) 79226  
or (b) or (B)(2) of this section. 79227

The payment of taxes by electronic funds transfer does not 79228  
affect a seller's or consumer's obligation to file the monthly 79229  
return as required under section 5741.12 of the Revised Code. 79230

(C) A seller or consumer required by this section to remit 79231  
taxes by electronic funds transfer may apply to the treasurer of 79232  
state in the manner prescribed by the treasurer of state to be 79233  
excused from that requirement. The treasurer of state may excuse 79234  
the seller or consumer from remittance by electronic funds 79235  
transfer for good cause shown for the period of time requested by 79236  
the seller or consumer or for a portion of that period. The 79237  
treasurer of state shall notify the tax commissioner and the 79238

seller or consumer of the treasurer of state's decision as soon as 79239  
is practicable. 79240

(D)(1) If a seller or consumer that is required to remit 79241  
payments under division (B) of this section fails to make a 79242  
payment, the commissioner may impose an additional charge not to 79243  
exceed five per cent of that unpaid amount. 79244

(2) If a seller or consumer required by this section to remit 79245  
taxes by electronic funds transfer remits those taxes by some 79246  
means other than by electronic funds transfer as prescribed by the 79247  
rules adopted by the treasurer of state, and the treasurer of 79248  
state determines that such failure was not due to reasonable cause 79249  
or was due to willful neglect, the treasurer of state shall notify 79250  
the tax commissioner of the failure to remit by electronic funds 79251  
transfer and shall provide the commissioner with any information 79252  
used in making that determination. The tax commissioner may impose 79253  
an additional charge not to exceed the lesser of five per cent of 79254  
the amount of the taxes required to be paid by electronic funds 79255  
transfer or five thousand dollars. 79256

(3) Any additional charge imposed under this section is in 79257  
addition to any other penalty or charge imposed under this 79258  
chapter, and shall be considered as revenue arising from taxes 79259  
imposed under this chapter. An additional charge may be collected 79260  
by assessment in the manner prescribed by section 5741.13 of the 79261  
Revised Code. The tax commissioner may waive all or a portion of 79262  
such a charge and may adopt rules governing such waiver. 79263

No additional charge shall be imposed under division (D)(2) 79264  
of this section against a seller or consumer that has been 79265  
notified of the obligation to remit taxes under this section and 79266  
that remits its first two tax payments after such notification by 79267  
some means other than electronic funds transfer. The additional 79268  
charge may be imposed upon the remittance of any subsequent tax 79269  
payment that the seller or consumer remits by some means other 79270

than electronic funds transfer. 79271

Sec. 5741.25. If any corporation, limited liability company, 79272  
or business trust registered or required to be registered under 79273  
section 5741.17 of the Revised Code and required to file returns 79274  
and remit tax due to the state under this chapter fails for any 79275  
reason to make the filing or payment, any of its employees having 79276  
control or supervision of or charged with the responsibility of 79277  
filing returns and making payments, or any of its officers, 79278  
members, managers, or trustees who are responsible for the 79279  
execution of the corporation's, limited liability company's, or 79280  
business trust's fiscal responsibilities, shall be personally 79281  
liable for the failure. The dissolution, termination, or 79282  
bankruptcy of a corporation, limited liability company, or 79283  
business trust shall not discharge a responsible officer's, 79284  
member's, manager's, employee's, or trustee's liability for a 79285  
failure of the corporation, limited liability company, or business 79286  
trust to file returns or remit tax due. The sum due for the 79287  
liability may be collected by assessment in the manner provided in 79288  
section 5741.11 or 5741.13 of the Revised Code. 79289

**Sec. 5743.05.** All stamps provided for by section 5743.03 of 79290  
the Revised Code, when procured by the tax commissioner, shall be 79291  
immediately delivered to the treasurer of state, who shall execute 79292  
a receipt therefor showing the number and aggregate face value of 79293  
each denomination received by the treasurer of state and any other 79294  
information that the commissioner requires to enforce the 79295  
collection and distribution of all taxes imposed under section 79296  
5743.024 or 5743.026 of the Revised Code, and deliver the receipt 79297  
to the commissioner. The treasurer of state shall sell the stamps 79298  
and, on the fifth day of each month, make a report showing all 79299  
sales made during the preceding month, with the names of 79300  
purchasers, the number of each denomination, the aggregate face 79301



value purchased by each, and any other information as the 79302  
commissioner requires to enforce the collection and distribution 79303  
of all taxes imposed under section 5743.024 of the Revised Code, 79304  
and deliver it to the commissioner. The treasurer of state shall 79305  
be accountable for all stamps received and unsold. The stamps 79306  
shall be sold and accounted for at their face value, except the 79307  
commissioner shall, by rule certified to the treasurer of state, 79308  
authorize the sale of stamps and meter impressions to wholesale or 79309  
retail dealers in this state, or to wholesale dealers outside this 79310  
state, at a discount of not less than one and eight-tenths per 79311  
cent or more than ten per cent of their face value, as a 79312  
commission for affixing and canceling the stamps or meter 79313  
impressions. 79314

The commissioner, by rule certified to the treasurer of 79315  
state, shall authorize the delivery of stamps and meter 79316  
impressions to wholesale and retail dealers in this state and to 79317  
wholesale dealers outside this state on credit ~~when the purchaser~~ 79318  
files. If such a dealer has not been in good credit standing with 79319  
this state for five consecutive years preceding the purchase, the 79320  
tax commissioner shall require the dealer to file with the 79321  
commissioner a bond to the state in the amount and in the form 79322  
prescribed by the commissioner, ~~and~~ with surety to the 79323  
satisfaction of the ~~treasurer of state~~ commissioner, conditioned 79324  
on payment to the treasurer of state within thirty days for stamps 79325  
or meter impressions delivered within that time. If such a dealer 79326  
has been in good credit standing with this state for five 79327  
consecutive years preceding the purchase, the tax commissioner 79328  
shall not require that the dealer file such a bond but shall 79329  
require payment for the stamps and meter impressions within thirty 79330  
days after purchase of the stamps and meter impressions. Stamps 79331  
and meter impressions sold to a dealer not required to file a bond 79332  
shall be sold at face value. The maximum amount that may be sold 79333  
on credit to a dealer not required to file a bond shall equal one 79334

hundred ten per cent of the dealer's average monthly purchases 79335  
over the preceding calendar year. The maximum amount shall be 79336  
adjusted to reflect any changes in the tax rate and may be 79337  
adjusted, upon application to the tax commissioner by the dealer, 79338  
to reflect changes in the business operations of the dealer. The 79339  
maximum amount shall be applicable to the period of July through 79340  
April. Payment by a dealer not required to file a bond shall be 79341  
remitted by electronic funds transfer as prescribed by section 79342  
5743.051 of the Revised Code. If a dealer not required to file a 79343  
bond fails to make the payment in full within the thirty-day 79344  
period, the treasurer of state shall not thereafter sell stamps or 79345  
meter impressions to that dealer until the dealer pays the 79346  
outstanding amount, including penalty and interest on that amount 79347  
as prescribed in this chapter, and the commissioner thereafter may 79348  
require the dealer to file a bond until the dealer is restored to 79349  
good standing. The commissioner shall limit delivery of stamps and 79350  
meter impressions on credit to the period running from the first 79351  
day of July of the fiscal year until the first day of the 79352  
following May. Any discount allowed as a commission for affixing 79353  
and canceling stamps or meter impressions shall be allowed with 79354  
respect to sales of stamps and meter impressions on credit. 79355

The treasurer of state shall redeem and pay for any 79356  
destroyed, unused, or spoiled tax stamps and any unused meter 79357  
impressions at their net value, and shall refund to wholesale 79358  
dealers the net amount of state and county taxes paid erroneously 79359  
or paid on cigarettes that have been sold in interstate or foreign 79360  
commerce or that have become unsalable, and the net amount of 79361  
county taxes that were paid on cigarettes that have been sold at 79362  
retail or for retail sale outside a taxing county. 79363

An application for a refund of tax shall be filed with the 79364  
tax commissioner, on the form prescribed by the commissioner for 79365  
that purpose, within three years from the date the tax stamps are 79366

destroyed or spoiled, from the date of the erroneous payment, or 79367  
from the date that cigarettes on which taxes have been paid have 79368  
been sold in interstate or foreign commerce or have become 79369  
unsalable. 79370

On the filing of the application, the commissioner shall 79371  
determine the amount of refund to which the applicant is entitled, 79372  
payable from receipts of the state tax, and, if applicable, 79373  
payable from receipts of a county tax . If the amount is less than 79374  
that claimed, the ~~commission~~ commissioner shall certify the amount 79375  
to the director of budget and management and treasurer of state 79376  
for payment from the tax refund fund created by section 5703.052 79377  
of the Revised Code. If the amount is less than that claimed, the 79378  
commissioner shall proceed in accordance with section 5703.70 of 79379  
the Revised Code. 79380

If a refund is granted for payment of an illegal or erroneous 79381  
assessment issued by the department, the refund shall include 79382  
interest on the amount of the refund from the date of the 79383  
overpayment. The interest shall be computed at the rate per annum 79384  
prescribed by section 5703.47 of the Revised Code. 79385

Sec. 5743.051. This section applies to any wholesale or 79386  
retail cigarette dealer required by section 5743.05 of the Revised 79387  
Code to remit payment for tax stamps and meter impressions by 79388  
electronic funds transfer. The tax commissioner shall notify each 79389  
dealer of the dealer's obligation to do so and shall maintain an 79390  
updated list of those dealers. Failure by the tax commissioner to 79391  
notify a dealer subject to this section to remit taxes by 79392  
electronic funds transfer does not relieve the dealer of its 79393  
obligation to remit taxes by electronic funds transfer. 79394

A dealer required to remit payments by electronic funds 79395  
transfer shall remit such payments to the treasurer of state in 79396  
the manner prescribed by rules adopted by the treasurer of state 79397

under section 113.061 of the Revised Code and within the time 79398  
prescribed for such a dealer by section 5743.05 of the Revised 79399  
Code. 79400

A dealer required to remit taxes by electronic funds transfer 79401  
may apply to the tax commissioner in the manner prescribed by the 79402  
tax commissioner to be excused from that requirement. The tax 79403  
commissioner may excuse the dealer from remittance by electronic 79404  
funds transfer for good cause shown for the period of time 79405  
requested by the dealer or for a portion of that period. 79406

If a dealer required to remit taxes by electronic funds 79407  
transfer remits those taxes by some other means, the treasurer of 79408  
state shall notify the tax commissioner of the failure to remit by 79409  
electronic funds transfer. If the tax commissioner determines that 79410  
such failure was not due to reasonable cause or was due to willful 79411  
neglect, the tax commissioner may collect an additional charge by 79412  
assessment in the manner prescribed by section 5743.081 of the 79413  
Revised Code. The additional charge shall equal five per cent of 79414  
the amount of the taxes required to be paid by electronic funds 79415  
transfer but shall not exceed five thousand dollars. Any 79416  
additional charge assessed under this section is in addition to 79417  
any other penalty or charge imposed under this chapter and shall 79418  
be considered as revenue arising from taxes imposed under this 79419  
chapter. The tax commissioner may abate all or a portion of such a 79420  
charge and may adopt rules governing such remissions. 79421

No additional charge shall be assessed under this section 79422  
against a dealer that has been notified of its obligation to remit 79423  
taxes under this section and that remits its first two tax 79424  
payments after such notification by some means other than 79425  
electronic funds transfer. The additional charge may be assessed 79426  
upon the remittance of any subsequent tax payment that the dealer 79427  
remits by some means other than electronic funds transfer. 79428

Sec. 5743.21. (A) No person shall affix a stamp required by 79429  
section 5743.03 of the Revised Code to any package that: 79430

(1) Bears any label or notice prescribed by the United States 79431  
to identify cigarettes exempt from taxation by the United States 79432  
pursuant to section 5704(b) of the "Internal Revenue Code of 79433  
1986," 100 Stat. 2085, 26 U.S.C.A. 5704(b), including any notice 79434  
or label described in 27 C.F.R. 290.185; 79435

(2) Is not labeled in conformity with the "Federal Cigarette 79436  
Labeling and Advertising Act," 79 Stat. 282, 15 U.S.C.A. 1331 79437  
(1965), or any other federal requirement for the placement of 79438  
labels, warnings, or other information applicable to packages of 79439  
cigarettes intended for domestic consumption; 79440

(3) Has been altered by anyone other than the manufacturer or 79441  
a person authorized by the manufacturer, including by the 79442  
placement of a sticker to cover information on or add information 79443  
to the package; 79444

(4) Has been imported or brought into the United States after 79445  
January 1, 2000, in violation of section 5754 of the "Internal 79446  
Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 5754, or 79447  
regulations adopted under that section; 79448

(5) Is produced by a tobacco product manufacturer or is part 79449  
of a brand family that is not included in the directory 79450  
established under section 1346.05 of the Revised Code. 79451

(B) No person shall sell or offer to sell any roll-your-own 79452  
tobacco to any person in this state if the roll-your-own tobacco 79453  
is not included in the directory established under section 1346.05 79454  
of the Revised Code. Any roll-your-own tobacco in the possession 79455  
of a retail dealer in this state shall be prima facie evidence of 79456  
offering to sell to a person in this state. 79457

(C) Whenever the tax commissioner discovers any packages to 79458

which stamps have been affixed in violation of this section, or 79459  
any roll-your-own tobacco sold or offered for sale in violation of 79460  
this section, the tax commissioner may seize the packages or 79461  
roll-your-own tobacco, which shall ~~thereupon~~ be forfeited to the 79462  
state, and shall order ~~their~~ the destruction of the packages or 79463  
roll-your-own tobacco, provided that the seizure and destruction 79464  
shall not exempt any person from prosecution or from the fine or 79465  
imprisonment provided for the violation of this section. 79466

(D) As used in this section, "roll-your-own" has the same 79467  
meaning as in section 1346.01 of the Revised Code, and "tobacco 79468  
product manufacturer" and "brand family" have the same meanings as 79469  
in section 1346.04 of the Revised Code. 79470

**Sec. 5743.45.** (A) As used in this section, "felony" has the 79471  
same meaning as in section 109.511 of the Revised Code. 79472

(B) For purposes of enforcing this chapter and Chapters 79473  
5728., 5735., 5739., 5741., and 5747. of the Revised Code and 79474  
subject to division (C) of this section, the tax commissioner, by 79475  
journal entry, may delegate any investigation powers of the 79476  
commissioner to an employee of the department of taxation who has 79477  
been certified by the Ohio peace officer training commission and 79478  
who is engaged in the enforcement of those chapters. A separate 79479  
journal entry shall be entered for each employee to whom that 79480  
power is delegated. Each journal entry shall be a matter of public 79481  
record and shall be maintained in an administrative portion of the 79482  
journal as provided for in division (L) of section 5703.05 of the 79483  
Revised Code. When that journal entry is completed, the employee 79484  
to whom it pertains, while engaged within the scope of the 79485  
employee's duties in enforcing the provisions of this chapter or 79486  
Chapter 5728., 5735., 5739., 5741., or 5747. of the Revised Code, 79487  
has the power of a police officer to carry concealed weapons, make 79488  
arrests, and obtain warrants for violations of any provision in 79489

those chapters. The commissioner, at any time, may suspend or 79490  
revoke ~~that~~ the commissioner's delegation by journal entry. No 79491  
employee of the department shall divulge any information acquired 79492  
as a result of an investigation pursuant to this chapter or 79493  
Chapter 5728., 5735., 5739., 5741., or 5747. of the Revised Code, 79494  
except as may be required by the commissioner or a court. 79495

(C)(1) The tax commissioner shall not delegate any 79496  
investigation powers to an employee of the department of taxation 79497  
pursuant to division (B) of this section on a permanent basis, on 79498  
a temporary basis, for a probationary term, or on other than a 79499  
permanent basis if the employee previously has been convicted of 79500  
or has pleaded guilty to a felony. 79501

(2)(a) The tax commissioner shall revoke the delegation of 79502  
investigation powers to an employee to whom the delegation was 79503  
made pursuant to division (B) of this section if that employee 79504  
does either of the following: 79505

(i) Pleads guilty to a felony; 79506

(ii) Pleads guilty to a misdemeanor pursuant to a negotiated 79507  
plea agreement as provided in division (D) of section 2929.29 of 79508  
the Revised Code in which the employee agrees to surrender the 79509  
certificate awarded to that employee under section 109.77 of the 79510  
Revised Code. 79511

(b) The tax commissioner shall suspend the delegation of 79512  
investigation powers to an employee to whom the delegation was 79513  
made pursuant to division (B) of this section if that employee is 79514  
convicted, after trial, of a felony. If the employee files an 79515  
appeal from that conviction and the conviction is upheld by the 79516  
highest court to which the appeal is taken or if the employee does 79517  
not file a timely appeal, the commissioner shall revoke the 79518  
delegation of investigation powers to that employee. If the 79519  
employee files an appeal that results in that employee's acquittal 79520

of the felony or conviction of a misdemeanor, or in the dismissal 79521  
of the felony charge against that employee, the commissioner shall 79522  
reinstate the delegation of investigation powers to that employee. 79523  
The suspension, revocation, and reinstatement of the delegation of 79524  
investigation powers to an employee under division (C)(2) of this 79525  
section shall be made by journal entry pursuant to division (B) of 79526  
this section. An employee to whom the delegation of investigation 79527  
powers is reinstated under division (C)(2)(b) of this section 79528  
shall not receive any back pay for the exercise of those 79529  
investigation powers unless that employee's conviction of the 79530  
felony was reversed on appeal, or the felony charge was dismissed, 79531  
because the court found insufficient evidence to convict the 79532  
employee of the felony. 79533

(3) Division (C) of this section does not apply regarding an 79534  
offense that was committed prior to January 1, 1997. 79535

(4) The suspension or revocation of the delegation of 79536  
investigation powers to an employee under division (C)(2) of this 79537  
section shall be in accordance with Chapter 119. of the Revised 79538  
Code. 79539

**Sec. 5745.01.** As used in this chapter: 79540

(A) "Electric company," ~~and~~ "combined company," and 79541  
"telephone company," have the same meanings as in section 5727.01 79542  
of the Revised Code, except "telephone company" does not include a 79543  
non profit corporation. 79544

(B) "Electric light company" has the same meaning as in 79545  
section 4928.01 of the Revised Code, and includes the activities 79546  
of a combined company as an electric company, but excludes 79547  
nonprofit companies and municipal corporations. 79548

(C) "Taxpayer" means ~~an~~ either of the following: 79549

(1) An electric light company subject to taxation by a 79550



municipal corporation in this state for a taxable year, excluding 79551  
an electric light company that is not an electric company or a 79552  
combined company and for which an election made under section 79553  
5745.031 of the Revised Code is not in effect with respect to the 79554  
taxable year. If such a company is a qualified subchapter S 79555  
subsidiary as defined in section 1361 of the Internal Revenue Code 79556  
or a disregarded entity, the company's parent S corporation or 79557  
owner is the taxpayer for the purposes of this chapter and is 79558  
hereby deemed to have nexus with this state under the Constitution 79559  
of the United States for the purposes of this chapter. 79560

(2) A telephone company subject to taxation by a municipal 79561  
corporation in this state for a taxable year. A telephone company 79562  
is subject to taxation under this chapter for any taxable year 79563  
that begins on or after January 1, 2004. A telephone company with 79564  
a taxable year ending in 2004 shall compute the tax imposed under 79565  
this chapter, or shall compute its net operating loss carried 79566  
forward for that taxable year, by multiplying the tax owed, or the 79567  
loss for the taxable year, by fifty per cent. 79568

(D) "Disregarded entity" means an entity that, for its 79569  
taxable year, is by default, or has elected to be, disregarded as 79570  
an entity separate from its owner pursuant to 26 C.F.R. 79571  
301.7701-3. 79572

(E) "Taxable year" of a taxpayer is the taxpayer's taxable 79573  
year for federal income tax purposes. 79574

(F) "Federal taxable income" means taxable income, before 79575  
operating loss deduction and special deductions, as required to be 79576  
reported for the taxpayer's taxable year under the Internal 79577  
Revenue Code. 79578

(G) "Adjusted federal taxable income" means federal taxable 79579  
income adjusted as follows: 79580

(1) Deduct intangible income as defined in section 718.01 of 79581

the Revised Code to the extent included in federal taxable income; 79582

(2) Add expenses incurred in the production of such 79583  
intangible income; 79584

(3) If, with respect to a qualifying taxpayer and a 79585  
qualifying asset there occurs a qualifying taxable event, the 79586  
qualifying taxpayer shall reduce its federal taxable income, as 79587  
defined in division (F) of this section, by the amount of the 79588  
book-tax ~~differential~~ difference for that qualifying asset if the 79589  
book-tax ~~differential~~ difference is greater than zero, and shall 79590  
increase its federal taxable income by the absolute value of the 79591  
amount of the book-tax ~~differential~~ difference for that qualifying 79592  
asset if the book-tax ~~differential~~ difference is less than zero. 79593  
The adjustments provided in division (G)(3) of this section are 79594  
subject to divisions (B)(3), (4), and (5) of section 5733.0510 of 79595  
the Revised Code to the extent those divisions apply to the 79596  
adjustments in that section for the taxable year. A taxpayer shall 79597  
not deduct or add any amount under division (G)(3) of this section 79598  
with respect to a qualifying asset the sale, exchange, or other 79599  
disposition of which resulted in the recognition of a gain or loss 79600  
that the taxpayer deducted or added, respectively, under division 79601  
(G)(1) or (2) of this section. 79602

For the purposes of division (G)(3) of this section, "~~net~~ 79603  
~~income~~" ~~has the same meaning as in section 5733.04 of the Revised~~ 79604  
~~Code, and "book-tax differential~~ difference," "qualifying 79605  
taxpayer," "qualifying asset," and "qualifying taxable event" have 79606  
the same meanings as in section 5733.0510 of the Revised Code. 79607

(4) If the taxpayer is not a C corporation and is not an 79608  
individual, the taxpayer shall compute "adjusted federal taxable 79609  
income" as if the taxpayer were a C corporation, except: 79610

(a) Guaranteed payments and other similar amounts paid or 79611  
accrued to a partner, former partner, or member or former member 79612

shall not be allowed as a deductible expense; and 79613

(b) With respect to each owner or owner-employee of the 79614  
taxpayer, amounts paid or accrued to a qualified self-employed 79615  
retirement plan and amounts paid or accrued to or for health 79616  
insurance or life insurance shall not be allowed as a deduction. 79617

Nothing in this division shall be construed as allowing the 79618  
taxpayer to deduct any amount more than once. 79619

(5) Add or deduct the amounts described in section 5733.0511 79620  
of the Revised Code for qualifying telephone company taxpayers. 79621

(H) "Internal Revenue Code" means the "Internal Revenue Code 79622  
of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as ~~amended~~ it existed on 79623  
December 31, 2001. 79624

(I) "Ohio net income" means the amount determined under 79625  
division (B) of section 5745.02 of the Revised Code. 79626

**Sec. 5745.02.** (A) The annual report filed under section 79627  
5745.03 of the Revised Code determines a taxpayer's Ohio net 79628  
income and the portion of Ohio net income to be apportioned to a 79629  
municipal corporation. 79630

(B) A taxpayer's Ohio net income is determined by multiplying 79631  
the taxpayer's adjusted federal taxable income by the sum of the 79632  
property factor multiplied by one-third, the payroll factor 79633  
multiplied by one-third, and the sales factor multiplied by 79634  
one-third. If the denominator of one of the factors is zero, the 79635  
remaining two factors each shall be multiplied by one-half instead 79636  
of one-third; if the denominator of two of the factors is zero, 79637  
the remaining factor shall be multiplied by one. The property, 79638  
payroll, and sales factors shall be determined in the manner 79639  
prescribed by divisions (B)(1), (2), and (3) of this section. 79640

(1) The property factor is a fraction, the numerator of which 79641  
is the average value of the taxpayer's real and tangible personal 79642

property owned or rented, and used in business in this state 79643  
during the taxable year, and the denominator of which is the 79644  
average value of all the taxpayer's real and tangible personal 79645  
property owned or rented, and used in business everywhere during 79646  
such year. Property owned by the taxpayer is valued at its 79647  
original cost. Property rented by the taxpayer is valued at eight 79648  
times the net annual rental rate. "Net annual rental rate" means 79649  
the annual rental rate paid by the taxpayer less any annual rental 79650  
rate received by the taxpayer from subrentals. The average value 79651  
of property shall be determined by averaging the values at the 79652  
beginning and the end of the taxable year, but the tax 79653  
commissioner may require the averaging of monthly values during 79654  
the taxable year, if reasonably required to reflect properly the 79655  
average value of the taxpayer's property. 79656

(2) The payroll factor is a fraction, the numerator of which 79657  
is the total amount paid in this state during the taxable year by 79658  
the taxpayer for compensation, and the denominator of which is the 79659  
total compensation paid everywhere by the taxpayer during such 79660  
year. Compensation means any form of remuneration paid to an 79661  
employee for personal services. Compensation is paid in this state 79662  
if: (a) the recipient's service is performed entirely within this 79663  
state, (b) the recipient's service is performed both within and 79664  
without this state, but the service performed without this state 79665  
is incidental to the recipient's service within this state, or (c) 79666  
some of the service is performed within this state and either the 79667  
base of operations, or if there is no base of operations, the 79668  
place from which the service is directed or controlled is within 79669  
this state, or the base of operations or the place from which the 79670  
service is directed or controlled is not in any state in which 79671  
some part of the service is performed, but the recipient's 79672  
residence is in this state. 79673

(3) The sales factor is a fraction, the numerator of which is 79674

the total sales in this state by the taxpayer during the taxable year, and the denominator of which is the total sales by the taxpayer everywhere during such year. Sales of electricity shall be situated to this state in the manner provided under section 5733.059 of the Revised Code. In determining the numerator and denominator of the sales factor, receipts from the sale or other disposal of a capital asset or an asset described in section 1231 of the Internal Revenue Code shall be eliminated. Also, in determining the numerator and denominator of the sales factor, in the case of a reporting taxpayer owning at least eighty per cent of the issued and outstanding common stock of one or more insurance companies or public utilities, except an electric company, a combined company, or a telephone company, or owning at least twenty-five per cent of the issued and outstanding common stock of one or more financial institutions, receipts received by the reporting taxpayer from such utilities, insurance companies, and financial institutions shall be eliminated.

For the purpose of division (B)(3) of this section, sales of tangible personal property are in this state where such property is received in this state by the purchaser. In the case of delivery of tangible personal property by common carrier or by other means of transportation, the place at which such property is ultimately received after all transportation has been completed shall be considered as the place at which such property is received by the purchaser. Direct delivery in this state, other than for purposes of transportation, to a person or firm designated by a purchaser constitutes delivery to the purchaser in this state, and direct delivery outside this state to a person or firm designated by a purchaser does not constitute delivery to the purchaser in this state, regardless of where title passes or other conditions of sale.

Sales, other than sales of electricity or tangible personal

property, are in this state if either the income-producing 79707  
activity is performed solely in this state, or the 79708  
income-producing activity is performed both within and without 79709  
this state and a greater proportion of the income-producing 79710  
activity is performed within this state than in any other state, 79711  
based on costs of performance. 79712

For the purposes of division (B)(3) of this section, the tax 79713  
commissioner may adopt rules to apportion sales within this state. 79714

(C) The portion of a taxpayer's Ohio net income taxable by 79715  
each municipal corporation imposing an income tax shall be 79716  
determined by multiplying the taxpayer's Ohio net income by the 79717  
sum of the municipal property factor multiplied by one-third, the 79718  
municipal payroll factor multiplied by one-third, and the 79719  
municipal sales factor multiplied by one-third, and subtracting 79720  
from the product so obtained any "municipal net operating loss 79721  
carryforward from prior taxable years." If the denominator of one 79722  
of the factors is zero, the remaining two factors each shall be 79723  
multiplied by one-half instead of one-third; if the denominator of 79724  
two of the factors is zero, the remaining factor shall be 79725  
multiplied by one. In calculating the "municipal net operating 79726  
loss carryforward from prior taxable years" for each municipal 79727  
corporation, net operating losses are apportioned in and out of a 79728  
municipal corporation for the taxable year in which the net 79729  
operating loss occurs in the same manner that positive net income 79730  
would have been so apportioned. Any net operating loss for a 79731  
municipal corporation may be applied to subsequent net income in 79732  
that municipal corporation to reduce that income to zero or until 79733  
the net operating loss has been fully used as a deduction. The 79734  
unused portion of net operating losses for each taxable year 79735  
apportioned to a municipal corporation may only be applied against 79736  
the income apportioned to that municipal corporation for five 79737  
subsequent taxable years. Net operating losses occurring in 79738

taxable years ending before 2002 may not be subtracted under this 79739  
section. 79740

A taxpayer's municipal property, municipal payroll, and 79741  
municipal sales factors for a municipal corporation shall be 79742  
determined as provided in divisions (C)(1), (2), and (3) of this 79743  
section. 79744

(1) The municipal property factor is the quotient obtained by 79745  
dividing (a) the average value of real and tangible personal 79746  
property owned or rented by the taxpayer and used in business in 79747  
the municipal corporation during the taxable year by (b) the 79748  
average value of all of the taxpayer's real and tangible personal 79749  
property owned or rented and used in business during that taxable 79750  
year in this state. The value and average value of such property 79751  
shall be determined in the same manner provided in division (B)(1) 79752  
of this section. 79753

(2) The municipal payroll factor is the quotient obtained by 79754  
dividing (a) the total amount of compensation earned in the 79755  
municipal corporation by the taxpayer's employees during the 79756  
taxable year for services performed for the taxpayer and that is 79757  
subject to income tax withholding by the municipal corporation by 79758  
(b) the total amount of compensation paid by the taxpayer to its 79759  
employees in this state during the taxable year. Compensation has 79760  
the same meaning as in division (B)(2) of this section. 79761

(3) The municipal sales factor is a fraction, the numerator 79762  
of which is the taxpayer's total sales in a municipal corporation 79763  
during the taxable year, and the denominator of which is the 79764  
taxpayer's total sales in this state during such year. 79765

For the purpose of division (C)(3) of this section, sales of 79766  
tangible personal property are in the municipal corporation where 79767  
such property is received in the municipal corporation by the 79768  
purchaser. Sales of electricity directly to the consumer, as 79769

defined in section 5733.059 of the Revised Code, shall be 79770  
considered sales of tangible personal property. In the case of the 79771  
delivery of tangible personal property by common carrier or by 79772  
other means of transportation, the place at which such property 79773  
ultimately is received after all transportation has been completed 79774  
shall be considered as the place at which the property is received 79775  
by the purchaser. Direct delivery in the municipal corporation, 79776  
other than for purposes of transportation, to a person or firm 79777  
designated by a purchaser constitutes delivery to the purchaser in 79778  
that municipal corporation, and direct delivery outside the 79779  
municipal corporation to a person or firm designated by a 79780  
purchaser does not constitute delivery to the purchaser in that 79781  
municipal corporation, regardless of where title passes or other 79782  
conditions of sale. Sales, other than sales of tangible personal 79783  
property, are in the municipal corporation if either: 79784

(a) The income-producing activity is performed solely in the 79785  
municipal corporation; 79786

(b) The income-producing activity is performed both within 79787  
and without the municipal corporation and a greater proportion of 79788  
the income-producing activity is performed within that municipal 79789  
corporation than any other location in this state, based on costs 79790  
of performance. 79791

For the purposes of division (C)(3) of this section, the tax 79792  
commissioner may adopt rules to apportion sales within each 79793  
municipal corporation. 79794

(D) If a taxpayer is a combined company as defined in section 79795  
5727.01 of the Revised Code, the municipal property, payroll, and 79796  
sales factors under division (C) of this section shall be adjusted 79797  
as follows: 79798

(1) The numerator of the municipal property factor shall 79799  
include only the value, as determined under division (C)(1) of 79800



this section, of the company's real and tangible property in the 79801  
municipal corporation attributed to the company's activity as an 79802  
electric company using the same methodology prescribed under 79803  
section 5727.03 of the Revised Code for taxable tangible personal 79804  
property. 79805

(2) The numerator of the municipal payroll factor shall 79806  
include only compensation paid in the municipal corporation by the 79807  
company to its employees for personal services rendered in the 79808  
company's activity as an electric company. 79809

(3) The numerator of the municipal sales factor shall include 79810  
only the sales of tangible personal property and services, as 79811  
determined under division (C)(3) of this section, made in the 79812  
municipal corporation in the course of the company's activity as 79813  
an electric company. 79814

(E)(1) If the provisions for apportioning adjusted federal 79815  
taxable income or Ohio net income under ~~division~~ divisions (B), 79816  
(C), and (D) of this section do not fairly represent business 79817  
activity in this state or among municipal corporations, the tax 79818  
commissioner may adopt rules for apportioning such income by an 79819  
alternative method that fairly represents business activity in 79820  
this state or among municipal corporations. 79821

(2) If any of the factors determined under division (B), (C), 79822  
or (D) of this section does not fairly represent the extent of a 79823  
taxpayer's business activity in this state or among municipal 79824  
corporations, the taxpayer may request, or the tax commissioner 79825  
may require, that the taxpayer's adjusted federal taxable income 79826  
or Ohio net income be determined by an alternative method, 79827  
including any of the alternative methods enumerated in division 79828  
(B)(2)(d) of section 5733.05 of the Revised Code. A taxpayer 79829  
requesting an alternative method shall make the request in writing 79830  
to the tax commissioner either with the annual report, a timely 79831  
filed amended report, or a timely filed petition for reassessment. 79832

When the tax commissioner requires or permits an alternative 79833  
method under division (E)(2) of this section, the tax commissioner 79834  
shall cause a written notice to that effect to be delivered to any 79835  
municipal corporation that would be affected by application of the 79836  
alternative method. Nothing in this division shall be construed to 79837  
extend any statute of limitations under this chapter. 79838

(F)(1) The tax commissioner may adopt rules providing for the 79839  
combination of adjusted federal taxable incomes of taxpayers 79840  
satisfying the ownership or control requirements of section 79841  
5733.052 of the Revised Code if the tax commissioner finds that 79842  
such combinations are necessary to properly reflect adjusted 79843  
federal taxable income, Ohio net income, or the portion of Ohio 79844  
net income to be taxable by municipal corporations. 79845

(2) A taxpayer satisfying the ownership or control 79846  
requirements of section 5733.052 of the Revised Code with respect 79847  
to one or more other taxpayers may not combine their adjusted 79848  
federal taxable incomes for the purposes of this section unless 79849  
rules are adopted under division (F)(1) of this section allowing 79850  
such a combination or the tax commissioner finds that such a 79851  
combination is necessary to properly reflect the taxpayers' 79852  
adjusted federal taxable incomes, Ohio net incomes, or the portion 79853  
of Ohio net incomes to be subject to taxation within a municipal 79854  
corporation. 79855

(G) The tax commissioner may adopt rules providing for 79856  
alternative apportionment methods for a telephone company. 79857

**Sec. 5745.04.** (A) As used in this section, "combined tax 79858  
liability" means the total of a taxpayer's income tax liabilities 79859  
to all municipal corporations in this state for a taxable year. 79860

(B) Beginning with its taxable year beginning in 2003, each 79861  
taxpayer shall file a declaration of estimated tax report with, 79862  
and remit estimated taxes to, the tax commissioner, payable to the 79863

treasurer of state, at the times and in the amounts prescribed in 79864  
divisions (B)(1) to (4) of this section. This division also 79865  
applies to a taxpayer having a taxable year consisting of fewer 79866  
than twelve months, at least one of which is in 2002, that ends 79867  
before January 1, 2003. The first taxable year a taxpayer is 79868  
subject to this chapter, the estimated taxes the taxpayer is 79869  
required to remit under this section shall be based solely on the 79870  
current taxable year and not on the liability for the preceding 79871  
taxable year. 79872

(1) Not less than twenty-five per cent of the combined tax 79873  
liability for the preceding taxable year or twenty per cent of the 79874  
combined tax liability for the current taxable year shall have 79875  
been remitted not later than the fifteenth day of the fourth month 79876  
after the end of the preceding taxable year. 79877

(2) Not less than fifty per cent of the combined tax 79878  
liability for the preceding taxable year or forty per cent of the 79879  
combined tax liability for the current taxable year shall have 79880  
been remitted not later than the fifteenth day of the sixth month 79881  
after the end of the preceding taxable year. 79882

(3) Not less than seventy-five per cent of the combined tax 79883  
liability for the preceding taxable year or sixty per cent of the 79884  
combined tax liability for the current taxable year shall have 79885  
been remitted not later than the fifteenth day of the ninth month 79886  
after the end of the preceding taxable year. 79887

(4) Not less than one hundred per cent of the combined tax 79888  
liability for the preceding taxable year or eighty per cent of the 79889  
combined tax liability for the current taxable year shall have 79890  
been remitted not later than the fifteenth day of the twelfth 79891  
month after the end of the preceding taxable year. 79892

(C) Each taxpayer shall report on the declaration of 79893  
estimated tax report the portion of the remittance that the 79894

taxpayer estimates that it owes to each municipal corporation for 79895  
the taxable year. 79896

(D) Upon receiving a declaration of estimated tax report and 79897  
remittance of estimated taxes under this section, the tax 79898  
commissioner shall immediately forward to the treasurer of state 79899  
such remittance. The treasurer of state shall credit ninety-eight 79900  
and one-half per cent of the remittance to the municipal income 79901  
tax fund and credit the remainder to the municipal income tax 79902  
administrative fund. 79903

(E) If any remittance of estimated taxes is for one thousand 79904  
dollars or more, the taxpayer shall make the remittance by 79905  
electronic funds transfer as prescribed by section 5745.04 of the 79906  
Revised Code. 79907

(F) Notwithstanding section 5745.08 or 5745.09 of the Revised 79908  
Code, no penalty or interest shall be imposed on a taxpayer if the 79909  
declaration of estimated tax report is properly filed, and the 79910  
estimated tax is paid, within the time prescribed by division (B) 79911  
of this section. 79912

**Sec. 5747.01.** Except as otherwise expressly provided or 79913  
clearly appearing from the context, any term used in this chapter 79914  
has the same meaning as when used in a comparable context in the 79915  
Internal Revenue Code, and all other statutes of the United States 79916  
relating to federal income taxes. 79917

As used in this chapter: 79918

(A) "Adjusted gross income" or "Ohio adjusted gross income" 79919  
means federal adjusted gross income, as defined and used in the 79920  
Internal Revenue Code, adjusted as provided in this section: 79921

(1) Add interest or dividends on obligations or securities of 79922  
any state or of any political subdivision or authority of any 79923  
state, other than this state and its subdivisions and authorities. 79924

(2) Add interest or dividends on obligations of any authority, commission, instrumentality, territory, or possession of the United States to the extent that the interest or dividends are exempt from federal income taxes but not from state income taxes.

(3) Deduct interest or dividends on obligations of the United States and its territories and possessions or of any authority, commission, or instrumentality of the United States to the extent that the interest or dividends are included in federal adjusted gross income but exempt from state income taxes under the laws of the United States.

(4) Deduct disability and survivor's benefits to the extent included in federal adjusted gross income.

(5) Deduct benefits under Title II of the Social Security Act and tier 1 railroad retirement benefits to the extent included in federal adjusted gross income under section 86 of the Internal Revenue Code.

(6) In the case of a taxpayer who is a beneficiary of a trust that makes an accumulation distribution as defined in section 665 of the Internal Revenue Code, add, for the beneficiary's taxable years beginning before 2002 or after 2004, the portion, if any, of such distribution that does not exceed the undistributed net income of the trust for the three taxable years preceding the taxable year in which the distribution is made to the extent that the portion was not included in the trust's taxable income for any of the trust's taxable years beginning in 2002, 2003, or 2004. "Undistributed net income of a trust" means the taxable income of the trust increased by (a)(i) the additions to adjusted gross income required under division (A) of this section and (ii) the personal exemptions allowed to the trust pursuant to section 642(b) of the Internal Revenue Code, and decreased by (b)(i) the

deductions to adjusted gross income required under division (A) of 79956  
this section, (ii) the amount of federal income taxes attributable 79957  
to such income, and (iii) the amount of taxable income that has 79958  
been included in the adjusted gross income of a beneficiary by 79959  
reason of a prior accumulation distribution. Any undistributed net 79960  
income included in the adjusted gross income of a beneficiary 79961  
shall reduce the undistributed net income of the trust commencing 79962  
with the earliest years of the accumulation period. 79963

(7) Deduct the amount of wages and salaries, if any, not 79964  
otherwise allowable as a deduction but that would have been 79965  
allowable as a deduction in computing federal adjusted gross 79966  
income for the taxable year, had the targeted jobs credit allowed 79967  
and determined under sections 38, 51, and 52 of the Internal 79968  
Revenue Code not been in effect. 79969

(8) Deduct any interest or interest equivalent on public 79970  
obligations and purchase obligations to the extent that the 79971  
interest or interest equivalent is included in federal adjusted 79972  
gross income. 79973

(9) Add any loss or deduct any gain resulting from the sale, 79974  
exchange, or other disposition of public obligations to the extent 79975  
that the loss has been deducted or the gain has been included in 79976  
computing federal adjusted gross income. 79977

(10) Deduct or add amounts, as provided under section 5747.70 79978  
of the Revised Code, related to contributions to variable college 79979  
savings program accounts made or tuition credits purchased 79980  
pursuant to Chapter 3334. of the Revised Code. 79981

(11)(a) Deduct, to the extent not otherwise allowable as a 79982  
deduction or exclusion in computing federal or Ohio adjusted gross 79983  
income for the taxable year, the amount the taxpayer paid during 79984  
the taxable year for medical care insurance and qualified 79985  
long-term care insurance for the taxpayer, the taxpayer's spouse, 79986

and dependents. No deduction for medical care insurance under 79987  
division (A)(11) of this section shall be allowed either to any 79988  
taxpayer who is eligible to participate in any subsidized health 79989  
plan maintained by any employer of the taxpayer or of the 79990  
taxpayer's spouse, or to any taxpayer who is entitled to, or on 79991  
application would be entitled to, benefits under part A of Title 79992  
XVIII of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 79993  
301, as amended. For the purposes of division (A)(11)(a) of this 79994  
section, "subsidized health plan" means a health plan for which 79995  
the employer pays any portion of the plan's cost. The deduction 79996  
allowed under division (A)(11)(a) of this section shall be the net 79997  
of any related premium refunds, related premium reimbursements, or 79998  
related insurance premium dividends received during the taxable 79999  
year. 80000

(b) Deduct, to the extent not otherwise deducted or excluded 80001  
in computing federal or Ohio adjusted gross income during the 80002  
taxable year, the amount the taxpayer paid during the taxable 80003  
year, not compensated for by any insurance or otherwise, for 80004  
medical care of the taxpayer, the taxpayer's spouse, and 80005  
dependents, to the extent the expenses exceed seven and one-half 80006  
per cent of the taxpayer's federal adjusted gross income. 80007

(c) For purposes of division (A)(11) of this section, 80008  
"medical care" has the meaning given in section 213 of the 80009  
Internal Revenue Code, subject to the special rules, limitations, 80010  
and exclusions set forth therein, and "qualified long-term care" 80011  
has the same meaning given in section 7702(B)(b) of the Internal 80012  
Revenue Code. 80013

(12)(a) Deduct any amount included in federal adjusted gross 80014  
income solely because the amount represents a reimbursement or 80015  
refund of expenses that in any year the taxpayer had deducted as 80016  
an itemized deduction pursuant to section 63 of the Internal 80017  
Revenue Code and applicable United States department of the 80018

treasury regulations. The deduction otherwise allowed under 80019  
division (A)(12)(a) of this section shall be reduced to the extent 80020  
the reimbursement is attributable to an amount the taxpayer 80021  
deducted under this section in any taxable year. 80022

(b) Add any amount not otherwise included in Ohio adjusted 80023  
gross income for any taxable year to the extent that the amount is 80024  
attributable to the recovery during the taxable year of any amount 80025  
deducted or excluded in computing federal or Ohio adjusted gross 80026  
income in any taxable year. 80027

(13) Deduct any portion of the deduction described in section 80028  
1341(a)(2) of the Internal Revenue Code, for repaying previously 80029  
reported income received under a claim of right, that meets both 80030  
of the following requirements: 80031

(a) It is allowable for repayment of an item that was 80032  
included in the taxpayer's adjusted gross income for a prior 80033  
taxable year and did not qualify for a credit under division (A) 80034  
or (B) of section 5747.05 of the Revised Code for that year; 80035

(b) It does not otherwise reduce the taxpayer's adjusted 80036  
gross income for the current or any other taxable year. 80037

(14) Deduct an amount equal to the deposits made to, and net 80038  
investment earnings of, a medical savings account during the 80039  
taxable year, in accordance with section 3924.66 of the Revised 80040  
Code. The deduction allowed by division (A)(14) of this section 80041  
does not apply to medical savings account deposits and earnings 80042  
otherwise deducted or excluded for the current or any other 80043  
taxable year from the taxpayer's federal adjusted gross income. 80044

(15)(a) Add an amount equal to the funds withdrawn from a 80045  
medical savings account during the taxable year, and the net 80046  
investment earnings on those funds, when the funds withdrawn were 80047  
used for any purpose other than to reimburse an account holder 80048  
for, or to pay, eligible medical expenses, in accordance with 80049



section 3924.66 of the Revised Code; 80050

(b) Add the amounts distributed from a medical savings 80051  
account under division (A)(2) of section 3924.68 of the Revised 80052  
Code during the taxable year. 80053

(16) Add any amount claimed as a credit under section 80054  
5747.059 of the Revised Code to the extent that such amount 80055  
satisfies either of the following: 80056

(a) The amount was deducted or excluded from the computation 80057  
of the taxpayer's federal adjusted gross income as required to be 80058  
reported for the taxpayer's taxable year under the Internal 80059  
Revenue Code; 80060

(b) The amount resulted in a reduction of the taxpayer's 80061  
federal adjusted gross income as required to be reported for any 80062  
of the taxpayer's taxable years under the Internal Revenue Code. 80063

(17) Deduct the amount contributed by the taxpayer to an 80064  
individual development account program established by a county 80065  
department of job and family services pursuant to sections 329.11 80066  
to 329.14 of the Revised Code for the purpose of matching funds 80067  
deposited by program participants. On request of the tax 80068  
commissioner, the taxpayer shall provide any information that, in 80069  
the tax commissioner's opinion, is necessary to establish the 80070  
amount deducted under division (A)(17) of this section. 80071

(18) Beginning in taxable year 2001, if the taxpayer is 80072  
married and files a joint return and the combined federal adjusted 80073  
gross income of the taxpayer and the taxpayer's spouse for the 80074  
taxable year does not exceed one hundred thousand dollars, or if 80075  
the taxpayer is single and has a federal adjusted gross income for 80076  
the taxable year not exceeding fifty thousand dollars, deduct 80077  
amounts paid during the taxable year for qualified tuition and 80078  
fees paid to an eligible institution for the taxpayer, the 80079  
taxpayer's spouse, or any dependent of the taxpayer, who is a 80080

resident of this state and is enrolled in or attending a program 80081  
that culminates in a degree or diploma at an eligible institution. 80082  
The deduction may be claimed only to the extent that qualified 80083  
tuition and fees are not otherwise deducted or excluded for any 80084  
taxable year from federal or Ohio adjusted gross income. The 80085  
deduction may not be claimed for educational expenses for which 80086  
the taxpayer claims a credit under section 5747.27 of the Revised 80087  
Code. 80088

(19) Add any reimbursement received during the taxable year 80089  
of any amount the taxpayer deducted under division (A)(18) of this 80090  
section in any previous taxable year to the extent the amount is 80091  
not otherwise included in Ohio adjusted gross income. 80092

(20)(a)(i) Add five-sixths of the amount of depreciation 80093  
expense allowed by subsection (k) of section 168 of the Internal 80094  
Revenue Code, including the taxpayer's proportionate or 80095  
distributive share of the amount of depreciation expense allowed 80096  
by that subsection to a pass-through entity in which the taxpayer 80097  
has a direct or indirect ownership interest. ~~The~~ 80098

(ii) Add five-sixths of the amount of qualifying section 179 80099  
depreciation expense, including a person's proportionate or 80100  
distributive share of the amount of qualifying section 179 80101  
depreciation expense allowed to any pass-through entity in which 80102  
the person has a direct or indirect ownership. For the purposes of 80103  
this division, "qualifying section 179 depreciation expense" means 80104  
the difference between (I) the amount of depreciation expense 80105  
directly or indirectly allowed to the taxpayer under section 179 80106  
of the Internal Revenue Code, and (II) the amount of depreciation 80107  
expense directly or indirectly allowed to the taxpayer under 80108  
section 179 of the Internal Revenue Code as that section existed 80109  
on December 31, 2002. 80110

The tax commissioner, under procedures established by the 80111  
commissioner, may waive the ~~add-back~~ add-backs related to a 80112

pass-through entity if the taxpayer owns, directly or indirectly, 80113  
less than five per cent of the pass-through entity. 80114

(b) Nothing in division (A)(20) of this section shall be 80115  
construed to adjust or modify the adjusted basis of any asset. 80116

(c) To the extent the add-back required under division 80117  
(A)(20)(a) of this section is attributable to property generating 80118  
nonbusiness income or loss allocated under section 5747.20 of the 80119  
Revised Code, the add-back shall be situated to the same location 80120  
as the nonbusiness income or loss generated by the property for 80121  
the purpose of determining the credit under division (A) of 80122  
section 5747.05 of the Revised Code. Otherwise, the add-back shall 80123  
be apportioned, subject to one or more of the four alternative 80124  
methods of apportionment enumerated in section 5747.21 of the 80125  
Revised Code. 80126

(d) For the purposes of division (A) of this section, net 80127  
operating loss carryback and carryforward shall not include 80128  
five-sixths of the allowance of any net operating loss deduction 80129  
carryback or carryforward to the taxable year to the extent such 80130  
loss resulted from depreciation allowed by section 168(k) of the 80131  
Internal Revenue Code and by the qualifying section 179 80132  
depreciation expense amount. 80133

(21)(a) If the taxpayer was required to add an amount under 80134  
division (A)(20)(a) of this section for a taxable year, deduct 80135  
one-fifth of the amount so added for each of the five succeeding 80136  
taxable years. 80137

(b) If the amount deducted under division (A)(21)(a) of this 80138  
section is attributable to an add-back allocated under division 80139  
(A)(20)(c) of this section, the amount deducted shall be situated 80140  
to the same location. Otherwise, the add-back shall be apportioned 80141  
using the apportionment factors for the taxable year in which the 80142  
deduction is taken, subject to one or more of the four alternative 80143

methods of apportionment enumerated in section 5747.21 of the Revised Code. 80144  
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(c) No deduction is available under division (A)(21)(a) of this section with regard to any depreciation allowed by section 168(k) of the Internal Revenue Code and by the qualifying section 179 depreciation expense amount to the extent that such depreciation resulted in or increased a federal net operating loss carryback or carryforward to a taxable year to which division (A)(20)(d) of this section does not apply. 80146  
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(B) "Business income" means income, including gain or loss, arising from transactions, activities, and sources in the regular course of a trade or business and includes income, gain, or loss from real property, tangible property, and intangible property if the acquisition, rental, management, and disposition of the property constitute integral parts of the regular course of a trade or business operation. "Business income" includes income, including gain or loss, from a partial or complete liquidation of a business, including, but not limited to, gain or loss from the sale or other disposition of goodwill. 80153  
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(C) "Nonbusiness income" means all income other than business income and may include, but is not limited to, compensation, rents and royalties from real or tangible personal property, capital gains, interest, dividends and distributions, patent or copyright royalties, or lottery winnings, prizes, and awards. 80163  
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(D) "Compensation" means any form of remuneration paid to an employee for personal services. 80168  
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(E) "Fiduciary" means a guardian, trustee, executor, administrator, receiver, conservator, or any other person acting in any fiduciary capacity for any individual, trust, or estate. 80170  
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(F) "Fiscal year" means an accounting period of twelve months ending on the last day of any month other than December. 80173  
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(G) "Individual" means any natural person.	80175
(H) "Internal Revenue Code" means the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended.	80176 80177
(I) "Resident" means any of the following, provided that division (I)(3) of this section applies only to taxable years of a trust beginning in 2002, 2003, or 2004:	80178 80179 80180
(1) An individual who is domiciled in this state, subject to section 5747.24 of the Revised Code;	80181 80182
(2) The estate of a decedent who at the time of death was domiciled in this state. The domicile tests of section 5747.24 of the Revised Code and any election under section 5747.25 of the Revised Code are not controlling for purposes of division (I)(2) of this section.	80183 80184 80185 80186 80187
(3) A trust that, in whole or part, resides in this state. If only part of a trust resides in this state, the trust is a resident only with respect to that part.	80188 80189 80190
For the purposes of division (I)(3) of this section:	80191
(a) A trust resides in this state for the trust's current taxable year to the extent, as described in division (I)(3)(d) of this section, that the trust consists directly or indirectly, in whole or in part, of assets, net of any related liabilities, that were transferred, or caused to be transferred, directly or indirectly, to the trust by any of the following:	80192 80193 80194 80195 80196 80197
(i) A person, a court, or a governmental entity or instrumentality on account of the death of a decedent, but only if the trust is described in division (I)(3)(e)(i) or (ii) of this section;	80198 80199 80200 80201
(ii) A person who was domiciled in this state for the purposes of this chapter when the person directly or indirectly transferred assets to an irrevocable trust, but only if at least	80202 80203 80204

one of the trust's qualifying beneficiaries is domiciled in this 80205  
state for the purposes of this chapter during all or some portion 80206  
of the trust's current taxable year; 80207

(iii) A person who was domiciled in this state for the 80208  
purposes of this chapter when the trust document or instrument or 80209  
part of the trust document or instrument became irrevocable, but 80210  
only if at least one of the trust's qualifying beneficiaries is a 80211  
resident domiciled in this state for the purposes of this chapter 80212  
during all or some portion of the trust's current taxable year. 80213

(b) A trust is irrevocable to the extent that the transferor 80214  
is not considered to be the owner of the net assets of the trust 80215  
under sections 671 to 678 of the Internal Revenue Code. 80216

(c) With respect to a trust other than a charitable lead 80217  
trust, "qualifying beneficiary" has the same meaning as "potential 80218  
current beneficiary" as defined in section 1361(e)(2) of the 80219  
Internal Revenue Code, and with respect to a charitable lead trust 80220  
"qualifying beneficiary" is any current, future, or contingent 80221  
beneficiary, but with respect to any trust "qualifying 80222  
beneficiary" excludes a person or a governmental entity or 80223  
instrumentality to any of which a contribution would qualify for 80224  
the charitable deduction under section 170 of the Internal Revenue 80225  
Code. 80226

(d) For the purposes of division (I)(3)(a) of this section, 80227  
the extent to which a trust consists directly or indirectly, in 80228  
whole or in part, of assets, net of any related liabilities, that 80229  
were transferred directly or indirectly, in whole or part, to the 80230  
trust by any of the sources enumerated in that division shall be 80231  
ascertained by multiplying the fair market value of the trust's 80232  
assets, net of related liabilities, by the qualifying ratio, which 80233  
shall be computed as follows: 80234

(i) The first time the trust receives assets, the numerator 80235

of the qualifying ratio is the fair market value of those assets 80236  
at that time, net of any related liabilities, from sources 80237  
enumerated in division (I)(3)(a) of this section. The denominator 80238  
of the qualifying ratio is the fair market value of all the 80239  
trust's assets at that time, net of any related liabilities. 80240

(ii) Each subsequent time the trust receives assets, a 80241  
revised qualifying ratio shall be computed. The numerator of the 80242  
revised qualifying ratio is the sum of (1) the fair market value 80243  
of the trust's assets immediately prior to the subsequent 80244  
transfer, net of any related liabilities, multiplied by the 80245  
qualifying ratio last computed without regard to the subsequent 80246  
transfer, and (2) the fair market value of the subsequently 80247  
transferred assets at the time transferred, net of any related 80248  
liabilities, from sources enumerated in division (I)(3)(a) of this 80249  
section. The denominator of the revised qualifying ratio is the 80250  
fair market value of all the trust's assets immediately after the 80251  
subsequent transfer, net of any related liabilities. 80252

(e) For the purposes of division (I)(3)(a)(i) of this 80253  
section: 80254

(i) A trust is described in division (I)(3)(e)(i) of this 80255  
section if the trust is a testamentary trust and the testator of 80256  
that testamentary trust was domiciled in this state at the time of 80257  
the testator's death for purposes of the taxes levied under 80258  
Chapter 5731. of the Revised Code. 80259

(ii) A trust is described in division (I)(3)(e)(ii) of this 80260  
section if the transfer is a qualifying transfer described in any 80261  
of divisions (I)(3)(f)(i) to (vi) of this section, the trust is an 80262  
irrevocable inter vivos trust, and at least one of the trust's 80263  
qualifying beneficiaries is domiciled in this state for purposes 80264  
of this chapter during all or some portion of the trust's current 80265  
taxable year. 80266

(f) For the purposes of division (I)(3)(e)(ii) of this section, a "qualifying transfer" is a transfer of assets, net of any related liabilities, directly or indirectly to a trust, if the transfer is described in any of the following:

(i) The transfer is made to a trust, created by the decedent before the decedent's death and while the decedent was domiciled in this state for the purposes of this chapter, and, prior to the death of the decedent, the trust became irrevocable while the decedent was domiciled in this state for the purposes of this chapter.

(ii) The transfer is made to a trust to which the decedent, prior to the decedent's death, had directly or indirectly transferred assets, net of any related liabilities, while the decedent was domiciled in this state for the purposes of this chapter, and prior to the death of the decedent the trust became irrevocable while the decedent was domiciled in this state for the purposes of this chapter.

(iii) The transfer is made on account of a contractual relationship existing directly or indirectly between the transferor and either the decedent or the estate of the decedent at any time prior to the date of the decedent's death, and the decedent was domiciled in this state at the time of death for purposes of the taxes levied under Chapter 5731. of the Revised Code.

(iv) The transfer is made to a trust on account of a contractual relationship existing directly or indirectly between the transferor and another person who at the time of the decedent's death was domiciled in this state for purposes of this chapter.

(v) The transfer is made to a trust on account of the will of a testator.



(vi) The transfer is made to a trust created by or caused to be created by a court, and the trust was directly or indirectly created in connection with or as a result of the death of an individual who, for purposes of the taxes levied under Chapter 5731. of the Revised Code, was domiciled in this state at the time of the individual's death.

(g) The tax commissioner may adopt rules to ascertain the part of a trust residing in this state.

(J) "Nonresident" means an individual or estate that is not a resident. An individual who is a resident for only part of a taxable year is a nonresident for the remainder of that taxable year.

(K) "Pass-through entity" has the same meaning as in section 5733.04 of the Revised Code.

(L) "Return" means the notifications and reports required to be filed pursuant to this chapter for the purpose of reporting the tax due and includes declarations of estimated tax when so required.

(M) "Taxable year" means the calendar year or the taxpayer's fiscal year ending during the calendar year, or fractional part thereof, upon which the adjusted gross income is calculated pursuant to this chapter.

(N) "Taxpayer" means any person subject to the tax imposed by section 5747.02 of the Revised Code or any pass-through entity that makes the election under division (D) of section 5747.08 of the Revised Code.

(O) "Dependents" means dependents as defined in the Internal Revenue Code and as claimed in the taxpayer's federal income tax return for the taxable year or which the taxpayer would have been permitted to claim had the taxpayer filed a federal income tax

return. 80328

(P) "Principal county of employment" means, in the case of a 80329  
nonresident, the county within the state in which a taxpayer 80330  
performs services for an employer or, if those services are 80331  
performed in more than one county, the county in which the major 80332  
portion of the services are performed. 80333

(Q) As used in sections 5747.50 to 5747.55 of the Revised 80334  
Code: 80335

(1) "Subdivision" means any county, municipal corporation, 80336  
park district, or township. 80337

(2) "Essential local government purposes" includes all 80338  
functions that any subdivision is required by general law to 80339  
exercise, including like functions that are exercised under a 80340  
charter adopted pursuant to the Ohio Constitution. 80341

(R) "Overpayment" means any amount already paid that exceeds 80342  
the figure determined to be the correct amount of the tax. 80343

(S) "Taxable income" or "Ohio taxable income" applies only to 80344  
estates and trusts, and means federal taxable income, as defined 80345  
and used in the Internal Revenue Code, adjusted as follows: 80346

(1) Add interest or dividends, net of ordinary, necessary, 80347  
and reasonable expenses not deducted in computing federal taxable 80348  
income, on obligations or securities of any state or of any 80349  
political subdivision or authority of any state, other than this 80350  
state and its subdivisions and authorities, but only to the extent 80351  
that such net amount is not otherwise includible in Ohio taxable 80352  
income and is described in either division (S)(1)(a) or (b) of 80353  
this section: 80354

(a) The net amount is not attributable to the S portion of an 80355  
electing small business trust and has not been distributed to 80356  
beneficiaries for the taxable year; 80357

(b) The net amount is attributable to the S portion of an electing small business trust for the taxable year. 80358  
80359

(2) Add interest or dividends, net of ordinary, necessary, and reasonable expenses not deducted in computing federal taxable income, on obligations of any authority, commission, instrumentality, territory, or possession of the United States to the extent that the interest or dividends are exempt from federal income taxes but not from state income taxes, but only to the extent that such net amount is not otherwise includible in Ohio taxable income and is described in either division (S)(1)(a) or (b) of this section; 80360  
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(3) Add the amount of personal exemption allowed to the estate pursuant to section 642(b) of the Internal Revenue Code; 80369  
80370

(4) Deduct interest or dividends, net of related expenses deducted in computing federal taxable income, on obligations of the United States and its territories and possessions or of any authority, commission, or instrumentality of the United States to the extent that the interest or dividends are exempt from state taxes under the laws of the United States, but only to the extent that such amount is included in federal taxable income and is described in either division (S)(1)(a) or (b) of this section; 80371  
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(5) Deduct the amount of wages and salaries, if any, not otherwise allowable as a deduction but that would have been allowable as a deduction in computing federal taxable income for the taxable year, had the targeted jobs credit allowed under sections 38, 51, and 52 of the Internal Revenue Code not been in effect, but only to the extent such amount relates either to income included in federal taxable income for the taxable year or to income of the S portion of an electing small business trust for the taxable year; 80379  
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(6) Deduct any interest or interest equivalent, net of 80388

related expenses deducted in computing federal taxable income, on 80389  
public obligations and purchase obligations, but only to the 80390  
extent that such net amount relates either to income included in 80391  
federal taxable income for the taxable year or to income of the S 80392  
portion of an electing small business trust for the taxable year; 80393

(7) Add any loss or deduct any gain resulting from sale, 80394  
exchange, or other disposition of public obligations to the extent 80395  
that such loss has been deducted or such gain has been included in 80396  
computing either federal taxable income or income of the S portion 80397  
of an electing small business trust for the taxable year; 80398

(8) Except in the case of the final return of an estate, add 80399  
any amount deducted by the taxpayer on both its Ohio estate tax 80400  
return pursuant to section 5731.14 of the Revised Code, and on its 80401  
federal income tax return in determining federal taxable income; 80402

(9)(a) Deduct any amount included in federal taxable income 80403  
solely because the amount represents a reimbursement or refund of 80404  
expenses that in a previous year the decedent had deducted as an 80405  
itemized deduction pursuant to section 63 of the Internal Revenue 80406  
Code and applicable treasury regulations. The deduction otherwise 80407  
allowed under division (S)(9)(a) of this section shall be reduced 80408  
to the extent the reimbursement is attributable to an amount the 80409  
taxpayer or decedent deducted under this section in any taxable 80410  
year. 80411

(b) Add any amount not otherwise included in Ohio taxable 80412  
income for any taxable year to the extent that the amount is 80413  
attributable to the recovery during the taxable year of any amount 80414  
deducted or excluded in computing federal or Ohio taxable income 80415  
in any taxable year, but only to the extent such amount has not 80416  
been distributed to beneficiaries for the taxable year. 80417

(10) Deduct any portion of the deduction described in section 80418  
1341(a)(2) of the Internal Revenue Code, for repaying previously 80419

reported income received under a claim of right, that meets both 80420  
of the following requirements: 80421

(a) It is allowable for repayment of an item that was 80422  
included in the taxpayer's taxable income or the decedent's 80423  
adjusted gross income for a prior taxable year and did not qualify 80424  
for a credit under division (A) or (B) of section 5747.05 of the 80425  
Revised Code for that year. 80426

(b) It does not otherwise reduce the taxpayer's taxable 80427  
income or the decedent's adjusted gross income for the current or 80428  
any other taxable year. 80429

(11) Add any amount claimed as a credit under section 80430  
5747.059 of the Revised Code to the extent that the amount 80431  
satisfies either of the following: 80432

(a) The amount was deducted or excluded from the computation 80433  
of the taxpayer's federal taxable income as required to be 80434  
reported for the taxpayer's taxable year under the Internal 80435  
Revenue Code; 80436

(b) The amount resulted in a reduction in the taxpayer's 80437  
federal taxable income as required to be reported for any of the 80438  
taxpayer's taxable years under the Internal Revenue Code. 80439

(12) Deduct any amount, net of related expenses deducted in 80440  
computing federal taxable income, that a trust is required to 80441  
report as farm income on its federal income tax return, but only 80442  
if the assets of the trust include at least ten acres of land 80443  
satisfying the definition of "land devoted exclusively to 80444  
agricultural use" under section 5713.30 of the Revised Code, 80445  
regardless of whether the land is valued for tax purposes as such 80446  
land under sections 5713.30 to 5713.38 of the Revised Code. If the 80447  
trust is a pass-through entity investor, section 5747.231 of the 80448  
Revised Code applies in ascertaining if the trust is eligible to 80449  
claim the deduction provided by division (S)(12) of this section 80450

in connection with the pass-through entity's farm income. 80451

Except for farm income attributable to the S portion of an 80452  
electing small business trust, the deduction provided by division 80453  
(S)(12) of this section is allowed only to the extent that the 80454  
trust has not distributed such farm income. Division (S)(12) of 80455  
this section applies only to taxable years of a trust beginning in 80456  
2002, 2003, or 2004. 80457

(13) Add the net amount of income described in section 641(c) 80458  
of the Internal Revenue Code to the extent that amount is not 80459  
included in federal taxable income. 80460

(14) Add or deduct the amount the taxpayer would be required 80461  
to add or deduct under division (A)(20) or (21) of this section if 80462  
the taxpayer's Ohio taxable income were computed in the same 80463  
manner as an individual's Ohio adjusted gross income is computed 80464  
under this section. In the case of a trust, division (S)(14) of 80465  
this section applies only to any of the trust's taxable years 80466  
beginning in 2002, 2003, or 2004. 80467

(T) "School district income" and "school district income tax" 80468  
have the same meanings as in section 5748.01 of the Revised Code. 80469

(U) As used in divisions (A)(8), (A)(9), (S)(6), and (S)(7) 80470  
of this section, "public obligations," "purchase obligations," and 80471  
"interest or interest equivalent" have the same meanings as in 80472  
section 5709.76 of the Revised Code. 80473

(V) "Limited liability company" means any limited liability 80474  
company formed under Chapter 1705. of the Revised Code or under 80475  
the laws of any other state. 80476

(W) "Pass-through entity investor" means any person who, 80477  
during any portion of a taxable year of a pass-through entity, is 80478  
a partner, member, shareholder, or equity investor in that 80479  
pass-through entity. 80480

(X) "Banking day" has the same meaning as in section 1304.01 of the Revised Code.	80481 80482
(Y) "Month" means a calendar month.	80483
(Z) "Quarter" means the first three months, the second three months, the third three months, or the last three months of the taxpayer's taxable year.	80484 80485 80486
(AA)(1) "Eligible institution" means a state university or state institution of higher education as defined in section 3345.011 of the Revised Code, or a private, nonprofit college, university, or other post-secondary institution located in this state that possesses a certificate of authorization issued by the Ohio board of regents pursuant to Chapter 1713. of the Revised Code or a certificate of registration issued by the state board of career colleges and schools under Chapter 3332. of the Revised Code.	80487 80488 80489 80490 80491 80492 80493 80494 80495
(2) "Qualified tuition and fees" means tuition and fees imposed by an eligible institution as a condition of enrollment or attendance, not exceeding two thousand five hundred dollars in each of the individual's first two years of post-secondary education. If the individual is a part-time student, "qualified tuition and fees" includes tuition and fees paid for the academic equivalent of the first two years of post-secondary education during a maximum of five taxable years, not exceeding a total of five thousand dollars. "Qualified tuition and fees" does not include:	80496 80497 80498 80499 80500 80501 80502 80503 80504 80505
(a) Expenses for any course or activity involving sports, games, or hobbies unless the course or activity is part of the individual's degree or diploma program;	80506 80507 80508
(b) The cost of books, room and board, student activity fees, athletic fees, insurance expenses, or other expenses unrelated to the individual's academic course of instruction;	80509 80510 80511

(c) Tuition, fees, or other expenses paid or reimbursed 80512  
through an employer, scholarship, grant in aid, or other 80513  
educational benefit program. 80514

(BB)(1) "Modified business income" means the business income 80515  
included in a trust's Ohio taxable income after such taxable 80516  
income is first reduced by the qualifying trust amount, if any. 80517

(2) "Qualifying trust amount" of a trust means capital gains 80518  
and losses from the sale, exchange, or other disposition of equity 80519  
or ownership interests in, or debt obligations of, a qualifying 80520  
investee to the extent included in the trust's Ohio taxable 80521  
income, but only if the following requirements are satisfied: 80522

(a) The book value of the qualifying investee's physical 80523  
assets in this state and everywhere, as of the last day of the 80524  
qualifying investee's fiscal or calendar year ending immediately 80525  
prior to the date on which the trust recognizes the gain or loss, 80526  
is available to the trust. 80527

(b) The requirements of section 5747.011 of the Revised Code 80528  
are satisfied for the trust's taxable year in which the trust 80529  
recognizes the gain or loss. 80530

Any gain or loss that is not a qualifying trust amount is 80531  
modified business income, qualifying investment income, or 80532  
modified nonbusiness income, as the case may be. 80533

(3) "Modified nonbusiness income" means a trust's Ohio 80534  
taxable income other than modified business income, other than the 80535  
qualifying trust amount, and other than qualifying investment 80536  
income, as defined in section 5747.012 of the Revised Code, to the 80537  
extent such qualifying investment income is not otherwise part of 80538  
modified business income. 80539

(4) "Modified Ohio taxable income" applies only to trusts, 80540  
and means the sum of the amounts described in divisions (BB)(4)(a) 80541



to (c) of this section: 80542

(a) The fraction, calculated under division (B)(2) of section 80543  
5733.05, and applying section 5733.057 of the Revised Code, as if 80544  
the trust were a corporation subject to the tax imposed by section 80545  
5733.06 of the Revised Code, multiplied by the sum of the 80546  
following amounts: 80547

(i) The trust's modified business income; 80548

(ii) The trust's qualifying investment income, as defined in 80549  
section 5747.012 of the Revised Code, but only to the extent the 80550  
qualifying investment income does not otherwise constitute 80551  
modified business income and does not otherwise constitute a 80552  
qualifying trust amount. 80553

(b) The qualifying trust amount multiplied by a fraction, the 80554  
numerator of which is the sum of the book value of the qualifying 80555  
investee's physical assets in this state on the last day of the 80556  
qualifying investee's fiscal or calendar year ending immediately 80557  
prior to the day on which the trust recognizes the qualifying 80558  
trust amount, and the denominator of which is the sum of the book 80559  
value of the qualifying investee's total physical assets 80560  
everywhere on the last day of the qualifying investee's fiscal or 80561  
calendar year ending immediately prior to the day on which the 80562  
trust recognizes the qualifying trust amount. If, for a taxable 80563  
year, the trust recognizes a qualifying trust amount with respect 80564  
to more than one qualifying investee, the amount described in 80565  
division (BB)(4)(b) of this section shall equal the sum of the 80566  
products so computed for each such qualifying investee. 80567

(c)(i) With respect to a trust or portion of a trust that is 80568  
a resident as ascertained in accordance with division (I)(3)(d) of 80569  
this section, its modified nonbusiness income. 80570

(ii) With respect to a trust or portion of a trust that is 80571  
not a resident as ascertained in accordance with division 80572

(I)(3)(d) of this section, the amount of its modified nonbusiness 80573  
income satisfying the descriptions in divisions (B)(2) to (5) of 80574  
section 5747.20 of the Revised Code. 80575

If the allocation and apportionment of a trust's income under 80576  
divisions (BB)(4)(a) and (c) of this section do not fairly 80577  
represent the modified Ohio taxable income of the trust in this 80578  
state, the alternative methods described in division (C) of 80579  
section 5747.21 of the Revised Code may be applied in the manner 80580  
and to the same extent provided in that section. 80581

(5)(a) Except as set forth in division (BB)(5)(b) of this 80582  
section, "qualifying investee" means a person in which a trust has 80583  
an equity or ownership interest, or a person or unit of government 80584  
the debt obligations of either of which are owned by a trust. For 80585  
the purposes of division (BB)(2)(a) of this section and for the 80586  
purpose of computing the fraction described in division (BB)(4)(b) 80587  
of this section, all of the following apply: 80588

(i) If the qualifying investee is a member of a qualifying 80589  
controlled group on the last day of the qualifying investee's 80590  
fiscal or calendar year ending immediately prior to the date on 80591  
which the trust recognizes the gain or loss, then "qualifying 80592  
investee" includes all persons in the qualifying controlled group 80593  
on such last day. 80594

(ii) If the qualifying investee, or if the qualifying 80595  
investee and any members of the qualifying controlled group of 80596  
which the qualifying investee is a member on the last day of the 80597  
qualifying investee's fiscal or calendar year ending immediately 80598  
prior to the date on which the trust recognizes the gain or loss, 80599  
separately or cumulatively own, directly or indirectly, on the 80600  
last day of the qualifying investee's fiscal or calendar year 80601  
ending immediately prior to the date on which the trust recognizes 80602  
the qualifying trust amount, more than fifty per cent of the 80603  
equity of a pass-through entity, then the qualifying investee and 80604

the other members are deemed to own the proportionate share of the 80605  
pass-through entity's physical assets which the pass-through 80606  
entity directly or indirectly owns on the last day of the 80607  
pass-through entity's calendar or fiscal year ending within or 80608  
with the last day of the qualifying investee's fiscal or calendar 80609  
year ending immediately prior to the date on which the trust 80610  
recognizes the qualifying trust amount. 80611

(iii) For the purposes of division (BB)(5)(a)(iii) of this 80612  
section, "upper level pass-through entity" means a pass-through 80613  
entity directly or indirectly owning any equity of another 80614  
pass-through entity, and "lower level pass-through entity" means 80615  
that other pass-through entity. 80616

An upper level pass-through entity, whether or not it is also 80617  
a qualifying investee, is deemed to own, on the last day of the 80618  
upper level pass-through entity's calendar or fiscal year, the 80619  
proportionate share of the lower level pass-through entity's 80620  
physical assets that the lower level pass-through entity directly 80621  
or indirectly owns on the last day of the lower level pass-through 80622  
entity's calendar or fiscal year ending within or with the last 80623  
day of the upper level pass-through entity's fiscal or calendar 80624  
year. If the upper level pass-through entity directly and 80625  
indirectly owns less than fifty per cent of the equity of the 80626  
lower level pass-through entity on each day of the upper level 80627  
pass-through entity's calendar or fiscal year in which or with 80628  
which ends the calendar or fiscal year of the lower level 80629  
pass-through entity and if, based upon clear and convincing 80630  
evidence, complete information about the location and cost of the 80631  
physical assets of the lower pass-through entity is not available 80632  
to the upper level pass-through entity, then solely for purposes 80633  
of ascertaining if a gain or loss constitutes a qualifying trust 80634  
amount, the upper level pass-through entity shall be deemed as 80635  
owning no equity of the lower level pass-through entity for each 80636

day during the upper level pass-through entity's calendar or 80637  
fiscal year in which or with which ends the lower level 80638  
pass-through entity's calendar or fiscal year. Nothing in division 80639  
(BB)(5)(a)(iii) of this section shall be construed to provide for 80640  
any deduction or exclusion in computing any trust's Ohio taxable 80641  
income. 80642

(b) With respect to a trust that is not a resident for the 80643  
taxable year and with respect to a part of a trust that is not a 80644  
resident for the taxable year, "qualifying investee" for that 80645  
taxable year does not include a C corporation if both of the 80646  
following apply: 80647

(i) During the taxable year the trust or part of the trust 80648  
recognizes a gain or loss from the sale, exchange, or other 80649  
disposition of equity or ownership interests in, or debt 80650  
obligations of, the C corporation. 80651

(ii) Such gain or loss constitutes nonbusiness income. 80652

(6) "Available" means information is such that a person is 80653  
able to learn of the information by the due date plus extensions, 80654  
if any, for filing the return for the taxable year in which the 80655  
trust recognizes the gain or loss. 80656

(CC) "Qualifying controlled group" has the same meaning as in 80657  
section 5733.04 of the Revised Code. 80658

(DD) "Related member" has the same meaning as in section 80659  
5733.042 of the Revised Code. 80660

(EE) Any term used in this chapter that is not otherwise 80661  
defined in this section and that is not used in a comparable 80662  
context in the Internal Revenue Code and other statutes of the 80663  
United States relating to federal income taxes has the same 80664  
meaning as in section 5733.40 of the Revised Code. 80665

**Sec. 5747.02.** (A) For the purpose of providing revenue for 80666

the support of schools and local government functions, to provide 80667  
relief to property taxpayers, to provide revenue for the general 80668  
revenue fund, and to meet the expenses of administering the tax 80669  
levied by this chapter, there is hereby levied on every 80670  
individual, trust, and estate residing in or earning or receiving 80671  
income in this state, on every individual, trust, and estate 80672  
earning or receiving lottery winnings, prizes, or awards pursuant 80673  
to Chapter 3770. of the Revised Code, and on every individual, 80674  
trust, and estate otherwise having nexus with or in this state 80675  
under the Constitution of the United States, an annual tax 80676  
measured in the case of individuals by Ohio adjusted gross income 80677  
less an exemption for the taxpayer, the taxpayer's spouse, and 80678  
each dependent as provided in section 5747.025 of the Revised 80679  
Code; measured in the case of trusts by modified Ohio taxable 80680  
income under division (D) of this section; and measured in the 80681  
case of estates by Ohio taxable income. The tax imposed by this 80682  
section on the balance thus obtained is hereby levied as follows: 80683  
OHIO ADJUSTED GROSS INCOME LESS 80684  
EXEMPTIONS (INDIVIDUALS)  
OR 80685  
MODIFIED OHIO 80686  
TAXABLE INCOME (TRUSTS) 80687  
OR 80688  
OHIO TAXABLE INCOME (ESTATES) TAX 80689  
\$5,000 or less .743% 80690  
More than \$5,000 but not more \$37.15 plus 1.486% of the amount 80691  
than \$10,000 in excess of \$5,000  
More than \$10,000 but not more \$111.45 plus 2.972% of the 80692  
than \$15,000 amount in excess of \$10,000  
More than \$15,000 but not more \$260.05 plus 3.715% of the 80693  
than \$20,000 amount in excess of \$15,000  
More than \$20,000 but not more \$445.80 plus 4.457% of the 80694  
than \$40,000 amount in excess of \$20,000

More than \$40,000 but not more than \$80,000	\$1,337.20 plus 5.201% of the amount in excess of \$40,000	80695
More than \$80,000 but not more than \$100,000	\$3,417.60 plus 5.943% of the amount in excess of \$80,000	80696
More than \$100,000 but not more than \$200,000	\$4,606.20 plus 6.9% of the amount in excess of \$100,000	80697
More than \$200,000	\$11,506.20 plus 7.5% of the amount in excess of \$200,000	80698

In July of each year, beginning in 2005, the tax commissioner shall adjust the income amounts prescribed in this division by multiplying the percentage increase in the gross domestic product deflator computed that year under section 5747.025 of the Revised Code by each of the income amounts resulting from the adjustment under this division in the preceding year, adding the resulting product to the corresponding income amount resulting from the adjustment in the preceding year, and rounding the resulting sum to the nearest multiple of fifty dollars. The tax commissioner also shall recompute each of the tax dollar amounts to the extent necessary to reflect the adjustment of the income amounts. The rates of taxation shall not be adjusted.

The adjusted amounts apply to taxable years beginning in the calendar year in which the adjustments are made. The tax commissioner shall not make such adjustments in any year in which the amount resulting from the adjustment would be less than the amount resulting from the adjustment in the preceding year.

(B) If the director of budget and management makes a certification to the tax commissioner under division (B) of section 131.44 of the Revised Code, the amount of tax as determined under division (A) of this section shall be reduced by the percentage prescribed in that certification for taxable years beginning in the calendar year in which that certification is made.

(C) The levy of this tax on income does not prevent a 80723  
municipal corporation, a joint economic development zone created 80724  
under section 715.691, or a joint economic development district 80725  
created under section 715.70 or 715.71 or sections 715.72 to 80726  
715.81 of the Revised Code from levying a tax on income. 80727

(D) This division applies only to taxable years of a trust 80728  
beginning in 2002, 2003, or 2004. 80729

(1) The tax imposed by this section on a trust shall be 80730  
computed by multiplying the Ohio modified taxable income of the 80731  
trust by the rates prescribed by division (A) of this section. 80732

(2) A credit is allowed against the tax computed under 80733  
division (D) of this section equal to the lesser of (1) the tax 80734  
paid to another state or the District of Columbia on the trust's 80735  
modified nonbusiness income, other than the portion of the trust's 80736  
nonbusiness income that is qualifying investment income as defined 80737  
in section 5747.012 of the Revised Code, or (2) the effective tax 80738  
rate, based on modified Ohio taxable income, multiplied by the 80739  
trust's modified nonbusiness income other than the portion of 80740  
trust's nonbusiness income that is qualifying investment income. 80741  
The credit applies before any other applicable credits. 80742

(3) The credits enumerated in divisions (A)(1) to (13) of 80743  
section 5747.98 of the Revised Code do not apply to a trust 80744  
subject to this division. Any credits enumerated in other 80745  
divisions of section 5747.98 of the Revised Code apply to a trust 80746  
subject to this division. To the extent that the trust distributes 80747  
income for the taxable year for which a credit is available to the 80748  
trust, the credit shall be shared by the trust and its 80749  
beneficiaries. The tax commissioner and the trust shall be guided 80750  
by applicable regulations of the United States treasury regarding 80751  
the sharing of credits. 80752

(E) For the purposes of this section, "trust" means any trust 80753

described in Subchapter J of Chapter 1 of the Internal Revenue Code, excluding trusts that are not irrevocable as defined in division (I)(3)(b) of section 5747.01 of the Revised Code and that have no modified Ohio taxable income for the taxable year, charitable remainder trusts, qualified funeral trusts and preneed funeral contract trusts established pursuant to section 1111.19 of the Revised Code that are not qualified funeral trusts, endowment and perpetual care trusts, qualified settlement trusts and funds, designated settlement trusts and funds, and trusts exempted from taxation under section 501(a) of the Internal Revenue Code.

Sec. 5747.026. (A) For taxable years beginning on or after January 1, 2002, a member of the national guard or a member of a reserve component of the armed forces of the United States called to active or other duty under operation Iraqi freedom may apply to the tax commissioner for an extension for filing of the return and payment of taxes required under this chapter during the period of the member's duty service and for sixty days thereafter. The application shall be filed on or before the sixtieth day after the member's duty terminates. An applicant shall provide such evidence as the commissioner considers necessary to demonstrate eligibility for the extension.

(B)(1) If the commissioner determines that an applicant is qualified for an extension under this section, the commissioner shall enter into a contract with the applicant for the payment of the tax in installments that begin on the sixty-first day after the applicant's duty under operation Iraqi freedom terminates. Except as provided in division (B)(3) of this section, the commissioner may prescribe such contract terms as the commissioner considers appropriate.

(2) If the commissioner determines that an applicant is qualified for an extension under this section, the applicant shall



not be required to file any return, report, or other tax document 80785  
before the sixty-first day after the applicant's duty under 80786  
operation Iraqi freedom terminates. 80787

(3) Taxes paid pursuant to a contract entered into under 80788  
division (B)(1) of this section are not delinquent. The tax 80789  
commissioner shall not require any payments of penalties or 80790  
interest in connection with such taxes. 80791

(C)(1) Divisions (A) and (B) of this section do not apply to 80792  
any taxable year for which a taxpayer receives an extension of 80793  
time in which to file a federal income tax return or pay federal 80794  
income tax under the Internal Revenue Code. 80795

(2)(a) A taxpayer who is eligible for an extension under the 80796  
Internal Revenue Code shall receive an extension of time in which 80797  
to file any return, report, or other tax document described in 80798  
this chapter and an extension of time in which to make any payment 80799  
of taxes required under this chapter or Chapter 5748. of the 80800  
Revised Code. The length of any extension granted under division 80801  
(C)(2)(a) of this section shall be equal to the length of the 80802  
corresponding extension that the taxpayer receives under the 80803  
Internal Revenue Code. 80804

(b) Taxes paid in accordance with division (C)(2)(a) of this 80805  
section are not delinquent. The tax commissioner shall not require 80806  
any payment of penalties or interest in connection with such 80807  
taxes. The tax commissioner shall not include any period of 80808  
extension granted under division (C)(2)(a) of this section in 80809  
calculating the interest due on any unpaid tax. 80810

(D) The tax commissioner shall adopt rules necessary to 80811  
administer this section, including rules establishing the 80812  
following: 80813

(1) Forms and procedures by which applicants may apply for 80814  
extensions; 80815

(2) Criteria for eligibility; 80816

(3) A schedule for repayment of deferred taxes. 80817

**Sec. 5747.12.** If a person entitled to a refund under section 80818  
5747.11 or 5747.13 of the Revised Code is indebted to this state 80819  
for any tax, workers' compensation premium due under section 80820  
4123.35 of the Revised Code, unemployment compensation 80821  
contribution due under section 4141.25 of the Revised Code, or fee 80822  
~~administered by the tax commissioner~~ that is paid to the state or 80823  
to the clerk of courts pursuant to section 4505.06 of the Revised 80824  
Code, or any charge, penalty, or interest arising from such a tax, 80825  
workers' compensation premium, unemployment compensation 80826  
contribution, or fee, the amount refundable may be applied in 80827  
satisfaction of the debt. If the amount refundable is less than 80828  
the amount of the debt, it may be applied in partial satisfaction 80829  
of the debt. If the amount refundable is greater than the amount 80830  
of the debt, the amount remaining after satisfaction of the debt 80831  
shall be refunded. If the person has more than one such debt, any 80832  
debt subject to section 5739.33 or division (G) of section 5747.07 80833  
of the Revised Code shall be satisfied first. This section applies 80834  
only to debts that have become final. 80835

The tax commissioner may, with the consent of the taxpayer, 80836  
provide for the crediting, against tax imposed under this chapter 80837  
or Chapter 5748. of the Revised Code and due for any taxable year, 80838  
of the amount of any refund due the taxpayer under this chapter or 80839  
Chapter 5748. of the Revised Code, as appropriate, for a preceding 80840  
taxable year. 80841

**Sec. 5747.31.** (A) This section applies to an individual or 80842  
estate that is a proprietor or a pass-through entity investor. 80843

(B) A taxpayer described in division (A) of this section is 80844  
allowed a credit that shall be computed and claimed in the same 80845

manner as the credit allowed to corporations in section 5733.33 of 80846  
the Revised Code. The taxpayer shall claim one-seventh of the 80847  
credit amount for the calendar year in which the new manufacturing 80848  
machinery and equipment is purchased for use in the county by the 80849  
taxpayer or partnership. One-seventh of the taxpayer credit amount 80850  
is allowed for each of the six ensuing taxable years. The taxpayer 80851  
shall claim the credit in the order required under section 5747.98 80852  
of the Revised Code. 80853

The taxpayer shall file with the department of development a 80854  
notice of intent to claim the credit in accordance with division 80855  
(E) of section 5733.33 of the Revised Code. 80856

(C)(1) A taxpayer described in division (A) of this section 80857  
is allowed a credit that shall be computed in the same manner as 80858  
the credit allowed to a corporation in section 5733.39 of the 80859  
Revised Code, with the following adjustments: 80860

(a) Substitute "taxable year" for "tax year" wherever "tax 80861  
year" appears in section 5733.39 of the Revised Code; 80862

(b) Substitute "5747.02" for "5733.06" wherever "5733.06" 80863  
appears in section 5733.39 of the Revised Code; 80864

(c) Substitute "5747.98" for "5733.98" wherever "5733.98" 80865  
appears in section 5733.39 of the Revised Code; 80866

(d) The credit allowed under division (C) of this section 80867  
shall be subject to the same disallowance for the carryover or 80868  
carryback of any unused credit as provided in division (C) of 80869  
section 5733.39 of the Revised Code. 80870

(2) Notwithstanding section ~~5747.131~~ 5703.56 of the Revised 80871  
Code to the contrary, a taxpayer claiming a credit under this 80872  
division has the burden of establishing by a preponderance of the 80873  
evidence that the doctrines enumerated in section ~~5747.131~~ 5703.56 80874  
of the Revised Code do not apply with respect to the credit 80875  
provided by this division. 80876

(D) Nothing in this section shall be construed to limit or disallow pass-through treatment of a pass-through entity's income, deductions, credits, or other amounts necessary to compute the tax imposed by section 5747.02 of the Revised Code and the credits allowed by this chapter.

**Sec. 5747.80.** Upon the issuance of a tax credit certificate by the Ohio venture capital authority under section 150.07 of the Revised Code, a credit may be claimed against the tax imposed by section 5747.02 of the Revised Code. The credit shall be claimed for the taxable year specified in the certificate issued by the authority and in the order required under section 5747.98 of the Revised Code. If the taxpayer elected a refundable credit under section 150.07 of the Revised Code, and the amount of the credit shown on the certificate exceeds the tax otherwise due under section 5747.02 of the Revised Code after all credits, including the credit allowed under this section, are deducted in that order, the taxpayer shall receive a refund equal to seventy-five per cent of that excess. If the taxpayer elected a nonrefundable credit, the amount of the credit, claimed in that order, shall not exceed the tax otherwise due after all the taxpayer's credits are deducted in that order. If the taxpayer elected a nonrefundable credit and the credit to which the taxpayer would otherwise be entitled under this section for any taxable year is greater than the tax otherwise due under section 5747.02 of the Revised Code, after allowing for any other credits that precede the credit allowed under this section, the excess shall be allowed as a credit in each of the ensuing ten taxable years, but the amount of any excess credit allowed in the ensuing taxable year shall be deducted from the balance carried forward to the next taxable year.

**Sec. 5901.021.** (A) This section applies only to counties

having a population, according to the most recent decennial 80908  
census, of more than ~~four~~ five hundred thousand. ~~In~~ 80909

(B)(1) In any ~~such~~ county that is described in division (A) 80910  
of this section and in which the veterans service commission 80911  
submits a budget request under section 5901.11 of the Revised Code 80912  
for the ensuing fiscal year that exceeds ~~(1)~~ 80913  
twenty-five-thousandths of one per cent of the assessed value of 80914  
property in the county or ~~(2)~~ the amount appropriated to the 80915  
commission from the county general fund in the current fiscal year 80916  
by more than ten per cent of that appropriation, the board of 80917  
county commissioners, by resolution, may create not more than six 80918  
memberships on the veterans service commission in addition to the 80919  
memberships provided for by section 5901.02 of the Revised Code. 80920  
The board shall prescribe the number of years ~~such~~ the additional 80921  
memberships shall exist, which shall not exceed five years. Once a 80922  
board of county commissioners creates ~~such~~ any additional 80923  
memberships, it may not create further additional memberships 80924  
under this section if the total number of such memberships would 80925  
exceed six. The board shall appoint persons who are residents of 80926  
the county and who are honorably discharged or honorably separated 80927  
veterans to each of the additional memberships, for terms 80928  
prescribed by the board and commencing on a date fixed by the 80929  
board. Each person appointed to an additional membership shall 80930  
file, within sixty days after the date of the appointment, the 80931  
person's form DD214 with the governor's office of veterans affairs 80932  
in accordance with guidelines established by the director of that 80933  
office. 80934

(2) If the board of county commissioners appoints ~~such~~ 80935  
additional members as described in division (B)(1) of this 80936  
section, the board may permit the commission to submit an original 80937  
or revised budget request for the ensuing fiscal year later than 80938  
the last Monday in May, as otherwise required under section 80939

5901.11 of the Revised Code. 80940

(C) The board of county commissioners may remove, for cause, 80941  
any member appointed under this section~~†~~. The board shall provide 80942  
~~for determine~~ whether ~~such~~ the additional members may be 80943  
reappointed upon the expiration of their terms~~†~~, and shall fill 80944  
any vacancy in a an additional membership ~~appointed under this~~ 80945  
~~section~~ for the unexpired term in the manner provided for the 80946  
original appointment. 80947

**Sec. 6101.09.** Within thirty days after the conservancy 80948  
district has been declared a corporation by the court, the clerk 80949  
of such court shall transmit to the secretary of state, to the 80950  
director of the department of natural resources, and to the county 80951  
recorder in each of the counties having lands in the district, 80952  
copies of the findings and the decree of the court incorporating 80953  
the district. The same shall be filed and recorded in the office 80954  
of the secretary of state in the same manner as articles of 80955  
incorporation are required to be filed and recorded under the 80956  
general law concerning corporations. Copies shall also be filed 80957  
and become permanent records in the office of the recorder of each 80958  
county in which a part of the district lies. Each recorder shall 80959  
receive a base fee of one dollar for filing and preserving such 80960  
copies and a housing trust fund fee of one dollar pursuant to 80961  
section 317.36 of the Revised Code, and the secretary of state 80962  
shall receive for filing and for recording the copies a fee of 80963  
twenty-five dollars. 80964

**Sec. 6109.21.** (A) Except as provided in divisions (D) and (E) 80965  
of this section, on and after January 1, 1994, no person shall 80966  
operate or maintain a public water system in this state without a 80967  
license issued by the director of environmental protection. A 80968  
person who operates or maintains a public water system on January 80969  
1, 1994, shall obtain an initial license under this section in 80970

accordance with the following schedule: 80971

(1) If the public water system is a community water system, 80972  
not later than January 31, 1994; 80973

(2) If the public water system is not a community water 80974  
system and serves a nontransient population, not later than 80975  
January 31, 1994; 80976

(3) If the public water system is not a community water 80977  
system and serves a transient population, not later than January 80978  
31, 1995. 80979

A person proposing to operate or maintain a new public water 80980  
system after January 1, 1994, in addition to complying with 80981  
section 6109.07 of the Revised Code and rules adopted under it, 80982  
shall submit an application for an initial license under this 80983  
section to the director prior to commencing operation of the 80984  
system. 80985

A license or license renewal issued under this section shall 80986  
be renewed annually. Such a license or license renewal shall 80987  
expire on the thirtieth day of January in the year following its 80988  
issuance. A license holder that proposes to continue operating the 80989  
public water system for which the license or license renewal was 80990  
issued shall apply for a license renewal at least thirty days 80991  
prior to that expiration date. 80992

The director shall adopt, and may amend and rescind, rules in 80993  
accordance with Chapter 119. of the Revised Code establishing 80994  
procedures governing and information to be included on 80995  
applications for licenses and license renewals under this section. 80996  
Through June 30, ~~2004~~ 2006, each application shall be accompanied 80997  
by the appropriate fee established under division (M) of section 80998  
3745.11 of the Revised Code, provided that an applicant for an 80999  
initial license who is proposing to operate or maintain a new 81000  
public water system after January 1, 1994, shall submit a fee that 81001

equals a prorated amount of the appropriate fee established under 81002  
that division for the remainder of the licensing year. 81003

(B) Not later than thirty days after receiving a completed 81004  
application and the appropriate license fee for an initial license 81005  
under division (A) of this section, the director shall issue the 81006  
license for the public water system. Not later than thirty days 81007  
after receiving a completed application and the appropriate 81008  
license fee for a license renewal under division (A) of this 81009  
section, the director shall do one of the following: 81010

(1) Issue the license renewal for the public water system; 81011

(2) Issue the license renewal subject to terms and conditions 81012  
that the director determines are necessary to ensure compliance 81013  
with this chapter and rules adopted under it; 81014

(3) Deny the license renewal if the director finds that the 81015  
public water system was not operated in substantial compliance 81016  
with this chapter and rules adopted under it. 81017

(C) The director may suspend or revoke a license or license 81018  
renewal issued under this section if the director finds that the 81019  
public water system was not operated in substantial compliance 81020  
with this chapter and rules adopted under it. The director shall 81021  
adopt, and may amend and rescind, rules in accordance with Chapter 81022  
119. of the Revised Code governing such suspensions and 81023  
revocations. 81024

(D)(1) As used in division (D) of this section, "church" 81025  
means a fellowship of believers, congregation, society, 81026  
corporation, convention, or association that is formed primarily 81027  
or exclusively for religious purposes and that is not formed or 81028  
operated for the private profit of any person. 81029

(2) This section does not apply to a church that operates or 81030  
maintains a public water system solely to provide water for that 81031  
church or for a campground that is owned by the church and 81032



operated primarily or exclusively for members of the church and 81033  
their families. A church that, on or before March 5, 1996, has 81034  
obtained a license under this section for such a public water 81035  
system need not obtain a license renewal under this section. 81036

(E) This section does not apply to any public or nonpublic 81037  
school that meets minimum standards of the state board of 81038  
education that operates or maintains a public water system solely 81039  
to provide water for that school. 81040

**Sec. 6111.06.** (A) All proceedings of the director of 81041  
environmental protection, ~~or his of the director's~~ officers or 81042  
agents, under sections 6111.01 to 6111.08 ~~and sections 6111.31 to~~ 81043  
~~6111.38~~ of the Revised Code, including the adoption, issuance, 81044  
modification, rescission, or revocation of rules and regulations, 81045  
permits, orders, and notices, and the conduct of hearings, except 81046  
standards of water quality adopted pursuant to section 6111.041 of 81047  
the Revised Code, shall be subject to and governed by sections 81048  
119.01 to 119.13, and Chapter 3745. of the Revised Code. 81049

(B) The director shall not refuse to issue a permit, nor 81050  
modify or revoke a permit already issued, unless the applicant or 81051  
permit holder has been afforded an opportunity for a hearing prior 81052  
to the refusal to issue the permit or prior to the modification or 81053  
revocation of the permit. 81054

(C) Whenever the director officially determines that an 81055  
emergency exists requiring immediate action to protect the public 81056  
health or welfare, ~~he~~ the director may, without notice or hearing, 81057  
issue an order reciting the existence of the emergency and 81058  
requiring that such action be taken as is necessary to meet the 81059  
emergency. Notwithstanding division (A) of this section, such 81060  
order shall be effective immediately. Any person to whom such 81061  
order is directed shall comply therewith immediately, but on 81062  
application to the director shall be afforded a hearing as soon as 81063

possible, and not later than twenty days after such application. 81064  
On the basis of such hearing, the director shall continue such 81065  
order in effect, revoke it, or modify it. No such emergency order 81066  
shall remain in effect for more than sixty days after its 81067  
issuance. 81068

**Sec. 6115.09.** Within thirty days after the sanitary district 81069  
has been declared a corporation by the court, the clerk of such 81070  
court shall transmit to the secretary of state, and to the county 81071  
recorder in each of the counties having lands in said district, 81072  
copies of the findings and the decree of the court incorporating 81073  
said district. The same shall be filed and recorded in the office 81074  
of the secretary of state in the same manner as articles of 81075  
incorporation are required to be filed and recorded under the 81076  
general law concerning corporations. Copies shall also be filed 81077  
and become permanent records in the office of the recorder of each 81078  
county in which a part of the district lies. Each recorder shall 81079  
receive a base fee of one dollar for filing and preserving such 81080  
copies and a housing trust fund fee of one dollar pursuant to 81081  
section 317.36 of the Revised Code, and the secretary of state 81082  
shall receive for filing and for recording said copies such fees 81083  
as are provided by law for like services in similar cases. 81084

**Sec. 6117.02.** (A) The board of county commissioners shall fix 81085  
reasonable rates, including penalties for late payments, for the 81086  
use, or the availability for use, of the sanitary facilities of a 81087  
sewer district to be paid by every person and public agency whose 81088  
premises are served, or capable of being served, by a connection 81089  
directly or indirectly to those facilities when those facilities 81090  
are owned or operated by the county and may change the rates from 81091  
time to time as it considers advisable. When the sanitary 81092  
facilities to be used by the county are owned by another public 81093  
agency or person, the schedule of rates to be charged by the 81094

public agency or person for the use of the facilities by the 81095  
county, or the formula or other procedure for their determination, 81096  
shall be approved by the board at the time it enters into a 81097  
contract for that use. 81098

(B) The board also shall establish reasonable charges to be 81099  
collected for the privilege of connecting to the sanitary 81100  
facilities of the district, with the requirement that, prior to 81101  
the connection, the charges shall be paid in full, or, if 81102  
determined by the board to be equitable in a resolution relating 81103  
to the payment of the charges, provision considered adequate by 81104  
the board shall be made for their payment in installments at the 81105  
times, in the amounts, and with the security, carrying charges, 81106  
and penalties as may be found by the board in that resolution to 81107  
be fair and appropriate. No public agency or person shall be 81108  
permitted to connect to those facilities until the charges have 81109  
been paid in full or provision for their payment in installments 81110  
has been made. If the connection charges are to be paid in 81111  
installments, the board shall certify to the county auditor 81112  
information sufficient to identify each parcel of property served 81113  
by a connection and, with respect to each parcel, the total of the 81114  
charges to be paid in installments, the amount of each 81115  
installment, and the total number of installments to be paid. The 81116  
auditor shall record and maintain the information supplied in the 81117  
sewer improvement record provided for in section 6117.33 of the 81118  
Revised Code until the connection charges are paid in full. The 81119  
board may include amounts attributable to connection charges being 81120  
paid in installments in its billings of rates and charges for the 81121  
use of sanitary facilities. 81122

(C) When any of the sanitary rates or charges are not paid 81123  
when due, the board may do any or all of the following as it 81124  
considers appropriate: 81125

(1) Certify the unpaid rates or charges, together with any 81126

penalties, to the county auditor, who shall place them upon the 81127  
real property tax list and duplicate against the property served 81128  
by the connection. The certified amount shall be a lien on the 81129  
property from the date placed on the real property tax list and 81130  
duplicate and shall be collected in the same manner as taxes, 81131  
except that, notwithstanding section 323.15 of the Revised Code, a 81132  
county treasurer shall accept a payment in that amount when 81133  
separately tendered as payment for the full amount of the unpaid 81134  
sanitary rates or charges and associated penalties. The lien shall 81135  
be released immediately upon payment in full of the certified 81136  
amount. 81137

(2) Collect the unpaid rates or charges, together with any 81138  
penalties, by actions at law in the name of the county from an 81139  
owner, tenant, or other person or public agency that is liable for 81140  
the payment of the rates or charges; 81141

(3) Terminate, in accordance with established rules, the 81142  
sanitary service to the particular property and, if so determined, 81143  
any county water service to that property, unless and until the 81144  
unpaid sanitary rates or charges, together with any penalties, are 81145  
paid in full; 81146

(4) Apply, to the extent required, any security deposit made 81147  
in accordance with established rules to the payment of sanitary 81148  
rates and charges for service to the particular property. 81149

All moneys collected as sanitary rates, charges, or penalties 81150  
fixed or established in accordance with divisions (A) and (B) of 81151  
this section for any sewer district shall be paid to the county 81152  
treasurer and kept in a separate and distinct sanitary fund 81153  
established by the board to the credit of the district. Except as 81154  
otherwise provided in any proceedings authorizing or providing for 81155  
the security for and payment of any public obligations, or in any 81156  
indenture or trust or other agreement securing public obligations, 81157  
moneys in the sanitary fund shall be applied first to the payment 81158

of the cost of the management, maintenance, and operation of the 81159  
sanitary facilities of, or used or operated for, the district, 81160  
which cost may include the county's share of management, 81161  
maintenance, and operation costs under cooperative contracts for 81162  
the acquisition, construction, or use of sanitary facilities and, 81163  
in accordance with a cost allocation plan adopted under division 81164  
(E) of this section, payment of all allowable direct and indirect 81165  
costs of the district, the county sanitary engineer or sanitary 81166  
engineering department, or a federal or state grant program, 81167  
incurred for sanitary purposes under this chapter, and shall be 81168  
applied second to the payment of debt charges payable on any 81169  
outstanding public obligations issued or incurred for the 81170  
acquisition or construction of sanitary facilities for or serving 81171  
the district, or for the funding of a bond retirement or other 81172  
fund established for the payment of or security for the 81173  
obligations. Any surplus remaining may be applied to the 81174  
acquisition or construction of those facilities or for the payment 81175  
of contributions to be made, or costs incurred, for the 81176  
acquisition or construction of those facilities under cooperative 81177  
contracts. Moneys in the sanitary fund shall not be expended other 81178  
than for the use and benefit of the district. 81179

(D) The board may fix reasonable rates and charges, including 81180  
connection charges and penalties for late payments, to be paid by 81181  
any person or public agency owning or having possession or control 81182  
of any properties that are connected with, capable of being served 81183  
by, or otherwise served directly or indirectly by, drainage 81184  
facilities owned or operated by or under the jurisdiction of the 81185  
county, including, but not limited to, properties requiring, or 81186  
lying within an area of the district requiring, in the judgment of 81187  
the board, the collection, control, or abatement of waters 81188  
originating or accumulating in, or flowing in, into, or through, 81189  
the district, and may change those rates and charges from time to 81190  
time as it considers advisable. The In addition, the board may fix 81191

the rates and charges in order to pay the costs of complying with 81192  
the requirements of phase II of the storm water program of the 81193  
national pollutant discharge elimination system established in 40 81194  
C.F.R. part 122. 81195

The rates and charges shall be payable periodically as 81196  
determined by the board, except that any connection charges shall 81197  
be paid in full in one payment, or, if determined by the board to 81198  
be equitable in a resolution relating to the payment of those 81199  
charges, provision considered adequate by the board shall be made 81200  
for their payment in installments at the times, in the amounts, 81201  
and with the security, carrying charges, and penalties as may be 81202  
found by the board in that resolution to be fair and appropriate. 81203  
The board may include amounts attributable to connection charges 81204  
being paid in installments in its billings of rates and charges 81205  
for the services provided by the drainage facilities. In the case 81206  
of rates and charges that are fixed in order to pay the costs of 81207  
complying with the requirements of phase II of the storm water 81208  
program of the national pollutant discharge elimination system 81209  
established in 40 C.F.R. part 122, the rates and charges may be 81210  
paid annually or semiannually with real property taxes, provided 81211  
that the board certifies to the county auditor information that is 81212  
sufficient for the auditor to identify each parcel of property for 81213  
which a rate or charge is levied and the amount of the rate or 81214  
charge. 81215

When any of the drainage rates or charges are not paid when 81216  
due, the board may do any or all of the following as it considers 81217  
appropriate: 81218

(1) Certify the unpaid rates or charges, together with any 81219  
penalties, to the county auditor, who shall place them upon the 81220  
real property tax list and duplicate against the property to which 81221  
the rates or charges apply. The certified amount shall be a lien 81222  
on the property from the date placed on the real property tax list 81223

and duplicate and shall be collected in the same manner as taxes, 81224  
except that notwithstanding section 323.15 of the Revised Code, a 81225  
county treasurer shall accept a payment in that amount when 81226  
separately tendered as payment for the full amount of the unpaid 81227  
drainage rates or charges and associated penalties. The lien shall 81228  
be released immediately upon payment in full of the certified 81229  
amount. 81230

(2) Collect the unpaid rates or charges, together with any 81231  
penalties, by actions at law in the name of the county from an 81232  
owner, tenant, or other person or public agency that is liable for 81233  
the payment of the rates or charges; 81234

(3) Terminate, in accordance with established rules, the 81235  
drainage service for the particular property until the unpaid 81236  
rates or charges, together with any penalties, are paid in full; 81237

(4) Apply, to the extent required, any security deposit made 81238  
in accordance with established rules to the payment of drainage 81239  
rates and charges applicable to the particular property. 81240

All moneys collected as drainage rates, charges, or penalties 81241  
in or for any sewer district shall be paid to the county treasurer 81242  
and kept in a separate and distinct drainage fund established by 81243  
the board to the credit of the district. Except as otherwise 81244  
provided in any proceedings authorizing or providing for the 81245  
security for and payment of any public obligations, or in any 81246  
indenture or trust or other agreement securing public obligations, 81247  
moneys in the drainage fund shall be applied first to the payment 81248  
of the cost of the management, maintenance, and operation of the 81249  
drainage facilities of, or used or operated for, the district, 81250  
which cost may include the county's share of management, 81251  
maintenance, and operation costs under cooperative contracts for 81252  
the acquisition, construction, or use of drainage facilities and, 81253  
in accordance with a cost allocation plan adopted under division 81254  
(E) of this section, payment of all allowable direct and indirect 81255

costs of the district, the county sanitary engineer or sanitary 81256  
engineering department, or a federal or state grant program, 81257  
incurred for drainage purposes under this chapter, and shall be 81258  
applied second to the payment of debt charges payable on any 81259  
outstanding public obligations issued or incurred for the 81260  
acquisition or construction of drainage facilities for or serving 81261  
the district, or for the funding of a bond retirement or other 81262  
fund established for the payment of or security for the 81263  
obligations. Any surplus remaining may be applied to the 81264  
acquisition or construction of those facilities or for the payment 81265  
of contributions to be made, or costs incurred, for the 81266  
acquisition or construction of those facilities under cooperative 81267  
contracts. Moneys in the drainage fund shall not be expended other 81268  
than for the use and benefit of the district. 81269

(E) A board of county commissioners may adopt a cost 81270  
allocation plan that identifies, accumulates, and distributes 81271  
allowable direct and indirect costs that may be paid from each of 81272  
the funds of the district created pursuant to divisions (C) and 81273  
(D) of this section, and that prescribes methods for allocating 81274  
those costs. The plan shall authorize payment from each of those 81275  
funds of only those costs incurred by the district, the county 81276  
sanitary engineer or sanitary engineering department, or a federal 81277  
or state grant program, and those costs incurred by the general 81278  
and other funds of the county for a common or joint purpose, that 81279  
are necessary and reasonable for the proper and efficient 81280  
administration of the district under this chapter and properly 81281  
attributable to the particular fund of the district. The plan 81282  
shall not authorize payment from either of the funds of any 81283  
general government expense required to carry out the overall 81284  
governmental responsibilities of a county. The plan shall conform 81285  
to United States office of management and budget Circular A-87, 81286  
"Cost Principles for State, Local, and Indian Tribal Governments," 81287  
published May 17, 1995. 81288



Sec. 6119.10. The board of trustees of a regional water and sewer district or any officer or employee designated by the board may make any contract for the purchase of supplies or material or for labor for any work, under the supervision of the board, the cost of which shall not exceed ~~fifteen~~ twenty-five thousand dollars. When an expenditure, other than for the acquisition of real estate and interests in real estate, the discharge of noncontractual claims, personal services, the joint use of facilities or the exercise of powers with other political subdivisions, or the product or services of public utilities, exceeds ~~fifteen~~ twenty-five thousand dollars, the expenditures shall be made only after a notice calling for bids has been published not less than two consecutive weeks in at least one newspaper having a general circulation within the district. If the bids are for a contract for the construction, demolition, alteration, repair, or reconstruction of an improvement, the board may let the contract to the lowest and best bidder who meets the requirements of section 153.54 of the Revised Code. If the bids are for a contract for any other work relating to the improvements for which a regional water and sewer district was established, the board of trustees of the regional water and sewer district may let the contract to the lowest or best bidder who gives a good and approved bond with ample security conditioned on the carrying out of the contract. The contract shall be in writing and shall be accompanied by or shall refer to plans and specifications for the work to be done, approved by the board. The plans and specifications shall at all times be made and considered part of the contract. The contract shall be approved by the board and signed by its president or other duly authorized officer and by the contractor. In case of a real and present emergency, the board of trustees of the district, by two-thirds vote of all members, may authorize the president or other duly authorized officer to

enter into a contract for work to be done or for the purchase of 81321  
supplies or materials without formal bidding or advertising. All 81322  
contracts shall have attached the certificate required by section 81323  
5705.41 of the Revised Code duly executed by the secretary of the 81324  
board of trustees of the district. The district may make 81325  
improvements by force account or direct labor, provided that, if 81326  
the estimated cost of supplies or material for any such 81327  
improvement exceeds ~~fifteen~~ twenty-five thousand dollars, bids 81328  
shall be received as provided in this section. For the purposes of 81329  
the competitive bidding requirements of this section, the board 81330  
shall not sever a contract for supplies or materials and labor 81331  
into separate contracts for labor, supplies, or materials if the 81332  
contracts are in fact a part of a single contract required to be 81333  
bid competitively under this section. 81334

**Sec. 6301.05.** The chief elected official of a ~~municipal~~ 81335  
~~corporation that is the type of local area defined in division~~ 81336  
~~(A)(1) of section 6301.01 of the Revised Code or is in the type of~~ 81337  
~~local area defined in division (A)(3) of that section~~ shall enter 81338  
into a written ~~partnership~~ grant agreement with the director of 81339  
job and family services in accordance with section ~~5101.213~~ 81340  
5101.20 of the Revised Code. 81341

~~The board of county commissioners of a county that is the~~ 81342  
~~type of local area defined in division (A)(2) of section 6301.01~~ 81343  
~~of the Revised Code or is in the type of local area defined in~~ 81344  
~~division (A)(3) of that section shall enter into a written~~ 81345  
~~partnership agreement with the director of job and family services~~ 81346  
~~in accordance with section 5101.21 of the Revised Code.~~ 81347

A grant agreement entered into pursuant to this section shall 81348  
include the responsibility of municipal corporations and the board 81349  
of county commissioners to be accountable to the department of job 81350  
and family services for the use of funds provided through the 81351

"Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C. 2801, 81352  
as amended, including regulations issued by the United States 81353  
department of labor pursuant to that act. 81354

**Sec. 6301.07.** (A) Every workforce policy board, with the 81355  
agreement of the chief elected officials of the local area, and 81356  
after holding public hearings that allow public comment and 81357  
testimony, shall prepare a workforce development plan ~~and~~ 81358  
~~incorporate that plan into and attach that plan to the partnership~~ 81359  
~~agreement required under section 6301.05 of the Revised Code.~~ The 81360  
plan shall accomplish all of the following: 81361

(1) Identify the workforce investment needs of businesses in 81362  
the local area, identify projected employment opportunities, and 81363  
identify the job skills necessary to obtain those opportunities; 81364

(2) Identify the local area's workforce development needs for 81365  
youth, dislocated workers, adults, displaced homemakers, incumbent 81366  
workers, and any other group of workers identified by the 81367  
workforce policy board; 81368

(3) Determine the distribution of workforce development 81369  
resources and funding to be distributed for each workforce 81370  
development activity to meet the identified needs, utilizing the 81371  
funds allocated pursuant to the "Workforce Investment Act of 81372  
1998," 112 Stat. 936, 29 U.S.C.A. 2801, as amended; 81373

(4) Give priority to youth receiving independent living 81374  
services pursuant to sections 2151.81 to 2151.84 of the Revised 81375  
Code when determining distribution of workforce development 81376  
resources and workforce development activity funding; 81377

(5) Review the minimum curriculum required by the state 81378  
workforce policy board for certifying training providers and 81379  
identify any additional curriculum requirements to include in 81380  
contracts between the training providers and the chief elected 81381

officials of the local area;	81382
(6) Establish performance standards for service providers that reflect local workforce development needs;	81383 81384
(7) Describe any other information the chief elected officials of the local area require.	81385 81386
(B) A workforce policy board may provide policy guidance and recommendations to the chief elected officials of a local area for any workforce development activities.	81387 81388 81389
(C) Nothing in this section prohibits the chief elected officials of a local area from assigning, through a partnership agreement, any duties in addition to the duties under this section to a workforce policy board, except that a workforce policy board cannot contract with itself for the direct provision of services in its local area. A workforce policy board may consult with the chief elected officials of its local area and make recommendations regarding the workforce development activities provided in its local area at any time.	81390 81391 81392 81393 81394 81395 81396 81397 81398
<b>Section 2.</b> That existing sections 9.01, 9.83, 101.34, 101.72, 101.82, 102.02, 109.32, 109.57, 109.572, 117.101, 117.16, 117.44, 117.45, 121.04, 121.08, 121.084, 121.41, 121.48, 121.62, 122.011, 122.04, 122.08, 122.17, 122.171, 122.25, 122.651, 122.658, 122.87, 122.88, 123.01, 124.03, 124.15, 124.152, 124.181, 125.05, 125.06, 125.07, 125.15, 125.91, 125.92, 125.93, 125.95, 125.96, 125.98, 127.16, 131.02, 131.23, 131.35, 145.38, 147.01, 147.37, 149.011, 149.30, 149.31, 149.33, 149.331, 149.332, 149.333, 149.34, 149.35, 153.65, 164.14, 164.27, 165.09, 166.16, 173.06, 173.061, 173.062, 173.07, 173.071, 173.14, 173.26, 175.03, 175.21, 175.22, 183.02, 306.35, 306.99, 307.86, 307.87, 307.93, 307.98, 307.981, 307.987, 311.17, 317.32, 321.24, 323.01, 323.13, 325.31, 329.03, 329.04, 329.05, 329.051, 329.06, 340.021, 340.03, 341.05, 341.25, 504.03, 504.04, 505.376, 507.09, 511.12, 515.01, 515.07, 521.05, 715.013,	81399 81400 81401 81402 81403 81404 81405 81406 81407 81408 81409 81410 81411 81412

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173.47, 173.48, 173.49, 173.50, 173.51, 173.52, 173.53, 173.54, 81511

173.55, 173.56, 173.57, 173.58, 173.59, 319.311, 504.21, 718.03, 81512  
1333.96, 1533.06, 1533.39, 1553.01, 1553.02, 1553.03, 1553.04, 81513  
1553.05, 1553.06, 1553.07, 1553.08, 1553.09, 1553.10, 1553.99, 81514  
2305.26, 3301.078, 3301.0719, 3301.0724, 3301.31, 3301.581, 81515  
3313.82, 3313.83, 3313.94, 3317.11, 3318.033, 3318.052, 3318.35, 81516  
3319.06, 3319.34, 3701.142, 3701.144, 3702.543, 3702.581, 4104.42, 81517  
4104.43, 4141.044, 4141.045, 5101.213, 5101.251, 5108.05, 81518  
5111.017, 5111.173, 5115.011, 5115.012, 5115.06, 5115.061, 81519  
5139.42, 5139.45, 5709.211, 5709.23, 5709.231, 5709.24, 5709.30, 81520  
5709.31, 5709.32, 5709.33, 5709.34, 5709.35, 5709.36, 5709.37, 81521  
5709.45, 5709.46, 5709.47, 5709.48, 5709.49, 5709.50, 5709.51, 81522  
5709.52, 5727.39, 5727.44, 5733.111, 5739.012, 5739.034, 5741.011, 81523  
5747.131, 6111.31, 6111.311, 6111.32, 6111.34, 6111.35, 6111.36, 81524  
6111.37, 6111.38, and 6111.39 of the Revised Code are hereby 81525  
repealed. 81526

**Section 3.01.** That the version of section 921.22 of the 81527  
Revised Code that is scheduled to take effect July 1, 2004, be 81528  
amended to read as follows: 81529

**Sec. 921.22.** The pesticide program fund is hereby created in 81530  
the state treasury. ~~All~~ The portion of the money in the fund that 81531  
is collected under this chapter shall be used to carry out the 81532  
purposes of this chapter. The portion of the money in the fund 81533  
that is collected under section 927.53 of the Revised Code shall 81534  
be used to carry out the purposes specified in that section, the 81535  
portion of the money in the fund that is collected under section 81536  
927.69 of the Revised Code shall be used to carry out the purposes 81537  
specified in that section, and the portion of the money in the 81538  
fund that is collected under section 927.701 of the Revised Code 81539  
shall be used to carry out the purposes of that section. The fund 81540  
shall consist of fees collected under sections 921.01 to 921.15, 81541  
division (F) of section 927.53, and section 927.69 of the Revised 81542



Code, money collected under section 927.701 of the Revised Code, 81543  
and all fines, penalties, costs, and damages, except court costs, 81544  
that are collected by either the director of agriculture or the 81545  
attorney general in consequence of any violation of this chapter. 81546

**Section 3.02.** That the existing version of section 921.22 of 81547  
the Revised Code that is scheduled to take effect July 1, 2004, is 81548  
hereby repealed. 81549

**Section 3.03.** Sections 3.01 and 3.02 of this act take effect 81550  
July 1, 2004. 81551

**Section 3.04.** That the version of section 3332.04 of the 81552  
Revised Code that is scheduled to take effect on July 1, 2003, be 81553  
amended to read as follows: 81554

**Sec. 3332.04.** The state board of career colleges and schools 81555  
may appoint an executive director and such other staff as may be 81556  
required for the performance of the board's duties and provide 81557  
necessary facilities. In selecting an executive director, the 81558  
board shall appoint an individual with a background or experience 81559  
in the regulation of commerce, business, or education. The board 81560  
may also arrange for services and facilities to be provided by the 81561  
state board of education and the Ohio board of regents. All 81562  
receipts of the board shall be deposited in the ~~career colleges~~ 81563  
~~and schools operating fund, which is hereby created in the state~~ 81564  
~~treasury. Moneys in the fund shall be used solely for the~~ 81565  
~~administration and enforcement of Chapter 3332. of the Revised~~ 81566  
~~Code. All investment earnings on the fund shall be credited to the~~ 81567  
to the credit of the occupational licensing and regulatory fund. 81568

**Section 3.05.** That the version of section 3332.04 of the 81569  
Revised Code that is scheduled to take effect on July 1, 2003, is 81570

hereby repealed.	81571
<b>Section 3.06.</b> Sections 3.04 and 3.05 of this act take effect July 1, 2003.	81572 81573
<b>Section 3.07.</b> That the version of section 2305.234 of the Revised Code that is scheduled to take effect January 1, 2004, be amended to read as follows:	81574 81575 81576
<b>Sec. 2305.234.</b> (A) As used in this section:	81577
(1) "Chiropractic claim," "medical claim," and "optometric claim" have the same meanings as in section 2305.113 of the Revised Code.	81578 81579 81580
(2) "Dental claim" has the same meaning as in section 2305.113 of the Revised Code, except that it does not include any claim arising out of a dental operation or any derivative claim for relief that arises out of a dental operation.	81581 81582 81583 81584
(3) "Governmental health care program" has the same meaning as in section 4731.65 of the Revised Code.	81585 81586
(4) "Health care professional" means any of the following who provide medical, dental, or other health-related diagnosis, care, or treatment:	81587 81588 81589
(a) Physicians authorized under Chapter 4731. of the Revised Code to practice medicine and surgery or osteopathic medicine and surgery;	81590 81591 81592
(b) Registered nurses, advanced practice nurses, and licensed practical nurses licensed under Chapter 4723. of the Revised Code;	81593 81594
(c) Physician assistants authorized to practice under Chapter 4730. of the Revised Code;	81595 81596
(d) Dentists and dental hygienists licensed under Chapter 4715. of the Revised Code;	81597 81598

(e) Physical therapists licensed under Chapter 4755. of the Revised Code;	81599 81600
(f) Chiropractors licensed under Chapter 4734. of the Revised Code;	81601 81602
(g) Optometrists licensed under Chapter 4725. of the Revised Code;	81603 81604
(h) Podiatrists authorized under Chapter 4731. of the Revised Code to practice podiatry;	81605 81606
(i) Dietitians licensed under Chapter 4759. of the Revised Code;	81607 81608
(j) Pharmacists licensed under Chapter 4729. of the Revised Code;	81609 81610
(k) Emergency medical technicians-basic, emergency medical technicians-intermediate, and emergency medical technicians-paramedic, certified under Chapter 4765. of the Revised Code.	81611 81612 81613 81614
(5) "Health care worker" means a person other than a health care professional who provides medical, dental, or other health-related care or treatment under the direction of a health care professional with the authority to direct that individual's activities, including medical technicians, medical assistants, dental assistants, orderlies, aides, and individuals acting in similar capacities.	81615 81616 81617 81618 81619 81620 81621
(6) "Indigent and uninsured person" means a person who meets all of the following requirements:	81622 81623
(a) The person's income is not greater than one hundred fifty per cent of the current poverty line as defined by the United States office of management and budget and revised in accordance with section 673(2) of the "Omnibus Budget Reconciliation Act of 1981," 95 Stat. 511, 42 U.S.C. 9902, as amended.	81624 81625 81626 81627 81628

(b) The person is not eligible to receive medical assistance 81629  
under Chapter 5111., disability ~~assistance~~ medical assistance 81630  
under Chapter 5115. of the Revised Code, or assistance under any 81631  
other governmental health care program. 81632

(c) Either of the following applies: 81633

(i) The person is not a policyholder, certificate holder, 81634  
insured, contract holder, subscriber, enrollee, member, 81635  
beneficiary, or other covered individual under a health insurance 81636  
or health care policy, contract, or plan. 81637

(ii) The person is a policyholder, certificate holder, 81638  
insured, contract holder, subscriber, enrollee, member, 81639  
beneficiary, or other covered individual under a health insurance 81640  
or health care policy, contract, or plan, but the insurer, policy, 81641  
contract, or plan denies coverage or is the subject of insolvency 81642  
or bankruptcy proceedings in any jurisdiction. 81643

(7) "Operation" means any procedure that involves cutting or 81644  
otherwise infiltrating human tissue by mechanical means, including 81645  
surgery, laser surgery, ionizing radiation, therapeutic 81646  
ultrasound, or the removal of intraocular foreign bodies. 81647  
"Operation" does not include the administration of medication by 81648  
injection, unless the injection is administered in conjunction 81649  
with a procedure infiltrating human tissue by mechanical means 81650  
other than the administration of medicine by injection. 81651

(8) "Nonprofit shelter or health care facility" means a 81652  
charitable nonprofit corporation organized and operated pursuant 81653  
to Chapter 1702. of the Revised Code, or any charitable 81654  
organization not organized and not operated for profit, that 81655  
provides shelter, health care services, or shelter and health care 81656  
services to indigent and uninsured persons, except that "shelter 81657  
or health care facility" does not include a hospital as defined in 81658  
section 3727.01 of the Revised Code, a facility licensed under 81659

Chapter 3721. of the Revised Code, or a medical facility that is 81660  
operated for profit. 81661

(9) "Tort action" means a civil action for damages for 81662  
injury, death, or loss to person or property other than a civil 81663  
action for damages for a breach of contract or another agreement 81664  
between persons or government entities. 81665

(10) "Volunteer" means an individual who provides any 81666  
medical, dental, or other health-care related diagnosis, care, or 81667  
treatment without the expectation of receiving and without receipt 81668  
of any compensation or other form of remuneration from an indigent 81669  
and uninsured person, another person on behalf of an indigent and 81670  
uninsured person, any shelter or health care facility, or any 81671  
other person or government entity. 81672

(11) "Community control sanction" has the same meaning as in 81673  
section 2929.01 of the Revised Code. 81674

(B)(1) Subject to divisions (E) and (F)(3) of this section, a 81675  
health care professional who is a volunteer and complies with 81676  
division (B)(2) of this section is not liable in damages to any 81677  
person or government entity in a tort or other civil action, 81678  
including an action on a medical, dental, chiropractic, 81679  
optometric, or other health-related claim, for injury, death, or 81680  
loss to person or property that allegedly arises from an action or 81681  
omission of the volunteer in the provision at a nonprofit shelter 81682  
or health care facility to an indigent and uninsured person of 81683  
medical, dental, or other health-related diagnosis, care, or 81684  
treatment, including the provision of samples of medicine and 81685  
other medical products, unless the action or omission constitutes 81686  
willful or wanton misconduct. 81687

(2) To qualify for the immunity described in division (B)(1) 81688  
of this section, a health care professional shall do all of the 81689  
following prior to providing diagnosis, care, or treatment: 81690

(a) Determine, in good faith, that the indigent and uninsured person is mentally capable of giving informed consent to the provision of the diagnosis, care, or treatment and is not subject to duress or under undue influence; 81691  
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(b) Inform the person of the provisions of this section; 81695

(c) Obtain the informed consent of the person and a written waiver, signed by the person or by another individual on behalf of and in the presence of the person, that states that the person is mentally competent to give informed consent and, without being subject to duress or under undue influence, gives informed consent to the provision of the diagnosis, care, or treatment subject to the provisions of this section. 81696  
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(3) A physician or podiatrist who is not covered by medical malpractice insurance, but complies with division (B)(2) of this section, is not required to comply with division (A) of section 4731.143 of the Revised Code. 81703  
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(C) Subject to divisions (E) and (F)(3) of this section, health care workers who are volunteers are not liable in damages to any person or government entity in a tort or other civil action, including an action upon a medical, dental, chiropractic, optometric, or other health-related claim, for injury, death, or loss to person or property that allegedly arises from an action or omission of the health care worker in the provision at a nonprofit shelter or health care facility to an indigent and uninsured person of medical, dental, or other health-related diagnosis, care, or treatment, unless the action or omission constitutes willful or wanton misconduct. 81707  
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(D) Subject to divisions (E) and (F)(3) of this section and section 3701.071 of the Revised Code, a nonprofit shelter or health care facility associated with a health care professional described in division (B)(1) of this section or a health care 81718  
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worker described in division (C) of this section is not liable in 81722  
damages to any person or government entity in a tort or other 81723  
civil action, including an action on a medical, dental, 81724  
chiropractic, optometric, or other health-related claim, for 81725  
injury, death, or loss to person or property that allegedly arises 81726  
from an action or omission of the health care professional or 81727  
worker in providing for the shelter or facility medical, dental, 81728  
or other health-related diagnosis, care, or treatment to an 81729  
indigent and uninsured person, unless the action or omission 81730  
constitutes willful or wanton misconduct. 81731

(E)(1) Except as provided in division (E)(2) of this section, 81732  
the immunities provided by divisions (B), (C), and (D) of this 81733  
section are not available to an individual or to a nonprofit 81734  
shelter or health care facility if, at the time of an alleged 81735  
injury, death, or loss to person or property, the individuals 81736  
involved are providing one of the following: 81737

(a) Any medical, dental, or other health-related diagnosis, 81738  
care, or treatment pursuant to a community service work order 81739  
entered by a court under division (B) of section 2951.02 of the 81740  
Revised Code or imposed by a court as a community control 81741  
sanction; 81742

(b) Performance of an operation; 81743

(c) Delivery of a baby. 81744

(2) Division (E)(1) of this section does not apply to an 81745  
individual who provides, or a nonprofit shelter or health care 81746  
facility at which the individual provides, diagnosis, care, or 81747  
treatment that is necessary to preserve the life of a person in a 81748  
medical emergency. 81749

(F)(1) This section does not create a new cause of action or 81750  
substantive legal right against a health care professional, health 81751  
care worker, or nonprofit shelter or health care facility. 81752

(2) This section does not affect any immunities from civil liability or defenses established by another section of the Revised Code or available at common law to which an individual or a nonprofit shelter or health care facility may be entitled in connection with the provision of emergency or other diagnosis, care, or treatment.

(3) This section does not grant an immunity from tort or other civil liability to an individual or a nonprofit shelter or health care facility for actions that are outside the scope of authority of health care professionals or health care workers.

(4) This section does not affect any legal responsibility of a health care professional or health care worker to comply with any applicable law of this state or rule of an agency of this state.

(5) This section does not affect any legal responsibility of a nonprofit shelter or health care facility to comply with any applicable law of this state, rule of an agency of this state, or local code, ordinance, or regulation that pertains to or regulates building, housing, air pollution, water pollution, sanitation, health, fire, zoning, or safety.

**Section 3.08.** That the existing version of section 2305.234 of the Revised Code that is scheduled to take effect January 1, 2004, is hereby repealed.

**Section 3.09.** Sections 3.07 and 3.08 of this act take effect January 1, 2004.

**Section 3.10.** That the version of section 3734.44 of the Revised Code that is scheduled to take effect January 1, 2004, be amended to read as follows:



**Sec. 3734.44.** Notwithstanding the provisions of any law to 81781  
the contrary, no permit or license shall be issued or renewed by 81782  
the director of environmental protection, ~~the hazardous waste~~ 81783  
~~facility board,~~ or a board of health: 81784

(A) Unless the director, ~~the hazardous waste facility board,~~ 81785  
or the board of health finds that the applicant, in any prior 81786  
performance record in the transportation, transfer, treatment, 81787  
storage, or disposal of solid wastes, infectious wastes, or 81788  
hazardous waste, has exhibited sufficient reliability, expertise, 81789  
and competency to operate the solid waste, infectious waste, or 81790  
hazardous waste facility, given the potential for harm to human 81791  
health and the environment that could result from the 81792  
irresponsible operation of the facility, or, if no prior record 81793  
exists, that the applicant is likely to exhibit that reliability, 81794  
expertise, and competence; 81795

(B) If any individual or business concern required to be 81796  
listed in the disclosure statement or shown to have a beneficial 81797  
interest in the business of the applicant or the permittee, other 81798  
than an equity interest or debt liability, by the investigation 81799  
thereof, has been convicted of any of the following crimes under 81800  
the laws of this state or equivalent laws of any other 81801  
jurisdiction: 81802

- (1) Murder; 81803
- (2) Kidnapping; 81804
- (3) Gambling; 81805
- (4) Robbery; 81806
- (5) Bribery; 81807
- (6) Extortion; 81808
- (7) Criminal usury; 81809

(8) Arson;	81810
(9) Burglary;	81811
(10) Theft and related crimes;	81812
(11) Forgery and fraudulent practices;	81813
(12) Fraud in the offering, sale, or purchase of securities;	81814
(13) Alteration of motor vehicle identification numbers;	81815
(14) Unlawful manufacture, purchase, use, or transfer of firearms;	81816 81817
(15) Unlawful possession or use of destructive devices or explosives;	81818 81819
(16) A violation of section 2925.03, 2925.04, 2925.05, 2925.06, 2925.11, 2925.32, or 2925.37 or Chapter 3719. of the Revised Code, unless the violation is for possession of less than one hundred grams of marihuana, less than five grams of marihuana resin or extraction or preparation of marihuana resin, or less than one gram of marihuana resin in a liquid concentrate, liquid extract, or liquid distillate form;	81820 81821 81822 81823 81824 81825 81826
(17) Engaging in a pattern of corrupt activity under section 2923.32 of the Revised Code;	81827 81828
(18) A violation of the criminal provisions of Chapter 1331. of the Revised Code;	81829 81830
(19) Any violation of the criminal provisions of any federal or state environmental protection laws, rules, or regulations that is committed knowingly or recklessly, as defined in section 2901.22 of the Revised Code;	81831 81832 81833 81834
(20) A violation of any provision of Chapter 2909. of the Revised Code;	81835 81836
(21) Any offense specified in Chapter 2921. of the Revised Code.	81837 81838

(C) Notwithstanding division (B) of this section, no applicant shall be denied the issuance or renewal of a permit or license on the basis of a conviction of any individual or business concern required to be listed in the disclosure statement or shown to have a beneficial interest in the business of the applicant or the permittee, other than an equity interest or debt liability, by the investigation thereof for any of the offenses enumerated in that division as disqualification criteria if that applicant has affirmatively demonstrated rehabilitation of the individual or business concern by a preponderance of the evidence. If any such individual was convicted of any of the offenses so enumerated that are felonies, a permit shall be denied unless five years have elapsed since the individual was fully discharged from imprisonment and parole for the offense, from a community control sanction imposed under section 2929.15 of the Revised Code, from a post-release control sanction imposed under section 2967.28 of the Revised Code for the offense, or imprisonment, probation, and parole for an offense that was committed prior to July 1, 1996. In determining whether an applicant has affirmatively demonstrated rehabilitation, the director, ~~the hazardous waste facility board,~~ or the board of health shall request a recommendation on the matter from the attorney general and shall consider and base the determination on the following factors:

- (1) The nature and responsibilities of the position a convicted individual would hold;
- (2) The nature and seriousness of the offense;
- (3) The circumstances under which the offense occurred;
- (4) The date of the offense;
- (5) The age of the individual when the offense was committed;
- (6) Whether the offense was an isolated or repeated incident;

(7) Any social conditions that may have contributed to the 81869  
offense; 81870

(8) Any evidence of rehabilitation, including good conduct in 81871  
prison or in the community, counseling or psychiatric treatment 81872  
received, acquisition of additional academic or vocational 81873  
schooling, successful participation in correctional work release 81874  
programs, or the recommendation of persons who have or have had 81875  
the applicant under their supervision; 81876

(9) In the instance of an applicant that is a business 81877  
concern, rehabilitation shall be established if the applicant has 81878  
implemented formal management controls to minimize and prevent the 81879  
occurrence of violations and activities that will or may result in 81880  
permit or license denial or revocation or if the applicant has 81881  
formalized those controls as a result of a revocation or denial of 81882  
a permit or license. Those controls may include, but are not 81883  
limited to, instituting environmental auditing programs to help 81884  
ensure the adequacy of internal systems to achieve, maintain, and 81885  
monitor compliance with applicable environmental laws and 81886  
standards or instituting an antitrust compliance auditing program 81887  
to help ensure full compliance with applicable antitrust laws. The 81888  
business concern shall prove by a preponderance of the evidence 81889  
that the management controls are effective in preventing the 81890  
violations that are the subject of concern. 81891

(D) Unless the director, ~~the hazardous waste facility board,~~ 81892  
or the board of health finds that the applicant has a history of 81893  
compliance with environmental laws in this state and other 81894  
jurisdictions and is presently in substantial compliance with, or 81895  
on a legally enforceable schedule that will result in compliance 81896  
with, environmental laws in this state and other jurisdictions; 81897

(E) With respect to the approval of a permit, if the director 81898  
~~or the hazardous waste facility board~~ determines that current 81899

prosecutions or pending charges in any jurisdiction for any of the 81900  
offenses enumerated in division (B) of this section against any 81901  
individual or business concern required to be listed in the 81902  
disclosure statement or shown by the investigation to have a 81903  
beneficial interest in the business of the applicant other than an 81904  
equity interest or debt liability are of such magnitude that they 81905  
prevent making the finding required under division (A) of this 81906  
section, provided that at the request of the applicant or the 81907  
individual or business concern charged, the director ~~or the~~ 81908  
~~hazardous waste facility board~~ shall defer decision upon the 81909  
application during the pendency of the charge. 81910

**Section 3.11.** That the existing version of section 3734.44 of 81911  
the Revised Code that is scheduled to take effect on January 1, 81912  
2004, is hereby repealed. 81913

**Section 3.12.** Sections 3.10 and 3.11 of this act take effect 81914  
January 1, 2004. 81915

**Section 3.13.** That the versions of sections 307.93, 2152.19, 81916  
2301.02, 2301.03, 2743.191, 2743.51, 2929.38, 4506.14, 4506.15, 81917  
4506.16, 4506.20, 4511.33, 4511.62, 4511.63, and 4511.75 of the 81918  
Revised Code that are scheduled to take effect January 1, 2004, be 81919  
amended to read as follows: 81920

**Sec. 307.93.** (A) The boards of county commissioners of two or 81921  
more adjacent counties may contract for the joint establishment of 81922  
a multicounty correctional center, and the board of county 81923  
commissioners of a county or the boards of two or more counties 81924  
may contract with any municipal corporation or municipal 81925  
corporations located in that county or those counties for the 81926  
joint establishment of a municipal-county or multicounty-municipal 81927  
correctional center. The center shall augment county and, where 81928

applicable, municipal jail programs and facilities by providing 81929  
custody and rehabilitative programs for those persons under the 81930  
charge of the sheriff of any of the contracting counties or of the 81931  
officer or officers of the contracting municipal corporation or 81932  
municipal corporations having charge of persons incarcerated in 81933  
the municipal jail, workhouse, or other correctional facility who, 81934  
in the opinion of the sentencing court, need programs of custody 81935  
and rehabilitation not available at the county or municipal jail 81936  
and by providing custody and rehabilitative programs in accordance 81937  
with division (C) of this section, if applicable. The contract may 81938  
include, but need not be limited to, provisions regarding the 81939  
acquisition, construction, maintenance, repair, termination of 81940  
operations, and administration of the center. The contract shall 81941  
prescribe the manner of funding of, and debt assumption for, the 81942  
center and the standards and procedures to be followed in the 81943  
operation of the center. Except as provided in division (H) of 81944  
this section, the contracting counties and municipal corporations 81945  
shall form a corrections commission to oversee the administration 81946  
of the center. Members of the commission shall consist of the 81947  
sheriff of each participating county, the president of the board 81948  
of county commissioners of each participating county, the 81949  
presiding judge of the court of common pleas of each participating 81950  
county, or, if the court of common pleas of a participating county 81951  
has only one judge, then that judge, the chief of police of each 81952  
participating municipal corporation, the mayor or city manager of 81953  
each participating municipal corporation, and the presiding judge 81954  
or the sole judge of the municipal court of each participating 81955  
municipal corporation. Any of the foregoing officers may appoint a 81956  
designee to serve in the officer's place on the corrections 81957  
commission. The standards and procedures shall be formulated and 81958  
agreed to by the commission and may be amended at any time during 81959  
the life of the contract by agreement of the parties to the 81960  
contract upon the advice of the commission. The standards and 81961

procedures formulated by the commission shall include, but need 81962  
not be limited to, designation of the person in charge of the 81963  
center, the categories of employees to be employed at the center, 81964  
the appointing authority of the center, and the standards of 81965  
treatment and security to be maintained at the center. The person 81966  
in charge of, and all persons employed to work at, the center 81967  
shall have all the powers of police officers that are necessary 81968  
for the proper performance of the duties relating to their 81969  
positions at the center. 81970

(B) Each board of county commissioners that enters a contract 81971  
under division (A) of this section may appoint a building 81972  
commission pursuant to section 153.21 of the Revised Code. If any 81973  
commissions are appointed, they shall function jointly in the 81974  
construction of a multicounty or multicounty-municipal 81975  
correctional center with all the powers and duties authorized by 81976  
law. 81977

(C) Prior to the acceptance for custody and rehabilitation 81978  
into a center established under this section of any persons who 81979  
are designated by the department of rehabilitation and correction, 81980  
who plead guilty to or are convicted of a felony of the fourth or 81981  
fifth degree, and who satisfy the other requirements listed in 81982  
section 5120.161 of the Revised Code, the corrections commission 81983  
of a center established under this section shall enter into an 81984  
agreement with the department of rehabilitation and correction 81985  
under section 5120.161 of the Revised Code for the custody and 81986  
rehabilitation in the center of persons who are designated by the 81987  
department, who plead guilty to or are convicted of a felony of 81988  
the fourth or fifth degree, and who satisfy the other requirements 81989  
listed in that section, in exchange for a per diem fee per person. 81990  
Persons incarcerated in the center pursuant to an agreement 81991  
entered into under this division shall be subject to supervision 81992  
and control in the manner described in section 5120.161 of the 81993

Revised Code. This division does not affect the authority of a 81994  
court to directly sentence a person who is convicted of or pleads 81995  
guilty to a felony to the center in accordance with section 81996  
2929.16 of the Revised Code. 81997

(D) Pursuant to section 2929.37 of the Revised Code, each 81998  
board of county commissioners and the legislative authority of 81999  
each municipal corporation that enters into a contract under 82000  
division (A) of this section may require a person who was 82001  
convicted of an offense, who is under the charge of the sheriff of 82002  
their county or of the officer or officers of the contracting 82003  
municipal corporation or municipal corporations having charge of 82004  
persons incarcerated in the municipal jail, workhouse, or other 82005  
correctional facility, and who is confined in the multicounty, 82006  
municipal-county, or multicounty-municipal correctional center as 82007  
provided in that division, to reimburse the applicable county or 82008  
municipal corporation for its expenses incurred by reason of the 82009  
person's confinement in the center. 82010

(E) Notwithstanding any contrary provision in this section or 82011  
section 2929.18, 2929.28, or 2929.37 of the Revised Code, the 82012  
corrections commission of a center may establish a policy that 82013  
complies with section 2929.38 of the Revised Code and that 82014  
requires any person who is not indigent and who is confined in the 82015  
multicounty, municipal-county, or multicounty-municipal 82016  
correctional center to pay a reception fee, a fee for medical 82017  
treatment or service requested by and provided to that person, or 82018  
the fee for a random drug test assessed under division (E) of 82019  
section 341.26 of the Revised Code. 82020

(F)(1) The corrections commission of a center established 82021  
under this section may establish a commissary for the center. The 82022  
commissary may be established either in-house or by another 82023  
arrangement. If a commissary is established, all persons 82024  
incarcerated in the center shall receive commissary privileges. A 82025



person's purchases from the commissary shall be deducted from the 82026  
person's account record in the center's business office. The 82027  
commissary shall provide for the distribution to indigent persons 82028  
incarcerated in the center of necessary hygiene articles and 82029  
writing materials. 82030

(2) If a commissary is established, the corrections 82031  
commission of a center established under this section shall 82032  
establish a commissary fund for the center. The management of 82033  
funds in the commissary fund shall be strictly controlled in 82034  
accordance with procedures adopted by the auditor of state. 82035  
Commissary fund revenue over and above operating costs and reserve 82036  
shall be considered profits. All profits from the commissary fund 82037  
shall be used to purchase supplies and equipment for the benefit 82038  
of persons incarcerated in the center and to pay salary and 82039  
benefits for employees of the center, or for any other persons, 82040  
who work in or are employed for the sole purpose of providing 82041  
service to the commissary. The corrections commission shall adopt 82042  
rules and regulations for the operation of any commissary fund it 82043  
establishes. 82044

(G) In lieu of forming a corrections commission to administer 82045  
a multicounty correctional center or a municipal-county or 82046  
multicounty-municipal correctional center, the boards of county 82047  
commissioners and the legislative authorities of the municipal 82048  
corporations contracting to establish the center may also agree to 82049  
contract for the private operation and management of the center as 82050  
provided in section 9.06 of the Revised Code, but only if the 82051  
center houses only misdemeanor inmates. In order to enter into a 82052  
contract under section 9.06 of the Revised Code, all the boards 82053  
and legislative authorities establishing the center shall approve 82054  
and be parties to the contract. 82055

(H) If a person who is convicted of or pleads guilty to an 82056  
offense is sentenced to a term in a multicounty correctional 82057

center or a municipal-county or multicounty-municipal correctional 82058  
center or is incarcerated in the center in the manner described in 82059  
division (C) of this section, or if a person who is arrested for 82060  
an offense, and who has been denied bail or has had bail set and 82061  
has not been released on bail is confined in a multicounty 82062  
correctional center or a municipal-county or multicounty-municipal 82063  
correctional center pending trial, at the time of reception and at 82064  
other times the officer, officers, or other person in charge of 82065  
the operation of the center determines to be appropriate, the 82066  
officer, officers, or other person in charge of the operation of 82067  
the center may cause the convicted or accused offender to be 82068  
examined and tested for tuberculosis, HIV infection, hepatitis, 82069  
including but not limited to hepatitis A, B, and C, and other 82070  
contagious diseases. The officer, officers, or other person in 82071  
charge of the operation of the center may cause a convicted or 82072  
accused offender in the center who refuses to be tested or treated 82073  
for tuberculosis, HIV infection, hepatitis, including but not 82074  
limited to hepatitis A, B, and C, or another contagious disease to 82075  
be tested and treated involuntarily. 82076

(I) As used in this section, "multicounty-municipal" means 82077  
more than one county and a municipal corporation, or more than one 82078  
municipal corporation and a county, or more than one municipal 82079  
corporation and more than one county. 82080

**Sec. 2152.19.** (A) If a child is adjudicated a delinquent 82081  
child, the court may make any of the following orders of 82082  
disposition, in addition to any other disposition authorized or 82083  
required by this chapter: 82084

(1) Any order that is authorized by section 2151.353 of the 82085  
Revised Code for the care and protection of an abused, neglected, 82086  
or dependent child; 82087

(2) Commit the child to the temporary custody of any school, 82088

camp, institution, or other facility operated for the care of 82089  
delinquent children by the county, by a district organized under 82090  
section 2152.41 or 2151.65 of the Revised Code, or by a private 82091  
agency or organization, within or without the state, that is 82092  
authorized and qualified to provide the care, treatment, or 82093  
placement required, including, but not limited to, a school, camp, 82094  
or facility operated under section 2151.65 of the Revised Code; 82095

(3) Place the child in a detention facility or district 82096  
detention facility operated under section 2152.41 of the Revised 82097  
Code, for up to ninety days; 82098

(4) Place the child on community control under any sanctions, 82099  
services, and conditions that the court prescribes. As a condition 82100  
of community control in every case and in addition to any other 82101  
condition that it imposes upon the child, the court shall require 82102  
the child to abide by the law during the period of community 82103  
control. As referred to in this division, community control 82104  
includes, but is not limited to, the following sanctions and 82105  
conditions: 82106

(a) A period of basic probation supervision in which the 82107  
child is required to maintain contact with a person appointed to 82108  
supervise the child in accordance with sanctions imposed by the 82109  
court; 82110

(b) A period of intensive probation supervision in which the 82111  
child is required to maintain frequent contact with a person 82112  
appointed by the court to supervise the child while the child is 82113  
seeking or maintaining employment and participating in training, 82114  
education, and treatment programs as the order of disposition; 82115

(c) A period of day reporting in which the child is required 82116  
each day to report to and leave a center or another approved 82117  
reporting location at specified times in order to participate in 82118  
work, education or training, treatment, and other approved 82119

programs at the center or outside the center;	82120
(d) A period of community service of up to five hundred hours	82121
for an act that would be a felony or a misdemeanor of the first	82122
degree if committed by an adult, up to two hundred hours for an	82123
act that would be a misdemeanor of the second, third, or fourth	82124
degree if committed by an adult, or up to thirty hours for an act	82125
that would be a minor misdemeanor if committed by an adult;	82126
(e) A requirement that the child obtain a high school	82127
diploma, a certificate of high school equivalence, vocational	82128
training, or employment;	82129
(f) A period of drug and alcohol use monitoring;	82130
(g) A requirement of alcohol or drug assessment or	82131
counseling, or a period in an alcohol or drug treatment program	82132
with a level of security for the child as determined necessary by	82133
the court;	82134
(h) A period in which the court orders the child to observe a	82135
curfew that may involve daytime or evening hours;	82136
(i) A requirement that the child serve monitored time;	82137
(j) A period of house arrest with or without electronic	82138
monitoring;	82139
(k) A period of electronic monitoring without house arrest or	82140
electronically monitored house arrest that does not exceed the	82141
maximum sentence of imprisonment that could be imposed upon an	82142
adult who commits the same act.	82143
A period of electronically monitored house arrest imposed	82144
under this division shall not extend beyond the child's	82145
twenty-first birthday. If a court imposes a period of	82146
electronically monitored house arrest upon a child under this	82147
division, it shall require the child: to wear, otherwise have	82148
attached to the child's person, or otherwise be subject to	82149

monitoring by a certified electronic monitoring device or to 82150  
participate in the operation of and monitoring by a certified 82151  
electronic monitoring system; to remain in the child's home or 82152  
other specified premises for the entire period of electronically 82153  
monitored house arrest except when the court permits the child to 82154  
leave those premises to go to school or to other specified 82155  
premises; to be monitored by a central system that can determine 82156  
the child's location at designated times; to report periodically 82157  
to a person designated by the court; and to enter into a written 82158  
contract with the court agreeing to comply with all requirements 82159  
imposed by the court, agreeing to pay any fee imposed by the court 82160  
for the costs of the electronically monitored house arrest, and 82161  
agreeing to waive the right to receive credit for any time served 82162  
on electronically monitored house arrest toward the period of any 82163  
other dispositional order imposed upon the child if the child 82164  
violates any of the requirements of the dispositional order of 82165  
electronically monitored house arrest. The court also may impose 82166  
other reasonable requirements upon the child. 82167

Unless ordered by the court, a child shall not receive credit 82168  
for any time served on electronically monitored house arrest 82169  
toward any other dispositional order imposed upon the child for 82170  
the act for which was imposed the dispositional order of 82171  
electronically monitored house arrest. 82172

(1) A suspension of the driver's license, probationary 82173  
driver's license, or temporary instruction permit issued to the 82174  
child or a suspension of the registration of all motor vehicles 82175  
registered in the name of the child. A child whose license or 82176  
permit is so suspended is ineligible for issuance of a license or 82177  
permit during the period of suspension. At the end of the period 82178  
of suspension, the child shall not be reissued a license or permit 82179  
until the child has paid any applicable reinstatement fee and 82180  
complied with all requirements governing license reinstatement. 82181

(5) Commit the child to the custody of the court;	82182
(6) Require the child to not be absent without legitimate excuse from the public school the child is supposed to attend for five or more consecutive days, seven or more school days in one school month, or twelve or more school days in a school year;	82183 82184 82185 82186
(7)(a) If a child is adjudicated a delinquent child for being a chronic truant or an habitual truant who previously has been adjudicated an unruly child for being a habitual truant, do either or both of the following:	82187 82188 82189 82190
(i) Require the child to participate in a truancy prevention mediation program;	82191 82192
(ii) Make any order of disposition as authorized by this section, except that the court shall not commit the child to a facility described in division (A)(2) or (3) of this section unless the court determines that the child violated a lawful court order made pursuant to division (C)(1)(e) of section 2151.354 of the Revised Code or division (A)(6) of this section.	82193 82194 82195 82196 82197 82198
(b) If a child is adjudicated a delinquent child for being a chronic truant or a habitual truant who previously has been adjudicated an unruly child for being a habitual truant and the court determines that the parent, guardian, or other person having care of the child has failed to cause the child's attendance at school in violation of section 3321.38 of the Revised Code, do either or both of the following:	82199 82200 82201 82202 82203 82204 82205
(i) Require the parent, guardian, or other person having care of the child to participate in a truancy prevention mediation program;	82206 82207 82208
(ii) Require the parent, guardian, or other person having care of the child to participate in any community service program, preferably a community service program that requires the	82209 82210 82211

involvement of the parent, guardian, or other person having care 82212  
of the child in the school attended by the child. 82213

(8) Make any further disposition that the court finds proper, 82214  
except that the child shall not be placed in any of the following: 82215

(a) A state correctional institution, a county, multicounty, 82216  
or municipal jail or workhouse, or another place in which an adult 82217  
convicted of a crime, under arrest, or charged with a crime is 82218  
held; 82219

(b) A community corrections facility, if the child would be 82220  
covered by the definition of public safety beds for purposes of 82221  
sections 5139.41 to ~~5139.45~~ 5139.43 of the Revised Code if the 82222  
court exercised its authority to commit the child to the legal 82223  
custody of the department of youth services for 82224  
institutionalization or institutionalization in a secure facility 82225  
pursuant to this chapter. 82226

(B) If a child is adjudicated a delinquent child, in addition 82227  
to any order of disposition made under division (A) of this 82228  
section, the court, in the following situations, shall suspend the 82229  
child's temporary instruction permit, restricted license, 82230  
probationary driver's license, or nonresident operating privilege, 82231  
or suspend the child's ability to obtain such a permit: 82232

(1) The child is adjudicated a delinquent child for violating 82233  
section 2923.122 of the Revised Code, with the suspension and 82234  
denial being in accordance with division (E)(1)(a), (c), (d), or 82235  
(e) of section 2923.122 of the Revised Code. 82236

(2) The child is adjudicated a delinquent child for 82237  
committing an act that if committed by an adult would be a drug 82238  
abuse offense or for violating division (B) of section 2917.11 of 82239  
the Revised Code, with the suspension continuing until the child 82240  
attends and satisfactorily completes a drug abuse or alcohol abuse 82241  
education, intervention, or treatment program specified by the 82242

court. During the time the child is attending the program, the court shall retain any temporary instruction permit, probationary driver's license, or driver's license issued to the child, and the court shall return the permit or license when the child satisfactorily completes the program.

(C) The court may establish a victim-offender mediation program in which victims and their offenders meet to discuss the offense and suggest possible restitution. If the court obtains the assent of the victim of the delinquent act committed by the child, the court may require the child to participate in the program.

(D)(1) If a child is adjudicated a delinquent child for committing an act that would be a felony if committed by an adult and if the child caused, attempted to cause, threatened to cause, or created a risk of physical harm to the victim of the act, the court, prior to issuing an order of disposition under this section, shall order the preparation of a victim impact statement by the probation department of the county in which the victim of the act resides, by the court's own probation department, or by a victim assistance program that is operated by the state, a county, a municipal corporation, or another governmental entity. The court shall consider the victim impact statement in determining the order of disposition to issue for the child.

(2) Each victim impact statement shall identify the victim of the act for which the child was adjudicated a delinquent child, itemize any economic loss suffered by the victim as a result of the act, identify any physical injury suffered by the victim as a result of the act and the seriousness and permanence of the injury, identify any change in the victim's personal welfare or familial relationships as a result of the act and any psychological impact experienced by the victim or the victim's family as a result of the act, and contain any other information related to the impact of the act upon the victim that the court



requires. 82275

(3) A victim impact statement shall be kept confidential and 82276  
is not a public record. However, the court may furnish copies of 82277  
the statement to the department of youth services if the 82278  
delinquent child is committed to the department or to both the 82279  
adjudicated delinquent child or the adjudicated delinquent child's 82280  
counsel and the prosecuting attorney. The copy of a victim impact 82281  
statement furnished by the court to the department pursuant to 82282  
this section shall be kept confidential and is not a public 82283  
record. If an officer is preparing pursuant to section 2947.06 or 82284  
2951.03 of the Revised Code or Criminal Rule 32.2 a presentence 82285  
investigation report pertaining to a person, the court shall make 82286  
available to the officer, for use in preparing the report, a copy 82287  
of any victim impact statement regarding that person. The copies 82288  
of a victim impact statement that are made available to the 82289  
adjudicated delinquent child or the adjudicated delinquent child's 82290  
counsel and the prosecuting attorney pursuant to this division 82291  
shall be returned to the court by the person to whom they were 82292  
made available immediately following the imposition of an order of 82293  
disposition for the child under this chapter. 82294

The copy of a victim impact statement that is made available 82295  
pursuant to this division to an officer preparing a criminal 82296  
presentence investigation report shall be returned to the court by 82297  
the officer immediately following its use in preparing the report. 82298

(4) The department of youth services shall work with local 82299  
probation departments and victim assistance programs to develop a 82300  
standard victim impact statement. 82301

(E) If a child is adjudicated a delinquent child for being a 82302  
chronic truant or an habitual truant who previously has been 82303  
adjudicated an unruly child for being an habitual truant and the 82304  
court determines that the parent, guardian, or other person having 82305  
care of the child has failed to cause the child's attendance at 82306

school in violation of section 3321.38 of the Revised Code, in 82307  
addition to any order of disposition it makes under this section, 82308  
the court shall warn the parent, guardian, or other person having 82309  
care of the child that any subsequent adjudication of the child as 82310  
an unruly or delinquent child for being an habitual or chronic 82311  
truant may result in a criminal charge against the parent, 82312  
guardian, or other person having care of the child for a violation 82313  
of division (C) of section 2919.21 or section 2919.24 of the 82314  
Revised Code. 82315

(F)(1) During the period of a delinquent child's community 82316  
control granted under this section, authorized probation officers 82317  
who are engaged within the scope of their supervisory duties or 82318  
responsibilities may search, with or without a warrant, the person 82319  
of the delinquent child, the place of residence of the delinquent 82320  
child, and a motor vehicle, another item of tangible or intangible 82321  
personal property, or other real property in which the delinquent 82322  
child has a right, title, or interest or for which the delinquent 82323  
child has the express or implied permission of a person with a 82324  
right, title, or interest to use, occupy, or possess if the 82325  
probation officers have reasonable grounds to believe that the 82326  
delinquent child is not abiding by the law or otherwise is not 82327  
complying with the conditions of the delinquent child's community 82328  
control. The court that places a delinquent child on community 82329  
control under this section shall provide the delinquent child with 82330  
a written notice that informs the delinquent child that authorized 82331  
probation officers who are engaged within the scope of their 82332  
supervisory duties or responsibilities may conduct those types of 82333  
searches during the period of community control if they have 82334  
reasonable grounds to believe that the delinquent child is not 82335  
abiding by the law or otherwise is not complying with the 82336  
conditions of the delinquent child's community control. The court 82337  
also shall provide the written notice described in division (E)(2) 82338  
of this section to each parent, guardian, or custodian of the 82339

delinquent child who is described in that division. 82340

(2) The court that places a child on community control under 82341  
this section shall provide the child's parent, guardian, or other 82342  
custodian with a written notice that informs them that authorized 82343  
probation officers may conduct searches pursuant to division 82344  
(E)(1) of this section. The notice shall specifically state that a 82345  
permissible search might extend to a motor vehicle, another item 82346  
of tangible or intangible personal property, or a place of 82347  
residence or other real property in which a notified parent, 82348  
guardian, or custodian has a right, title, or interest and that 82349  
the parent, guardian, or custodian expressly or impliedly permits 82350  
the child to use, occupy, or possess. 82351

(G) If a juvenile court commits a delinquent child to the 82352  
custody of any person, organization, or entity pursuant to this 82353  
section and if the delinquent act for which the child is so 82354  
committed is a sexually oriented offense, the court in the order 82355  
of disposition shall do one of the following: 82356

(1) Require that the child be provided treatment as described 82357  
in division (A)(2) of section 5139.13 of the Revised Code; 82358

(2) Inform the person, organization, or entity that it is the 82359  
preferred course of action in this state that the child be 82360  
provided treatment as described in division (A)(2) of section 82361  
5139.13 of the Revised Code and encourage the person, 82362  
organization, or entity to provide that treatment. 82363

**Sec. 2301.03.** (A) In Franklin county, the judges of the court 82364  
of common pleas whose terms begin on January 1, 1953, January 2, 82365  
1953, January 5, 1969, January 5, 1977, and January 2, 1997, and 82366  
successors, shall have the same qualifications, exercise the same 82367  
powers and jurisdiction, and receive the same compensation as 82368  
other judges of the court of common pleas of Franklin county and 82369  
shall be elected and designated as judges of the court of common 82370

pleas, division of domestic relations. They shall have all the 82371  
powers relating to juvenile courts, and all cases under Chapters 82372  
2151. and 2152. of the Revised Code, all parentage proceedings 82373  
under Chapter 3111. of the Revised Code over which the juvenile 82374  
court has jurisdiction, and all divorce, dissolution of marriage, 82375  
legal separation, and annulment cases shall be assigned to them. 82376  
In addition to the judge's regular duties, the judge who is senior 82377  
in point of service shall serve on the children services board and 82378  
the county advisory board and shall be the administrator of the 82379  
domestic relations division and its subdivisions and departments. 82380

82381

(B) In Hamilton county: 82382

(1) The judge of the court of common pleas, whose term begins 82383  
on January 1, 1957, and successors, and the judge of the court of 82384  
common pleas, whose term begins on February 14, 1967, and 82385  
successors, shall be the juvenile judges as provided in Chapters 82386  
2151. and 2152. of the Revised Code, with the powers and 82387  
jurisdiction conferred by those chapters. 82388

(2) The judges of the court of common pleas whose terms begin 82389  
on January 5, 1957, January 16, 1981, and July 1, 1991, and 82390  
successors, shall be elected and designated as judges of the court 82391  
of common pleas, division of domestic relations, and shall have 82392  
assigned to them all divorce, dissolution of marriage, legal 82393  
separation, and annulment cases coming before the court. On or 82394  
after the first day of July and before the first day of August of 82395  
1991 and each year thereafter, a majority of the judges of the 82396  
division of domestic relations shall elect one of the judges of 82397  
the division as administrative judge of that division. If a 82398  
majority of the judges of the division of domestic relations are 82399  
unable for any reason to elect an administrative judge for the 82400  
division before the first day of August, a majority of the judges 82401  
of the Hamilton county court of common pleas, as soon as possible 82402

after that date, shall elect one of the judges of the division of 82403  
domestic relations as administrative judge of that division. The 82404  
term of the administrative judge shall begin on the earlier of the 82405  
first day of August of the year in which the administrative judge 82406  
is elected or the date on which the administrative judge is 82407  
elected by a majority of the judges of the Hamilton county court 82408  
of common pleas and shall terminate on the date on which the 82409  
administrative judge's successor is elected in the following year. 82410

In addition to the judge's regular duties, the administrative 82411  
judge of the division of domestic relations shall be the 82412  
administrator of the domestic relations division and its 82413  
subdivisions and departments and shall have charge of the 82414  
employment, assignment, and supervision of the personnel of the 82415  
division engaged in handling, servicing, or investigating divorce, 82416  
dissolution of marriage, legal separation, and annulment cases, 82417  
including any referees considered necessary by the judges in the 82418  
discharge of their various duties. 82419

The administrative judge of the division of domestic 82420  
relations also shall designate the title, compensation, expense 82421  
allowances, hours, leaves of absence, and vacations of the 82422  
personnel of the division, and shall fix the duties of its 82423  
personnel. The duties of the personnel, in addition to those 82424  
provided for in other sections of the Revised Code, shall include 82425  
the handling, servicing, and investigation of divorce, dissolution 82426  
of marriage, legal separation, and annulment cases and counseling 82427  
and conciliation services that may be made available to persons 82428  
requesting them, whether or not the persons are parties to an 82429  
action pending in the division. 82430

The board of county commissioners shall appropriate the sum 82431  
of money each year as will meet all the administrative expenses of 82432  
the division of domestic relations, including reasonable expenses 82433  
of the domestic relations judges and the division counselors and 82434

other employees designated to conduct the handling, servicing, and 82435  
investigation of divorce, dissolution of marriage, legal 82436  
separation, and annulment cases, conciliation and counseling, and 82437  
all matters relating to those cases and counseling, and the 82438  
expenses involved in the attendance of division personnel at 82439  
domestic relations and welfare conferences designated by the 82440  
division, and the further sum each year as will provide for the 82441  
adequate operation of the division of domestic relations. 82442

The compensation and expenses of all employees and the salary 82443  
and expenses of the judges shall be paid by the county treasurer 82444  
from the money appropriated for the operation of the division, 82445  
upon the warrant of the county auditor, certified to by the 82446  
administrative judge of the division of domestic relations. 82447

The summonses, warrants, citations, subpoenas, and other 82448  
writs of the division may issue to a bailiff, constable, or staff 82449  
investigator of the division or to the sheriff of any county or 82450  
any marshal, constable, or police officer, and the provisions of 82451  
law relating to the subpoenaing of witnesses in other cases shall 82452  
apply insofar as they are applicable. When a summons, warrant, 82453  
citation, subpoena, or other writ is issued to an officer, other 82454  
than a bailiff, constable, or staff investigator of the division, 82455  
the expense of serving it shall be assessed as a part of the costs 82456  
in the case involved. 82457

(3) The judge of the court of common pleas of Hamilton county 82458  
whose term begins on January 3, 1997, and the successor to that 82459  
judge whose term begins on January 3, 2003, shall each be elected 82460  
and designated for one term only as the drug court judge of the 82461  
court of common pleas of Hamilton county. The successors to the 82462  
judge whose term begins on January 3, 2003, shall be elected and 82463  
designated as judges of the general division of the court of 82464  
common pleas of Hamilton county and shall not have the authority 82465  
granted by division (B)(3) of this section. The drug court judge 82466

may accept or reject any case referred to the drug court judge 82467  
under division (B)(3) of this section. After the drug court judge 82468  
accepts a referred case, the drug court judge has full authority 82469  
over the case, including the authority to conduct arraignment, 82470  
accept pleas, enter findings and dispositions, conduct trials, 82471  
order treatment, and if treatment is not successfully completed 82472  
pronounce and enter sentence. 82473

A judge of the general division of the court of common pleas 82474  
of Hamilton county and a judge of the Hamilton county municipal 82475  
court may refer to the drug court judge any case, and any 82476  
companion cases, the judge determines meet the criteria described 82477  
under divisions (B)(3)(a) and (b) of this section. If the drug 82478  
court judge accepts referral of a referred case, the case, and any 82479  
companion cases, shall be transferred to the drug court judge. A 82480  
judge may refer a case meeting the criteria described in divisions 82481  
(B)(3)(a) and (b) of this section that involves a violation of a 82482  
condition of a community control sanction to the drug court judge, 82483  
and, if the drug court judge accepts the referral, the referring 82484  
judge and the drug court judge have concurrent jurisdiction over 82485  
the case. 82486

A judge of the general division of the court of common pleas 82487  
of Hamilton county and a judge of the Hamilton county municipal 82488  
court may refer a case to the drug court judge under division 82489  
(B)(3) of this section if the judge determines that both of the 82490  
following apply: 82491

(a) One of the following applies: 82492

(i) The case involves a drug abuse offense, as defined in 82493  
section 2925.01 of the Revised Code, that is a felony of the third 82494  
or fourth degree if the offense is committed prior to July 1, 82495  
1996, a felony of the third, fourth, or fifth degree if the 82496  
offense is committed on or after July 1, 1996, or a misdemeanor. 82497

(ii) The case involves a theft offense, as defined in section 2913.01 of the Revised Code, that is a felony of the third or fourth degree if the offense is committed prior to July 1, 1996, a felony of the third, fourth, or fifth degree if the offense is committed on or after July 1, 1996, or a misdemeanor, and the defendant is drug or alcohol dependent or in danger of becoming drug or alcohol dependent and would benefit from treatment.

(b) All of the following apply:

(i) The case involves an offense for which a community control sanction may be imposed or is a case in which a mandatory prison term or a mandatory jail term is not required to be imposed.

(ii) The defendant has no history of violent behavior.

(iii) The defendant has no history of mental illness.

(iv) The defendant's current or past behavior, or both, is drug or alcohol driven.

(v) The defendant demonstrates a sincere willingness to participate in a fifteen-month treatment process.

(vi) The defendant has no acute health condition.

(vii) If the defendant is incarcerated, the county prosecutor approves of the referral.

(4) If the administrative judge of the court of common pleas of Hamilton county determines that the volume of cases pending before the drug court judge does not constitute a sufficient caseload for the drug court judge, the administrative judge, in accordance with the Rules of Superintendence for Courts of Common Pleas, shall assign individual cases to the drug court judge from the general docket of the court. If the assignments so occur, the administrative judge shall cease the assignments when the administrative judge determines that the volume of cases pending



before the drug court judge constitutes a sufficient caseload for 82528  
the drug court judge. 82529

(5) As used in division (B) of this section, "community 82530  
control sanction," "mandatory prison term," and "mandatory jail 82531  
term" have the same meanings as in section 2929.01 of the Revised 82532  
Code. 82533

(C) In Lorain county, the judges of the court of common pleas 82534  
whose terms begin on January 3, 1959, January 4, 1989, and January 82535  
2, 1999, and successors, shall have the same qualifications, 82536  
exercise the same powers and jurisdiction, and receive the same 82537  
compensation as the other judges of the court of common pleas of 82538  
Lorain county and shall be elected and designated as the judges of 82539  
the court of common pleas, division of domestic relations. They 82540  
shall have all of the powers relating to juvenile courts, and all 82541  
cases under Chapters 2151. and 2152. of the Revised Code, all 82542  
parentage proceedings over which the juvenile court has 82543  
jurisdiction, and all divorce, dissolution of marriage, legal 82544  
separation, and annulment cases shall be assigned to them, except 82545  
cases that for some special reason are assigned to some other 82546  
judge of the court of common pleas. 82547

(D) In Lucas county: 82548

(1) The judges of the court of common pleas whose terms begin 82549  
on January 1, 1955, and January 3, 1965, and successors, shall 82550  
have the same qualifications, exercise the same powers and 82551  
jurisdiction, and receive the same compensation as other judges of 82552  
the court of common pleas of Lucas county and shall be elected and 82553  
designated as judges of the court of common pleas, division of 82554  
domestic relations. All divorce, dissolution of marriage, legal 82555  
separation, and annulment cases shall be assigned to them. 82556

The judge of the division of domestic relations, senior in 82557  
point of service, shall be considered as the presiding judge of 82558

the court of common pleas, division of domestic relations, and 82559  
shall be charged exclusively with the assignment and division of 82560  
the work of the division and the employment and supervision of all 82561  
other personnel of the domestic relations division. 82562

(2) The judges of the court of common pleas whose terms begin 82563  
on January 5, 1977, and January 2, 1991, and successors shall have 82564  
the same qualifications, exercise the same powers and 82565  
jurisdiction, and receive the same compensation as other judges of 82566  
the court of common pleas of Lucas county, shall be elected and 82567  
designated as judges of the court of common pleas, juvenile 82568  
division, and shall be the juvenile judges as provided in Chapters 82569  
2151. and 2152. of the Revised Code with the powers and 82570  
jurisdictions conferred by those chapters. In addition to the 82571  
judge's regular duties, the judge of the court of common pleas, 82572  
juvenile division, senior in point of service, shall be the 82573  
administrator of the juvenile division and its subdivisions and 82574  
departments and shall have charge of the employment, assignment, 82575  
and supervision of the personnel of the division engaged in 82576  
handling, servicing, or investigating juvenile cases, including 82577  
any referees considered necessary by the judges of the division in 82578  
the discharge of their various duties. 82579

The judge of the court of common pleas, juvenile division, 82580  
senior in point of service, also shall designate the title, 82581  
compensation, expense allowance, hours, leaves of absence, and 82582  
vacation of the personnel of the division and shall fix the duties 82583  
of the personnel of the division. The duties of the personnel, in 82584  
addition to other statutory duties include the handling, 82585  
servicing, and investigation of juvenile cases and counseling and 82586  
conciliation services that may be made available to persons 82587  
requesting them, whether or not the persons are parties to an 82588  
action pending in the division. 82589

(3) If one of the judges of the court of common pleas, 82590

division of domestic relations, or one of the judges of the 82591  
juvenile division is sick, absent, or unable to perform that 82592  
judge's judicial duties or the volume of cases pending in that 82593  
judge's division necessitates it, the duties shall be performed by 82594  
the judges of the other of those divisions. 82595

(E) In Mahoning county: 82596

(1) The judge of the court of common pleas whose term began 82597  
on January 1, 1955, and successors, shall have the same 82598  
qualifications, exercise the same powers and jurisdiction, and 82599  
receive the same compensation as other judges of the court of 82600  
common pleas of Mahoning county, shall be elected and designated 82601  
as judge of the court of common pleas, division of domestic 82602  
relations, and shall be assigned all the divorce, dissolution of 82603  
marriage, legal separation, and annulment cases coming before the 82604  
court. In addition to the judge's regular duties, the judge of the 82605  
court of common pleas, division of domestic relations, shall be 82606  
the administrator of the domestic relations division and its 82607  
subdivisions and departments and shall have charge of the 82608  
employment, assignment, and supervision of the personnel of the 82609  
division engaged in handling, servicing, or investigating divorce, 82610  
dissolution of marriage, legal separation, and annulment cases, 82611  
including any referees considered necessary in the discharge of 82612  
the various duties of the judge's office. 82613

The judge also shall designate the title, compensation, 82614  
expense allowances, hours, leaves of absence, and vacations of the 82615  
personnel of the division and shall fix the duties of the 82616  
personnel of the division. The duties of the personnel, in 82617  
addition to other statutory duties, include the handling, 82618  
servicing, and investigation of divorce, dissolution of marriage, 82619  
legal separation, and annulment cases and counseling and 82620  
conciliation services that may be made available to persons 82621  
requesting them, whether or not the persons are parties to an 82622

action pending in the division. 82623

(2) The judge of the court of common pleas whose term began 82624  
on January 2, 1969, and successors, shall have the same 82625  
qualifications, exercise the same powers and jurisdiction, and 82626  
receive the same compensation as other judges of the court of 82627  
common pleas of Mahoning county, shall be elected and designated 82628  
as judge of the court of common pleas, juvenile division, and 82629  
shall be the juvenile judge as provided in Chapters 2151. and 82630  
2152. of the Revised Code, with the powers and jurisdictions 82631  
conferred by those chapters. In addition to the judge's regular 82632  
duties, the judge of the court of common pleas, juvenile division, 82633  
shall be the administrator of the juvenile division and its 82634  
subdivisions and departments and shall have charge of the 82635  
employment, assignment, and supervision of the personnel of the 82636  
division engaged in handling, servicing, or investigating juvenile 82637  
cases, including any referees considered necessary by the judge in 82638  
the discharge of the judge's various duties. 82639

The judge also shall designate the title, compensation, 82640  
expense allowances, hours, leaves of absence, and vacation of the 82641  
personnel of the division and shall fix the duties of the 82642  
personnel of the division. The duties of the personnel, in 82643  
addition to other statutory duties, include the handling, 82644  
servicing, and investigation of juvenile cases and counseling and 82645  
conciliation services that may be made available to persons 82646  
requesting them, whether or not the persons are parties to an 82647  
action pending in the division. 82648

(3) If a judge of the court of common pleas, division of 82649  
domestic relations or juvenile division, is sick, absent, or 82650  
unable to perform that judge's judicial duties, or the volume of 82651  
cases pending in that judge's division necessitates it, that 82652  
judge's duties shall be performed by another judge of the court of 82653  
common pleas. 82654

(F) In Montgomery county: 82655

(1) The judges of the court of common pleas whose terms begin 82656  
on January 2, 1953, and January 4, 1977, and successors, shall 82657  
have the same qualifications, exercise the same powers and 82658  
jurisdiction, and receive the same compensation as other judges of 82659  
the court of common pleas of Montgomery county and shall be 82660  
elected and designated as judges of the court of common pleas, 82661  
division of domestic relations. These judges shall have assigned 82662  
to them all divorce, dissolution of marriage, legal separation, 82663  
and annulment cases. 82664

The judge of the division of domestic relations, senior in 82665  
point of service, shall be charged exclusively with the assignment 82666  
and division of the work of the division and shall have charge of 82667  
the employment and supervision of the personnel of the division 82668  
engaged in handling, servicing, or investigating divorce, 82669  
dissolution of marriage, legal separation, and annulment cases, 82670  
including any necessary referees, except those employees who may 82671  
be appointed by the judge, junior in point of service, under this 82672  
section and sections 2301.12, 2301.18, and 2301.19 of the Revised 82673  
Code. The judge of the division of domestic relations, senior in 82674  
point of service, also shall designate the title, compensation, 82675  
expense allowances, hours, leaves of absence, and vacation of the 82676  
personnel of the division and shall fix their duties. 82677

(2) The judges of the court of common pleas whose terms begin 82678  
on January 1, 1953, and January 1, 1993, and successors, shall 82679  
have the same qualifications, exercise the same powers and 82680  
jurisdiction, and receive the same compensation as other judges of 82681  
the court of common pleas of Montgomery county, shall be elected 82682  
and designated as judges of the court of common pleas, juvenile 82683  
division, and shall be, and have the powers and jurisdiction of, 82684  
the juvenile judge as provided in Chapters 2151. and 2152. of the 82685  
Revised Code. 82686

In addition to the judge's regular duties, the judge of the court of common pleas, juvenile division, senior in point of service, shall be the administrator of the juvenile division and its subdivisions and departments and shall have charge of the employment, assignment, and supervision of the personnel of the juvenile division, including any necessary referees, who are engaged in handling, servicing, or investigating juvenile cases. The judge, senior in point of service, also shall designate the title, compensation, expense allowances, hours, leaves of absence, and vacation of the personnel of the division and shall fix their duties. The duties of the personnel, in addition to other statutory duties, shall include the handling, servicing, and investigation of juvenile cases and of any counseling and conciliation services that are available upon request to persons, whether or not they are parties to an action pending in the division.

If one of the judges of the court of common pleas, division of domestic relations, or one of the judges of the court of common pleas, juvenile division, is sick, absent, or unable to perform that judge's duties or the volume of cases pending in that judge's division necessitates it, the duties of that judge may be performed by the judge or judges of the other of those divisions.

(G) In Richland county, ~~the:~~

(1) The judge of the court of common pleas whose term begins on January 1, 1957, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as the other judges of the court of common pleas of Richland county and shall be elected and designated as judge of the court of common pleas, division of domestic relations. That judge shall have ~~all of the powers relating to juvenile courts, and all cases under Chapters 2151. and 2152. of the Revised Code, all parentage proceedings over~~

~~which the juvenile court has jurisdiction, and assigned to that judge and hear all divorce, dissolution of marriage, legal separation, and annulment cases shall be assigned to that judge, except in cases that for some special reason are assigned to some other judge of the court of common pleas that come before the court. Except in cases that are subject to the exclusive original jurisdiction of the juvenile court, the judge of the division of domestic relations shall have assigned to that judge and hear all cases pertaining to paternity, custody, visitation, child support, or the allocation of parental rights and responsibilities for the care of children and all post-decree proceedings arising from any case pertaining to any of those matters. The judge of the division of domestic relations shall have assigned to that judge and hear all proceedings under the uniform interstate family support act contained in Chapter 3115. of the Revised Code.~~

(2) ~~The judge of the court of common pleas whose term begins on January 3, 2005, and successors, shall have the same qualifications, exercise the same powers and jurisdiction, and receive the same compensation as other judges of the court of common pleas of Richland county, shall be elected and designated as judge of the court of common pleas, juvenile division, and shall be, and have the powers and jurisdiction of, the juvenile judge as provided in Chapters 2151. and 2152. of the Revised Code. Except in cases that are subject to the exclusive original jurisdiction of the juvenile court, the judge of the juvenile division shall not have jurisdiction or the power to hear, and shall not be assigned, any case pertaining to paternity, custody, visitation, child support, or the allocation of parental rights and responsibilities for the care of children or any post-decree proceeding arising from any case pertaining to any of those matters. The judge of the juvenile division shall not have jurisdiction or the power to hear, and shall not be assigned, any proceeding under the uniform interstate family support act~~

contained in Chapter 3115. of the Revised Code. The judge of the 82752  
juvenile division shall be the administrator of the juvenile 82753  
division and its subdivisions and departments. The judge shall 82754  
have charge of the employment, assignment, and supervision of the 82755  
personnel of the juvenile division who are engaged in handling, 82756  
servicing, or investigating juvenile cases, including any 82757  
magistrates whom the judge considers necessary for the discharge 82758  
of the judge's various duties. 82759

The judge of the juvenile division also shall designate the 82760  
title, compensation, expense allowances, hours, leaves of absence, 82761  
and vacation of the personnel of the division and shall fix their 82762  
duties. The duties of the personnel, in addition to other 82763  
statutory duties, include the handling, servicing, and 82764  
investigation of juvenile cases and providing any counseling, 82765  
conciliation, and mediation services that the court makes 82766  
available to persons, whether or not the persons are parties to an 82767  
action pending in the court, who request the services. 82768

(H) In Stark county, the judges of the court of common pleas 82769  
whose terms begin on January 1, 1953, January 2, 1959, and January 82770  
1, 1993, and successors, shall have the same qualifications, 82771  
exercise the same powers and jurisdiction, and receive the same 82772  
compensation as other judges of the court of common pleas of Stark 82773  
county and shall be elected and designated as judges of the court 82774  
of common pleas, division of domestic relations. They shall have 82775  
all the powers relating to juvenile courts, and all cases under 82776  
Chapters 2151. and 2152. of the Revised Code, all parentage 82777  
proceedings over which the juvenile court has jurisdiction, and 82778  
all divorce, dissolution of marriage, legal separation, and 82779  
annulment cases, except cases that are assigned to some other 82780  
judge of the court of common pleas for some special reason, shall 82781  
be assigned to the judges. 82782

The judge of the division of domestic relations, second most 82783



senior in point of service, shall have charge of the employment 82784  
and supervision of the personnel of the division engaged in 82785  
handling, servicing, or investigating divorce, dissolution of 82786  
marriage, legal separation, and annulment cases, and necessary 82787  
referees required for the judge's respective court. 82788

The judge of the division of domestic relations, senior in 82789  
point of service, shall be charged exclusively with the 82790  
administration of sections 2151.13, 2151.16, 2151.17, and 2152.71 82791  
of the Revised Code and with the assignment and division of the 82792  
work of the division and the employment and supervision of all 82793  
other personnel of the division, including, but not limited to, 82794  
that judge's necessary referees, but excepting those employees who 82795  
may be appointed by the judge second most senior in point of 82796  
service. The senior judge further shall serve in every other 82797  
position in which the statutes permit or require a juvenile judge 82798  
to serve. 82799

(I) In Summit county: 82800

(1) The judges of the court of common pleas whose terms begin 82801  
on January 4, 1967, and January 6, 1993, and successors, shall 82802  
have the same qualifications, exercise the same powers and 82803  
jurisdiction, and receive the same compensation as other judges of 82804  
the court of common pleas of Summit county and shall be elected 82805  
and designated as judges of the court of common pleas, division of 82806  
domestic relations. The judges of the division of domestic 82807  
relations shall have assigned to them and hear all divorce, 82808  
dissolution of marriage, legal separation, and annulment cases 82809  
that come before the court. Except in cases that are subject to 82810  
the exclusive original jurisdiction of the juvenile court, the 82811  
judges of the division of domestic relations shall have assigned 82812  
to them and hear all cases pertaining to paternity, custody, 82813  
visitation, child support, or the allocation of parental rights 82814  
and responsibilities for the care of children and all post-decree 82815

proceedings arising from any case pertaining to any of those 82816  
matters. The judges of the division of domestic relations shall 82817  
have assigned to them and hear all proceedings under the uniform 82818  
interstate family support act contained in Chapter 3115. of the 82819  
Revised Code. 82820

The judge of the division of domestic relations, senior in 82821  
point of service, shall be the administrator of the domestic 82822  
relations division and its subdivisions and departments and shall 82823  
have charge of the employment, assignment, and supervision of the 82824  
personnel of the division, including any necessary referees, who 82825  
are engaged in handling, servicing, or investigating divorce, 82826  
dissolution of marriage, legal separation, and annulment cases. 82827  
That judge also shall designate the title, compensation, expense 82828  
allowances, hours, leaves of absence, and vacations of the 82829  
personnel of the division and shall fix their duties. The duties 82830  
of the personnel, in addition to other statutory duties, shall 82831  
include the handling, servicing, and investigation of divorce, 82832  
dissolution of marriage, legal separation, and annulment cases and 82833  
of any counseling and conciliation services that are available 82834  
upon request to all persons, whether or not they are parties to an 82835  
action pending in the division. 82836

(2) The judge of the court of common pleas whose term begins 82837  
on January 1, 1955, and successors, shall have the same 82838  
qualifications, exercise the same powers and jurisdiction, and 82839  
receive the same compensation as other judges of the court of 82840  
common pleas of Summit county, shall be elected and designated as 82841  
judge of the court of common pleas, juvenile division, and shall 82842  
be, and have the powers and jurisdiction of, the juvenile judge as 82843  
provided in Chapters 2151. and 2152. of the Revised Code. Except 82844  
in cases that are subject to the exclusive original jurisdiction 82845  
of the juvenile court, the judge of the juvenile division shall 82846  
not have jurisdiction or the power to hear, and shall not be 82847

assigned, any case pertaining to paternity, custody, visitation, 82848  
child support, or the allocation of parental rights and 82849  
responsibilities for the care of children or any post-decree 82850  
proceeding arising from any case pertaining to any of those 82851  
matters. The judge of the juvenile division shall not have 82852  
jurisdiction or the power to hear, and shall not be assigned, any 82853  
proceeding under the uniform interstate family support act 82854  
contained in Chapter 3115. of the Revised Code. 82855

The juvenile judge shall be the administrator of the juvenile 82856  
division and its subdivisions and departments and shall have 82857  
charge of the employment, assignment, and supervision of the 82858  
personnel of the juvenile division, including any necessary 82859  
referees, who are engaged in handling, servicing, or investigating 82860  
juvenile cases. The judge also shall designate the title, 82861  
compensation, expense allowances, hours, leaves of absence, and 82862  
vacation of the personnel of the division and shall fix their 82863  
duties. The duties of the personnel, in addition to other 82864  
statutory duties, shall include the handling, servicing, and 82865  
investigation of juvenile cases and of any counseling and 82866  
conciliation services that are available upon request to persons, 82867  
whether or not they are parties to an action pending in the 82868  
division. 82869

(J) In Trumbull county, the judges of the court of common 82870  
pleas whose terms begin on January 1, 1953, and January 2, 1977, 82871  
and successors, shall have the same qualifications, exercise the 82872  
same powers and jurisdiction, and receive the same compensation as 82873  
other judges of the court of common pleas of Trumbull county and 82874  
shall be elected and designated as judges of the court of common 82875  
pleas, division of domestic relations. They shall have all the 82876  
powers relating to juvenile courts, and all cases under Chapters 82877  
2151. and 2152. of the Revised Code, all parentage proceedings 82878  
over which the juvenile court has jurisdiction, and all divorce, 82879

dissolution of marriage, legal separation, and annulment cases 82880  
shall be assigned to them, except cases that for some special 82881  
reason are assigned to some other judge of the court of common 82882  
pleas. 82883

(K) In Butler county: 82884

(1) The judges of the court of common pleas whose terms begin 82885  
on January 1, 1957, and January 4, 1993, and successors, shall 82886  
have the same qualifications, exercise the same powers and 82887  
jurisdiction, and receive the same compensation as other judges of 82888  
the court of common pleas of Butler county and shall be elected 82889  
and designated as judges of the court of common pleas, division of 82890  
domestic relations. The judges of the division of domestic 82891  
relations shall have assigned to them all divorce, dissolution of 82892  
marriage, legal separation, and annulment cases coming before the 82893  
court, except in cases that for some special reason are assigned 82894  
to some other judge of the court of common pleas. The judge senior 82895  
in point of service shall be charged with the assignment and 82896  
division of the work of the division and with the employment and 82897  
supervision of all other personnel of the domestic relations 82898  
division. 82899

The judge senior in point of service also shall designate the 82900  
title, compensation, expense allowances, hours, leaves of absence, 82901  
and vacations of the personnel of the division and shall fix their 82902  
duties. The duties of the personnel, in addition to other 82903  
statutory duties, shall include the handling, servicing, and 82904  
investigation of divorce, dissolution of marriage, legal 82905  
separation, and annulment cases and providing any counseling and 82906  
conciliation services that the division makes available to 82907  
persons, whether or not the persons are parties to an action 82908  
pending in the division, who request the services. 82909

(2) The judges of the court of common pleas whose terms begin 82910  
on January 3, 1987, and January 2, 2003, and successors, shall 82911

have the same qualifications, exercise the same powers and 82912  
jurisdiction, and receive the same compensation as other judges of 82913  
the court of common pleas of Butler county, shall be elected and 82914  
designated as judges of the court of common pleas, juvenile 82915  
division, and shall be the juvenile judges as provided in Chapters 82916  
2151. and 2152. of the Revised Code, with the powers and 82917  
jurisdictions conferred by those chapters. The judge of the court 82918  
of common pleas, juvenile division, who is senior in point of 82919  
service, shall be the administrator of the juvenile division and 82920  
its subdivisions and departments. The judge, senior in point of 82921  
service, shall have charge of the employment, assignment, and 82922  
supervision of the personnel of the juvenile division who are 82923  
engaged in handling, servicing, or investigating juvenile cases, 82924  
including any referees whom the judge considers necessary for the 82925  
discharge of the judge's various duties. 82926

The judge, senior in point of service, also shall designate 82927  
the title, compensation, expense allowances, hours, leaves of 82928  
absence, and vacation of the personnel of the division and shall 82929  
fix their duties. The duties of the personnel, in addition to 82930  
other statutory duties, include the handling, servicing, and 82931  
investigation of juvenile cases and providing any counseling and 82932  
conciliation services that the division makes available to 82933  
persons, whether or not the persons are parties to an action 82934  
pending in the division, who request the services. 82935

(3) If a judge of the court of common pleas, division of 82936  
domestic relations or juvenile division, is sick, absent, or 82937  
unable to perform that judge's judicial duties or the volume of 82938  
cases pending in the judge's division necessitates it, the duties 82939  
of that judge shall be performed by the other judges of the 82940  
domestic relations and juvenile divisions. 82941

(L)(1) In Cuyahoga county, the judges of the court of common 82942  
pleas whose terms begin on January 8, 1961, January 9, 1961, 82943

January 18, 1975, January 19, 1975, and January 13, 1987, and 82944  
successors, shall have the same qualifications, exercise the same 82945  
powers and jurisdiction, and receive the same compensation as 82946  
other judges of the court of common pleas of Cuyahoga county and 82947  
shall be elected and designated as judges of the court of common 82948  
pleas, division of domestic relations. They shall have all the 82949  
powers relating to all divorce, dissolution of marriage, legal 82950  
separation, and annulment cases, except in cases that are assigned 82951  
to some other judge of the court of common pleas for some special 82952  
reason. 82953

(2) The administrative judge is administrator of the domestic 82954  
relations division and its subdivisions and departments and has 82955  
the following powers concerning division personnel: 82956

(a) Full charge of the employment, assignment, and 82957  
supervision; 82958

(b) Sole determination of compensation, duties, expenses, 82959  
allowances, hours, leaves, and vacations. 82960

(3) "Division personnel" include persons employed or referees 82961  
engaged in hearing, servicing, investigating, counseling, or 82962  
conciliating divorce, dissolution of marriage, legal separation 82963  
and annulment matters. 82964

(M) In Lake county: 82965

(1) The judge of the court of common pleas whose term begins 82966  
on January 2, 1961, and successors, shall have the same 82967  
qualifications, exercise the same powers and jurisdiction, and 82968  
receive the same compensation as the other judges of the court of 82969  
common pleas of Lake county and shall be elected and designated as 82970  
judge of the court of common pleas, division of domestic 82971  
relations. The judge shall be assigned all the divorce, 82972  
dissolution of marriage, legal separation, and annulment cases 82973  
coming before the court, except in cases that for some special 82974

reason are assigned to some other judge of the court of common 82975  
pleas. The judge shall be charged with the assignment and division 82976  
of the work of the division and with the employment and 82977  
supervision of all other personnel of the domestic relations 82978  
division. 82979

The judge also shall designate the title, compensation, 82980  
expense allowances, hours, leaves of absence, and vacations of the 82981  
personnel of the division and shall fix their duties. The duties 82982  
of the personnel, in addition to other statutory duties, shall 82983  
include the handling, servicing, and investigation of divorce, 82984  
dissolution of marriage, legal separation, and annulment cases and 82985  
providing any counseling and conciliation services that the 82986  
division makes available to persons, whether or not the persons 82987  
are parties to an action pending in the division, who request the 82988  
services. 82989

(2) The judge of the court of common pleas whose term begins 82990  
on January 4, 1979, and successors, shall have the same 82991  
qualifications, exercise the same powers and jurisdiction, and 82992  
receive the same compensation as other judges of the court of 82993  
common pleas of Lake county, shall be elected and designated as 82994  
judge of the court of common pleas, juvenile division, and shall 82995  
be the juvenile judge as provided in Chapters 2151. and 2152. of 82996  
the Revised Code, with the powers and jurisdictions conferred by 82997  
those chapters. The judge of the court of common pleas, juvenile 82998  
division, shall be the administrator of the juvenile division and 82999  
its subdivisions and departments. The judge shall have charge of 83000  
the employment, assignment, and supervision of the personnel of 83001  
the juvenile division who are engaged in handling, servicing, or 83002  
investigating juvenile cases, including any referees whom the 83003  
judge considers necessary for the discharge of the judge's various 83004  
duties. 83005

The judge also shall designate the title, compensation, 83006

expense allowances, hours, leaves of absence, and vacation of the 83007  
personnel of the division and shall fix their duties. The duties 83008  
of the personnel, in addition to other statutory duties, include 83009  
the handling, servicing, and investigation of juvenile cases and 83010  
providing any counseling and conciliation services that the 83011  
division makes available to persons, whether or not the persons 83012  
are parties to an action pending in the division, who request the 83013  
services. 83014

(3) If a judge of the court of common pleas, division of 83015  
domestic relations or juvenile division, is sick, absent, or 83016  
unable to perform that judge's judicial duties or the volume of 83017  
cases pending in the judge's division necessitates it, the duties 83018  
of that judge shall be performed by the other judges of the 83019  
domestic relations and juvenile divisions. 83020

(N) In Erie county, the judge of the court of common pleas 83021  
whose term begins on January 2, 1971, and successors, shall have 83022  
the same qualifications, exercise the same powers and 83023  
jurisdiction, and receive the same compensation as the other judge 83024  
of the court of common pleas of Erie county and shall be elected 83025  
and designated as judge of the court of common pleas, division of 83026  
domestic relations. The judge shall have all the powers relating 83027  
to juvenile courts, and shall be assigned all cases under Chapters 83028  
2151. and 2152. of the Revised Code, parentage proceedings over 83029  
which the juvenile court has jurisdiction, and divorce, 83030  
dissolution of marriage, legal separation, and annulment cases, 83031  
except cases that for some special reason are assigned to some 83032  
other judge. 83033

(O) In Greene county: 83034

(1) The judge of the court of common pleas whose term begins 83035  
on January 1, 1961, and successors, shall have the same 83036  
qualifications, exercise the same powers and jurisdiction, and 83037  
receive the same compensation as the other judges of the court of 83038



common pleas of Greene county and shall be elected and designated 83039  
as the judge of the court of common pleas, division of domestic 83040  
relations. The judge shall be assigned all divorce, dissolution of 83041  
marriage, legal separation, annulment, uniform reciprocal support 83042  
enforcement, and domestic violence cases and all other cases 83043  
related to domestic relations, except cases that for some special 83044  
reason are assigned to some other judge of the court of common 83045  
pleas. 83046

The judge shall be charged with the assignment and division 83047  
of the work of the division and with the employment and 83048  
supervision of all other personnel of the division. The judge also 83049  
shall designate the title, compensation, hours, leaves of absence, 83050  
and vacations of the personnel of the division and shall fix their 83051  
duties. The duties of the personnel of the division, in addition 83052  
to other statutory duties, shall include the handling, servicing, 83053  
and investigation of divorce, dissolution of marriage, legal 83054  
separation, and annulment cases and the provision of counseling 83055  
and conciliation services that the division considers necessary 83056  
and makes available to persons who request the services, whether 83057  
or not the persons are parties in an action pending in the 83058  
division. The compensation for the personnel shall be paid from 83059  
the overall court budget and shall be included in the 83060  
appropriations for the existing judges of the general division of 83061  
the court of common pleas. 83062

(2) The judge of the court of common pleas whose term begins 83063  
on January 1, 1995, and successors, shall have the same 83064  
qualifications, exercise the same powers and jurisdiction, and 83065  
receive the same compensation as the other judges of the court of 83066  
common pleas of Greene county, shall be elected and designated as 83067  
judge of the court of common pleas, juvenile division, and, on or 83068  
after January 1, 1995, shall be the juvenile judge as provided in 83069  
Chapters 2151. and 2152. of the Revised Code with the powers and 83070

jurisdiction conferred by those chapters. The judge of the court 83071  
of common pleas, juvenile division, shall be the administrator of 83072  
the juvenile division and its subdivisions and departments. The 83073  
judge shall have charge of the employment, assignment, and 83074  
supervision of the personnel of the juvenile division who are 83075  
engaged in handling, servicing, or investigating juvenile cases, 83076  
including any referees whom the judge considers necessary for the 83077  
discharge of the judge's various duties. 83078

The judge also shall designate the title, compensation, 83079  
expense allowances, hours, leaves of absence, and vacation of the 83080  
personnel of the division and shall fix their duties. The duties 83081  
of the personnel, in addition to other statutory duties, include 83082  
the handling, servicing, and investigation of juvenile cases and 83083  
providing any counseling and conciliation services that the court 83084  
makes available to persons, whether or not the persons are parties 83085  
to an action pending in the court, who request the services. 83086

(3) If one of the judges of the court of common pleas, 83087  
general division, is sick, absent, or unable to perform that 83088  
judge's judicial duties or the volume of cases pending in the 83089  
general division necessitates it, the duties of that judge of the 83090  
general division shall be performed by the judge of the division 83091  
of domestic relations and the judge of the juvenile division. 83092

(P) In Portage county, the judge of the court of common 83093  
pleas, whose term begins January 2, 1987, and successors, shall 83094  
have the same qualifications, exercise the same powers and 83095  
jurisdiction, and receive the same compensation as the other 83096  
judges of the court of common pleas of Portage county and shall be 83097  
elected and designated as judge of the court of common pleas, 83098  
division of domestic relations. The judge shall be assigned all 83099  
divorce, dissolution of marriage, legal separation, and annulment 83100  
cases coming before the court, except in cases that for some 83101  
special reason are assigned to some other judge of the court of 83102

common pleas. The judge shall be charged with the assignment and 83103  
division of the work of the division and with the employment and 83104  
supervision of all other personnel of the domestic relations 83105  
division. 83106

The judge also shall designate the title, compensation, 83107  
expense allowances, hours, leaves of absence, and vacations of the 83108  
personnel of the division and shall fix their duties. The duties 83109  
of the personnel, in addition to other statutory duties, shall 83110  
include the handling, servicing, and investigation of divorce, 83111  
dissolution of marriage, legal separation, and annulment cases and 83112  
providing any counseling and conciliation services that the 83113  
division makes available to persons, whether or not the persons 83114  
are parties to an action pending in the division, who request the 83115  
services. 83116

(Q) In Clermont county, the judge of the court of common 83117  
pleas, whose term begins January 2, 1987, and successors, shall 83118  
have the same qualifications, exercise the same powers and 83119  
jurisdiction, and receive the same compensation as the other 83120  
judges of the court of common pleas of Clermont county and shall 83121  
be elected and designated as judge of the court of common pleas, 83122  
division of domestic relations. The judge shall be assigned all 83123  
divorce, dissolution of marriage, legal separation, and annulment 83124  
cases coming before the court, except in cases that for some 83125  
special reason are assigned to some other judge of the court of 83126  
common pleas. The judge shall be charged with the assignment and 83127  
division of the work of the division and with the employment and 83128  
supervision of all other personnel of the domestic relations 83129  
division. 83130

The judge also shall designate the title, compensation, 83131  
expense allowances, hours, leaves of absence, and vacations of the 83132  
personnel of the division and shall fix their duties. The duties 83133  
of the personnel, in addition to other statutory duties, shall 83134

include the handling, servicing, and investigation of divorce, 83135  
dissolution of marriage, legal separation, and annulment cases and 83136  
providing any counseling and conciliation services that the 83137  
division makes available to persons, whether or not the persons 83138  
are parties to an action pending in the division, who request the 83139  
services. 83140

(R) In Warren county, the judge of the court of common pleas, 83141  
whose term begins January 1, 1987, and successors, shall have the 83142  
same qualifications, exercise the same powers and jurisdiction, 83143  
and receive the same compensation as the other judges of the court 83144  
of common pleas of Warren county and shall be elected and 83145  
designated as judge of the court of common pleas, division of 83146  
domestic relations. The judge shall be assigned all divorce, 83147  
dissolution of marriage, legal separation, and annulment cases 83148  
coming before the court, except in cases that for some special 83149  
reason are assigned to some other judge of the court of common 83150  
pleas. The judge shall be charged with the assignment and division 83151  
of the work of the division and with the employment and 83152  
supervision of all other personnel of the domestic relations 83153  
division. 83154

The judge also shall designate the title, compensation, 83155  
expense allowances, hours, leaves of absence, and vacations of the 83156  
personnel of the division and shall fix their duties. The duties 83157  
of the personnel, in addition to other statutory duties, shall 83158  
include the handling, servicing, and investigation of divorce, 83159  
dissolution of marriage, legal separation, and annulment cases and 83160  
providing any counseling and conciliation services that the 83161  
division makes available to persons, whether or not the persons 83162  
are parties to an action pending in the division, who request the 83163  
services. 83164

(S) In Licking county, the judge of the court of common 83165  
pleas, whose term begins January 1, 1991, and successors, shall 83166

have the same qualifications, exercise the same powers and 83167  
jurisdiction, and receive the same compensation as the other 83168  
judges of the court of common pleas of Licking county and shall be 83169  
elected and designated as judge of the court of common pleas, 83170  
division of domestic relations. The judge shall be assigned all 83171  
divorce, dissolution of marriage, legal separation, and annulment 83172  
cases, all cases arising under Chapter 3111. of the Revised Code, 83173  
all proceedings involving child support, the allocation of 83174  
parental rights and responsibilities for the care of children and 83175  
the designation for the children of a place of residence and legal 83176  
custodian, parenting time, and visitation, and all post-decree 83177  
proceedings and matters arising from those cases and proceedings, 83178  
except in cases that for some special reason are assigned to 83179  
another judge of the court of common pleas. The judge shall be 83180  
charged with the assignment and division of the work of the 83181  
division and with the employment and supervision of the personnel 83182  
of the division. 83183

The judge shall designate the title, compensation, expense 83184  
allowances, hours, leaves of absence, and vacations of the 83185  
personnel of the division and shall fix the duties of the 83186  
personnel of the division. The duties of the personnel of the 83187  
division, in addition to other statutory duties, shall include the 83188  
handling, servicing, and investigation of divorce, dissolution of 83189  
marriage, legal separation, and annulment cases, cases arising 83190  
under Chapter 3111. of the Revised Code, and proceedings involving 83191  
child support, the allocation of parental rights and 83192  
responsibilities for the care of children and the designation for 83193  
the children of a place of residence and legal custodian, 83194  
parenting time, and visitation and providing any counseling and 83195  
conciliation services that the division makes available to 83196  
persons, whether or not the persons are parties to an action 83197  
pending in the division, who request the services. 83198

(T) In Allen county, the judge of the court of common pleas, 83199  
whose term begins January 1, 1993, and successors, shall have the 83200  
same qualifications, exercise the same powers and jurisdiction, 83201  
and receive the same compensation as the other judges of the court 83202  
of common pleas of Allen county and shall be elected and 83203  
designated as judge of the court of common pleas, division of 83204  
domestic relations. The judge shall be assigned all divorce, 83205  
dissolution of marriage, legal separation, and annulment cases, 83206  
all cases arising under Chapter 3111. of the Revised Code, all 83207  
proceedings involving child support, the allocation of parental 83208  
rights and responsibilities for the care of children and the 83209  
designation for the children of a place of residence and legal 83210  
custodian, parenting time, and visitation, and all post-decree 83211  
proceedings and matters arising from those cases and proceedings, 83212  
except in cases that for some special reason are assigned to 83213  
another judge of the court of common pleas. The judge shall be 83214  
charged with the assignment and division of the work of the 83215  
division and with the employment and supervision of the personnel 83216  
of the division. 83217

The judge shall designate the title, compensation, expense 83218  
allowances, hours, leaves of absence, and vacations of the 83219  
personnel of the division and shall fix the duties of the 83220  
personnel of the division. The duties of the personnel of the 83221  
division, in addition to other statutory duties, shall include the 83222  
handling, servicing, and investigation of divorce, dissolution of 83223  
marriage, legal separation, and annulment cases, cases arising 83224  
under Chapter 3111. of the Revised Code, and proceedings involving 83225  
child support, the allocation of parental rights and 83226  
responsibilities for the care of children and the designation for 83227  
the children of a place of residence and legal custodian, 83228  
parenting time, and visitation, and providing any counseling and 83229  
conciliation services that the division makes available to 83230

persons, whether or not the persons are parties to an action 83231  
pending in the division, who request the services. 83232

(U) In Medina county, the judge of the court of common pleas 83233  
whose term begins January 1, 1995, and successors, shall have the 83234  
same qualifications, exercise the same powers and jurisdiction, 83235  
and receive the same compensation as other judges of the court of 83236  
common pleas of Medina county and shall be elected and designated 83237  
as judge of the court of common pleas, division of domestic 83238  
relations. The judge shall be assigned all divorce, dissolution of 83239  
marriage, legal separation, and annulment cases, all cases arising 83240  
under Chapter 3111. of the Revised Code, all proceedings involving 83241  
child support, the allocation of parental rights and 83242  
responsibilities for the care of children and the designation for 83243  
the children of a place of residence and legal custodian, 83244  
parenting time, and visitation, and all post-decree proceedings 83245  
and matters arising from those cases and proceedings, except in 83246  
cases that for some special reason are assigned to another judge 83247  
of the court of common pleas. The judge shall be charged with the 83248  
assignment and division of the work of the division and with the 83249  
employment and supervision of the personnel of the division. 83250

The judge shall designate the title, compensation, expense 83251  
allowances, hours, leaves of absence, and vacations of the 83252  
personnel of the division and shall fix the duties of the 83253  
personnel of the division. The duties of the personnel, in 83254  
addition to other statutory duties, include the handling, 83255  
servicing, and investigation of divorce, dissolution of marriage, 83256  
legal separation, and annulment cases, cases arising under Chapter 83257  
3111. of the Revised Code, and proceedings involving child 83258  
support, the allocation of parental rights and responsibilities 83259  
for the care of children and the designation for the children of a 83260  
place of residence and legal custodian, parenting time, and 83261  
visitation, and providing counseling and conciliation services 83262

that the division makes available to persons, whether or not the 83263  
persons are parties to an action pending in the division, who 83264  
request the services. 83265

(V) In Fairfield county, the judge of the court of common 83266  
pleas whose term begins January 2, 1995, and successors, shall 83267  
have the same qualifications, exercise the same powers and 83268  
jurisdiction, and receive the same compensation as the other 83269  
judges of the court of common pleas of Fairfield county and shall 83270  
be elected and designated as judge of the court of common pleas, 83271  
division of domestic relations. The judge shall be assigned all 83272  
divorce, dissolution of marriage, legal separation, and annulment 83273  
cases, all cases arising under Chapter 3111. of the Revised Code, 83274  
all proceedings involving child support, the allocation of 83275  
parental rights and responsibilities for the care of children and 83276  
the designation for the children of a place of residence and legal 83277  
custodian, parenting time, and visitation, and all post-decree 83278  
proceedings and matters arising from those cases and proceedings, 83279  
except in cases that for some special reason are assigned to 83280  
another judge of the court of common pleas. The judge also has 83281  
concurrent jurisdiction with the probate-juvenile division of the 83282  
court of common pleas of Fairfield county with respect to and may 83283  
hear cases to determine the custody of a child, as defined in 83284  
section 2151.011 of the Revised Code, who is not the ward of 83285  
another court of this state, cases that are commenced by a parent, 83286  
guardian, or custodian of a child, as defined in section 2151.011 83287  
of the Revised Code, to obtain an order requiring a parent of the 83288  
child to pay child support for that child when the request for 83289  
that order is not ancillary to an action for divorce, dissolution 83290  
of marriage, annulment, or legal separation, a criminal or civil 83291  
action involving an allegation of domestic violence, an action for 83292  
support under Chapter 3115. of the Revised Code, or an action that 83293  
is within the exclusive original jurisdiction of the 83294  
probate-juvenile division of the court of common pleas of 83295



Fairfield county and that involves an allegation that the child is 83296  
an abused, neglected, or dependent child, and post-decree 83297  
proceedings and matters arising from those types of cases. 83298

The judge of the domestic relations division shall be charged 83299  
with the assignment and division of the work of the division and 83300  
with the employment and supervision of the personnel of the 83301  
division. 83302

The judge shall designate the title, compensation, expense 83303  
allowances, hours, leaves of absence, and vacations of the 83304  
personnel of the division and shall fix the duties of the 83305  
personnel of the division. The duties of the personnel of the 83306  
division, in addition to other statutory duties, shall include the 83307  
handling, servicing, and investigation of divorce, dissolution of 83308  
marriage, legal separation, and annulment cases, cases arising 83309  
under Chapter 3111. of the Revised Code, and proceedings involving 83310  
child support, the allocation of parental rights and 83311  
responsibilities for the care of children and the designation for 83312  
the children of a place of residence and legal custodian, 83313  
parenting time, and visitation, and providing any counseling and 83314  
conciliation services that the division makes available to 83315  
persons, regardless of whether the persons are parties to an 83316  
action pending in the division, who request the services. When the 83317  
judge hears a case to determine the custody of a child, as defined 83318  
in section 2151.011 of the Revised Code, who is not the ward of 83319  
another court of this state or a case that is commenced by a 83320  
parent, guardian, or custodian of a child, as defined in section 83321  
2151.011 of the Revised Code, to obtain an order requiring a 83322  
parent of the child to pay child support for that child when the 83323  
request for that order is not ancillary to an action for divorce, 83324  
dissolution of marriage, annulment, or legal separation, a 83325  
criminal or civil action involving an allegation of domestic 83326  
violence, an action for support under Chapter 3115. of the Revised 83327

Code, or an action that is within the exclusive original 83328  
jurisdiction of the probate-juvenile division of the court of 83329  
common pleas of Fairfield county and that involves an allegation 83330  
that the child is an abused, neglected, or dependent child, the 83331  
duties of the personnel of the domestic relations division also 83332  
include the handling, servicing, and investigation of those types 83333  
of cases. 83334

(W)(1) In Clark county, the judge of the court of common 83335  
pleas whose term begins on January 2, 1995, and successors, shall 83336  
have the same qualifications, exercise the same powers and 83337  
jurisdiction, and receive the same compensation as other judges of 83338  
the court of common pleas of Clark county and shall be elected and 83339  
designated as judge of the court of common pleas, domestic 83340  
relations division. The judge shall have all the powers relating 83341  
to juvenile courts, and all cases under Chapters 2151. and 2152. 83342  
of the Revised Code and all parentage proceedings under Chapter 83343  
3111. of the Revised Code over which the juvenile court has 83344  
jurisdiction shall be assigned to the judge of the division of 83345  
domestic relations. All divorce, dissolution of marriage, legal 83346  
separation, annulment, uniform reciprocal support enforcement, and 83347  
other cases related to domestic relations shall be assigned to the 83348  
domestic relations division, and the presiding judge of the court 83349  
of common pleas shall assign the cases to the judge of the 83350  
domestic relations division and the judges of the general 83351  
division. 83352

(2) In addition to the judge's regular duties, the judge of 83353  
the division of domestic relations shall serve on the children 83354  
services board and the county advisory board. 83355

(3) If the judge of the court of common pleas of Clark 83356  
county, division of domestic relations, is sick, absent, or unable 83357  
to perform that judge's judicial duties or if the presiding judge 83358  
of the court of common pleas of Clark county determines that the 83359

volume of cases pending in the division of domestic relations 83360  
necessitates it, the duties of the judge of the division of 83361  
domestic relations shall be performed by the judges of the general 83362  
division or probate division of the court of common pleas of Clark 83363  
county, as assigned for that purpose by the presiding judge of 83364  
that court, and the judges so assigned shall act in conjunction 83365  
with the judge of the division of domestic relations of that 83366  
court. 83367

(X) In Scioto county, the judge of the court of common pleas 83368  
whose term begins January 2, 1995, and successors, shall have the 83369  
same qualifications, exercise the same powers and jurisdiction, 83370  
and receive the same compensation as other judges of the court of 83371  
common pleas of Scioto county and shall be elected and designated 83372  
as judge of the court of common pleas, division of domestic 83373  
relations. The judge shall be assigned all divorce, dissolution of 83374  
marriage, legal separation, and annulment cases, all cases arising 83375  
under Chapter 3111. of the Revised Code, all proceedings involving 83376  
child support, the allocation of parental rights and 83377  
responsibilities for the care of children and the designation for 83378  
the children of a place of residence and legal custodian, 83379  
parenting time, visitation, and all post-decree proceedings and 83380  
matters arising from those cases and proceedings, except in cases 83381  
that for some special reason are assigned to another judge of the 83382  
court of common pleas. The judge shall be charged with the 83383  
assignment and division of the work of the division and with the 83384  
employment and supervision of the personnel of the division. 83385

The judge shall designate the title, compensation, expense 83386  
allowances, hours, leaves of absence, and vacations of the 83387  
personnel of the division and shall fix the duties of the 83388  
personnel of the division. The duties of the personnel, in 83389  
addition to other statutory duties, include the handling, 83390  
servicing, and investigation of divorce, dissolution of marriage, 83391

legal separation, and annulment cases, cases arising under Chapter 83392  
3111. of the Revised Code, and proceedings involving child 83393  
support, the allocation of parental rights and responsibilities 83394  
for the care of children and the designation for the children of a 83395  
place of residence and legal custodian, parenting time, and 83396  
visitation, and providing counseling and conciliation services 83397  
that the division makes available to persons, whether or not the 83398  
persons are parties to an action pending in the division, who 83399  
request the services. 83400

(Y) In Auglaize county, the judge of the probate and juvenile 83401  
divisions of the Auglaize county court of common pleas also shall 83402  
be the administrative judge of the domestic relations division of 83403  
the court and shall be assigned all divorce, dissolution of 83404  
marriage, legal separation, and annulment cases coming before the 83405  
court. The judge shall have all powers as administrator of the 83406  
domestic relations division and shall have charge of the personnel 83407  
engaged in handling, servicing, or investigating divorce, 83408  
dissolution of marriage, legal separation, and annulment cases, 83409  
including any referees considered necessary for the discharge of 83410  
the judge's various duties. 83411

(Z)(1) In Marion county, the judge of the court of common 83412  
pleas whose term begins on February 9, 1999, and the successors to 83413  
that judge, shall have the same qualifications, exercise the same 83414  
powers and jurisdiction, and receive the same compensation as the 83415  
other judges of the court of common pleas of Marion county and 83416  
shall be elected and designated as judge of the court of common 83417  
pleas, domestic relations-juvenile-probate division. Except as 83418  
otherwise specified in this division, that judge, and the 83419  
successors to that judge, shall have all the powers relating to 83420  
juvenile courts, and all cases under Chapters 2151. and 2152. of 83421  
the Revised Code, all cases arising under Chapter 3111. of the 83422  
Revised Code, all divorce, dissolution of marriage, legal 83423

separation, and annulment cases, all proceedings involving child 83424  
support, the allocation of parental rights and responsibilities 83425  
for the care of children and the designation for the children of a 83426  
place of residence and legal custodian, parenting time, and 83427  
visitation, and all post-decree proceedings and matters arising 83428  
from those cases and proceedings shall be assigned to that judge 83429  
and the successors to that judge. Except as provided in division 83430  
(Z)(2) of this section and notwithstanding any other provision of 83431  
any section of the Revised Code, on and after February 9, 2003, 83432  
the judge of the court of common pleas of Marion county whose term 83433  
begins on February 9, 1999, and the successors to that judge, 83434  
shall have all the powers relating to the probate division of the 83435  
court of common pleas of Marion county in addition to the powers 83436  
previously specified in this division, and shall exercise 83437  
concurrent jurisdiction with the judge of the probate division of 83438  
that court over all matters that are within the jurisdiction of 83439  
the probate division of that court under Chapter 2101., and other 83440  
provisions, of the Revised Code in addition to the jurisdiction of 83441  
the domestic relations-juvenile-probate division of that court 83442  
otherwise specified in division (Z)(1) of this section. 83443

(2) The judge of the domestic relations-juvenile-probate 83444  
division of the court of common pleas of Marion county or the 83445  
judge of the probate division of the court of common pleas of 83446  
Marion county, whichever of those judges is senior in total length 83447  
of service on the court of common pleas of Marion county, 83448  
regardless of the division or divisions of service, shall serve as 83449  
the clerk of the probate division of the court of common pleas of 83450  
Marion county. 83451

(3) On and after February 9, 2003, all references in law to 83452  
"the probate court," "the probate judge," "the juvenile court," or 83453  
"the judge of the juvenile court" shall be construed, with respect 83454  
to Marion county, as being references to both "the probate 83455

division" and "the domestic relations-juvenile-probate division" 83456  
and as being references to both "the judge of the probate 83457  
division" and "the judge of the domestic relations- 83458  
juvenile-probate division." On and after February 9, 2003, all 83459  
references in law to "the clerk of the probate court" shall be 83460  
construed, with respect to Marion county, as being references to 83461  
the judge who is serving pursuant to division (Z)(2) of this 83462  
section as the clerk of the probate division of the court of 83463  
common pleas of Marion county. 83464

(AA) In Muskingum county, the judge of the court of common 83465  
pleas whose term begins on January 2, 2003, and successors, shall 83466  
have the same qualifications, exercise the same powers and 83467  
jurisdiction, and receive the same compensation as the other 83468  
judges of the court of common pleas of Muskingum county and shall 83469  
be elected and designated as the judge of the court of common 83470  
pleas, division of domestic relations. The judge shall be assigned 83471  
and hear all divorce, dissolution of marriage, legal separation, 83472  
and annulment cases and all proceedings under the uniform 83473  
interstate family support act contained in Chapter 3115. of the 83474  
Revised Code. Except in cases that are subject to the exclusive 83475  
original jurisdiction of the juvenile court, the judge shall be 83476  
assigned and hear all cases pertaining to paternity, visitation, 83477  
child support, the allocation of parental rights and 83478  
responsibilities for the care of children, and the designation for 83479  
the children of a place of residence and legal custodian, and all 83480  
post-decree proceedings arising from any case pertaining to any of 83481  
those matters. 83482

(BB) If a judge of the court of common pleas, division of 83483  
domestic relations, or juvenile judge, of any of the counties 83484  
mentioned in this section is sick, absent, or unable to perform 83485  
that judge's judicial duties or the volume of cases pending in the 83486  
judge's division necessitates it, the duties of that judge shall 83487

be performed by another judge of the court of common pleas of that 83488  
county, assigned for that purpose by the presiding judge of the 83489  
court of common pleas of that county to act in place of or in 83490  
conjunction with that judge, as the case may require. 83491

**Sec. 2743.191.** (A)(1) There is hereby created in the state 83492  
treasury the reparations fund, which shall be used only for the 83493  
following purposes: 83494

(a) The payment of awards of reparations that are granted by 83495  
the attorney general; 83496

(b) The compensation of any personnel needed by the attorney 83497  
general to administer sections 2743.51 to 2743.72 of the Revised 83498  
Code; 83499

(c) The compensation of witnesses as provided in division 83500  
~~(B)~~(J) of section 2743.65 of the Revised Code; 83501

(d) Other administrative costs of hearing and determining 83502  
claims for an award of reparations by the attorney general; 83503

(e) The costs of administering sections 2907.28 and 2969.01 83504  
to 2969.06 of the Revised Code; 83505

(f) The costs of investigation and decision-making as 83506  
certified by the attorney general; 83507

(g) The provision of state financial assistance to victim 83508  
assistance programs in accordance with sections 109.91 and 109.92 83509  
of the Revised Code; 83510

(h) The costs of paying the expenses of sex offense-related 83511  
examinations and antibiotics pursuant to section 2907.28 of the 83512  
Revised Code; 83513

(i) The cost of printing and distributing the pamphlet 83514  
prepared by the attorney general pursuant to section 109.42 of the 83515  
Revised Code; 83516

(j) Subject to division (D) of section 2743.71 of the Revised Code, the costs associated with the printing and providing of information cards or other printed materials to law enforcement agencies and prosecuting authorities and with publicizing the availability of awards of reparations pursuant to section 2743.71 of the Revised Code;

(k) The payment of costs of administering a DNA specimen collection procedure pursuant to section 2152.74 of the Revised Code in relation to any act identified in division (E)(1) to (5) of that section and pursuant to section 2901.07 of the Revised Code in relation to any act identified in division (E)(1) to (5) of that section, of performing DNA analysis of those DNA specimens, and of entering the resulting DNA records regarding those analyses into the DNA database pursuant to section 109.573 of the Revised Code.

(2) All costs paid pursuant to section 2743.70 of the Revised Code, the portions of license reinstatement fees mandated by division (F)(2)(b) of section 4511.191 of the Revised Code to be credited to the fund, the portions of the proceeds of the sale of a forfeited vehicle specified in division (C)(2) of section 4503.234 of the Revised Code, payments collected by the department of rehabilitation and correction from prisoners who voluntarily participate in an approved work and training program pursuant to division (C)(8)(b)(ii) of section 5145.16 of the Revised Code, and all moneys collected by the state pursuant to its right of subrogation provided in section 2743.72 of the Revised Code shall be deposited in the fund.

(B) In making an award of reparations, the attorney general shall render the award against the state. The award shall be accomplished only through the following procedure, and the following procedure may be enforced by writ of mandamus directed to the appropriate official:



(1) The attorney general shall provide for payment of the 83549  
claimant or providers in the amount of the award only if the 83550  
amount of the award is fifty dollars or more. 83551

(2) The expense shall be charged against all available 83552  
unencumbered moneys in the fund. 83553

(3) If sufficient unencumbered moneys do not exist in the 83554  
fund, the attorney general shall make application for payment of 83555  
the award out of the emergency purposes account or any other 83556  
appropriation for emergencies or contingencies, and payment out of 83557  
this account or other appropriation shall be authorized if there 83558  
are sufficient moneys greater than the sum total of then pending 83559  
emergency purposes account requests or requests for releases from 83560  
the other appropriations. 83561

(4) If sufficient moneys do not exist in the account or any 83562  
other appropriation for emergencies or contingencies to pay the 83563  
award, the attorney general shall request the general assembly to 83564  
make an appropriation sufficient to pay the award, and no payment 83565  
shall be made until the appropriation has been made. The attorney 83566  
general shall make this appropriation request during the current 83567  
biennium and during each succeeding biennium until a sufficient 83568  
appropriation is made. If, prior to the time that an appropriation 83569  
is made by the general assembly pursuant to this division, the 83570  
fund has sufficient unencumbered funds to pay the award or part of 83571  
the award, the available funds shall be used to pay the award or 83572  
part of the award, and the appropriation request shall be amended 83573  
to request only sufficient funds to pay that part of the award 83574  
that is unpaid. 83575

(C) The attorney general shall not make payment on a decision 83576  
or order granting an award until all appeals have been determined 83577  
and all rights to appeal exhausted, except as otherwise provided 83578  
in this section. If any party to a claim for an award of 83579

reparations appeals from only a portion of an award, and a 83580  
remaining portion provides for the payment of money by the state, 83581  
that part of the award calling for the payment of money by the 83582  
state and not a subject of the appeal shall be processed for 83583  
payment as described in this section. 83584

(D) The attorney general shall prepare itemized bills for the 83585  
costs of printing and distributing the pamphlet the attorney 83586  
general prepares pursuant to section 109.42 of the Revised Code. 83587  
The itemized bills shall set forth the name and address of the 83588  
persons owed the amounts set forth in them. 83589

(E) As used in this section, "DNA analysis" and "DNA 83590  
specimen" have the same meanings as in section 109.573 of the 83591  
Revised Code. 83592

**Sec. 2743.51.** As used in sections 2743.51 to 2743.72 of the 83593  
Revised Code: 83594

(A) "Claimant" means both of the following categories of 83595  
persons: 83596

(1) Any of the following persons who claim an award of 83597  
reparations under sections 2743.51 to 2743.72 of the Revised Code: 83598

(a) A victim who was one of the following at the time of the 83599  
criminally injurious conduct: 83600

(i) A resident of the United States; 83601

(ii) A resident of a foreign country the laws of which permit 83602  
residents of this state to recover compensation as victims of 83603  
offenses committed in that country. 83604

(b) A dependent of a deceased victim who is described in 83605  
division (A)(1)(a) of this section; 83606

(c) A third person, other than a collateral source, who 83607  
legally assumes or voluntarily pays the obligations of a victim, 83608

or of a dependent of a victim, who is described in division 83609  
(A)(1)(a) of this section, which obligations are incurred as a 83610  
result of the criminally injurious conduct that is the subject of 83611  
the claim and may include, but are not limited to, medical or 83612  
burial expenses; 83613

(d) A person who is authorized to act on behalf of any person 83614  
who is described in division (A)(1)(a), (b), or (c) of this 83615  
section; 83616

(e) The estate of a deceased victim who is described in 83617  
division (A)(1)(a) of this section. 83618

(2) Any of the following persons who claim an award of 83619  
reparations under sections 2743.51 to 2743.72 of the Revised Code: 83620

(a) A victim who had a permanent place of residence within 83621  
this state at the time of the criminally injurious conduct and 83622  
who, at the time of the criminally injurious conduct, complied 83623  
with any one of the following: 83624

(i) Had a permanent place of employment in this state; 83625

(ii) Was a member of the regular armed forces of the United 83626  
States or of the United States coast guard or was a full-time 83627  
member of the Ohio organized militia or of the United States army 83628  
reserve, naval reserve, or air force reserve; 83629

(iii) Was retired and receiving social security or any other 83630  
retirement income; 83631

(iv) Was sixty years of age or older; 83632

(v) Was temporarily in another state for the purpose of 83633  
receiving medical treatment; 83634

(vi) Was temporarily in another state for the purpose of 83635  
performing employment-related duties required by an employer 83636  
located within this state as an express condition of employment or 83637  
employee benefits; 83638

(vii) Was temporarily in another state for the purpose of receiving occupational, vocational, or other job-related training or instruction required by an employer located within this state as an express condition of employment or employee benefits;

(viii) Was a full-time student at an academic institution, college, or university located in another state;

(ix) Had not departed the geographical boundaries of this state for a period exceeding thirty days or with the intention of becoming a citizen of another state or establishing a permanent place of residence in another state.

(b) A dependent of a deceased victim who is described in division (A)(2)(a) of this section;

(c) A third person, other than a collateral source, who legally assumes or voluntarily pays the obligations of a victim, or of a dependent of a victim, who is described in division (A)(2)(a) of this section, which obligations are incurred as a result of the criminally injurious conduct that is the subject of the claim and may include, but are not limited to, medical or burial expenses;

(d) A person who is authorized to act on behalf of any person who is described in division (A)(2)(a), (b), or (c) of this section;

(e) The estate of a deceased victim who is described in division (A)(2)(a) of this section.

(B) "Collateral source" means a source of benefits or advantages for economic loss otherwise reparable that the victim or claimant has received, or that is readily available to the victim or claimant, from any of the following sources:

(1) The offender;

(2) The government of the United States or any of its

agencies, a state or any of its political subdivisions, or an instrumentality of two or more states, unless the law providing for the benefits or advantages makes them excess or secondary to benefits under sections 2743.51 to 2743.72 of the Revised Code;

(3) Social security, medicare, and medicaid;

(4) State-required, temporary, nonoccupational disability insurance;

(5) Workers' compensation;

(6) Wage continuation programs of any employer;

(7) Proceeds of a contract of insurance payable to the victim for loss that the victim sustained because of the criminally injurious conduct;

(8) A contract providing prepaid hospital and other health care services, or benefits for disability;

(9) That portion of the proceeds of all contracts of insurance payable to the claimant on account of the death of the victim that exceeds fifty thousand dollars;

(10) Any compensation recovered or recoverable under the laws of another state, district, territory, or foreign country because the victim was the victim of an offense committed in that state, district, territory, or country.

"Collateral source" does not include any money, or the monetary value of any property, that is subject to sections 2969.01 to 2969.06 of the Revised Code or that is received as a benefit from the Ohio public safety officers death benefit fund created by section 742.62 of the Revised Code.

(C) "Criminally injurious conduct" means one of the following:

(1) For the purposes of any person described in division (A)(1) of this section, any conduct that occurs or is attempted in

this state; poses a substantial threat of personal injury or 83699  
death; and is punishable by fine, imprisonment, or death, or would 83700  
be so punishable but for the fact that the person engaging in the 83701  
conduct lacked capacity to commit the crime under the laws of this 83702  
state. Criminally injurious conduct does not include conduct 83703  
arising out of the ownership, maintenance, or use of a motor 83704  
vehicle, except when any of the following applies: 83705

(a) The person engaging in the conduct intended to cause 83706  
personal injury or death; 83707

(b) The person engaging in the conduct was using the vehicle 83708  
to flee immediately after committing a felony or an act that would 83709  
constitute a felony but for the fact that the person engaging in 83710  
the conduct lacked the capacity to commit the felony under the 83711  
laws of this state; 83712

(c) The person engaging in the conduct was using the vehicle 83713  
in a manner that constitutes an OVI violation; 83714

(d) The conduct occurred on or after July 25, 1990, and the 83715  
person engaging in the conduct was using the vehicle in a manner 83716  
that constitutes a violation of section 2903.08 of the Revised 83717  
Code. 83718

(2) For the purposes of any person described in division 83719  
(A)(2) of this section, any conduct that occurs or is attempted in 83720  
another state, district, territory, or foreign country; poses a 83721  
substantial threat of personal injury or death; and is punishable 83722  
by fine, imprisonment, or death, or would be so punishable but for 83723  
the fact that the person engaging in the conduct lacked capacity 83724  
to commit the crime under the laws of the state, district, 83725  
territory, or foreign country in which the conduct occurred or was 83726  
attempted. Criminally injurious conduct does not include conduct 83727  
arising out of the ownership, maintenance, or use of a motor 83728  
vehicle, except when any of the following applies: 83729

(a) The person engaging in the conduct intended to cause personal injury or death; 83730  
83731

(b) The person engaging in the conduct was using the vehicle to flee immediately after committing a felony or an act that would constitute a felony but for the fact that the person engaging in the conduct lacked the capacity to commit the felony under the laws of the state, district, territory, or foreign country in which the conduct occurred or was attempted; 83732  
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(c) The person engaging in the conduct was using the vehicle in a manner that constitutes an OVI violation; 83738  
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(d) The conduct occurred on or after July 25, 1990, the person engaging in the conduct was using the vehicle in a manner that constitutes a violation of any law of the state, district, territory, or foreign country in which the conduct occurred, and that law is substantially similar to a violation of section 2903.08 of the Revised Code. 83740  
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(3) For the purposes of any person described in division (A)(1) or (2) of this section, terrorism that occurs within or outside the territorial jurisdiction of the United States. 83746  
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83748

(D) "Dependent" means an individual wholly or partially dependent upon the victim for care and support, and includes a child of the victim born after the victim's death. 83749  
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83751

(E) "Economic loss" means economic detriment consisting only of allowable expense, work loss, funeral expense, unemployment benefits loss, replacement services loss, cost of crime scene cleanup, and cost of evidence replacement. If criminally injurious conduct causes death, economic loss includes a dependent's economic loss and a dependent's replacement services loss. Noneconomic detriment is not economic loss; however, economic loss may be caused by pain and suffering or physical impairment. 83752  
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(F)(1) "Allowable expense" means reasonable charges incurred 83760  
for reasonably needed products, services, and accommodations, 83761  
including those for medical care, rehabilitation, rehabilitative 83762  
occupational training, and other remedial treatment and care and 83763  
including replacement costs for eyeglasses and other corrective 83764  
lenses. It does not include that portion of a charge for a room in 83765  
a hospital, clinic, convalescent home, nursing home, or any other 83766  
institution engaged in providing nursing care and related services 83767  
in excess of a reasonable and customary charge for semiprivate 83768  
accommodations, unless accommodations other than semiprivate 83769  
accommodations are medically required. 83770

(2) An immediate family member of a victim of criminally 83771  
injurious conduct that consists of a homicide, a sexual assault, 83772  
domestic violence, or a severe and permanent incapacitating injury 83773  
resulting in paraplegia or a similar life-altering condition, who 83774  
requires psychiatric care or counseling as a result of the 83775  
criminally injurious conduct, may be reimbursed for that care or 83776  
counseling as an allowable expense through the victim's 83777  
application. The cumulative allowable expense for care or 83778  
counseling of that nature shall not exceed two thousand five 83779  
hundred dollars for each immediate family member of a victim of 83780  
that type ~~shall not exceed two~~ and seven thousand five hundred 83781  
dollars in the aggregate for all immediate family members of a 83782  
victim of that type. 83783

(3) A family member of a victim who died as a proximate 83784  
result of criminally injurious conduct may be reimbursed as an 83785  
allowable expense through the victim's application for wages lost 83786  
and travel expenses incurred in order to attend criminal justice 83787  
proceedings arising from the criminally injurious conduct. The 83788  
cumulative allowable expense for wages lost and travel expenses 83789  
incurred by a family member to attend criminal justice proceedings 83790  
shall not exceed five hundred dollars for each family member of 83791



the victim and two thousand dollars in the aggregate for all 83792  
family members of the victim. 83793

(4) "Allowable expense" includes attorney's fees not 83794  
exceeding two thousand five hundred dollars, at a rate not 83795  
exceeding one hundred fifty dollars per hour, incurred to 83796  
successfully obtain a restraining order, custody order, or other 83797  
order to physically separate a victim from an offender, if the 83798  
attorney has not received payment under section 2743.65 of the 83799  
Revised Code for assisting a claimant with an application for an 83800  
award of reparations under sections 2743.51 to 2743.72 of the 83801  
Revised Code. 83802

(G) "Work loss" means loss of income from work that the 83803  
injured person would have performed if the person had not been 83804  
injured and expenses reasonably incurred by the person to obtain 83805  
services in lieu of those the person would have performed for 83806  
income, reduced by any income from substitute work actually 83807  
performed by the person, or by income the person would have earned 83808  
in available appropriate substitute work that the person was 83809  
capable of performing but unreasonably failed to undertake. 83810

(H) "Replacement services loss" means expenses reasonably 83811  
incurred in obtaining ordinary and necessary services in lieu of 83812  
those the injured person would have performed, not for income, but 83813  
for the benefit of the person's self or family, if the person had 83814  
not been injured. 83815

(I) "Dependent's economic loss" means loss after a victim's 83816  
death of contributions of things of economic value to the victim's 83817  
dependents, not including services they would have received from 83818  
the victim if the victim had not suffered the fatal injury, less 83819  
expenses of the dependents avoided by reason of the victim's 83820  
death. If a minor child of a victim is adopted after the victim's 83821  
death, the minor child continues after the adoption to incur a 83822  
dependent's economic loss as a result of the victim's death. If 83823

the surviving spouse of a victim remarries, the surviving spouse 83824  
continues after the remarriage to incur a dependent's economic 83825  
loss as a result of the victim's death. 83826

(J) "Dependent's replacement services loss" means loss 83827  
reasonably incurred by dependents after a victim's death in 83828  
obtaining ordinary and necessary services in lieu of those the 83829  
victim would have performed for their benefit if the victim had 83830  
not suffered the fatal injury, less expenses of the dependents 83831  
avoided by reason of the victim's death and not subtracted in 83832  
calculating the dependent's economic loss. If a minor child of a 83833  
victim is adopted after the victim's death, the minor child 83834  
continues after the adoption to incur a dependent's replacement 83835  
services loss as a result of the victim's death. If the surviving 83836  
spouse of a victim remarries, the surviving spouse continues after 83837  
the remarriage to incur a dependent's replacement services loss as 83838  
a result of the victim's death. 83839

(K) "Noneconomic detriment" means pain, suffering, 83840  
inconvenience, physical impairment, or other nonpecuniary damage. 83841

(L) "Victim" means a person who suffers personal injury or 83842  
death as a result of any of the following: 83843

(1) Criminally injurious conduct; 83844

(2) The good faith effort of any person to prevent criminally 83845  
injurious conduct; 83846

(3) The good faith effort of any person to apprehend a person 83847  
suspected of engaging in criminally injurious conduct. 83848

(M) "Contributory misconduct" means any conduct of the 83849  
claimant or of the victim through whom the claimant claims an 83850  
award of reparations that is unlawful or intentionally tortious 83851  
and that, without regard to the conduct's proximity in time or 83852  
space to the criminally injurious conduct, has a causal 83853  
relationship to the criminally injurious conduct that is the basis 83854

of the claim. 83855

(N)(1) "Funeral expense" means any reasonable charges that 83856  
are not in excess of ~~five~~ seven thousand five hundred dollars per 83857  
funeral and that are incurred for expenses directly related to a 83858  
victim's funeral, cremation, or burial and any wages lost or 83859  
travel expenses incurred by a family member of a victim in order 83860  
to attend the victim's funeral, cremation, or burial. 83861

(2) An award for funeral expenses shall be applied first to 83862  
expenses directly related to the victim's funeral, cremation, or 83863  
burial. An award for wages lost or travel expenses incurred by a 83864  
family member of the victim shall not exceed five hundred dollars 83865  
for each family member and shall not exceed in the aggregate the 83866  
difference between seven thousand five hundred dollars and 83867  
expenses that are reimbursed by the program and that are directly 83868  
related to the victim's funeral, cremation, or burial. 83869

(O) "Unemployment benefits loss" means a loss of unemployment 83870  
benefits pursuant to Chapter 4141. of the Revised Code when the 83871  
loss arises solely from the inability of a victim to meet the able 83872  
to work, available for suitable work, or the actively seeking 83873  
suitable work requirements of division (A)(4)(a) of section 83874  
4141.29 of the Revised Code. 83875

(P) "OVI violation" means any of the following: 83876

(1) A violation of section 4511.19 of the Revised Code, of 83877  
any municipal ordinance prohibiting the operation of a vehicle 83878  
while under the influence of alcohol, a drug of abuse, or a 83879  
combination of them, or of any municipal ordinance prohibiting the 83880  
operation of a vehicle with a prohibited concentration of alcohol 83881  
in the whole blood, blood serum or plasma, breath, or urine; 83882

(2) A violation of division (A)(1) of section 2903.06 of the 83883  
Revised Code; 83884

(3) A violation of division (A)(2), (3), or (4) of section 83885

2903.06 of the Revised Code or of a municipal ordinance 83886  
substantially similar to any of those divisions, if the offender 83887  
was under the influence of alcohol, a drug of abuse, or a 83888  
combination of them, at the time of the commission of the offense; 83889

(4) For purposes of any person described in division (A)(2) 83890  
of this section, a violation of any law of the state, district, 83891  
territory, or foreign country in which the criminally injurious 83892  
conduct occurred, if that law is substantially similar to a 83893  
violation described in division (P)(1) or (2) of this section or 83894  
if that law is substantially similar to a violation described in 83895  
division (P)(3) of this section and the offender was under the 83896  
influence of alcohol, a drug of abuse, or a combination of them, 83897  
at the time of the commission of the offense. 83898

(Q) "Pendency of the claim" for an original reparations 83899  
application or supplemental reparations application means the 83900  
period of time from the date the criminally injurious conduct upon 83901  
which the application is based occurred until the date a final 83902  
decision, order, or judgment concerning that original reparations 83903  
application or supplemental reparations application is issued. 83904

(R) "Terrorism" means any activity to which all of the 83905  
following apply: 83906

(1) The activity involves a violent act or an act that is 83907  
dangerous to human life. 83908

(2) The act described in division (R)(1) of this section is 83909  
committed within the territorial jurisdiction of the United States 83910  
and is a violation of the criminal laws of the United States, this 83911  
state, or any other state or the act described in division (R)(1) 83912  
of this section is committed outside the territorial jurisdiction 83913  
of the United States and would be a violation of the criminal laws 83914  
of the United States, this state, or any other state if committed 83915  
within the territorial jurisdiction of the United States. 83916

(3) The activity appears to be intended to do any of the	83917
following:	83918
(a) Intimidate or coerce a civilian population;	83919
(b) Influence the policy of any government by intimidation or	83920
coercion;	83921
(c) Affect the conduct of any government by assassination or	83922
kidnapping.	83923
(4) The activity occurs primarily outside the territorial	83924
jurisdiction of the United States or transcends the national	83925
boundaries of the United States in terms of the means by which the	83926
activity is accomplished, the person or persons that the activity	83927
appears intended to intimidate or coerce, or the area or locale in	83928
which the perpetrator or perpetrators of the activity operate or	83929
seek asylum.	83930
(S) "Transcends the national boundaries of the United States"	83931
means occurring outside the territorial jurisdiction of the United	83932
States in addition to occurring within the territorial	83933
jurisdiction of the United States.	83934
(T) "Cost of crime scene cleanup" means reasonable and	83935
necessary costs of cleaning the scene <u>and repairing, for the</u>	83936
<u>purpose of personal security, property damaged at the scene</u> where	83937
the criminally injurious conduct occurred, not to exceed seven	83938
hundred fifty dollars in the aggregate per claim.	83939
(U) "Cost of evidence replacement" means costs for	83940
replacement of property confiscated for evidentiary purposes	83941
related to the criminally injurious conduct, not to exceed seven	83942
hundred fifty dollars in the aggregate per claim.	83943
(V) "Provider" means any person who provides a victim or	83944
claimant with a product, service, or accommodations that are an	83945
allowable expense or a funeral expense.	83946

(W) "Immediate family member" means an individual who resided 83947  
in the same permanent household as a victim at the time of the 83948  
criminally injurious conduct and who is related to a the victim 83949  
~~within the first degree~~ by affinity or consanguinity. 83950

(X) "Family member" means an individual who is related to a 83951  
victim by affinity or consanguinity. 83952

**Sec. 2929.38.** (A) A board of commissioners of a county, in an 83953  
agreement with the sheriff, a legislative authority of a municipal 83954  
corporation, a corrections commission, a judicial corrections 83955  
board, or any other public or private entity that operates a local 83956  
detention facility described in division (A) of section 2929.37 of 83957  
the Revised Code, may establish a policy that requires any 83958  
prisoner who is confined in the facility as a result of pleading 83959  
guilty to or having been convicted of an offense to pay a one-time 83960  
reception fee for the costs of processing the prisoner into the 83961  
facility at the time of the prisoner's initial entry into the 83962  
facility under the confinement in question, to pay a reasonable 83963  
fee for any medical or dental treatment or service requested by 83964  
and provided to that prisoner, and to pay the fee for a random 83965  
drug test assessed under division (E) of section 341.26, and 83966  
division (E) of section 753.33 of the Revised Code. The fee for 83967  
the medical treatment or service shall not exceed the actual cost 83968  
of the treatment or service provided. No prisoner confined in the 83969  
local detention facility shall be denied any necessary medical 83970  
care because of inability to pay the fees. 83971

(B) Upon assessment of a one-time reception fee as described 83972  
in division (A) of this section, the provision of the requested 83973  
medical treatment or service, or the assessment of a fee for a 83974  
random drug test, payment of the required fee may be automatically 83975  
deducted from the prisoner's inmate account in the business office 83976  
of the local detention facility in which the prisoner is confined. 83977

If there is no money in the account, a deduction may be made at a 83978  
later date during the prisoner's confinement if the money becomes 83979  
available in the account. If, after release, the prisoner has an 83980  
unpaid balance of those fees, the sheriff, legislative authority 83981  
of the municipal corporation, corrections commission, judicial 83982  
corrections board, or other entity that operates the local 83983  
detention facility described in division (A) of section 2929.37 of 83984  
the Revised Code may bill the prisoner for the payment of the 83985  
unpaid fees. Fees received for medical or dental treatment or 83986  
services shall be paid to the commissary fund, if one exists for 83987  
the facility, or if no commissary fund exists, to the general fund 83988  
of the treasury of the political subdivision that incurred the 83989  
expenses, in the same proportion as those expenses were borne by 83990  
the political subdivision. Fees received for medical treatment or 83991  
services that are placed in the commissary fund under this 83992  
division shall be used for the same purposes as profits from the 83993  
commissary fund, except that they shall not be used to pay any 83994  
salary or benefits of any person who works in or is employed for 83995  
the sole purpose of providing service to the commissary. 83996

(C) Any fee paid by a person under this section shall be 83997  
deducted from any medical or dental costs that the person is 83998  
ordered to reimburse under a financial sanction imposed pursuant 83999  
to section 2929.28 of the Revised Code or to repay under a policy 84000  
adopted under section 2929.37 of the Revised Code. 84001

(D) As used in this section, "inmate account" has the same 84002  
meaning as in section 2969.21 of the Revised Code. 84003

**Sec. 4506.14.** (A) Commercial driver's licenses shall expire 84004  
as follows: 84005

(1) Except as provided in division (A)(3) of this section, 84006  
each such license issued to replace an operator's or chauffeur's 84007  
license shall expire on the original expiration date of the 84008

operator's or chauffeur's license and, upon renewal, shall expire 84009  
on the licensee's birthday in the fourth year after the date of 84010  
issuance. 84011

(2) Except as provided in division (A)(3) of this section, 84012  
each such license issued as an original license to a person whose 84013  
residence is in this state shall expire on the licensee's birthday 84014  
in the fourth year after the date of issuance, and each such 84015  
license issued to a person whose temporary residence is in this 84016  
state shall expire in accordance with rules adopted by the 84017  
registrar of motor vehicles. A license issued to a person with a 84018  
temporary residence in this state is nonrenewable, but may be 84019  
replaced with a new license within ninety days prior to its 84020  
expiration upon the applicant's compliance with all applicable 84021  
requirements. 84022

(3) Each such license issued to replace the operator's or 84023  
chauffeur's license of a person who is less than twenty-one years 84024  
of age, and each such license issued as an original license to a 84025  
person who is less than twenty-one years of age, shall expire on 84026  
the licensee's twenty-first birthday. 84027

(B) No commercial driver's license shall be issued for a 84028  
period longer than four years and ninety days. Except as provided 84029  
in section 4507.12 of the Revised Code, the registrar may waive 84030  
the examination of any person applying for the renewal of a 84031  
commercial driver's license issued under this chapter, provided 84032  
that the applicant presents either an unexpired commercial 84033  
driver's license or a commercial driver's license that has expired 84034  
not more than six months prior to the date of application. 84035

(C) Subject to the requirements of this chapter and except as 84036  
provided in division (A)(2) of this section in regard to a person 84037  
whose temporary residence is in this state, every commercial 84038  
driver's license shall be renewable ninety days before its 84039  
expiration upon payment of the fees required by section 4506.08 of 84040



the Revised Code. Each person applying for renewal of a commercial 84041  
driver's license shall complete the application form prescribed by 84042  
section 4506.07 of the Revised Code and shall provide all 84043  
certifications required. If the person wishes to retain an 84044  
endorsement authorizing the person to transport hazardous 84045  
materials, the person shall take and successfully complete the 84046  
written test for the endorsement and shall submit to any 84047  
background check required by federal law. 84048

(D) Each person licensed as a driver under this chapter shall 84049  
notify the registrar of any change in the person's address within 84050  
ten days following that change. The notification shall be in 84051  
writing on a form provided by the registrar and shall include the 84052  
full name, date of birth, license number, county of residence, 84053  
social security number, and new address of the person. 84054

(E) Whoever violates division (D) of this section is guilty 84055  
of a minor misdemeanor. 84056

**Sec. 4506.15.** (A) No person shall do any of the following: 84057

(1) Drive a commercial motor vehicle while having a 84058  
measurable or detectable amount of alcohol or of a controlled 84059  
substance in the person's blood, breath, or urine; 84060

(2) Drive a commercial motor vehicle while having an alcohol 84061  
concentration of four-hundredths of one per cent or more; 84062

(3) Drive a commercial motor vehicle while under the 84063  
influence of a controlled substance; 84064

(4) Knowingly leave the scene of an accident involving a 84065  
commercial motor vehicle driven by the person; 84066

(5) Use a commercial motor vehicle in the commission of a 84067  
felony; 84068

(6) Refuse to submit to a test under section 4506.17 of the 84069  
Revised Code; 84070

(7) Violate an out-of-service order issued under this chapter;	84071 84072
(8) Violate any prohibition described in divisions (A)(2) to (7) of this section while transporting hazardous materials;	84073 84074
<u>(9) Use a commercial motor vehicle in the commission of a felony involving the manufacture, distribution, or dispensing of a controlled substance as defined in section 3719.01 of the Revised Code;</u>	84075 84076 84077 84078
<u>(10) Drive a commercial motor vehicle in violation of any provision of sections 4511.61 to 4511.63 of the Revised Code or any federal or local law or ordinance pertaining to railroad-highway grade crossings.</u>	84079 84080 84081 84082
(B) Whoever violates this section is guilty of a misdemeanor of the first degree.	84083 84084
<b>Sec. 4506.16.</b> (A) Whoever violates division (A)(1) of section 4506.15 of the Revised Code or a similar law of another state or a foreign jurisdiction, immediately shall be placed out-of-service for twenty-four hours, in addition to any disqualification required by this section and any other penalty imposed by the Revised Code.	84085 84086 84087 84088 84089 84090
(B) The registrar of motor vehicles shall disqualify any person from operating a commercial motor vehicle as follows:	84091 84092
<del>(1) Subject to division (B)(4) of this section, upon</del> <u>Upon</u> a first conviction for a violation of any provision of divisions (A)(2) to (7) of section 4506.15 of the Revised Code or a similar law of another state or a foreign jurisdiction, one year, <del>in addition to any other penalty imposed by the Revised Code;</del>	84093 84094 84095 84096 84097
<del>(2) Upon a first conviction for a violation of division (A)(8) of section 4506.15 of the Revised Code or a similar law of another state or a foreign jurisdiction, three years, in addition</del>	84098 84099 84100

~~to any other penalty imposed by the Revised Code;~~ 84101

~~(3) Upon and upon a second conviction for a violation of any provision of divisions (A)(2) to (7) of section 4506.15 of the Revised Code or a similar law of another state or a foreign jurisdiction, or any combination of such violations arising from two or more separate incidents, the person shall be disqualified for life or for any other period of time as determined by the United States secretary of transportation and designated by the director of public safety by rule, in addition to any other penalty imposed by the Revised Code;~~ 84102  
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~~(4)(2) Upon a first conviction for a violation of division (A)(8) of section 4506.15 of the Revised Code or a similar law of another state or a foreign jurisdiction, three years;~~ 84111  
84112  
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~~(3) Upon conviction of a violation of division (A)(5)(9) of section 4506.15 of the Revised Code or a similar law of another state or a foreign jurisdiction in connection with the manufacture, distribution, or dispensing of a controlled substance or the possession with intent to manufacture, distribute, or dispense a controlled substance, the person shall be disqualified for life, in addition to any other penalty imposed by the Revised Code;~~ 84114  
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~~(4) Upon a first conviction for a violation of division (A)(10) of section 4506.15 of the Revised Code or a similar law of another state or a foreign jurisdiction, occurring in a three-year period, the person shall be disqualified for not less than sixty days, upon a second conviction occurring in the three-year period, the person shall be disqualified for not less than one hundred twenty days, and upon a subsequent conviction occurring within a three-year period, the person shall be disqualified for not less than one year;~~ 84122  
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(5) Upon conviction of two serious traffic violations 84131

involving the operation of a commercial motor vehicle by the 84132  
person and arising from separate incidents occurring in a 84133  
three-year period, the person shall be disqualified for sixty 84134  
days, ~~in addition to any other penalty imposed by the Revised~~ 84135  
~~Code;~~ 84136

(6) Upon conviction of three serious traffic violations 84137  
involving the operation of a commercial motor vehicle by the 84138  
person and arising from separate incidents occurring in a 84139  
three-year period, the person shall be disqualified for one 84140  
hundred twenty days, ~~in addition to any other penalty imposed by~~ 84141  
~~the Revised Code.~~ 84142

(C) For the purposes of this section, conviction of a 84143  
violation for which disqualification is required may be evidenced 84144  
by any of the following: 84145

(1) A judgment entry of a court of competent jurisdiction in 84146  
this or any other state; 84147

(2) An administrative order of a state agency of this or any 84148  
other state having statutory jurisdiction over commercial drivers; 84149

(3) A computer record obtained from or through the commercial 84150  
driver's license information system; 84151

(4) A computer record obtained from or through a state agency 84152  
of this or any other state having statutory jurisdiction over 84153  
commercial drivers or the records of commercial drivers. 84154

(D) Any record described in division (C) of this section 84155  
shall be deemed to be self-authenticating when it is received by 84156  
the bureau of motor vehicles. 84157

(E) When disqualifying a driver, the registrar shall cause 84158  
the records of the bureau to be updated to reflect that action 84159  
within ten days after it occurs. 84160

(F) The registrar immediately shall notify a driver who is 84161

finally convicted of any offense described in section 4506.15 of 84162  
the Revised Code or division (B)(3), (4), (5), or (6) of this 84163  
section and thereby is subject to disqualification, of the offense 84164  
or offenses involved, of the length of time for which 84165  
disqualification is to be imposed, and that the driver may request 84166  
a hearing within thirty days of the mailing of the notice to show 84167  
cause why the driver should not be disqualified from operating a 84168  
commercial motor vehicle. If a request for such a hearing is not 84169  
made within thirty days of the mailing of the notice, the order of 84170  
disqualification is final. The registrar may designate hearing 84171  
examiners who, after affording all parties reasonable notice, 84172  
shall conduct a hearing to determine whether the disqualification 84173  
order is supported by reliable evidence. The registrar shall adopt 84174  
rules to implement this division. 84175

(G) Any person who is disqualified from operating a 84176  
commercial motor vehicle under this section may apply to the 84177  
registrar for a driver's license to operate a motor vehicle other 84178  
than a commercial motor vehicle, provided the person's commercial 84179  
driver's license is not otherwise suspended. A person whose 84180  
commercial driver's license is suspended shall not apply to the 84181  
registrar for or receive a driver's license under Chapter 4507. of 84182  
the Revised Code during the period of suspension. 84183

(H) The disqualifications imposed under this section are in 84184  
addition to any other penalty imposed by the Revised Code. 84185

**Sec. 4506.20.** (A) Each employer shall require every applicant 84186  
for employment as a driver of a commercial motor vehicle to 84187  
provide the information specified in section 4506.20 of the 84188  
Revised Code. 84189

(B) No employer shall knowingly permit or authorize any 84190  
driver employed by the employer to drive a commercial motor 84191  
vehicle during any period in which any of the following apply: 84192

(1) The driver's commercial driver's license is suspended, revoked, or canceled by any state or a foreign jurisdiction;	84193 84194
(2) The driver has lost the privilege to drive, or currently is disqualified from driving, a commercial motor vehicle in any state or foreign jurisdiction;	84195 84196 84197
(3) The driver is subject to an out-of-service order in any state or foreign jurisdiction;	84198 84199
(4) The driver has more than one driver's license.	84200
(C) <u>No employer shall knowingly permit or authorize a driver to operate a commercial motor vehicle in violation of section 4506.15 of the Revised Code.</u>	84201 84202 84203
<u>(D)(1) Whoever violates division (A) or (B) of this section is guilty of a misdemeanor of the first degree.</u>	84204 84205
<u>(2) Whoever violates division (C) of this section may be assessed a fine not to exceed ten thousand dollars.</u>	84206 84207
<b>Sec. 4511.33.</b> (A) Whenever any roadway has been divided into two or more clearly marked lanes for traffic, or wherever within municipal corporations traffic is lawfully moving in two or more substantially continuous lines in the same direction, the following rules apply:	84208 84209 84210 84211 84212
(1) A vehicle or trackless trolley shall be driven, as nearly as is practicable, entirely within a single lane or line of traffic and shall not be moved from such lane or line until the driver has first ascertained that such movement can be made with safety.	84213 84214 84215 84216 84217
(2) Upon a roadway which is divided into three lanes and provides for two-way movement of traffic, a vehicle or trackless trolley shall not be driven in the center lane except when overtaking and passing another vehicle or trackless trolley where	84218 84219 84220 84221

the roadway is clearly visible and such center lane is clear of 84222  
traffic within a safe distance, or when preparing for a left turn, 84223  
or where such center lane is at the time allocated exclusively to 84224  
traffic moving in the direction the vehicle or trackless trolley 84225  
is proceeding and is posted with signs to give notice of such 84226  
allocation. 84227

(3) Official signs may be erected directing specified traffic 84228  
to use a designated lane or designating those lanes to be used by 84229  
traffic moving in a particular direction regardless of the center 84230  
of the roadway, or restricting the use of a particular lane to 84231  
only buses during certain hours or during all hours, and drivers 84232  
of vehicles and trackless trolleys shall obey the directions of 84233  
such signs. 84234

(4) Official traffic control devices may be installed 84235  
prohibiting the changing of lanes on sections of roadway and 84236  
drivers of vehicles shall obey the directions of every such 84237  
device. 84238

(B) Except as otherwise provided in this division, whoever 84239  
violates this section is guilty of a minor misdemeanor. If, within 84240  
one year of the offense, the offender previously has been 84241  
convicted of or pleaded guilty to one predicate motor vehicle or 84242  
traffic offense, whoever violates this section is guilty of a 84243  
misdemeanor of the fourth degree. If, within one year of the 84244  
offense, the offender previously has been convicted of two or more 84245  
predicate motor vehicle or traffic offenses, whoever violates this 84246  
section is guilty of a misdemeanor of the third degree. 84247

**Sec. 4511.62.** (A)(1) Whenever any person driving a vehicle or 84248  
trackless trolley approaches a railroad grade crossing, the person 84249  
shall stop within fifty feet, but not less than fifteen feet from 84250  
the nearest rail of the railroad if any of the following 84251  
circumstances exist at the crossing: 84252

(a) A clearly visible electric or mechanical signal device gives warning of the immediate approach of a train.	84253 84254
(b) A crossing gate is lowered.	84255
(c) A flagperson gives or continues to give a signal of the approach or passage of a train.	84256 84257
(d) There is insufficient space on the other side of the railroad grade crossing to accommodate the vehicle or trackless trolley the person is operating without obstructing the passage of other vehicles, trackless trolleys, pedestrians, or railroad trains, notwithstanding any traffic control signal indication to proceed.	84258 84259 84260 84261 84262 84263
(e) An approaching train is emitting an audible signal or is plainly visible and is in hazardous proximity to the crossing.	84264 84265
<u>(f) There is insufficient undercarriage clearance to safely negotiate the crossing.</u>	84266 84267
(2) A person who is driving a vehicle or trackless trolley and who approaches a railroad grade crossing shall not proceed as long as any of the circumstances described in divisions (A)(1)(a) to <del>(e)</del> <u>(f)</u> of this section exist at the crossing.	84268 84269 84270 84271
(B) No person shall drive any vehicle through, around, or under any crossing gate or barrier at a railroad crossing while the gate or barrier is closed or is being opened or closed unless the person is signaled by a law enforcement officer or flagperson that it is permissible to do so.	84272 84273 84274 84275 84276
(C) Whoever violates this section is guilty of a misdemeanor of the fourth degree.	84277 84278
<b>Sec. 4511.63.</b> (A) The operator <del>of any motor vehicle or trackless trolley, carrying passengers, for hire,</del> of any school bus, <u>any vehicle described in division (C) of this section,</u> or <del>of</del>	84279 84280 84281



any vehicle ~~carrying explosives or flammable liquids as~~ 84282  
~~transporting a cargo or as such part of a cargo as~~ 84283  
~~material or~~  
~~materials required to constitute a hazard~~ be placarded under 49 84284  
C.F.R. Parts 100-185, before crossing at grade any track of a 84285  
railroad, shall stop the vehicle ~~or trackless trolley~~ and, while 84286  
so stopped, shall listen through an open door or open window and 84287  
look in both directions along the track for any approaching train, 84288  
and for signals indicating the approach of a train, and shall 84289  
proceed only upon exercising due care after stopping, looking, and 84290  
listening as required by this section. Upon proceeding, the 84291  
operator of such a vehicle shall cross only in a gear that will 84292  
ensure there will be no necessity for changing gears while 84293  
traversing the crossing and shall not shift gears while crossing 84294  
the tracks. 84295

(B) This section does not apply at any ~~of the following:~~ 84296

~~(1) Street~~ street railway grade crossings within a municipal 84297  
corporation, or to abandoned tracks, spur tracks, side tracks, and 84298  
industrial tracks when the public utilities commission has 84299  
authorized and approved the crossing of the tracks without making 84300  
the stop required by this section. 84301

~~(2) Through June 30, 1995, a street railway grade crossing~~ 84302  
~~where out of service signs are posted in accordance with section~~ 84303  
~~4955.37 of the Revised Code.~~ 84304

(C) This section applies to any vehicle used for the 84305  
transportation of pupils to and from a school or school-related 84306  
function if the vehicle is owned or operated by, or operated under 84307  
contract with, a public or nonpublic school. 84308

(D) For purposes of this section, "bus" means any vehicle 84309  
originally designed by its manufacturer to transport sixteen or 84310  
more passengers, including the driver, or carries sixteen or more 84311  
passengers, including the driver. 84312

(E) Except as otherwise provided in this division, whoever 84313  
violates this section is guilty of a minor misdemeanor. If the 84314  
offender previously has been convicted of or pleaded guilty to one 84315  
or more violations of this section or section 4511.76, 4511.761, 84316  
4511.762, 4511.764, 4511.77, or 4511.79 of the Revised Code or a 84317  
municipal ordinance that is substantially similar to any of those 84318  
sections, whoever violates this section is guilty of a misdemeanor 84319  
of the fourth degree. 84320

**Sec. 4511.75.** (A) The driver of a vehicle, streetcar, or 84321  
trackless trolley upon meeting or overtaking from either direction 84322  
any school bus stopped for the purpose of receiving or discharging 84323  
any school child, person attending programs offered by community 84324  
boards of mental health and county boards of mental retardation 84325  
and developmental disabilities, or child attending a program 84326  
offered by a head start agency, shall stop at least ten feet from 84327  
the front or rear of the school bus and shall not proceed until 84328  
such school bus resumes motion, or until signaled by the school 84329  
bus driver to proceed. 84330

It is no defense to a charge under this division that the 84331  
school bus involved failed to display or be equipped with an 84332  
automatically extended stop warning sign as required by division 84333  
(B) of this section. 84334

(B) Every school bus shall be equipped with amber and red 84335  
visual signals meeting the requirements of section 4511.771 of the 84336  
Revised Code, and an automatically extended stop warning sign of a 84337  
type approved by the state board of education, which shall be 84338  
actuated by the driver of the bus whenever but only whenever the 84339  
bus is stopped or stopping on the roadway for the purpose of 84340  
receiving or discharging school children, persons attending 84341  
programs offered by community boards of mental health and county 84342  
boards of mental retardation and developmental disabilities, or 84343

children attending programs offered by head start agencies. A 84344  
school bus driver shall not actuate the visual signals or the stop 84345  
warning sign in designated school bus loading areas where the bus 84346  
is entirely off the roadway or at school buildings when children 84347  
or persons attending programs offered by community boards of 84348  
mental health and county boards of mental retardation and 84349  
developmental disabilities are loading or unloading at curbside or 84350  
at buildings when children attending programs offered by head 84351  
start agencies are loading or unloading at curbside. The visual 84352  
signals and stop warning sign shall be synchronized or otherwise 84353  
operated as required by rule of the board. 84354

(C) Where a highway has been divided into four or more 84355  
traffic lanes, a driver of a vehicle, streetcar, or trackless 84356  
trolley need not stop for a school bus approaching from the 84357  
opposite direction which has stopped for the purpose of receiving 84358  
or discharging any school child, persons attending programs 84359  
offered by community boards of mental health and county boards of 84360  
mental retardation and developmental disabilities, or children 84361  
attending programs offered by head start agencies. The driver of 84362  
any vehicle, streetcar, or trackless trolley overtaking the school 84363  
bus shall comply with division (A) of this section. 84364

(D) School buses operating on divided highways or on highways 84365  
with four or more traffic lanes shall receive and discharge all 84366  
school children, persons attending programs offered by community 84367  
boards of mental health and county boards of mental retardation 84368  
and developmental disabilities, and children attending programs 84369  
offered by head start agencies on their residence side of the 84370  
highway. 84371

(E) No school bus driver shall start the driver's bus until 84372  
after any child, person attending programs offered by community 84373  
boards of mental health and county boards of mental retardation 84374  
and developmental disabilities, or child attending a program 84375

offered by a head start agency who may have alighted therefrom has 84376  
reached a place of safety on the child's or person's residence 84377  
side of the road. 84378

(F)(1) Whoever violates division (A) of this section may be 84379  
fined an amount not to exceed five hundred dollars. A person who 84380  
is issued a citation for a violation of division (A) of this 84381  
section is not permitted to enter a written plea of guilty and 84382  
waive the person's right to contest the citation in a trial but 84383  
instead must appear in person in the proper court to answer the 84384  
charge. 84385

(2) In addition to and independent of any other penalty 84386  
provided by law, the court or mayor may impose upon an offender 84387  
who violates this section a class seven suspension of the 84388  
offender's driver's license, commercial driver's license, 84389  
temporary instruction permit, probationary license, or nonresident 84390  
operating privilege from the range specified in division (A)(7) of 84391  
section 4510.02 of the Revised Code. When a license is suspended 84392  
under this section, the court or mayor shall cause the offender to 84393  
deliver the license to the court, and the court or clerk of the 84394  
court immediately shall forward the license to the registrar of 84395  
motor vehicles, together with notice of the court's action. 84396

(G) As used in this section: 84397

(1) "Head start agency" has the same meaning as in ~~division~~ 84398  
~~(A)(1)~~ of section 3301.31 of the Revised Code. 84399

(2) "School bus," as used in relation to children who attend 84400  
a program offered by a head start agency, means a bus that is 84401  
owned and operated by a head start agency, is equipped with an 84402  
automatically extended stop warning sign of a type approved by the 84403  
state board of education, is painted the color and displays the 84404  
markings described in section 4511.77 of the Revised Code, and is 84405  
equipped with amber and red visual signals meeting the 84406

requirements of section 4511.771 of the Revised Code, irrespective 84407  
of whether or not the bus has fifteen or more children aboard at 84408  
any time. "School bus" does not include a van owned and operated 84409  
by a head start agency, irrespective of its color, lights, or 84410  
markings. 84411

**Section 3.14.** That the existing versions of sections 307.93, 84412  
2152.19, 2301.02, 2301.03, 2743.191, 2743.51, 2929.38, 4506.14, 84413  
4506.15, 4506.16, 4506.20, 4511.33, 4511.62, 4511.63, and 4511.75 84414  
of the Revised Code that are scheduled to take effect January 1, 84415  
2004, are hereby repealed. 84416

**Section 3.15.** Sections 3.13 and 3.14 of this act take effect 84417  
January 1, 2004, except section 4511.75 of the Revised Code, as 84418  
amended in those sections of this act, takes effect July 1, 2004. 84419  
The amendment of section 4511.75 of the Revised Code by those 84420  
sections of this act is not intended to supersede the amendment of 84421  
the version of section 4511.75 of the Revised Code that is 84422  
scheduled to take effect January 1, 2004. 84423

**Section 3.16.** That the version of section 5739.033 of the 84424  
Revised Code as it results from Am. Sub. S.B. 143 of the 124th 84425  
General Assembly, as amended by H.B. 675 of the 124th General 84426  
Assembly, be amended to read as follows: 84427

**Sec. 5739.033.** The amount of tax due pursuant to sections 84428  
5739.02, 5739.021, 5739.023, and 5739.026 of the Revised Code is 84429  
the sum of the taxes imposed pursuant to those sections at the 84430  
situs sourcing location of the sale as determined under this 84431  
section or, if applicable, under division (C) of section 5739.031 84432  
or section 5739.034 of the Revised Code. This section applies only 84433  
to a vendor's or seller's obligation to collect and remit sales 84434  
taxes under section 5739.02, 5739.021, 5739.023, or 5739.026 of 84435

the Revised Code or use taxes under section 5741.02, 5741.021, 84436  
5741.022, or 5741.023 of the Revised Code. This section does not 84437  
affect the obligation of a consumer to remit use taxes on the 84438  
storage, use, or other consumption of tangible personal property 84439  
or on the benefit realized of any service provided, to the 84440  
jurisdiction of that storage, use, or consumption, or benefit 84441  
realized. 84442

(A) Except for sales, other than leases, of titled motor 84443  
vehicles, titled watercraft, or titled outboard motors as provided 84444  
in section 5741.05 of the Revised Code, or as otherwise provided 84445  
in this section and section 5739.034 of the Revised Code, ~~the~~ 84446  
~~situs of all sales is the vendor's place of business.~~ shall be 84447  
sourced as follows: 84448

(1) If the consumer or ~~the consumer's~~ a donee designated by 84449  
the consumer receives tangible personal property or a service at a 84450  
~~vendor's~~ place of business ~~of the vendor,~~ ~~the situs of the sale is~~ 84451  
shall be sourced to that place of business. 84452

(2) When the tangible personal property or service is not 84453  
received at a vendor's place of business, ~~the situs of the sale is~~ 84454  
shall be sourced to the location known to the vendor where the 84455  
consumer or a the donee designated by the consumer receives the 84456  
tangible personal property or service, including the location 84457  
indicated by instructions for delivery to the consumer or the 84458  
consumer's donee, ~~known to the vendor.~~ 84459

(3) If divisions (A)(1) and (2) of this section do not apply, 84460  
~~the situs of the sale is~~ shall be sourced to the location 84461  
indicated by an address for the consumer that is available from 84462  
the vendor's business records ~~of the vendor~~ that are maintained in 84463  
the ordinary course of the vendor's business, when use of that 84464  
address does not constitute bad faith. 84465

(4) If divisions (A)(1), (2), and (3) of this section do not 84466

apply, ~~the situs of~~ the sale is shall be sourced to the location 84467  
indicated by an address for the consumer obtained during the 84468  
consummation of the sale, including the address associated with 84469  
the consumer's payment instrument, if no other address is 84470  
available, when use of that address does not constitute bad faith. 84471

(5) If divisions (A)(1), (2), (3), and (4) of this section do 84472  
not apply, including in the circumstance where the vendor is 84473  
without sufficient information to apply any of those divisions, 84474  
~~the situs of~~ the sale is shall be sourced to the address from 84475  
which tangible personal property was shipped, or from which the 84476  
service was provided, disregarding any location that merely 84477  
provided the electronic transfer of the property sold or service 84478  
provided. 84479

(6) As used in division (A) of this section, "receive" means 84480  
taking possession of tangible personal property or making first 84481  
use of a service. "Receive" does not include possession by a 84482  
shipping company on behalf of a consumer. 84483

(B)(1) Notwithstanding divisions (A)(1) to (5) of this 84484  
section, a ~~manufacturer or other~~ consumer that is not a holder of 84485  
a direct payment permit granted under section 5739.031 of the 84486  
Revised Code, that purchases ~~tangible personal property~~ computer 84487  
software delivered electronically or a service for use in 84488  
business, and that knows at the time of purchase that ~~the property~~ 84489  
such software or service will be concurrently available for use in 84490  
more than one taxing jurisdiction shall deliver to the vendor in 84491  
conjunction with its purchase a multiple points of use exemption 84492  
form prescribed by the tax commissioner disclosing this fact. On 84493  
receipt of the multiple points of use exemption form, the vendor 84494  
is relieved of its obligation to collect, pay, or remit the tax 84495  
due, and the consumer must ~~collect, pay, or remit~~ the tax directly 84496  
to the state. 84497

(2) A consumer that delivers such form to a vendor may use 84498

any reasonable, consistent, and uniform method of apportioning the 84499  
tax due on the ~~tangible personal property~~ computer software 84500  
delivered electronically or service for use in business that is 84501  
supported by the consumer's business records as they existed at 84502  
the time of the sale. 84503

(3) The multiple points of use exemption form shall remain in 84504  
effect for all future sales by the vendor to the consumer until it 84505  
is revoked in writing by the consumer, except as to the consumer's 84506  
specific apportionment of a subsequent sale under division (B)(2) 84507  
of this section and the facts existing at the time of the sale. 84508

(C) A person who holds a direct payment permit issued under 84509  
section 5739.031 of the Revised Code is not required to deliver a 84510  
multiple points of use exemption form to a vendor. But such permit 84511  
holder shall comply with division (B)(2) of this section in 84512  
apportioning the tax due on ~~tangible personal property~~ computer 84513  
software delivered electronically or a service used in business 84514  
that will be concurrently available for use in more than one 84515  
taxing jurisdiction. 84516

(D) ~~Except as provided in division (F) of this section:~~ 84517

~~(1) If the vendor provides a service specified in division 84518  
(B)(3)(f) or (i) of section 5739.01 of the Revised Code, the situs 84519  
of the sale is the location of the telephone number or account as 84520  
reflected in the records of the vendor. 84521~~

~~(2) In the case of a telecommunications service, if the 84522  
telephone number or account is located outside this state, the 84523  
situs of the sale is the location in this state from which the 84524  
service originated (1) Notwithstanding divisions (A)(1) to (5) of 84525  
this section, the purchaser of direct mail that is not a holder of 84526  
a direct payment permit shall provide to the vendor in conjunction 84527  
with the purchase either a direct mail form prescribed by the tax 84528  
commissioner, or information to show the jurisdictions to which 84529~~



the direct mail is delivered to recipients. 84530

(2) Upon receipt of a direct mail form, the vendor is 84531  
relieved of all obligations to collect, pay, or remit the 84532  
applicable tax and the purchaser is obligated to pay that tax on a 84533  
direct pay basis. A direct mail form shall remain in effect for 84534  
all future sales of direct mail by the vendor to the purchaser 84535  
until it is revoked in writing. 84536

(3) Upon receipt of information from the purchaser showing 84537  
the jurisdictions to which the direct mail is delivered to 84538  
recipients, the vendor shall collect the tax according to the 84539  
delivery information provided by the purchaser. In the absence of 84540  
bad faith, the vendor is relieved of any further obligation to 84541  
collect tax on any transaction where the vendor has collected tax 84542  
pursuant to the delivery information provided by the purchaser. 84543

(4) If the purchaser of direct mail does not have a direct 84544  
payment permit and does not provide the vendor with either a 84545  
direct mail form or delivery information as required by division 84546  
(D)(1) of this section, the vendor shall collect the tax according 84547  
to division (A)(5) of this section. Nothing in division (D)(4) of 84548  
this section shall limit a purchaser's obligation to pay sales or 84549  
use tax to any state to which the direct mail is delivered. 84550

(5) If a purchaser of direct mail provides the vendor with 84551  
documentation of direct payment authority, the purchaser shall not 84552  
be required to provide a direct mail form or delivery information 84553  
to the vendor. 84554

(E) If the vendor provides lodging to transient guests as 84555  
specified in division (B)(2) of section 5739.01 of the Revised 84556  
Code, ~~the situs of the sale is~~ shall be sourced to the location 84557  
where the lodging is located. 84558

(F) ~~Except as otherwise provided in this division, if the~~ 84559  
~~vendor sells a prepaid authorization number or a prepaid telephone~~ 84560

~~ealling card, the situs of the sale is the vendor's place of 84561  
business and shall be taxed at the time of sale. If the vendor 84562  
sells a prepaid authorization number or prepaid telephone calling 84563  
card through a telephone call, electronic commerce, or any other 84564  
form of remote commerce, the situs of the sale is the consumer's 84565  
shipping address, or, if there is no item shipped, at the 84566  
consumer's billing address (1) As used in this division and 84567  
division (G) of this section, "transportation equipment" means any 84568  
of the following: 84569~~

~~(a) Locomotives and railcars that are utilized for the 84570  
carriage of persons or property in interstate commerce. 84571~~

~~(b) Trucks and truck-tractors with a gross vehicle weight 84572  
rating of greater than ten thousand pounds, trailers, 84573  
semi-trailers, or passenger buses that are registered through the 84574  
international registration plan and are operated under authority 84575  
of a carrier authorized and certificated by the United States 84576  
department of transportation or another federal authority to 84577  
engage in the carriage of persons or property in interstate 84578  
commerce. 84579~~

~~(c) Aircraft that are operated by air carriers authorized and 84580  
certificated by the United States department of transportation or 84581  
another federal authority to engage in the carriage of persons or 84582  
property in interstate or foreign commerce. 84583~~

~~(d) Containers designed for use on and component parts 84584  
attached to or secured on the items set forth in division 84585  
(F)(1)(a), (b), or (c) of this section. 84586~~

~~(2) A sale, lease, or rental of transportation equipment 84587  
shall be sourced pursuant to division (A) of this section. 84588~~

~~(G)(1) A lease or rental of tangible personal property that 84589  
does not require recurring periodic payments shall be sourced 84590  
pursuant to division (A) of this section. 84591~~

(2) A lease or rental of tangible personal property that 84592  
requires recurring periodic payments shall be sourced as follows: 84593

(a) In the case of a motor vehicle, other than a motor 84594  
vehicle that is transportation equipment, such lease or rental 84595  
shall be sourced to the primary property location as follows: 84596

(i) For a lease or rental taxed pursuant to division (A)(2) 84597  
of section 5739.02 of the Revised Code, the primary property 84598  
location is the address of the lessee or renter used for titling 84599  
the motor vehicle pursuant to section 4505.06 of the Revised Code 84600  
at the time the lease or rental is consummated. 84601

(ii) For a lease or rental taxed pursuant to division (A)(3) 84602  
of section 5739.02 of the Revised Code, the primary property 84603  
location for each lease or rental installment is the primary 84604  
property location for the period covered by the installment. 84605

(b) In the case of an aircraft, other than an aircraft that 84606  
is transportation equipment, such lease or rental shall be sourced 84607  
to the primary property location as follows: 84608

(i) For a lease or rental taxed pursuant to division (A)(2) 84609  
of section 5739.02 of the Revised Code, the primary property 84610  
location is the primary property location at the time the lease or 84611  
rental is consummated. 84612

(ii) For a lease or rental taxed pursuant to division (A)(3) 84613  
of section 5739.02 of the Revised Code, the primary property 84614  
location for each lease or rental installment is the primary 84615  
property location for the period covered by the installment. 84616

(c) In the case of a watercraft or an outboard motor required 84617  
to be titled in this state pursuant to Chapter 1548. of the 84618  
Revised Code, such lease or rental shall be sourced to the primary 84619  
property location as follows: 84620

(i) For a lease or rental taxed pursuant to division (A)(2) 84621

of section 5739.02 of the Revised Code, the primary property 84622  
location is the address of the lessee or renter shown on the 84623  
title. 84624

(ii) For a lease or rental taxed pursuant to division (A)(3) 84625  
of section 5739.02 of the Revised Code, the primary property 84626  
location for the initial lease or rental installment is the 84627  
address of the lessee or renter shown on the title. For each 84628  
subsequent installment, the primary property location is the 84629  
primary property location for the period covered by the 84630  
installment. 84631

(d) In the case of a lease or rental of all other tangible 84632  
personal property, other than transportation equipment, such lease 84633  
or rental shall be sourced as follows: 84634

(i) For a lease or rental that is taxed pursuant to division 84635  
(A)(2) of section 5739.02 of the Revised Code, the lease or rental 84636  
shall be sourced pursuant to division (A) of this section at the 84637  
time the lease or rental is consummated. 84638

(ii) For a lease or rental that is taxed pursuant to division 84639  
(A)(3) of section 5739.02 of the Revised Code, the initial lease 84640  
or rental installment shall be sourced pursuant to division (A) of 84641  
this section. Each subsequent installment shall be sourced to the 84642  
primary property location for the period covered by the 84643  
installment. 84644

(3) As used in division (G) of this section, "primary 84645  
property location" means an address for tangible personal property 84646  
provided by the lessee or renter that is available to the lessor 84647  
or owner from its records maintained in the ordinary course of 84648  
business, when use of that address does not constitute bad faith. 84649

**Section 3.17.** That the existing version of section 5739.033 84650  
of the Revised Code as it results from Am. Sub. S.B. 143 of the 84651

124th General Assembly, as amended by H.B. 675 of the 124th  
General Assembly, is hereby repealed. 84652  
84653

**Section 3.18.** The amendments in Sections 3.16 and 3.17 of 84654  
this act provide for or are essential to the implementation of a 84655  
tax levy. Therefore, under Ohio Constitution, Article II, Section 84656  
1d, those Sections are not subject to the referendum and go into 84657  
effect January 1, 2004. 84658

**Section 3.19.** Section 4723.063 of the Revised Code is hereby 84659  
repealed, effective December 31, 2013. 84660

**Section 3.20.** That the version of section 5101.28 of the 84661  
Revised Code that is scheduled to take effect January 1, 2004, be 84662  
amended to read as follows: 84663

**Sec. 5101.28.** (A) ~~The department of job and family services~~ 84664  
~~shall enter into written agreements with law enforcement agencies~~ 84665  
~~to exchange, obtain, or share (1) On request of the department of~~ 84666  
~~job and family services or a county agency, a law enforcement~~ 84667  
~~agency shall provide~~ information regarding public assistance 84668  
recipients to enable the department, or county agencies, ~~and law~~ 84669  
~~enforcement agencies~~ agency to determine, for eligibility 84670  
purposes, whether a recipient or a member of a recipient's 84671  
assistance group is ~~either of the following:~~ 84672

~~(1) A a fugitive felon;~~ 84673

~~(2) Violating felon or violating~~ a condition of probation, a 84674  
community control sanction, parole, or a post-release control 84675  
sanction imposed under state or federal law. 84676

(2) A county agency may enter into a written agreement with a 84677  
local law enforcement agency establishing procedures concerning 84678  
access to information and providing for compliance with division 84679

(F) of this section. 84680

(B) The To the extent permitted by federal law, the 84681  
department and county agencies shall provide information, except 84682  
information directly related to the receipt of medical assistance 84683  
or medical services, regarding recipients of public assistance 84684  
under a program administered by the state department or a county 84685  
agency pursuant to Chapter 5107., 5108., or 5115. of the Revised 84686  
Code to law enforcement agencies on request for the purposes of 84687  
investigations, prosecutions, and criminal and civil proceedings 84688  
that are within the scope of the law enforcement agencies' 84689  
official duties. 84690

(C) Information about a recipient shall be exchanged, 84691  
obtained, or shared only if the department, county agency, or law 84692  
enforcement agency requesting the information gives sufficient 84693  
information to specifically identify the recipient. In addition to 84694  
the recipient's name, identifying information may include the 84695  
recipient's current or last known address, social security number, 84696  
other identifying number, age, gender, physical characteristics, 84697  
any information specified in an agreement entered into under 84698  
division (A) of this section, or any information considered 84699  
appropriate by the department or agency. 84700

(D)(1) The department and its officers and employees are not 84701  
liable in damages in a civil action for any injury, death, or loss 84702  
to person or property that allegedly arises from the release of 84703  
information in accordance with divisions (A), (B), and (C) of this 84704  
section. This section does not affect any immunity or defense that 84705  
the department and its officers and employees may be entitled to 84706  
under another section of the Revised Code or the common law of 84707  
this state, including section 9.86 of the Revised Code. 84708

(2) The county agencies and their employees are not liable in 84709  
damages in a civil action for any injury, death, or loss to person 84710  
or property that allegedly arises from the release of information 84711

in accordance with divisions (A), (B), and (C) of this section. 84712  
"Employee" has the same meaning as in division (B) of section 84713  
2744.01 of the Revised Code. This section does not affect any 84714  
immunity or defense that the county agencies and their employees 84715  
may be entitled to under another section of the Revised Code or 84716  
the common law of this state, including section 2744.02 and 84717  
division (A)(6) of section 2744.03 of the Revised Code. 84718

(E) To the extent permitted by federal law, the department 84719  
and county agencies shall provide access to information to the 84720  
auditor of state acting pursuant to Chapter 117. or sections 84721  
5101.181 and 5101.182 of the Revised Code and to any other 84722  
government entity authorized by ~~ex~~ federal law to conduct an audit 84723  
of or similar activity involving a public assistance program. 84724

(F) The auditor of state shall prepare an annual report on 84725  
the outcome of the agreements required under division (A) of this 84726  
section. The report shall include the number of fugitive felons, 84727  
probation and parole violators, and violators of community control 84728  
sanctions and post-release control sanctions apprehended during 84729  
the immediately preceding year as a result of the exchange of 84730  
information pursuant to that division. The auditor of state shall 84731  
file the report with the governor, the president and minority 84732  
leader of the senate, and the speaker and minority leader of the 84733  
house of representatives. The state department, county agencies, 84734  
and law enforcement agencies shall cooperate with the auditor of 84735  
state's office in gathering the information required under this 84736  
division. 84737

(G) To the extent permitted by federal law, the department of 84738  
job and family services, county departments of job and family 84739  
services, and employees of the departments may report to a public 84740  
children services agency or other appropriate agency information 84741  
on known or suspected physical or mental injury, sexual abuse or 84742  
exploitation, or negligent treatment or maltreatment, of a child 84743

receiving public assistance, if circumstances indicate that the 84744  
child's health or welfare is threatened. 84745

(H) As used in this section: 84746

(1) "Community control sanction" has the same meaning as in 84747  
section 2929.01 of the Revised Code. 84748

(2) "Post-release control sanction" has the same meaning as 84749  
in section 2967.01 of the Revised Code. 84750

**Section 3.21.** That the existing version of section 5101.28 of 84751  
the Revised Code that is scheduled to take effect January 1, 2004, 84752  
is hereby repealed. 84753

**Section 3.22.** Sections 3.20 and 3.21 of this act shall take 84754  
effect January 1, 2004. 84755

**Section 3.23.** That the version of section 5743.45 of the 84756  
Revised Code that is scheduled to take effect January 1, 2004, be 84757  
amended to read as follows: 84758

**Sec. 5743.45.** (A) As used in this section, "felony" has the 84759  
same meaning as in section 109.511 of the Revised Code. 84760

(B) For purposes of enforcing this chapter and Chapters 84761  
5728., 5735., 5739., 5741., and 5747. of the Revised Code and 84762  
subject to division (C) of this section, the tax commissioner, by 84763  
journal entry, may delegate any investigation powers of the 84764  
commissioner to an employee of the department of taxation who has 84765  
been certified by the Ohio peace officer training commission and 84766  
who is engaged in the enforcement of those chapters. A separate 84767  
journal entry shall be entered for each employee to whom that 84768  
power is delegated. Each journal entry shall be a matter of public 84769  
record and shall be maintained in an administrative portion of the 84770  
journal as provided for in division (L) of section 5703.05 of the 84771



Revised Code. When that journal entry is completed, the employee 84772  
to whom it pertains, while engaged within the scope of the 84773  
employee's duties in enforcing the provisions of this chapter or 84774  
Chapter 5728., 5735., 5739., 5741., or 5747. of the Revised Code, 84775  
has the power of a police officer to carry concealed weapons, make 84776  
arrests, and obtain warrants for violations of any provision in 84777  
those chapters. The commissioner, at any time, may suspend or 84778  
revoke the commissioner's delegation by journal entry. No employee 84779  
of the department shall divulge any information acquired as a 84780  
result of an investigation pursuant to this chapter or Chapter 84781  
5728., 5735., 5739., 5741., or 5747. of the Revised Code, except 84782  
as may be required by the commissioner or a court. 84783

(C)(1) The tax commissioner shall not delegate any 84784  
investigation powers to an employee of the department of taxation 84785  
pursuant to division (B) of this section on a permanent basis, on 84786  
a temporary basis, for a probationary term, or on other than a 84787  
permanent basis if the employee previously has been convicted of 84788  
or has pleaded guilty to a felony. 84789

(2)(a) The tax commissioner shall revoke the delegation of 84790  
investigation powers to an employee to whom the delegation was 84791  
made pursuant to division (B) of this section if that employee 84792  
does either of the following: 84793

(i) Pleads guilty to a felony; 84794

(ii) Pleads guilty to a misdemeanor pursuant to a negotiated 84795  
plea agreement as provided in division (D) of section 2929.43 of 84796  
the Revised Code in which the employee agrees to surrender the 84797  
certificate awarded to that employee under section 109.77 of the 84798  
Revised Code. 84799

(b) The tax commissioner shall suspend the delegation of 84800  
investigation powers to an employee to whom the delegation was 84801  
made pursuant to division (B) of this section if that employee is 84802

convicted, after trial, of a felony. If the employee files an 84803  
appeal from that conviction and the conviction is upheld by the 84804  
highest court to which the appeal is taken or if the employee does 84805  
not file a timely appeal, the commissioner shall revoke the 84806  
delegation of investigation powers to that employee. If the 84807  
employee files an appeal that results in that employee's acquittal 84808  
of the felony or conviction of a misdemeanor, or in the dismissal 84809  
of the felony charge against that employee, the commissioner shall 84810  
reinstate the delegation of investigation powers to that employee. 84811  
The suspension, revocation, and reinstatement of the delegation of 84812  
investigation powers to an employee under division (C)(2) of this 84813  
section shall be made by journal entry pursuant to division (B) of 84814  
this section. An employee to whom the delegation of investigation 84815  
powers is reinstated under division (C)(2)(b) of this section 84816  
shall not receive any back pay for the exercise of those 84817  
investigation powers unless that employee's conviction of the 84818  
felony was reversed on appeal, or the felony charge was dismissed, 84819  
because the court found insufficient evidence to convict the 84820  
employee of the felony. 84821

(3) Division (C) of this section does not apply regarding an 84822  
offense that was committed prior to January 1, 1997. 84823

(4) The suspension or revocation of the delegation of 84824  
investigation powers to an employee under division (C)(2) of this 84825  
section shall be in accordance with Chapter 119. of the Revised 84826  
Code. 84827

**Section 3.24.** That the existing version of section 5743.45 of 84828  
the Revised Code that is scheduled to take effect January 1, 2004, 84829  
is hereby repealed. 84830

**Section 3.25.** Sections 3.23 and 3.24 of this act take effect 84831  
January 1, 2004. 84832

**Section 3.26.** Section 5111.161 of the Revised Code is hereby repealed, effective October 1, 2006. 84833  
84834

**Section 4.** Except as otherwise provided, all appropriation items (AI) in this act are appropriated out of any moneys in the state treasury to the credit of the designated fund that are not otherwise appropriated. For all appropriations made in this act, the amounts in the first column are for fiscal year 2004 and the amounts in the second column are for fiscal year 2005. 84835  
84836  
84837  
84838  
84839  
84840

FND AI	AI TITLE	APPROPRIATIONS	84841
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**Section 5.** ACC ACCOUNTANCY BOARD OF OHIO 84842

General Services Fund Group 84843

4J8	889-601	CPA Education	\$	209,510	\$	209,510	84844
		Assistance					

4K9	889-609	Operating Expenses	\$	1,010,583	\$	1,055,578	84845
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TOTAL GSF General Services Fund 84846

Group			\$	1,220,093	\$	1,265,088	84847
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TOTAL ALL BUDGET FUND GROUPS			\$	1,220,093	\$	1,265,088	84848
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**Section 6.** PAY ACCRUED LEAVE LIABILITY 84850

Accrued Leave Liability Fund Group 84851

806	995-666	Accrued Leave Fund	\$	70,783,792	\$	78,296,200	84852
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807	995-667	Disability Fund	\$	47,269,465	\$	50,098,308	84853
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TOTAL ALF Accrued Leave Liability 84854

Fund Group			\$	118,053,257	\$	128,394,508	84855
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Agency Fund Group 84856

808	995-668	State Employee Health	\$	312,724,593	\$	371,450,611	84857
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Benefit Fund

809	995-669	Dependent Care	\$	3,691,169	\$	4,060,286	84858
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Spending Account

810	995-670	Life Insurance	\$	1,925,110	\$	1,992,489	84859
		Investment Fund					
811	995-671	Parental Leave Benefit	\$	4,350,302	\$	4,785,332	84860
		Fund					
TOTAL AGY	Agency Fund Group		\$	322,691,174	\$	382,288,718	84861
TOTAL ALL BUDGET FUND GROUPS			\$	440,744,431	\$	510,683,226	84862

ACCRUED LEAVE LIABILITY FUND 84863

The foregoing appropriation item 995-666, Accrued Leave Fund, 84864  
shall be used to make payments from the Accrued Leave Liability 84865  
Fund (Fund 806), pursuant to section 125.211 of the Revised Code. 84866  
If it is determined by the Director of Budget and Management that 84867  
additional amounts are necessary, the amounts are appropriated. 84868

STATE EMPLOYEE DISABILITY LEAVE BENEFIT FUND 84869

The foregoing appropriation item 995-667, Disability Fund, 84870  
shall be used to make payments from the State Employee Disability 84871  
Leave Benefit Fund (Fund 807), pursuant to section 124.83 of the 84872  
Revised Code. If it is determined by the Director of Budget and 84873  
Management that additional amounts are necessary, the amounts are 84874  
appropriated. 84875

STATE EMPLOYEE HEALTH BENEFIT FUND 84876

The foregoing appropriation item 995-668, State Employee 84877  
Health Benefit Fund, shall be used to make payments from the State 84878  
Employee Health Benefit Fund (Fund 808), pursuant to section 84879  
124.87 of the Revised Code. If it is determined by the Director of 84880  
Budget and Management that additional amounts are necessary, the 84881  
amounts are appropriated. 84882

DEPENDENT CARE SPENDING ACCOUNT 84883

The foregoing appropriation item 995-669, Dependent Care 84884  
Spending Account, shall be used to make payments from the 84885  
Dependent Care Spending Account (Fund 809) to employees eligible 84886

for dependent care expenses. If it is determined by the Director 84887  
of Budget and Management that additional amounts are necessary, 84888  
the amounts are appropriated. 84889

LIFE INSURANCE INVESTMENT FUND 84890

The foregoing appropriation item 995-670, Life Insurance 84891  
Investment Fund, shall be used to make payments from the Life 84892  
Insurance Investment Fund (Fund 810) for the costs and expenses of 84893  
the state's life insurance benefit program pursuant to section 84894  
125.212 of the Revised Code. If it is determined by the Director 84895  
of Budget and Management that additional amounts are necessary, 84896  
the amounts are appropriated. 84897

PARENTAL LEAVE BENEFIT FUND 84898

The foregoing appropriation item 995-671, Parental Leave 84899  
Benefit Fund, shall be used to make payments from the Parental 84900  
Leave Benefit Fund (Fund 811) to employees eligible for parental 84901  
leave benefits pursuant to section 124.137 of the Revised Code. If 84902  
it is determined by the Director of Budget and Management that 84903  
additional amounts are necessary, the amounts are appropriated. 84904

**Section 7. ADJ ADJUTANT GENERAL** 84905

General Revenue Fund 84906

GRF 745-401	Ohio Military Reserve	\$	14,889	\$	15,188	84907
GRF 745-404	Air National Guard	\$	1,915,177	\$	1,939,762	84908
GRF 745-409	Central Administration	\$	3,976,734	\$	3,899,590	84909
GRF 745-499	Army National Guard	\$	3,987,516	\$	4,086,222	84910
GRF 745-502	Ohio National Guard	\$	100,953	\$	102,973	84911

Unit Fund

TOTAL GRF General Revenue Fund \$ 9,995,269 \$ 10,043,735 84912

General Services Fund Group 84913

534 745-612	Armory Improvements	\$	534,304	\$	534,304	84914
536 745-620	Camp Perry/Buckeye Inn	\$	1,094,970	\$	1,094,970	84915

Operations							
537	745-604	ONG Maintenance	\$	219,826	\$	219,826	84916
TOTAL GSF General Services Fund			\$	1,849,100	\$	1,849,100	84917
Group							
Federal Special Revenue Fund Group							84918
3E8	745-628	Air National Guard	\$	11,901,459	\$	12,174,760	84919
Operations and Maintenance Agreement							
3R8	745-603	Counter Drug	\$	25,000	\$	25,000	84920
Operations							
3S0	745-602	Higher Ground Training	\$	10,937	\$	10,937	84921
341	745-615	Air National Guard	\$	2,181,960	\$	2,312,877	84922
Base Security							
342	745-616	Army National Guard	\$	8,109,221	\$	8,686,892	84923
Service Agreement							
TOTAL FED Federal Special Revenue			\$	22,228,577	\$	23,210,466	84924
Fund Group							
State Special Revenue Fund Group							84925
528	745-605	Marksmanship	\$	66,078	\$	66,078	84926
Activities							
TOTAL SSR State Special Revenue			\$	66,078	\$	66,078	84927
Fund Group							
TOTAL ALL BUDGET FUND GROUPS			\$	34,139,024	\$	35,169,379	84928
 <b>Section 8. DAS DEPARTMENT OF ADMINISTRATIVE SERVICES</b>							84930
General Revenue Fund							84931
GRF	100-402	Unemployment	\$	100,000	\$	100,000	84932
Compensation							
GRF	100-405	Agency Audit Expenses	\$	350,000	\$	350,000	84933
GRF	100-406	County & University	\$	400,000	\$	400,000	84934
Human Resources							
Services							

GRF 100-410	Veterans' Records Conversion	\$	19,729	\$	47,123	84935
GRF 100-417	MARCS	\$	900,000	\$	900,000	84936
GRF 100-418	Digital Government	\$	3,446,645	\$	3,643,649	84937
GRF 100-419	Network Security	\$	3,000,000	\$	1,000,000	84938
GRF 100-421	OAKS Project Implementation	\$	450,000	\$	450,000	84939
GRF 100-433	State of Ohio Computer Center	\$	4,936,073	\$	4,991,719	84940
GRF 100-439	Equal Opportunity Certification Programs	\$	661,531	\$	661,531	84941
GRF 100-447	OBA - Building Rent Payments	\$	105,675,000	\$	117,027,700	84942
GRF 100-448	OBA - Building Operating Payments	\$	25,445,550	\$	26,003,250	84943
GRF 100-449	DAS - Building Operating Payments	\$	4,264,675	\$	4,460,417	84944
GRF 100-451	Minority Affairs	\$	50,000	\$	50,000	84945
GRF 100-734	Major Maintenance - State Bldgs	\$	45,000	\$	45,000	84946
GRF 102-321	Construction Compliance	\$	1,250,000	\$	1,250,000	84947
GRF 130-321	State Agency Support Services	\$	2,778,000	\$	2,522,000	84948
TOTAL GRF	General Revenue Fund	\$	153,772,203	\$	163,902,389	84949
	General Services Fund Group					84950
112 100-616	Director's Office	\$	5,503,547	\$	5,503,547	84951
115 100-632	Central Service Agency	\$	431,176	\$	448,574	84952
117 100-644	General Services Division - Operating	\$	7,622,861	\$	8,653,304	84953
122 100-637	Fleet Management	\$	4,169,589	\$	4,352,849	84954
125 100-622	Human Resources Division - Operating	\$	21,489,800	\$	21,764,800	84955

127	100-627	Vehicle Liability Insurance	\$	3,363,894	\$	3,344,644	84956
128	100-620	Collective Bargaining	\$	3,410,952	\$	3,410,952	84957
130	100-606	Risk Management Reserve	\$	217,904	\$	223,904	84958
131	100-639	State Architect's Office	\$	6,510,117	\$	6,473,867	84959
132	100-631	DAS Building Management	\$	10,921,019	\$	10,721,430	84960
188	100-649	Equal Opportunity Division - Operating	\$	1,082,353	\$	1,103,697	84961
201	100-653	General Services Resale Merchandise	\$	1,533,000	\$	1,553,000	84962
210	100-612	State Printing	\$	6,160,200	\$	6,674,421	84963
4P3	100-603	Departmental MIS Services	\$	6,077,535	\$	6,233,638	84964
427	100-602	Investment Recovery	\$	4,023,473	\$	3,953,216	84965
5C2	100-605	MARCS Administration	\$	6,632,527	\$	9,268,178	84966
5C3	100-608	Skilled Trades	\$	1,840,327	\$	1,905,655	84967
5D7	100-621	Workforce Development	\$	12,000,000	\$	12,000,000	84968
5L7	100-610	Professional Development	\$	2,700,000	\$	2,700,000	84969
5V6	100-619	Employee Educational Development	\$	809,071	\$	811,129	84970
TOTAL GSF General Services Fund							84971
Group			\$	106,499,345	\$	111,100,805	84972
Intragovernmental Service Fund Group							84973
133	100-607	Information Technology Fund	\$	100,987,526	\$	102,272,838	84974
4N6	100-617	Major IT Purchases	\$	15,452,006	\$	10,617,166	84975
TOTAL ISF Intragovernmental							84976
Service Fund Group			\$	116,439,532	\$	112,890,004	84977



Agency Fund Group				84978
113 100-628 Unemployment	\$	4,200,000	\$ 4,200,000	84979
Compensation Pass				
Through				
124 100-629 Payroll Deductions	\$	1,971,000,000	\$ 2,050,000,000	84980
TOTAL AGY Agency Fund Group	\$	1,975,200,000	\$ 2,054,200,000	84981
Holding Account Redistribution Fund Group				84982
R08 100-646 General Services	\$	20,000	\$ 20,000	84983
Refunds				
TOTAL 090 Holding Account				84984
Redistribution Fund Group	\$	20,000	\$ 20,000	84985
TOTAL ALL BUDGET FUND GROUPS	\$	2,351,931,080	\$ 2,442,113,198	84986

**Section 8.01. AGENCY AUDIT EXPENSES** 84988

The foregoing appropriation item 100-405, Agency Audit 84989  
Expenses, shall be used for auditing expenses designated in 84990  
division (A)(1) of section 117.13 of the Revised Code for those 84991  
state agencies audited on a biennial basis. 84992

**Section 8.02. OHIO BUILDING AUTHORITY** 84993

The foregoing appropriation item 100-447, OBA - Building Rent 84994  
Payments, shall be used to meet all payments at the times they are 84995  
required to be made during the period from July 1, 2003, to June 84996  
30, 2005, by the Department of Administrative Services to the Ohio 84997  
Building Authority pursuant to leases and agreements under Chapter 84998  
152. of the Revised Code, but limited to the aggregate amount of 84999  
\$222,702,700. These appropriations are the source of funds pledged 85000  
for bond service charges on obligations issued pursuant to Chapter 85001  
152. of the Revised Code. 85002

The foregoing appropriation item 100-448, OBA - Building 85003  
Operating Payments, shall be used to meet all payments at the 85004  
times that they are required to be made during the period from 85005

July 1, 2003, to June 30, 2005, by the Department of 85006  
Administrative Services to the Ohio Building Authority pursuant to 85007  
leases and agreements under Chapter 152. of the Revised Code, but 85008  
limited to the aggregate amount of \$51,448,800. 85009

The payments to the Ohio Building Authority are for the 85010  
purpose of paying the expenses of agencies that occupy space in 85011  
the various state facilities. The Department of Administrative 85012  
Services may enter into leases and agreements with the Ohio 85013  
Building Authority providing for the payment of these expenses. 85014  
The Ohio Building Authority shall report to the Department of 85015  
Administrative Services and the Office of Budget and Management 85016  
not later than five months after the start of a fiscal year the 85017  
actual expenses incurred by the Ohio Building Authority in 85018  
operating the facilities and any balances remaining from payments 85019  
and rentals received in the prior fiscal year. The Department of 85020  
Administrative Services shall reduce subsequent payments by the 85021  
amount of the balance reported to it by the Ohio Building 85022  
Authority. 85023

**Section 8.03. DAS - BUILDING OPERATING PAYMENTS** 85024

The foregoing appropriation item 100-449, DAS - Building 85025  
Operating Payments, shall be used to pay the rent expenses of 85026  
veterans organizations pursuant to section 123.024 of the Revised 85027  
Code in fiscal years 2004 and 2005. 85028

The foregoing appropriation item, 100-449, DAS - Building 85029  
Operating Payments, may be used to provide funding for the cost of 85030  
property appraisals or building studies that the Department of 85031  
Administrative Services may be required to obtain for property 85032  
that is being sold by the state or property under consideration to 85033  
be renovated or purchased by the state. 85034

Notwithstanding section 125.28 of the Revised Code, the 85035  
remaining portion of the appropriation may be used to pay the 85036

operating expenses of state facilities maintained by the 85037  
Department of Administrative Services that are not billed to 85038  
building tenants. These expenses may include, but are not limited 85039  
to, the costs for vacant space and space undergoing renovation, 85040  
and the rent expenses of tenants that are relocated due to 85041  
building renovations. These payments shall be processed by the 85042  
Department of Administrative Services through intrastate transfer 85043  
vouchers and placed in the Building Management Fund (Fund 132). 85044

**Section 8.04. CENTRAL SERVICE AGENCY FUND** 85045

The Director of Budget and Management may transfer up to 85046  
\$423,200 in fiscal year 2004 and up to \$427,700 in fiscal year 85047  
2005 from the Occupational Licensing and Regulatory Fund (Fund 85048  
4K9) to the Central Service Agency Fund (Fund 115). The Director 85049  
of Budget and Management may transfer up to \$40,700 in fiscal year 85050  
2004 and up to \$41,200 in fiscal year 2005 from the State Medical 85051  
Board Operating Fund (Fund 5C6) to the Central Service Agency Fund 85052  
(Fund 115). The appropriation item 100-632, Central Service 85053  
Agency, shall be used to purchase the necessary equipment, 85054  
products, and services to maintain a local area network for the 85055  
professional licensing boards, and to support their licensing 85056  
applications in fiscal years 2004 and 2005. The amount of the cash 85057  
transfer is appropriated to appropriation item 100-632, Central 85058  
Service Agency. 85059

**Section 8.05. COLLECTIVE BARGAINING ARBITRATION EXPENSES** 85060

With approval of the Director of Budget and Management, the 85061  
Department of Administrative Services may seek reimbursement from 85062  
state agencies for the actual costs and expenses the department 85063  
incurs in the collective bargaining arbitration process. The 85064  
reimbursements shall be processed through intrastate transfer 85065  
vouchers and placed in the Collective Bargaining Fund (Fund 128). 85066

**Section 8.06. EQUAL OPPORTUNITY PROGRAM** 85067

The Department of Administrative Services, with the approval 85068  
of the Director of Budget and Management, shall establish charges 85069  
for recovering the costs of administering the activities supported 85070  
by the State EEO Fund (Fund 188). These charges shall be deposited 85071  
to the credit of the State EEO Fund (Fund 188) upon payment made 85072  
by state agencies, state-supported or state-assisted institutions 85073  
of higher education, and tax-supported agencies, municipal 85074  
corporations, and other political subdivisions of the state, for 85075  
services rendered. 85076

**Section 8.07. MERCHANDISE FOR RESALE** 85077

The foregoing appropriation item 100-653, General Services 85078  
Resale Merchandise, shall be used to account for merchandise for 85079  
resale, which is administered by the General Services Division. 85080  
Deposits to the fund may comprise the cost of merchandise for 85081  
resale and shipping fees. 85082

**Section 8.08. DEPARTMENTAL MIS** 85083

The foregoing appropriation item 100-603, Departmental MIS 85084  
Services, may be used to pay operating expenses of management 85085  
information systems activities in the Department of Administrative 85086  
Services. The Department of Administrative Services shall 85087  
establish charges for recovering the costs of management 85088  
information systems activities. These charges shall be deposited 85089  
to the credit of the Departmental MIS Services Fund (Fund 4P3). 85090

Notwithstanding any other language to the contrary, the 85091  
Director of Budget and Management may transfer up to \$1,000,000 of 85092  
fiscal year 2004 appropriations and up to \$1,000,000 of fiscal 85093  
year 2005 appropriations from appropriation item 100-603, 85094  
Departmental MIS Services, to any Department of Administrative 85095

Services non-General Revenue Fund appropriation item. The 85096  
appropriations transferred shall be used to make payments for 85097  
management information systems services. 85098

**Section 8.09. INVESTMENT RECOVERY FUND** 85099

Notwithstanding division (B) of section 125.14 of the Revised 85100  
Code, cash balances in the Investment Recovery Fund (Fund 427) may 85101  
be used to support the operating expenses of the Federal Surplus 85102  
Operating Program created in sections 125.84 to 125.90 of the 85103  
Revised Code. 85104

Notwithstanding division (B) of section 125.14 of the Revised 85105  
Code, cash balances in the Investment Recovery Fund may be used to 85106  
support the operating expenses of the State Property Inventory and 85107  
Fixed Assets Management System Program. 85108

Of the foregoing appropriation item 100-602, Investment 85109  
Recovery, up to \$1,958,155 in fiscal year 2004 and up to 85110  
\$2,049,162 in fiscal year 2005 shall be used to pay the operating 85111  
expenses of the State Surplus Property Program, the Surplus 85112  
Federal Property Program, and the State Property Inventory and 85113  
Fixed Assets Management System Program pursuant to Chapter 125. of 85114  
the Revised Code and this section. If additional appropriations 85115  
are necessary for the operations of these programs, the Director 85116  
of Administrative Services shall seek increased appropriations 85117  
from the Controlling Board under section 131.35 of the Revised 85118  
Code. 85119

Of the foregoing appropriation item 100-602, Investment 85120  
Recovery, \$2,221,029 in fiscal year 2004 and \$2,130,022 in fiscal 85121  
year 2005 shall be used to transfer proceeds from the sale of 85122  
surplus property from the Investment Recovery Fund to non-General 85123  
Revenue Funds pursuant to division (A)(2) of section 125.14 of the 85124  
Revised Code. If it is determined by the Director of 85125  
Administrative Services that additional appropriations are 85126

necessary for the transfer of such sale proceeds, the Director of 85127  
Administrative Services may request the Director of Budget and 85128  
Management to increase the amounts. Such amounts are hereby 85129  
appropriated. 85130

Notwithstanding division (B) of section 125.14 of the Revised 85131  
Code, the Director of Budget and Management, at the request of the 85132  
Director of Administrative Services, shall transfer up to 85133  
\$2,811,197 of the amounts held for transfer to the General Revenue 85134  
Fund from the Investment Recovery Fund to the General Services 85135  
Fund (Fund 117) during the biennium beginning July 1, 2003, and 85136  
ending June 30, 2005. The cash transferred to the General Services 85137  
Fund shall be used to pay the operating expenses of the 85138  
Competitive Sealed Proposal Program, to provide operating cash for 85139  
the General Services Fund, and to provide operating cash for the 85140  
newly created rate pools for Real Estate Leasing and Interior 85141  
Design Services. 85142

**Section 8.10. MULTI-AGENCY RADIO COMMUNICATIONS SYSTEM** 85143

Notwithstanding division (B)(3) of section 4505.09 of the 85144  
Revised Code, the Director of Budget and Management, at the 85145  
request of the Director of Administrative Services, may transfer 85146  
up to \$4,887,390 in fiscal year 2004 and \$1,000,000 in fiscal year 85147  
2005 from the Automated Title Processing System (Fund 849) to the 85148  
Multi-Agency Radio Communications Systems Administration Fund 85149  
(Fund 5C2). The cash transferred to the Multi-Agency Radio 85150  
Communications Systems Administration Fund shall be used for the 85151  
development of the MARCS system. 85152

Effective with the implementation of the Multi-Agency Radio 85153  
Communications System, the Director of Administrative Services 85154  
shall collect user fees from participants in the system. The 85155  
Director of Administrative Services, with the advice of the 85156  
Multi-Agency Radio Communications System Steering Committee and 85157

the Director of Budget and Management, shall determine the amount 85158  
of the fees and the manner by which the fees shall be collected. 85159  
Such user charges shall comply with the applicable cost principles 85160  
issued by the federal Office of Management and Budget. All moneys 85161  
from user charges and fees shall be deposited in the state 85162  
treasury to the credit of the Multi-Agency Radio Communications 85163  
System Administration Fund (Fund 5C2). All interest income derived 85164  
from the investment of the fund shall accrue to the fund. 85165

**Section 8.11. WORKFORCE DEVELOPMENT FUND** 85166

There is hereby established in the state treasury the 85167  
Workforce Development Fund (Fund 5D7). The foregoing appropriation 85168  
item 100-621, Workforce Development, shall be used to make 85169  
payments from the fund. The fund shall be under the supervision of 85170  
the Department of Administrative Services, which may adopt rules 85171  
with regard to administration of the fund. The fund shall be used 85172  
to pay the costs of the Workforce Development Program, if any, as 85173  
previously established by Article 37 of the contract between the 85174  
State of Ohio and OCSEA/AFSCME, Local 11, effective March 1, 2000, 85175  
and as modified by any successor labor contract between the State 85176  
of Ohio and OCSEA/AFSCME. The program shall be administered in 85177  
accordance with the contract. Revenues shall accrue to the fund as 85178  
specified in the contract. The fund may be used to pay direct and 85179  
indirect costs of the program that are attributable to staff, 85180  
consultants, and service providers. All income derived from the 85181  
investment of the fund shall accrue to the fund. 85182

If it is determined by the Director of Administrative 85183  
Services that additional appropriation amounts are necessary, the 85184  
Director of Administrative Services may request that the Director 85185  
of Budget and Management increase such amounts. Such amounts are 85186  
hereby appropriated. 85187

**Section 8.12.** PROFESSIONAL DEVELOPMENT FUND 85188

The foregoing appropriation item 100-610, Professional 85189  
Development, shall be used to make payments from the Professional 85190  
Development Fund (Fund 5L7) pursuant to section 124.182 of the 85191  
Revised Code. 85192

**Section 8.13.** EMPLOYEE EDUCATIONAL DEVELOPMENT 85193

There is hereby established in the state treasury the 85194  
Employee Educational Development Fund (Fund 5V6). The foregoing 85195  
appropriation item 100-619, Employee Educational Development, 85196  
shall be used to make payments from the fund. The fund shall be 85197  
used to pay the costs of the administration of educational 85198  
programs per existing collective bargaining agreements with 85199  
District 1199, the Health Care and Social Service Union; State 85200  
Council of Professional Educators; Ohio Education Association; 85201  
National Education Association; the Fraternal Order of Police Ohio 85202  
Labor Council, Unit 2; and the Ohio State Troopers Association, 85203  
Units 1 and 15. The fund shall be under the supervision of the 85204  
Department of Administrative Services, which may adopt rules with 85205  
regard to administration of the fund. The fund shall be 85206  
administered in accordance with the applicable sections of the 85207  
collective bargaining agreements between the State and the 85208  
aforementioned unions. The Department of Administrative Services, 85209  
with the approval of the Director of Budget and Management, shall 85210  
establish charges for recovering the costs of administering the 85211  
educational programs. Receipts for these charges shall be 85212  
deposited into the Employee Educational Development Fund. All 85213  
income derived from the investment of the funds shall accrue to 85214  
the fund. 85215

If it is determined by the Director of Administrative 85216  
Services that additional appropriation amounts are necessary, the 85217



Director of Administrative Services may request that the Director 85218  
of Budget and Management increase such amounts. Such amounts are 85219  
hereby appropriated with the approval of the Director of Budget 85220  
and Management. 85221

Upon the request of the Director of Administrative Services, 85222  
the Director of Budget and Management shall transfer any cash 85223  
balances attributable to educational programs per existing 85224  
collective bargaining agreements with District 1199, the Health 85225  
Care and Social Service Union; State Council of Professional 85226  
Educators; Ohio Education Association; National Education 85227  
Association; the Fraternal Order of Police Ohio Labor Council, 85228  
Unit 2; and the Ohio State Troopers Association, Units 1 and 15 85229  
from the Human Resources Services Fund (Fund 125) to the Employee 85230  
Educational Development Fund (Fund 5V6). 85231

**Section 8.14. MAJOR IT PURCHASES** 85232

The Director of Administrative Services shall compute the 85233  
amount of revenue attributable to the amortization of all 85234  
equipment purchases and capitalized systems from appropriation 85235  
item 100-607, Information Technology Fund; appropriation item 85236  
100-617, Major IT Purchases; and appropriation item CAP-837, Major 85237  
IT Purchases, which is recovered by the Department of 85238  
Administrative Services as part of the rates charged by the 85239  
Information Technology Fund (Fund 133) created in section 125.15 85240  
of the Revised Code. The Director of Budget and Management may 85241  
transfer cash in an amount not to exceed the amount of 85242  
amortization computed from the Information Technology Fund (Fund 85243  
133) to the Major IT Purchases Fund (Fund 4N6). 85244

**Section 8.15. INFORMATION TECHNOLOGY ASSESSMENT** 85245

The Director of Administrative Services, with the approval of 85246  
the Director of Budget and Management, may establish an 85247

information technology assessment for the purpose of recovering 85248  
the cost of selected infrastructure and statewide programs. Such 85249  
assessment shall comply with applicable cost principles issued by 85250  
the federal Office of Management and Budget. The information 85251  
technology assessment shall be charged to all organized bodies, 85252  
offices, or agencies established by the laws of the state for the 85253  
exercise of any function of state government except for the 85254  
General Assembly, any legislative agency, the Supreme Court, the 85255  
other courts of record in Ohio, or any judicial agency, the 85256  
Adjutant General, the Bureau of Workers' Compensation, and 85257  
institutions administered by a board of trustees. Any state-entity 85258  
exempted by this section may utilize the infrastructure or 85259  
statewide program by participating in the information technology 85260  
assessment. All charges for the information technology assessment 85261  
shall be deposited to the credit of the Information Technology 85262  
Fund (Fund 133) created in section 125.15 of the Revised Code. 85263

**Section 8.16. UNEMPLOYMENT COMPENSATION FUND** 85264

The foregoing appropriation item 100-628, Unemployment 85265  
Compensation Pass Through, shall be used to make payments from the 85266  
Unemployment Compensation Fund (Fund 113), pursuant to section 85267  
4141.241 of the Revised Code. If it is determined that additional 85268  
amounts are necessary, such amounts are hereby appropriated. 85269

**Section 8.17. PAYROLL WITHHOLDING FUND** 85270

The foregoing appropriation item 100-629, Payroll Deductions, 85271  
shall be used to make payments from the Payroll Withholding Fund 85272  
(Fund 124). If it is determined by the Director of Budget and 85273  
Management that additional appropriation amounts are necessary, 85274  
such amounts are hereby appropriated. 85275

**Section 8.18. GENERAL SERVICES REFUNDS** 85276

The foregoing appropriation item 100-646, General Services Refunds, shall be used to hold bid guarantee and building plans and specifications deposits until they are refunded. The Director of Administrative Services may request that the Director of Budget and Management transfer cash received for the costs of providing the building plans and specifications to contractors from the General Services Refunds Fund to the State Architect's Office Fund (Fund 131). Prior to the transfer of cash, the Director of Administrative Services shall certify that such amounts are in excess of amounts required for refunding deposits and are directly related to costs of producing building plans and specifications. If it is determined that additional appropriations are necessary, such amounts are hereby appropriated.

**Section 8.19. MULTI-AGENCY RADIO COMMUNICATION SYSTEM DEBT SERVICE PAYMENTS**

The Director of Administrative Services, in consultation with the Multi-Agency Radio Communication System (MARCS) Steering Committee and the Director of Budget and Management, shall determine the share of debt service payments attributable to spending for MARCS components that are not specific to any one agency and that shall be charged to agencies supported by the motor fuel tax. Such share of debt service payments shall be calculated for MARCS capital disbursements made beginning July 1, 1997. Within thirty days of any payment made from appropriation item 100-447, OBA - Building Rent Payments, the Director of Administrative Services shall certify to the Director of Budget and Management the amount of this share. The Director of Budget and Management shall transfer such amounts to the General Revenue Fund from the State Highway Safety Fund (Fund 036) established in section 4501.06 of the Revised Code.

The Director of Administrative Services shall consider

renting or leasing existing tower sites at reasonable or current 85308  
market rates, so long as these existing sites are equipped with 85309  
the technical capabilities to support the MARCS project. 85310

**Section 8.20. DIRECTOR'S DECLARATION OF PUBLIC EXIGENCY 85311**

Whenever the Director of Administrative Services declares a 85312  
"public exigency," as provided in division (C) of section 123.15 85313  
of the Revised Code, the Director shall also notify the members of 85314  
the Controlling Board. 85315

**Section 8.21. GENERAL SERVICE CHARGES 85316**

The Department of Administrative Services, with the approval 85317  
of the Director of Budget and Management, shall establish charges 85318  
for recovering the costs of administering the programs in the 85319  
General Services Fund (Fund 117) and the State Printing Fund (Fund 85320  
210). 85321

**Section 8.22.** During the period beginning July 1, 2003, and 85322  
ending June 30, 2005, and notwithstanding section 123.10 of the 85323  
Revised Code, the Director of Administrative Services shall 85324  
collect no commissions or fees in connection with any of the 85325  
following: 85326

(A) A lease to which the Department of Administrative 85327  
Services is a party that is in effect on the effective date of 85328  
this section; 85329

(B) A lease for which negotiations have commenced between the 85330  
Department and another party prior to July 1, 2003; 85331

(C) A lease regarding which the Department did not inform all 85332  
interested parties prior to negotiations that the Department would 85333  
be requesting real estate commissions or fees. 85334

**Section 8.23. CENTRALIZED FLEET MANAGEMENT PROGRAM 85335**

Of the foregoing appropriation item 130-321, State Agency Support Services, \$378,000 in fiscal year 2004 and \$122,000 in fiscal year 2005 shall be used for the centralized fleet management program.

**Section 8.24.** ASSESSMENTS ON STATE AGENCIES, BOARDS, AND COMMISSIONS

For fiscal year 2004 and fiscal year 2005, the Director of Administrative Services shall not increase rates, charges, or fees for centralized services provided by the Department of Administrative Services and specified in Payroll Letter 824, effective July 17, 2002. This provision shall not apply to payroll deductions for employee health, vision, and dental benefits; employers' share of pension contributions; or amounts deducted for accrued leave or disability leave. Nor shall this provision apply to charges or deductions for programs operated by the Department of Administrative Services in accordance with any collective bargaining agreement.

The Director of Administrative Services shall not increase rates or charges assessed to state agencies, boards, and commissions for other centralized services provided by the General Services Division and in effect as of June 30, 2003. However, the rate charged for mail services may be adjusted to account for increases in federal postage rates.

**Section 9.** AAM COMMISSION ON AFRICAN AMERICAN MALES

General Revenue Fund				85360
GRF 036-100 Personal Services	\$	212,492	\$ 218,610	85361
GRF 036-200 Maintenance	\$	50,180	\$ 50,180	85362
GRF 036-300 Equipment	\$	4,000	\$ 4,000	85363
GRF 036-501 CAAM Awards and Scholarships	\$	8,143	\$ 765	85364

GRF 036-502 Community Projects	\$	25,185	\$	26,445	85365
TOTAL GRF General Revenue Fund	\$	300,000	\$	300,000	85366
State Special Revenue Fund Group					85367
4H3 036-601 Commission on African American Males - Gifts/Grants	\$	10,000	\$	10,000	85368
TOTAL SSR State Special Revenue Fund Group	\$	10,000	\$	10,000	85369
TOTAL ALL BUDGET FUND GROUPS	\$	310,000	\$	310,000	85370

COMMISSION ON AFRICAN AMERICAN MALES PROGRESS REVIEW 85371

Annually, not later than the thirty-first day of December, 85372  
the Commission on African American Males shall internally prepare 85373  
and submit to the chairperson and ranking minority member of the 85374  
Human Services Subcommittee of the Finance and Appropriations 85375  
Committee of the House of Representatives a report that 85376  
demonstrates the progress that has been made toward meeting the 85377  
Commission's mission statement. 85378

From the foregoing appropriations, the Commission on African 85379  
American Males shall provide in each fiscal year \$50,000 to the 85380  
Cincinnati State Community College to purchase books and equipment 85381  
in order to furnish the Cincinnati State William F. Bowen Room 85382  
that will honor Ohio's African-American legislators. 85383

**Section 10.** JCR JOINT COMMITTEE ON AGENCY RULE REVIEW 85384

General Revenue Fund					85385
GRF 029-321 Operating Expenses	\$	363,769	\$	379,769	85386
TOTAL GRF General Revenue Fund	\$	363,769	\$	379,769	85387
TOTAL ALL BUDGET FUND GROUPS	\$	363,769	\$	379,769	85388

OPERATING 85389

The Chief Administrative Officer of the House of 85390  
Representatives and the Clerk of the Senate shall determine, by 85391

mutual agreement, which of them shall act as fiscal agent for the 85392  
 Joint Committee on Agency Rule Review. 85393

**Section 11. AGE DEPARTMENT OF AGING** 85394

General Revenue Fund 85395

GRF 490-321 Operating Expenses \$ 2,308,867 \$ 2,308,867 85396

GRF 490-403 PASSPORT \$ 81,008,877 \$ 103,746,032 85397

GRF 490-405 Golden Buckeye Card \$ 297,628 \$ 297,628 85398

GRF 490-406 Senior Olympics \$ 16,636 \$ 16,636 85399

GRF 490-409 Ohio Community Service \$ 228,048 \$ 228,048 85400

Council Operations

GRF 490-410 Long-Term Care \$ 729,685 \$ 729,685 85401

Ombudsman

GRF 490-411 Senior Community \$ 11,271,431 \$ 11,271,431 85402

Services

GRF 490-412 Residential State \$ 9,960,356 \$ 9,960,356 85403

Supplement

GRF 490-414 Alzheimers Respite \$ 4,346,689 \$ 4,346,689 85404

GRF 490-416 Transportation for \$ 138,369 \$ 138,369 85405

Elderly

GRF 490-419 Prescription Drug \$ 169,986 \$ 169,986 85406

Discount Program

GRF 490-506 Senior Volunteers \$ 375,471 \$ 375,471 85407

TOTAL GRF General Revenue Fund \$ 110,852,043 \$ 133,589,198 85408

General Services Fund Group 85409

480 490-606 Senior Citizens \$ 372,677 \$ 372,677 85410

Services Special

Events

5T4 490-615 Aging Network Support \$ 252,830 \$ 252,830 85411

TOTAL GSF General Services Fund 85412

Group \$ 625,507 \$ 625,507 85413

Federal Special Revenue Fund Group 85414

3C4	490-607	PASSPORT	\$	142,926,054	\$	151,954,474	85415
3M3	490-611	Federal Aging	\$	25,541,095	\$	26,818,149	85416
		Nutrition					
3M4	490-612	Federal Supportive	\$	26,305,294	\$	27,094,453	85417
		Services					
3R7	490-617	Ohio Community Service	\$	8,951,150	\$	8,905,150	85418
		Council Programs					
322	490-618	Older Americans	\$	12,904,949	\$	13,298,626	85419
		Support Services					
TOTAL FED		Federal Special Revenue					85420
Fund Group			\$	216,628,542	\$	228,070,852	85421
State Special Revenue		Fund Group					85422
4C4	490-609	Regional Long-Term	\$	829,321	\$	829,321	85423
		Care Ombudsman Program					
4J4	490-610	PASSPORT/Residential	\$	33,268,052	\$	33,263,984	85424
		State Supplement					
4U9	490-602	PASSPORT Fund	\$	5,500,000	\$	5,500,000	85425
5W1	490-616	Resident Services	\$	250,000	\$	250,000	85426
		Coordinator Program					
624	490-604	OCSC Community Support	\$	2,500	\$	2,500	85427
TOTAL SSR		State Special Revenue					85428
Fund Group			\$	39,849,873	\$	39,845,805	85429
TOTAL ALL BUDGET FUND GROUPS			\$	367,955,965	\$	402,131,362	85430

**Section 11.01. PRE-ADMISSION REVIEW FOR NURSING FACILITY** 85432

ADMISSION 85433

Pursuant to sections 5101.751 and 5101.754 of the Revised 85434  
Code and an interagency agreement, the Department of Job and 85435  
Family Services shall designate the Department of Aging to perform 85436  
assessments under sections 5101.75 and 5111.204 of the Revised 85437  
Code. Of the foregoing appropriation item 490-403, PASSPORT, the 85438  
Department of Aging may use not more than \$2,511,309 in fiscal 85439



year 2004 and \$2,574,092 in fiscal year 2005 to perform the 85440  
assessments for persons not eligible for Medicaid in accordance 85441  
with the department's interagency agreement with the Department of 85442  
Job and Family Services and to assist individuals in planning for 85443  
their long-term health care needs. 85444

**Section 11.02. PASSPORT** 85445

Appropriation item 490-403, PASSPORT, and the amounts set 85446  
aside for the PASSPORT Waiver Program in appropriation item 85447  
490-610, PASSPORT/Residential State Supplement, may be used to 85448  
assess clients regardless of Medicaid eligibility. 85449

The Director of Aging shall adopt rules under section 111.15 85450  
of the Revised Code governing the nonwaiver funded PASSPORT 85451  
program, including client eligibility. 85452

The Department of Aging shall administer the Medicaid 85453  
waiver-funded PASSPORT Home Care Program as delegated by the 85454  
Department of Job and Family Services in an interagency agreement. 85455  
The foregoing appropriation item 490-403, PASSPORT, and the 85456  
amounts set aside for the PASSPORT Waiver Program in appropriation 85457  
item 490-610, PASSPORT/Residential State Supplement, shall be used 85458  
to provide the required state match for federal Medicaid funds 85459  
supporting the Medicaid Waiver-funded PASSPORT Home Care Program. 85460  
Appropriation item 490-403, PASSPORT, and the amounts set aside 85461  
for the PASSPORT Waiver Program in appropriation item 490-610, 85462  
PASSPORT/Residential State Supplement, may also be used to support 85463  
the Department of Aging's administrative costs associated with 85464  
operating the PASSPORT program. 85465

The foregoing appropriation item 490-607, PASSPORT, shall be 85466  
used to provide the federal matching share for all PASSPORT 85467  
program costs determined by the Department of Job and Family 85468  
Services to be eligible for Medicaid reimbursement. 85469

SENIOR COMMUNITY SERVICES 85470

Of the foregoing appropriation item 490-411, Senior Community 85471  
Services, \$300,000 shall be allocated to the Visiting Nurses 85472  
Association of Cleveland. 85473

The remainder of the foregoing appropriation item 490-411, 85474  
Senior Community Services, shall be used for services designated 85475  
by the Department of Aging, including, but not limited to, 85476  
home-delivered and congregate meals, transportation services, 85477  
personal care services, respite services, adult day services, home 85478  
repair, care coordination, and decision support systems. Service 85479  
priority shall be given to low income, frail, and cognitively 85480  
impaired persons 60 years of age and over. The department shall 85481  
promote cost sharing by service recipients for those services 85482  
funded with block grant funds, including, where possible, 85483  
sliding-fee scale payment systems based on the income of service 85484  
recipients. 85485

ALZHEIMERS RESPITE 85486

The foregoing appropriation item 490-414, Alzheimers Respite, 85487  
shall be used to fund only Alzheimer's disease services under 85488  
section 173.04 of the Revised Code. 85489

TRANSPORTATION FOR ELDERLY 85490

The foregoing appropriation item 490-416, Transportation for 85491  
Elderly, shall be used for noncapital expenses related to 85492  
transportation services for the elderly that provide access to 85493  
such things as healthcare services, congregate meals, 85494  
socialization programs, and grocery shopping. The funds pass 85495  
through and shall be administered by the Area Agencies on Aging. 85496  
The appropriation shall be allocated to the following agencies: 85497

(A) Up to \$34,912 in fiscal year 2004 and up to \$34,039 in 85498  
fiscal year 2005 to the Jewish Vocational Services/Cincinnati; 85499

(B) Up to \$34,912 in fiscal year 2004 and up to \$34,039 in fiscal year 2005 to the Jewish Community Center of Cleveland;	85500 85501
(C) Up to \$34,912 in fiscal year 2004 and up to \$34,039 in fiscal year 2005 to the Wexner Heritage Village/Columbus;	85502 85503
(D) Up to \$15,469 in fiscal year 2004 and up to \$15,082 in fiscal year 2005 to the Jewish Family Services of Dayton;	85504 85505
(E) Up to \$7,805 in fiscal year 2004 and up to \$7,610 in fiscal year 2005 to the Jewish Community Center of Akron;	85506 85507
(F) Up to \$3,832 in fiscal year 2004 and up to \$3,736 in fiscal year 2005 to the Jewish Community Center/Youngstown;	85508 85509
(G) Up to \$2,270 in fiscal year 2004 and up to \$2,214 in fiscal year 2005 to the Jewish Community Center/Canton;	85510 85511
(H) Up to \$7,805 in fiscal year 2004 and up to \$7,610 in fiscal year 2005 to the Jewish Community Center/Sylvania.	85512 85513
Agencies receiving funding from appropriation item 490-416, Transportation for Elderly, shall coordinate services with other local service agencies.	85514 85515 85516
RESIDENTIAL STATE SUPPLEMENT	85517
Under the Residential State Supplement Program, the amount used to determine whether a resident is eligible for payment and for determining the amount per month the eligible resident will receive shall be as follows:	85518 85519 85520 85521
(A) \$900 for a residential care facility, as defined in section 3721.01 of the Revised Code;	85522 85523
(B) \$900 for an adult group home, as defined in Chapter 3722. of the Revised Code;	85524 85525
(C) \$800 for an adult foster home, as defined in Chapter 173. of the Revised Code;	85526 85527
(D) \$800 for an adult family home, as defined in Chapter	85528

3722. of the Revised Code;	85529
(E) \$800 for an adult community alternative home, as defined in Chapter 3724. of the Revised Code;	85530 85531
(F) \$800 for an adult residential facility, as defined in Chapter 5119. of the Revised Code;	85532 85533
(G) \$600 for adult community mental health housing services, as defined in division (B)(5) of section 173.35 of the Revised Code.	85534 85535 85536
The Departments of Aging and Job and Family Services shall reflect these amounts in any applicable rules the departments adopt under section 173.35 of the Revised Code.	85537 85538 85539
TRANSFER OF RESIDENTIAL STATE SUPPLEMENT APPROPRIATIONS	85540
The Department of Aging may transfer cash by intrastate transfer vouchers from the foregoing appropriation items 490-412, Residential State Supplement, and 490-610, PASSPORT/Residential State Supplement, to the Department of Job and Family Services' Fund 4J5, Home and Community-Based Services for the Aged Fund. The funds shall be used to make benefit payments to Residential State Supplement recipients.	85541 85542 85543 85544 85545 85546 85547
LONG-TERM CARE OMBUDSMAN	85548
The foregoing appropriation item 490-410, Long-Term Care Ombudsman, shall be used for a program to fund ombudsman program activities in nursing homes, adult care facilities, boarding homes, and home and community care services.	85549 85550 85551 85552
PRESCRIPTION DRUG DISCOUNT PROGRAM	85553
The foregoing appropriation item 490-419, Prescription Drug Discount Program, shall be used to administer a prescription drug discount program.	85554 85555 85556
REGIONAL LONG-TERM CARE OMBUDSMAN PROGRAMS	85557

The foregoing appropriation item 490-609, Regional Long-Term Care Ombudsman Programs, shall be used solely to pay the costs of operating the regional long-term care ombudsman programs.

PASSPORT/RESIDENTIAL STATE SUPPLEMENT

Of the foregoing appropriation item 490-610, PASSPORT/Residential State Supplement, up to \$2,835,000 each fiscal year may be used to fund the Residential State Supplement Program. The remaining available funds shall be used to fund the PASSPORT program.

TRANSFER OF APPROPRIATIONS - FEDERAL AGING NUTRITION, FEDERAL SUPPORTIVE SERVICES, AND OLDER AMERICANS SUPPORT SERVICES

Upon written request of the Director of Aging, the Director of Budget and Management may transfer appropriation authority among appropriation items 490-611, Federal Aging Nutrition, 490-612, Federal Supportive Services, and 490-618, Older Americans Support Services, in amounts not to exceed 30 per cent of the appropriation from which the transfer is made. The Department of Aging shall report such transfers to the Controlling Board at the next regularly scheduled meeting of the board.

OHIO COMMUNITY SERVICE COUNCIL

The foregoing appropriation items 490-409, Ohio Community Service Council Operations, and 490-617, Ohio Community Service Council Programs, shall be used in accordance with section 121.40 of the Revised Code.

**Section 12.** AGR DEPARTMENT OF AGRICULTURE

General Revenue Fund

GRF 700-321	Operating Expenses	\$	2,737,665	\$	2,771,628	85584
GRF 700-401	Animal Disease Control	\$	4,121,815	\$	4,121,815	85585
GRF 700-402	Amusement Ride Safety	\$	278,767	\$	275,943	85586

GRF 700-403	Dairy Division	\$	1,494,597	\$	1,494,153	85587
GRF 700-404	Ohio Proud	\$	197,727	\$	197,229	85588
GRF 700-405	Animal Damage Control	\$	94,954	\$	94,954	85589
GRF 700-406	Consumer Analytical Lab	\$	819,281	\$	872,241	85590
GRF 700-407	Food Safety	\$	999,042	\$	999,042	85591
GRF 700-409	Farmland Preservation	\$	256,993	\$	256,993	85592
GRF 700-410	Plant Industry	\$	1,109,867	\$	1,107,677	85593
GRF 700-411	International Trade and Market Development	\$	621,049	\$	517,524	85594
GRF 700-412	Weights and Measures	\$	914,137	\$	909,120	85595
GRF 700-413	Gypsy Moth Prevention	\$	546,118	\$	576,299	85596
GRF 700-414	Concentrated Animal Feeding Facilities Advisory Committee	\$	16,521	\$	16,086	85597
GRF 700-415	Poultry Inspection	\$	270,645	\$	267,743	85598
GRF 700-418	Livestock Regulation Program	\$	1,306,911	\$	1,306,911	85599
GRF 700-424	Livestock Testing and Inspections	\$	123,347	\$	123,347	85600
GRF 700-499	Meat Inspection Program - State Share	\$	4,651,611	\$	4,696,889	85601
GRF 700-501	County Agricultural Societies	\$	381,091	\$	381,091	85602
TOTAL GRF	General Revenue Fund	\$	20,942,138	\$	20,986,685	85603
	Federal Special Revenue Fund Group					85604
3J4 700-607	Indirect Cost	\$	938,785	\$	949,877	85605
3R2 700-614	Federal Plant Industry	\$	1,400,000	\$	1,425,000	85606
326 700-618	Meat Inspection Service - Federal Share	\$	4,876,904	\$	4,951,291	85607
336 700-617	Ohio Farm Loan Revolving Fund	\$	181,774	\$	181,774	85608

382	700-601	Cooperative Contracts	\$	2,400,000	\$	2,500,000	85609
	TOTAL FED	Federal Special Revenue					85610
	Fund Group		\$	9,797,463	\$	10,007,942	85611
	State Special Revenue Fund Group						85612
4C9	700-605	Feed, Fertilizer, and Lime Inspection	\$	986,765	\$	1,008,541	85613
4D2	700-609	Auction Education	\$	30,476	\$	30,476	85614
4E4	700-606	Utility Radiological Safety	\$	73,059	\$	73,059	85615
4P7	700-610	Food Safety Inspection	\$	575,797	\$	582,711	85616
4R0	700-636	Ohio Proud Marketing	\$	40,300	\$	38,300	85617
4R2	700-637	Dairy Inspection Fund	\$	1,157,603	\$	1,184,183	85618
4T6	700-611	Poultry and Meat Inspection	\$	46,162	\$	47,294	85619
4T7	700-613	International Trade and Market Development Rotary	\$	41,238	\$	42,000	85620
4V5	700-615	Animal Industry Lab Fees	\$	711,944	\$	711,944	85621
494	700-612	Agricultural Commodity Marketing Program	\$	170,077	\$	170,220	85622
496	700-626	Ohio Grape Industries	\$	1,071,099	\$	1,071,099	85623
497	700-627	Commodity Handlers Regulatory Program	\$	664,118	\$	664,118	85624
498	700-628	Commodity Indemnity Fund	\$	250,000	\$	250,000	85625
5B8	700-629	Auctioneers	\$	291,672	\$	365,390	85626
5H2	700-608	Metrology Lab	\$	105,879	\$	108,849	85627
5L8	700-604	Livestock Management Program	\$	250,000	\$	250,000	85628
578	700-620	Ride Inspection Fees	\$	497,000	\$	497,000	85629
579	700-630	Scale Certification	\$	168,785	\$	171,677	85630
652	700-634	Laboratory Services	\$	1,043,444	\$	1,074,447	85631

669 700-635 Pesticide Program	\$	2,243,232	\$	2,243,232	85632
TOTAL SSR State Special Revenue					85633
Fund Group	\$	10,418,650	\$	10,584,540	85634
Clean Ohio Fund Group					85635
057 700-632 Clean Ohio	\$	149,000	\$	149,000	85636
Agricultural Easement					
TOTAL CLR Clean Ohio Fund Group	\$	149,000	\$	149,000	85637
Holding Account Redistribution Fund Group					85638
XXX 700-XXX Farm Service	\$	60,000	\$	60,000	85639
Electronic Filing					
TOTAL 090 Holding Account	\$	60,000	\$	60,000	85640
Redistribution Fund Group					
TOTAL ALL BUDGET FUND GROUPS	\$	41,367,251	\$	41,788,167	85641
ANIMAL DAMAGE CONTROL					85642
Of the foregoing appropriation item 700-405, Animal Damage					85643
Control, \$50,000 shall be used in each fiscal year for coyote and					85644
black vulture indemnification.					85645
INTERNATIONAL TRADE AND MARKET DEVELOPMENT					85646
Of the foregoing appropriation item 700-411, International					85647
Trade and Market Development, \$100,000 shall be used in fiscal					85648
year 2004 for the Ohio-Israel Agricultural Initiative.					85649
FAMILY FARM LOAN PROGRAM					85650
Notwithstanding Chapter 166. of the Revised Code, up to					85651
\$1,500,000 in each fiscal year shall be transferred from moneys in					85652
the Facilities Establishment Fund (Fund 037) to the Family Farm					85653
Loan Fund (Fund 5H1) in the Department of Development. These					85654
moneys shall be used for loan guarantees. The transfer is subject					85655
to Controlling Board approval.					85656
Financial assistance from the Family Farm Loan Fund (Fund					85657
5H1) shall be repaid to Fund 5H1. This fund is established in					85658



accordance with sections 166.031, 901.80, 901.81, 901.82, and 85659  
 901.83 of the Revised Code. 85660

When the Family Farm Loan Fund (Fund 5H1) ceases to exist, 85661  
 all outstanding balances, all loan repayments, and any other 85662  
 outstanding obligations shall revert to the Facilities 85663  
 Establishment Fund (Fund 037). 85664

CLEAN OHIO AGRICULTURAL EASEMENT 85665

The foregoing appropriation item 700-632, Clean Ohio 85666  
 Agricultural Easement, shall be used by the Department of 85667  
 Agriculture in administering sections 901.21, 901.22, and 5301.67 85668  
 to 5301.70 of the Revised Code. 85669

FARM SERVICE ELECTRONIC FILING 85670

As soon as possible on or after July 1, 2003, the Director of 85671  
 Budget and Management shall make a one-time cash transfer of 85672  
 \$60,000 from Fund 382, Cooperative Contracts, to Fund XXX, Farm 85673  
 Service Electronic Filing Fund, in fiscal year 2004. The Farm 85674  
 Service Electronic Filing Fund shall be administered by the 85675  
 Department of Agriculture. 85676

**Section 13. AIR AIR QUALITY DEVELOPMENT AUTHORITY** 85677

General Revenue Fund 85678

GRF 898-402	Coal Development	\$	588,041	\$	599,802	85679
	Office					

GRF 898-901	Coal R&D Gen	\$	7,231,200	\$	9,185,100	85680
	Obligation Debt					
	Service					

TOTAL GRF	General Revenue Fund	\$	7,819,241	\$	9,784,902	85681
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Agency Fund Group 85682

4Z9 898-602	Small Business	\$	233,482	\$	233,482	85683
	Ombudsman					

5A0 898-603	Small Business	\$	197,463	\$	197,463	85684
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Assistance					
570	898-601	Operating Expenses	\$ 243,383	\$ 243,383	85685
TOTAL AGY Agency Fund Group			\$ 674,328	\$ 674,328	85686
Coal Research/Development Fund					85687
046	898-604	Coal Research and	\$ 13,168,357	\$ 13,168,357	85688
Development Fund					
TOTAL 046 Coal			\$ 13,168,357	\$ 13,168,357	85689
Research/Development Fund					
TOTAL ALL BUDGET FUND GROUPS			\$ 21,661,926	\$ 23,627,587	85690
COAL DEVELOPMENT OFFICE					85691
The foregoing appropriation item GRF 898-402, Coal					85692
Development Office, shall be used for the administrative costs of					85693
the Coal Development Office.					85694
COAL RESEARCH AND DEVELOPMENT GENERAL OBLIGATION DEBT SERVICE					85695
The foregoing appropriation item GRF 898-901, Coal R & D Gen					85696
Obligation Debt Service, shall be used to pay all debt service and					85697
related financing costs at the times they are required to be made					85698
under sections 151.01 and 151.07 of the Revised Code during the					85699
period from July 1, 2003, to June 30, 2005. The Office of the					85700
Sinking Fund or the Director of Budget and Management shall					85701
effectuate the required payments by an intrastate transfer					85702
voucher.					85703
SCIENCE AND TECHNOLOGY COLLABORATION					85704
The Air Quality Development Authority shall work in close					85705
collaboration with the Department of Development, the Board of					85706
Regents, and the Third Frontier Commission in relation to					85707
appropriation items and programs listed in the following					85708
paragraph, and other technology-related appropriations and					85709
programs in the Department of Development, Air Quality Development					85710
Authority, and the Board of Regents as those agencies may					85711
designate, to ensure implementation of a coherent state strategy					85712

with respect to science and technology. 85713

Each of the following appropriations and programs: 195-401, 85714  
Thomas Edison Program; 898-402, Coal Development Office; 195-422, 85715  
Third Frontier Action Fund; 898-604, Coal Research and Development 85716  
Fund; 235-454, Research Challenge; 235-510, Ohio Supercomputer 85717  
Center; 235-527, Ohio Aerospace Institute; 235-535, Agricultural 85718  
Research and Development Center; 235-553, Dayton Area Graduate 85719  
Studies Institute; 235-554, Computer Science Graduate Education; 85720  
235-556, Ohio Academic Resources Network; and 195-435, Biomedical 85721  
Research and Technology Transfer Trust, shall be reviewed annually 85722  
by the Third Frontier Commission with respect to its development 85723  
of complementary relationships within a combined state science and 85724  
technology investment portfolio and its overall contribution to 85725  
the state's science and technology strategy, including the 85726  
adoption of appropriately consistent criteria for: 85727

(1) The scientific merit of activities supported by the 85728  
program; 85729

(2) The relevance of the program's activities to commercial 85730  
opportunities in the private sector; 85731

(3) The private sector's involvement in a process that 85732  
continually evaluates commercial opportunities to use the work 85733  
supported by the program; and 85734

(4) The ability of the program and recipients of grant 85735  
funding from the program to engage in activities that are 85736  
collaborative, complementary, and efficient with respect to the 85737  
expenditure of state funds. 85738

All programs listed in the preceding paragraph shall provide 85739  
annual reports to the Third Frontier Commission discussing 85740  
existing, planned, or possible collaborations between programs and 85741  
recipients of grant funding related to technology, development, 85742  
commercialization, and supporting Ohio's economic development. The 85743

annual review by the Third Frontier Commission shall be a 85744  
 comprehensive review of the entire state science and technology 85745  
 program portfolio rather than a review of individual programs. 85746

**Section 14. ADA DEPARTMENT OF ALCOHOL AND DRUG ADDICTION 85747**  
**SERVICES 85748**

General Revenue Fund 85749

GRF 038-321 Operating Expenses	\$	1,200,293	\$	1,200,293	85750
GRF 038-401 Treatment Services	\$	36,762,306	\$	36,762,306	85751
GRF 038-404 Prevention Services	\$	1,055,033	\$	1,055,033	85752
TOTAL GRF General Revenue Fund	\$	39,017,632	\$	39,017,632	85753

General Services Fund 85754

5T9 038-616 Problem Gambling	\$	60,000	\$	60,000	85755
Services					
TOTAL GSF General Services Fund	\$	60,000	\$	60,000	85756

Group

Federal Special Revenue Fund Group 85757

3G3 038-603 Drug Free Schools	\$	3,500,000	\$	3,500,000	85758
3G4 038-614 Substance Abuse Block	\$	67,335,499	\$	68,079,223	85759
Grant					

3H8 038-609 Demonstration Grants	\$	7,093,075	\$	7,093,075	85760
3J8 038-610 Medicaid	\$	30,000,000	\$	30,000,000	85761
3N8 038-611 Administrative	\$	500,000	\$	500,000	85762

Reimbursement

TOTAL FED Federal Special Revenue					85763
Fund Group	\$	108,428,574	\$	109,172,298	85764

State Special Revenue Fund Group 85765

475 038-621 Statewide Treatment	\$	15,191,182	\$	15,191,182	85766
and Prevention					

5P1 038-615 Credentialing	\$	225,000	\$	0	85767
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689 038-604 Education and	\$	280,000	\$	280,000	85768
Conferences					

TOTAL SSR State Special Revenue			85769
Fund Group	\$ 15,696,182	\$ 15,471,182	85770
TOTAL ALL BUDGET FUND GROUPS	\$ 163,202,388	\$ 163,721,112	85771
TREATMENT SERVICES			85772
Of the foregoing appropriation item 038-401, Treatment			85773
Services, not more than \$8,190,000 shall be used by the Department			85774
of Alcohol and Drug Addiction Services for program grants for			85775
priority populations in each year of the biennium.			85776
AM. SUB. H.B. 484 OF THE 122nd GENERAL ASSEMBLY			85777
Of the foregoing appropriation item 038-401, Treatment			85778
Services, \$4 million in each fiscal year shall be allocated for			85779
services to families, adults, and adolescents pursuant to the			85780
requirements of Am. Sub. H.B. 484 of the 122nd General Assembly.			85781
TALBERT HOUSE			85782
Of the foregoing appropriation item 038-401, Treatment			85783
Services, \$200,000 in each fiscal year shall be allocated to			85784
establish a Talbert House Facility in Butler County. These funds			85785
are in addition to any other funds for which the Talbert House			85786
facility and Butler County are eligible to receive from the			85787
Department of Alcohol and Drug Addiction Services.			85788
SERVICES FOR TANF-ELIGIBLE INDIVIDUALS			85789
Of the foregoing appropriation item 038-401, Treatment			85790
Services, \$5 million each year shall be used to fund TANF-eligible			85791
expenditures for substance abuse prevention and treatment services			85792
to children, or their families, whose income is at or below 200			85793
per cent of the official income poverty guideline. The Director of			85794
Alcohol and Drug Addiction Services and the Director of Job and			85795
Family Services shall develop operating and reporting guidelines			85796
for these programs.			85797
THERAPEUTIC COMMUNITIES			85798

Of the foregoing appropriation item 038-401, Treatment Services, \$750,000 shall be used in each fiscal year for expansion of the Therapeutic Communities Program in the Department of Rehabilitation and Correction.

**PARENT AWARENESS TASK FORCE**

The Parent Awareness Task Force shall study ways to engage more parents in activities, coalitions, and educational programs in Ohio relating to alcohol and other drug abuse prevention. Of the foregoing appropriation item 038-404, Prevention Services, \$30,000 in each fiscal year may be used to support the functions of the Parent Awareness Task Force.

**COMMUNITY CAPITAL ASSISTANCE FUNDS**

Any proceeds from the repayment of ODADAS community capital assistance funds from St. Anthony's Villa shall be deposited into Fund 475, appropriation item 038-621, Statewide Treatment and Prevention, and such amounts are hereby appropriated for distribution to other community capital assistance projects in Lucas County.

**Section 15. AMB AMBULANCE LICENSING BOARD**

General Services Fund Group				85818
4N1 915-601 Operating Expenses	\$	272,340	\$ 284,054	85819
TOTAL GSF General Services Fund Group				85820
	\$	272,340	\$ 284,054	85821
TOTAL ALL BUDGET FUND GROUPS	\$	272,340	\$ 284,054	85822

**Section 16. ARC STATE BOARD OF EXAMINERS OF ARCHITECTS**

General Services Fund Group				85825
4K9 891-609 Operating Expenses	\$	480,574	\$ 479,574	85826
TOTAL GSF General Services Fund Group				85827
	\$	480,574	\$ 479,574	85828

TOTAL ALL BUDGET FUND GROUPS	\$	480,574	\$	479,574	85829
<b>Section 17. ART OHIO ARTS COUNCIL</b>					85831
General Revenue Fund					85832
GRF 370-100 Personal Services	\$	1,896,848	\$	1,892,879	85833
GRF 370-200 Maintenance	\$	547,404	\$	532,998	85834
GRF 370-300 Equipment	\$	227,788	\$	27,056	85835
GRF 370-502 Program Subsidies	\$	9,896,320	\$	9,648,912	85836
TOTAL GRF General Revenue Fund	\$	12,568,360	\$	12,101,845	85837
General Services Fund Group					85838
4B7 370-603 Per Cent for Art	\$	86,366	\$	86,366	85839
Acquisitions					
460 370-602 Operations	\$	429,325	\$	429,325	85840
TOTAL GSF General Services Fund	\$	515,691	\$	515,691	85841
Group					
Federal Special Revenue Fund Group					85842
314 370-601 Federal Programs	\$	1,657,300	\$	1,657,300	85843
TOTAL FED Federal Special Revenue	\$	1,657,300	\$	1,657,300	85844
Fund Group					
TOTAL ALL BUDGET FUND GROUPS	\$	14,741,351	\$	14,274,836	85845
EQUIPMENT					85846
Of the foregoing appropriation item 370-300, Equipment,					85847
\$200,000 in fiscal year 2004 shall be used for computer upgrades.					85848
PROGRAM SUBSIDIES					85849
A museum is not eligible to receive funds from appropriation					85850
item 370-502, Program Subsidies, if \$8,000,000 or more in capital					85851
appropriations were appropriated by the state for the museum					85852
between January 1, 1986, and December 31, 2002.					85853
PER CENT FOR ART ACQUISITIONS					85854
The unencumbered balance remaining from prior projects of					85855

appropriation item 370-603, Per Cent for Art Acquisitions, shall 85856  
 be used by the Ohio Arts Council to pay for start-up costs in 85857  
 connection with the selection of artists of new Per Cent for Art 85858  
 projects. 85859

**Section 18. AFC OHIO ARTS AND SPORTS FACILITIES COMMISSION 85860**

General Revenue Fund 85861

GRF 371-321 Operating Expenses \$ 317,451 \$ 317,451 85862

GRF 371-401 Lease Rental Payments \$ 36,283,800 \$ 37,617,700 85863

TOTAL GRF General Revenue Fund \$ 36,601,251 \$ 37,935,151 85864

State Special Revenue Fund Group 85865

4T8 371-601 Riffe Theatre \$ 23,194 \$ 23,194 85866

Equipment Maintenance

4T8 371-603 Project Administration \$ 1,035,377 \$ 1,074,339 85867

TOTAL SSR State Special Revenue \$ 1,058,571 \$ 1,097,533 85868

Group

TOTAL ALL BUDGET FUND GROUPS \$ 37,659,822 \$ 39,032,684 85869

**OHIO BUILDING AUTHORITY LEASE PAYMENTS 85870**

The foregoing appropriation item 371-401, Lease Rental 85871  
 Payments, shall be used by the Arts and Sports Facilities 85872  
 Commission for payments to the Ohio Building Authority for the 85873  
 period from July 1, 2003, to June 30, 2005, pursuant to the 85874  
 primary leases and agreements for those buildings made under 85875  
 Chapter 152. of the Revised Code, but limited to the aggregate 85876  
 amount of \$73,901,500. This appropriation is the source of funds 85877  
 pledged for bond service charges on related obligations issued 85878  
 pursuant to Chapter 152. of the Revised Code. 85879

**OPERATING EXPENSES 85880**

The foregoing appropriation item 371-603, Project 85881  
 Administration, shall be used by the Ohio Arts and Sports 85882  
 Facilities Commission to carry out its responsibilities pursuant 85883



to this section and Chapter 3383. of the Revised Code. 85884

Within ten days after the effective date of this section, or 85885  
as soon as possible thereafter, the Director of Budget and 85886  
Management shall determine the amount of cash from interest 85887  
earnings to be transferred from the Arts Facilities Building Fund 85888  
(Fund 030) and the Sports Facilities Building Fund (Fund 024) to 85889  
the Arts and Sports Facilities Commission Administration Fund 85890  
(Fund 4T8). The total amount transferred in fiscal year 2004 and 85891  
fiscal year 2005 may not exceed the total biennial appropriation 85892  
of \$2,109,716 in appropriation item 371-603, Project 85893  
Administration. 85894

By July 10, 2004, or as soon as possible thereafter, the 85895  
Director of Budget and Management shall determine the amount of 85896  
cash from interest earnings to be transferred from the Arts 85897  
Facilities Building Fund (Fund 030) and the Sports Facilities 85898  
Building Fund (Fund 024) to the Arts and Sports Commission 85899  
Administration Fund (Fund 4T8). The total amount transferred in 85900  
fiscal year 2004 and in fiscal year 2005 may not exceed the total 85901  
biennial appropriation of \$2,109,716 in appropriation item 85902  
371-603, Project Administration. 85903

**Section 19. ATH ATHLETIC COMMISSION** 85904

General Services Fund Group 85905

4K9 175-609 Athletic Commission - \$ 188,250 \$ 200,205 85906

Operating

TOTAL GSF General Services Fund \$ 188,250 \$ 200,205 85907

Group

TOTAL ALL BUDGET FUND GROUPS \$ 188,250 \$ 200,205 85908

TRANSFER OF CASH BALANCE FROM FUND 5R1 85909

On July 1, 2003, or as soon thereafter as possible, the 85910  
Director of Budget and Management shall transfer the cash balance 85911

in the Athlete Agents Registration Fund (Fund 5R1) that was 85912  
 created in former section 4771.22 of the Revised Code to the 85913  
 Occupational Licensing and Regulatory Fund (Fund 4K9). The 85914  
 director shall cancel any existing encumbrances against 85915  
 appropriation item 175-602, Athlete Agents Registration (Fund 85916  
 5R1), and reestablish them against appropriation item 175-609, 85917  
 Athletic Commission - Operating (Fund 4K9). The amounts of the 85918  
 reestablished encumbrances are hereby appropriated. 85919

**Section 20. AGO ATTORNEY GENERAL** 85920

General Revenue Fund 85921

GRF 055-321 Operating Expenses \$ 53,885,937 \$ 53,885,937 85922

GRF 055-406 Community Police Match \$ 2,258,843 \$ 2,258,843 85923  
 and Law Enforcement  
 Assistance

GRF 055-411 County Sheriffs \$ 731,879 \$ 736,929 85924

GRF 055-415 County Prosecutors \$ 717,182 \$ 723,490 85925

TOTAL GRF General Revenue Fund \$ 57,593,841 \$ 57,605,199 85926

General Services Fund Group 85927

106 055-612 General Reimbursement \$ 18,870,196 \$ 18,870,196 85928

107 055-624 Employment Services \$ 984,396 \$ 984,396 85929

195 055-660 Workers' Compensation \$ 7,769,628 \$ 7,769,628 85930

Section

4Y7 055-608 Title Defect \$ 570,623 \$ 570,623 85931

Rescission

4Z2 055-609 BCI Asset Forfeiture \$ 332,109 \$ 332,109 85932

and Cost Reimbursement

418 055-615 Charitable Foundations \$ 1,899,066 \$ 1,899,066 85933

420 055-603 Attorney General \$ 446,449 \$ 446,449 85934

Antitrust

421 055-617 Police Officers' \$ 1,193,213 \$ 1,193,213 85935

Training Academy Fee

5A9	055-618	Telemarketing Fraud Enforcement	\$	52,378	\$	52,378	85936
590	055-633	Peace Officer Private Security Fund	\$	98,370	\$	98,370	85937
629	055-636	Corrupt Activity Investigation and Prosecution	\$	108,230	\$	108,230	85938
631	055-637	Consumer Protection Enforcement	\$	1,373,832	\$	1,373,832	85939
TOTAL GSF General Services Fund							85940
Group			\$	33,698,490	\$	33,698,490	85941
Federal Special Revenue Fund Group							85942
3E5	055-638	Anti-Drug Abuse	\$	1,923,400	\$	1,981,102	85943
3R6	055-613	Attorney General Federal Funds	\$	3,730,191	\$	3,842,097	85944
306	055-620	Medicaid Fraud Control	\$	2,882,970	\$	2,969,459	85945
381	055-611	Civil Rights Legal Service	\$	390,815	\$	390,815	85946
383	055-634	Crime Victims Assistance	\$	17,561,250	\$	18,439,313	85947
TOTAL FED Federal Special Revenue							85948
Fund Group			\$	26,488,626	\$	27,622,786	85949
State Special Revenue Fund Group							85950
4L6	055-606	DARE	\$	3,927,962	\$	3,927,962	85951
402	055-616	Victims of Crime	\$	27,933,893	\$	27,933,893	85952
417	055-621	Domestic Violence Shelter	\$	14,492	\$	14,492	85953
419	055-623	Claims Section	\$	13,649,954	\$	13,649,954	85954
659	055-641	Solid and Hazardous Waste Background Investigations	\$	621,159	\$	621,159	85955
TOTAL SSR State Special Revenue							85956

Fund Group	\$	46,147,460	\$	46,147,460	85957
Holding Account Redistribution Fund Group					85958
R03 055-629 Bingo License Refunds	\$	5,200	\$	5,200	85959
R04 055-631 General Holding Account	\$	275,000	\$	275,000	85960
R05 055-632 Antitrust Settlements	\$	10,400	\$	10,400	85961
R18 055-630 Consumer Frauds	\$	750,000	\$	750,000	85962
R42 055-601 Organized Crime Commission Account	\$	200,000	\$	200,000	85963
TOTAL 090 Holding Account					85964
Redistribution Fund Group	\$	1,240,600	\$	1,240,600	85965
TOTAL ALL BUDGET FUND GROUPS	\$	165,169,017	\$	166,314,535	85966

WORKERS' COMPENSATION SECTION 85967

The Workers' Compensation Section Fund (Fund 195) shall 85968  
receive payments from the Bureau of Workers' Compensation and the 85969  
Ohio Industrial Commission at the beginning of each quarter of 85970  
each fiscal year to fund legal services to be provided to the 85971  
Bureau of Workers' Compensation and the Ohio Industrial Commission 85972  
during the ensuing quarter. Such advance payment shall be subject 85973  
to adjustment. 85974

In addition, the Bureau of Workers' Compensation shall 85975  
transfer payments at the beginning of each quarter for the support 85976  
of the Workers' Compensation Fraud Unit. 85977

All amounts shall be mutually agreed upon by the Attorney 85978  
General, the Bureau of Workers' Compensation, and the Ohio 85979  
Industrial Commission. 85980

CORRUPT ACTIVITY INVESTIGATION AND PROSECUTION 85981

The foregoing appropriation item 055-636, Corrupt Activity 85982  
Investigation and Prosecution, shall be used as provided by 85983  
division (D)(2) of section 2923.35 of the Revised Code to dispose 85984  
of the proceeds, fines, and penalties credited to the Corrupt 85985

Activity Investigation and Prosecution Fund, which is created in 85986  
division (D)(1)(b) of section 2923.35 of the Revised Code. If it 85987  
is determined that additional amounts are necessary, the amounts 85988  
are hereby appropriated. 85989

COMMUNITY POLICE MATCH AND LAW ENFORCEMENT ASSISTANCE 85990

In fiscal years 2004 and 2005, the Attorney General's Office 85991  
may request the Director of Budget and Management to transfer 85992  
appropriation authority from appropriation item 055-321, Operating 85993  
Expenses, to appropriation item 055-406, Community Police Match 85994  
and Law Enforcement Assistance. The Director of Budget and 85995  
Management shall then transfer appropriation authority from 85996  
appropriation item 055-321, Operating Expenses, to appropriation 85997  
item 055-406, Community Police Match and Law Enforcement 85998  
Assistance. Moneys transferred to appropriation item 055-406, 85999  
Community Police Match and Law Enforcement Assistance, shall be 86000  
used to pay operating expenses and to provide grants to local law 86001  
enforcement agencies and communities for the purpose of supporting 86002  
law enforcement-related activities. 86003

**Section 21. AUD AUDITOR OF STATE** 86004

General Revenue Fund 86005

GRF 070-321	Operating Expenses	\$	30,813,217	\$	30,813,217	86006
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GRF 070-403	Fiscal Watch/Emergency	\$	400,000	\$	500,000	86007
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Technical Assistance

GRF 070-405	Electronic Data	\$	823,193	\$	823,193	86008
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Processing - Auditing  
and Administration

GRF 070-406	Uniform Accounting	\$	1,774,394	\$	1,774,394	86009
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Network/Technology

Improvements Fund

TOTAL GRF	General Revenue Fund	\$	33,810,804	\$	33,910,804	86010
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General Services Fund Group 86011

109	070-601	Public Audit Expense -	\$	10,592,547	\$	11,651,800	86012
		Intra-State					
422	070-601	Public Audit Expense -	\$	37,617,072	\$	39,497,925	86013
		Local Government					
584	070-603	Training Program	\$	124,999	\$	131,250	86014
675	070-605	Uniform Accounting	\$	3,015,760	\$	3,317,336	86015
		Network					
TOTAL GSF General Services Fund							86016
Group			\$	51,350,378	\$	54,598,311	86017
Holding Account Redistribution Fund Group							86018
R06	070-604	Continuous Receipts	\$	50,000	\$	60,000	86019
TOTAL 090 Holding Account							86020
Redistribution Fund Group			\$	50,000	\$	60,000	86021
TOTAL ALL BUDGET FUND GROUPS							86022
FISCAL WATCH/EMERGENCY TECHNICAL ASSISTANCE							86023
The foregoing appropriation item 070-403, Fiscal							86024
Watch/Emergency Technical Assistance, shall be used for all							86025
expenses incurred by the Office of the Auditor of State in its							86026
role relating to fiscal watch or fiscal emergency activities under							86027
Chapters 118. and 3316. of the Revised Code. Expenses include, but							86028
are not limited to, the following: duties related to the							86029
determination or termination of fiscal watch or fiscal emergency							86030
of municipal corporations, counties, or townships as outlined in							86031
Chapter 118. of the Revised Code and of school districts as							86032
outlined in Chapter 3316. of the Revised Code; development of							86033
preliminary accounting reports; performance of annual forecasts;							86034
provision of performance audits; and supervisory, accounting, or							86035
auditing services for the mentioned public entities and school							86036
districts. The unencumbered balance of appropriation item 070-403,							86037
Fiscal Watch/Emergency Technical Assistance, at the end of fiscal							86038
year 2004 is transferred to fiscal year 2005 for use under the							86039
same appropriation item.							86040

ELECTRONIC DATA PROCESSING				86041
The unencumbered balance of appropriation item 070-405,				86042
Electronic Data Processing - Auditing and Administration, at the				86043
end of fiscal year 2004 is transferred to fiscal year 2005 for use				86044
under the same appropriation item.				86045
UNIFORM ACCOUNTING NETWORK/TECHNOLOGY IMPROVEMENTS FUND				86046
The foregoing appropriation item 070-406, Uniform Accounting				86047
Network/Technology Improvements Fund, shall be used to pay the				86048
costs of developing and implementing the Uniform Accounting				86049
Network and technology improvements for the Office of the Auditor				86050
of State. The unencumbered balance of the appropriation at the end				86051
of fiscal year 2004 is transferred to fiscal year 2005 to pay the				86052
costs of developing and implementing the Uniform Accounting				86053
Network and technology improvements for the Office of the Auditor				86054
of State.				86055
<b>Section 22. BRB BOARD OF BARBER EXAMINERS</b>				86056
General Services Fund Group				86057
4K9 877-609 Operating Expenses	\$	535,853	\$ 555,037	86058
TOTAL GSF General Services Fund				86059
Group	\$	535,853	\$ 555,037	86060
TOTAL ALL BUDGET FUND GROUPS	\$	535,853	\$ 555,037	86061
<b>Section 23. OBM OFFICE OF BUDGET AND MANAGEMENT</b>				86063
General Revenue Fund				86064
GRF 042-321 Budget Development and	\$	3,092,469	\$ 2,405,243	86065
Implementation				
GRF 042-401 Office of Quality	\$	30,000	\$ 0	86066
Services				
GRF 042-409 Commission Closures	\$	65,000	\$ 0	86067
GRF 042-410 National Association	\$	27,089	\$ 27,902	86068

Dues			
GRF 042-412	Audit of Auditor of	\$ 62,110	\$ 55,760 86069
State			
TOTAL GRF	General Revenue Fund	\$ 3,276,668	\$ 2,488,905 86070
General Services Fund Group 86071			
105 042-603	State Accounting	\$ 9,131,651	\$ 9,375,862 86072
TOTAL GSF	General Services Fund	\$ 9,131,651	\$ 9,375,862 86073
Group			
State Special Revenue Fund Group 86074			
5N4 042-602	OAKS Project	\$ 2,062,875	\$ 2,069,125 86075
Implementation			
TOTAL SSR	State Special Revenue	\$ 2,062,875	\$ 2,069,125 86076
Fund Group			
TOTAL ALL BUDGET FUND GROUPS		\$ 14,471,194	\$ 13,933,892 86077
OFFICE OF QUALITY SERVICES 86078			
On the effective date of this section, the Office of Quality 86079			
Services is abolished and its operations shall be wound up and 86080			
discontinued. The foregoing appropriation item 042-401, Office of 86081			
Quality Services, shall be used to pay final payroll costs for 86082			
staff assigned to the Office of Quality Services. 86083			
COMMISSION CLOSURES 86084			
The foregoing appropriation item 042-409, Commission Closures 86085			
shall be used to pay for unemployment compensation costs and 86086			
miscellaneous expenses related to and following the closures of 86087			
the Office of Quality Services and any other state agency as 86088			
defined in section 1.60 of the Revised Code. 86089			
AUDIT COSTS 86090			
Of the foregoing appropriation item 042-603, State 86091			
Accounting, not more than \$400,000 in fiscal year 2004 and 86092			
\$415,000 in fiscal year 2005 shall be used to pay for centralized 86093			



audit costs associated with either Single Audit Schedules or 86094  
financial statements prepared in conformance with generally 86095  
accepted accounting principles for the state. 86096

**Section 24. CSR CAPITOL SQUARE REVIEW AND ADVISORY BOARD 86097**

General Revenue Fund 86098

GRF 874-100 Personal Services \$ 2,031,400 \$ 2,051,400 86099

GRF 874-320 Maintenance and \$ 1,022,262 \$ 982,929 86100

Equipment

TOTAL GRF General Revenue Fund \$ 3,053,662 \$ 3,034,329 86101

General Services Fund Group 86102

4G5 874-603 Capitol Square \$ 15,000 \$ 15,000 86103

Maintenance Expenses

4S7 874-602 Statehouse Gift \$ 770,484 \$ 770,484 86104

Shop/Events

TOTAL GSF General Services 86105

Fund Group \$ 785,484 \$ 785,484 86106

Underground Parking Garage 86107

208 874-601 Underground Parking \$ 2,996,801 \$ 2,959,721 86108

Garage Operating

TOTAL UPG Underground Parking 86109

Garage \$ 2,996,801 \$ 2,959,721 86110

TOTAL ALL BUDGET FUND GROUPS \$ 6,835,947 \$ 6,779,534 86111

**Section 25. SCR STATE BOARD OF CAREER COLLEGES AND SCHOOLS 86113**

General Services Fund Group 86114

4K9 233-601 Operating Expenses \$ 404,025 \$ 431,525 86115

TOTAL GSF General Services Fund \$ 404,025 \$ 431,525 86116

Group

TOTAL ALL BUDGET FUND GROUPS \$ 404,025 \$ 431,525 86117

**Section 26. CDP CHEMICAL DEPENDENCY PROFESSIONALS BOARD 86119**

General Services Fund Group				86120
4K9 930-609 Operating Expenses	\$	225,000	\$ 450,000	86121
TOTAL GSF General Services Fund	\$	225,000	\$ 450,000	86122
Group				
TOTAL ALL BUDGET FUND GROUPS	\$	225,000	\$ 450,000	86123

Notwithstanding any other law to the contrary, upon 86124  
certification by the Director of Administrative Services, the 86125  
Director of Budget and Management may transfer cash in an amount 86126  
not to exceed the fiscal year 2004 appropriation from Fund 5P1 86127  
(Credentialing Fund) to Fund 4K9 (Occupational Licensing). The 86128  
amount transferred is hereby appropriated. The cash shall be used 86129  
to pay expenses related to establishing the Chemical Dependency 86130  
Professionals Board, including, but not limited to, travel 86131  
reimbursement of board members. 86132

Upon completion of the transition of the Department of 86133  
Alcohol and Drug Addiction's certificates and credentials issuance 86134  
program to the Chemical Dependency Professionals Board, the 86135  
Director of Alcohol and Drug Addiction Services shall certify to 86136  
the Director of Budget and Management the remaining cash in Fund 86137  
5P1 (Credentialing Fund). The Director of Budget and Management 86138  
shall transfer the certified balance from Fund 5P1 to Fund 4K9 86139  
(Occupational Licensing). This transition shall be completed in 86140  
accordance with Section 5 of Am. Sub. H.B. 496 of the 124th 86141  
General Assembly. 86142

**Section 27. CHR STATE CHIROPRACTIC BOARD** 86143

General Services Fund Group				86144
4K9 878-609 Operating Expenses	\$	591,724	\$ 591,724	86145
TOTAL GSF General Services Fund				86146
Group	\$	591,724	\$ 591,724	86147
TOTAL ALL BUDGET FUND GROUPS	\$	591,724	\$ 591,724	86148

<b>Section 28. CIV OHIO CIVIL RIGHTS COMMISSION</b>				86150
General Revenue Fund				86151
GRF 876-100 Personal Services	\$	7,000,000	\$ 7,000,000	86152
GRF 876-200 Maintenance	\$	400,000	\$ 400,000	86153
GRF 876-300 Equipment	\$	91,298	\$ 91,298	86154
TOTAL GRF General Revenue Fund	\$	7,491,298	\$ 7,491,298	86155
Federal Special Revenue Fund Group				86156
334 876-601 Federal Programs	\$	3,965,000	\$ 3,790,000	86157
TOTAL FED Federal Special Revenue				86158
Fund Group	\$	3,965,000	\$ 3,790,000	86159
State Special Revenue Fund Group				86160
217 876-604 General Reimbursement	\$	20,951	\$ 20,951	86161
TOTAL SSR State Special				86162
Revenue Fund Group	\$	20,951	\$ 20,951	86163
TOTAL ALL BUDGET FUND GROUPS	\$	11,477,249	\$ 11,302,249	86164
 <b>Section 29. COM DEPARTMENT OF COMMERCE</b>				86166
General Revenue Fund				86167
GRF 800-402 Grants-Volunteer Fire	\$	647,953	\$ 647,953	86168
Departments				
GRF 800-410 Labor and Worker	\$	3,700,040	\$ 3,725,040	86169
Safety				
Total GRF General Revenue Fund	\$	4,347,993	\$ 4,372,993	86170
General Services Fund Group				86171
163 800-620 Division of	\$	3,385,803	\$ 3,490,056	86172
Administration				
163 800-637 Information Technology	\$	2,753,299	\$ 2,772,924	86173
5F1 800-635 Small Government Fire	\$	250,000	\$ 250,000	86174
Departments				
TOTAL GSF General Services Fund				86175
Group	\$	6,389,102	\$ 6,512,980	86176

Federal Special Revenue Fund Group				86177
348 800-622 Underground Storage	\$	195,008	\$ 195,008	86178
Tanks				
348 800-624 Leaking Underground	\$	1,850,000	\$ 1,850,000	86179
Storage Tanks				
349 800-626 OSHA Enforcement	\$	1,527,750	\$ 1,604,140	86180
TOTAL FED Federal Special Revenue				86181
Fund Group	\$	3,572,758	\$ 3,649,148	86182
State Special Revenue Fund Group				86183
4B2 800-631 Real Estate Appraisal	\$	60,000	\$ 60,000	86184
Recovery				
4H9 800-608 Cemeteries	\$	273,465	\$ 273,465	86185
4L5 800-609 Fireworks Training and	\$	10,976	\$ 10,976	86186
Education				
4X2 800-619 Financial Institutions	\$	2,020,798	\$ 2,200,843	86187
5B9 800-632 PI & Security Guard	\$	1,188,716	\$ 1,188,716	86188
Provider				
5K7 800-621 Penalty Enforcement	\$	50,000	\$ 50,000	86189
543 800-602 Unclaimed	\$	7,051,051	\$ 7,051,051	86190
Funds-Operating				
543 800-625 Unclaimed Funds-Claims	\$	25,512,867	\$ 25,512,867	86191
544 800-612 Banks	\$	6,657,997	\$ 6,657,997	86192
545 800-613 Savings Institutions	\$	2,765,618	\$ 2,894,330	86193
546 800-610 Fire Marshal	\$	7,855,076	\$ 11,787,994	86194
547 800-603 Real Estate	\$	250,000	\$ 250,000	86195
Education/Research				
548 800-611 Real Estate Recovery	\$	100,000	\$ 100,000	86196
549 800-614 Real Estate	\$	3,586,754	\$ 3,705,892	86197
550 800-617 Securities	\$	4,600,000	\$ 4,800,000	86198
552 800-604 Credit Union	\$	2,613,356	\$ 2,751,852	86199
553 800-607 Consumer Finance	\$	3,764,279	\$ 3,735,445	86200
556 800-615 Industrial Compliance	\$	24,627,687	\$ 25,037,257	86201

6A4	800-630	Real Estate	\$	658,506	\$	664,006	86202
		Appraiser-Operating					
653	800-629	UST	\$	1,353,632	\$	1,249,632	86203
		Registration/Permit					
		Fee					
TOTAL SSR State Special Revenue							86204
Fund Group			\$	95,000,778	\$	99,982,323	86205
Liquor Control Fund Group							86206
043	800-601	Merchandising	\$	341,079,554	\$	353,892,432	86207
043	800-627	Liquor Control	\$	17,248,488	\$	15,981,346	86208
		Operating					
043	800-633	Economic Development	\$	23,277,500	\$	29,029,500	86209
		Debt Service					
043	800-636	Revitalization Debt	\$	4,747,800	\$	9,736,300	86210
		Service					
TOTAL LCF Liquor Control							86211
Fund Group			\$	386,353,342	\$	408,639,578	86212
TOTAL ALL BUDGET FUND GROUPS							86213

GRANTS-VOLUNTEER FIRE DEPARTMENTS 86214

The foregoing appropriation item 800-402, Grants-Volunteer 86215  
 Fire Departments, shall be used to make annual grants to volunteer 86216  
 fire departments of up to \$10,000, or up to \$25,000 if the 86217  
 volunteer fire department provides service for an area affected by 86218  
 a natural disaster. The grant program shall be administered by the 86219  
 Fire Marshal under the Department of Commerce. The Fire Marshal 86220  
 shall adopt rules necessary for the administration and operation 86221  
 of the grant program. 86222

SMALL GOVERNMENT FIRE DEPARTMENTS 86223

Upon the request of the Director of Commerce, the Director of 86224  
 Budget and Management shall transfer \$250,000 cash in each fiscal 86225  
 year from the State Fire Marshal Fund (Fund 546) within the State 86226

Special Revenue Fund Group to the Small Government Fire	86227
Departments Fund (Fund 5F1) within the General Services Fund	86228
Group.	86229
Notwithstanding section 3737.17 of the Revised Code, the	86230
foregoing appropriation item 800-635, Small Government Fire	86231
Departments, may be used to provide loans to private fire	86232
departments.	86233
LABOR AND WORKER SAFETY	86234
The Department of Commerce may designate a portion of	86235
appropriation item 800-410, Labor and Worker Safety, to be used to	86236
match federal funding for the OSHA on-site consultation program.	86237
PENALTY ENFORCEMENT	86238
The foregoing appropriation item 800-621, Penalty	86239
Enforcement, shall be used to enforce sections 4115.03 to 4115.16	86240
of the Revised Code.	86241
UNCLAIMED FUNDS PAYMENTS	86242
The foregoing appropriation item 800-625, Unclaimed	86243
Funds-Claims, shall be used to pay claims pursuant to section	86244
169.08 of the Revised Code. If it is determined that additional	86245
amounts are necessary, the amounts are hereby appropriated.	86246
BANKS FUND (FUND 544) TRANSFER TO THE GRF	86247
On July 31, 2003, or as soon as possible thereafter, the	86248
Director of Budget and Management may transfer up to \$2,000,000	86249
cash from the Banks Fund (Fund 544) to the General Revenue Fund.	86250
FIRE MARSHAL FUND (FUND 546) TRANSFER TO THE GRF	86251
On July 31, 2003, or as soon as possible thereafter, the	86252
Director of Budget and Management may transfer up to \$10,000,000	86253
cash from the Fire Marshal Fund (Fund 546) to the General Revenue	86254
Fund.	86255

REAL ESTATE FUND (FUND 549) TRANSFER TO THE GRF 86256

On July 31, 2003, or as soon as possible thereafter, the 86257  
Director of Budget and Management may transfer up to \$1,000,000 86258  
cash from the Real Estate Fund (Fund 549) to the General Revenue 86259  
Fund. 86260

INDUSTRIAL COMPLIANCE FUND (FUND 556) TRANSFER TO THE GRF 86261

On July 31, 2003, or as soon as possible thereafter, the 86262  
Director of Budget and Management may transfer up to \$1,000,000 86263  
cash from the Industrial Compliance Fund (Fund 556), to the 86264  
General Revenue Fund. 86265

INCREASED APPROPRIATION AUTHORITY - MERCHANDISING 86266

The foregoing appropriation item 800-601, Merchandising, 86267  
shall be used pursuant to section 4301.12 of the Revised Code. If 86268  
it is determined that additional amounts are necessary, the 86269  
amounts are hereby appropriated. 86270

ECONOMIC DEVELOPMENT DEBT SERVICE 86271

The foregoing appropriation item 800-633, Economic 86272  
Development Debt Service, shall be used to meet all payments at 86273  
the times they are required to be made during the period from July 86274  
1, 2003, to June 30, 2005, for bond service charges on obligations 86275  
issued under Chapter 166. of the Revised Code. If it is determined 86276  
that additional appropriations are necessary for this purpose, 86277  
such amounts are hereby appropriated, subject to the limitations 86278  
set forth in section 166.11 of the Revised Code. The General 86279  
Assembly acknowledges that an appropriation for this purpose is 86280  
not required, but is made in this form and in this act for record 86281  
purposes only. 86282

REVITALIZATION DEBT SERVICE 86283

The foregoing appropriation item 800-636, Revitalization Debt 86284  
Service, shall be used to pay debt service and related financing 86285

costs under sections 151.01 and 151.40 of the Revised Code during 86286  
the period from July 1, 2003, to June 30, 2005. If it is 86287  
determined that additional appropriations are necessary for this 86288  
purpose, such amounts are hereby appropriated. The General 86289  
Assembly acknowledges the priority of the pledge of a portion of 86290  
receipts from that source to obligations issued and to be issued 86291  
under Chapter 166. of the Revised Code. 86292

**ADMINISTRATIVE ASSESSMENTS** 86293

Notwithstanding any other provision of law to the contrary, 86294  
Fund 163, Division of Administration, shall receive assessments 86295  
from all operating funds of the department in accordance with 86296  
procedures prescribed by the Director of Commerce and approved by 86297  
the Director of Budget and Management. 86298

**Section 30. OCC OFFICE OF CONSUMERS' COUNSEL** 86299

General Services Fund Group 86300  
5F5 053-601 Operating Expenses \$ 9,277,519 \$ 9,277,519 86301  
TOTAL GSF General Services Fund \$ 9,277,519 \$ 9,277,519 86302  
Group  
TOTAL ALL BUDGET FUND GROUPS \$ 9,277,519 \$ 9,277,519 86303

**Section 31. CEB CONTROLLING BOARD** 86305

General Revenue Fund 86306  
GRF 911-401 Emergency \$ 5,000,000 \$ 5,000,000 86307  
Purposes/Contingencies  
GRF 911-404 Mandate Assistance \$ 1,462,500 \$ 1,462,500 86308  
GRF 911-441 Ballot Advertising \$ 887,500 \$ 487,500 86309  
Costs  
TOTAL GRF General Revenue Fund \$ 7,350,000 \$ 6,950,000 86310  
State Special Revenue Fund Group 86311  
5E2 911-601 Disaster Services \$ 4,000,000 \$ 0 86312  
TOTAL SSR State Special 86313



Revenue Fund Group	\$	4,000,000	\$	0	86314
TOTAL ALL BUDGET FUND GROUPS	\$	11,350,000	\$	6,950,000	86315

FEDERAL SHARE 86316

In transferring appropriations to or from appropriation items 86317  
that have federal shares identified in this act, the Controlling 86318  
Board shall add or subtract corresponding amounts of federal 86319  
matching funds at the percentages indicated by the state and 86320  
federal division of the appropriations in this act. Such changes 86321  
are hereby appropriated. 86322

DISASTER ASSISTANCE 86323

Pursuant to requests submitted by the Department of Public 86324  
Safety, the Controlling Board may approve transfers from the 86325  
Emergency Purposes Fund to a Department of Public Safety General 86326  
Revenue Fund appropriation item to provide funding for assistance 86327  
to political subdivisions made necessary by natural disasters or 86328  
emergencies. Such transfers may be requested and approved prior to 86329  
the occurrence of any specific natural disasters or emergencies in 86330  
order to facilitate the provision of timely assistance. 86331

SOUTHERN OHIO CORRECTIONAL FACILITY COST 86332

The Office of Criminal Justice Services and the Public 86333  
Defender Commission may each request, upon approval of the 86334  
Director of Budget and Management, additional funds from the 86335  
Emergency Purposes Fund for costs related to the disturbance that 86336  
occurred on April 11, 1993, at the Southern Ohio Correctional 86337  
Facility in Lucasville, Ohio. 86338

DISASTER SERVICES 86339

Pursuant to requests submitted by the Department of Public 86340  
Safety, the Controlling Board may approve transfers from the 86341  
foregoing appropriation item 911-601, Disaster Services, to a 86342  
Department of Public Safety General Revenue Fund appropriation 86343

item to provide for assistance to political subdivisions made 86344  
necessary by natural disasters or emergencies. These transfers may 86345  
be requested and approved prior to the occurrence of any specific 86346  
natural disasters or emergencies in order to facilitate the 86347  
provision of timely assistance. The Emergency Management Agency of 86348  
the Department of Public Safety shall use the funding for disaster 86349  
aid requests that meet the Emergency Management Agency's criteria 86350  
for assistance. 86351

The foregoing appropriation item 911-601, Disaster Services, 86352  
shall be used by the Controlling Board, pursuant to requests 86353  
submitted by state agencies, to transfer cash and appropriation 86354  
authority to any fund and appropriation item for the payment of 86355  
state agency program expenses as follows: 86356

(A) The southern Ohio flooding, referred to as 86357  
FEMA-DR-1164-OH; 86358

(B) The flood/storm disaster referred to as FEMA-DR-1227-OH; 86359

(C) The Southern Ohio flooding, referred to as 86360  
FEMA-DR-1321-OH; 86361

(D) The flooding referred to as FEMA-DR-1339-OH; 86362

(E) The tornado/storms referred to as FEMA-DR-1343-OH; 86363

(F) Other disasters declared by the Governor, if the Director 86364  
of Budget and Management determines that sufficient funds exist 86365  
beyond the expected program costs of these disasters. 86366

The unencumbered balance of appropriation item 911-601, 86367  
Disaster Services, at the end of fiscal year 2004 is transferred 86368  
to fiscal year 2005 for use under the same appropriation item. 86369

MANDATE ASSISTANCE 86370

(A) The foregoing appropriation item 911-404, Mandate 86371  
Assistance, shall be used to provide financial assistance to local 86372  
units of government, school districts, and fire departments for 86373

the cost of the following three unfunded state mandates:			86374
(1) The cost to county prosecutors for prosecuting certain felonies that occur on the grounds of state institutions operated by the Department of Rehabilitation and Correction and the Department of Youth Services;			86375 86376 86377 86378
(2) The cost, primarily to small villages and townships, of providing firefighter training and equipment or gear;			86379 86380
(3) The cost to school districts of in-service training for child abuse detection.			86381 86382
(B) The Department of Commerce, the Office of Criminal Justice Services, and the Department of Education may prepare and submit to the Controlling Board one or more requests to transfer appropriations from appropriation item 911-404, Mandate Assistance. The state agencies charged with this administrative responsibility are listed below, as well as the estimated annual amounts that may be used for each program of state financial assistance.			86383 86384 86385 86386 86387 86388 86389 86390
	ADMINISTERING	ESTIMATED ANNUAL	86391
PROGRAM	AGENCY	AMOUNT	86392
Prosecution Costs	Office of Criminal Justice Services	\$146,500	86393 86394
Firefighter Training Costs	Department of Commerce	\$731,000	86395
Child Abuse Detection Training Costs	Department of Education	\$585,000	86396
(C) Subject to the total amount appropriated in each fiscal year for appropriation item 911-404, Mandate Assistance, the Department of Commerce, the Office of Criminal Justice Services, and the Department of Education may request from the Controlling Board that amounts smaller or larger than these estimated annual amounts be transferred to each program.			86397 86398 86399 86400 86401 86402

(D) In addition to making the initial transfers requested by 86403  
the Department of Commerce, the Office of Criminal Justice 86404  
Services, and the Department of Education, the Controlling Board 86405  
may transfer appropriations received by a state agency under this 86406  
section back to appropriation item 911-404, Mandate Assistance, or 86407  
to one or more of the other programs of state financial assistance 86408  
identified under this section. 86409

(E) It is expected that not all costs incurred by local units 86410  
of government, school districts, and fire departments under each 86411  
of the three programs of state financial assistance identified 86412  
under this section will be fully reimbursed by the state. 86413  
Reimbursement levels may vary by program and shall be based on: 86414  
the relationship between the appropriation transfers requested by 86415  
the Department of Commerce, the Office of Criminal Justice 86416  
Services, and the Department of Education and provided by the 86417  
Controlling Board for each of the programs; the rules and 86418  
procedures established for each program by the administering state 86419  
agency; and the actual costs incurred by local units of 86420  
government, school districts, and fire departments. 86421

(F) Each of these programs of state financial assistance 86422  
shall be carried out as follows: 86423

(1) PROSECUTION COSTS 86424

(a) Appropriations may be transferred to the Office of 86425  
Criminal Justice Services to cover local prosecution costs for 86426  
aggravated murder, murder, felonies of the first degree, and 86427  
felonies of the second degree that occur on the grounds of 86428  
institutions operated by the Department of Rehabilitation and 86429  
Correction and the Department of Youth Services. 86430

(b) Upon a delinquency filing in juvenile court or the return 86431  
of an indictment for aggravated murder, murder, or any felony of 86432  
the first or second degree that was committed at a Department of 86433

Youth Services or a Department of Rehabilitation and Correction 86434  
institution, the affected county may, in accordance with rules 86435  
that the Office of Criminal Justice Services shall adopt, apply to 86436  
the Office of Criminal Justice Services for a grant to cover all 86437  
documented costs that are incurred by the county prosecutor's 86438  
office. 86439

(c) Twice each year, the Office of Criminal Justice Services 86440  
shall designate counties to receive grants from those counties 86441  
that have submitted one or more applications in compliance with 86442  
the rules that have been adopted by the Office of Criminal Justice 86443  
Services for the receipt of such grants. In each year's first 86444  
round of grant awards, if sufficient appropriations have been 86445  
made, up to a total of \$100,000 may be awarded. In each year's 86446  
second round of grant awards, the remaining appropriations 86447  
available for this purpose may be awarded. 86448

(d) If for a given round of grants there are insufficient 86449  
appropriations to make grant awards to all the eligible counties, 86450  
the first priority shall be given to counties with cases involving 86451  
aggravated murder and murder; second priority shall be given to 86452  
cases involving a felony of the first degree; and third priority 86453  
shall be given to cases involving a felony of the second degree. 86454  
Within these priorities, the grant awards shall be based on the 86455  
order in which the applications were received, except that 86456  
applications for cases involving a felony of the first or second 86457  
degree shall not be considered in more than two consecutive rounds 86458  
of grant awards. 86459

(2) FIREFIGHTER TRAINING COSTS 86460

Appropriations may be transferred to the Department of 86461  
Commerce for use as full or partial reimbursement to local units 86462  
of government and fire departments for the cost of firefighter 86463  
training and equipment or gear. In accordance with rules that the 86464  
department shall adopt, a local unit of government or fire 86465

department may apply to the department for a grant to cover all 86466  
documented costs that are incurred to provide firefighter training 86467  
and equipment or gear. The department shall make grants within the 86468  
limits of the funding provided, with priority given to fire 86469  
departments that serve small villages and townships. 86470

(3) CHILD ABUSE DETECTION TRAINING COSTS 86471

Appropriations may be transferred to the Department of 86472  
Education for disbursement to local school districts as full or 86473  
partial reimbursement for the cost of providing in-service 86474  
training for child abuse detection. In accordance with rules that 86475  
the department shall adopt, a local school district may apply to 86476  
the department for a grant to cover all documented costs that are 86477  
incurred to provide in-service training for child abuse detection. 86478  
The department shall make grants within the limits of the funding 86479  
provided. 86480

(G) Any moneys allocated within appropriation item 911-404, 86481  
Mandate Assistance, not fully utilized may, upon application of 86482  
the Ohio Public Defender Commission, and with the approval of the 86483  
Controlling Board, be disbursed to boards of county commissioners 86484  
to provide additional reimbursement for the costs incurred by 86485  
counties in providing defense to indigent defendants pursuant to 86486  
Chapter 120. of the Revised Code. 86487

The amount to be disbursed to each county shall be allocated 86488  
proportionately on the basis of the total amount of reimbursement 86489  
paid to each county as a percentage of the amount of reimbursement 86490  
paid to all of the counties during the most recent state fiscal 86491  
year for which data is available and as calculated by the Ohio 86492  
Public Defender Commission. 86493

BALLOT ADVERTISING COSTS 86494

Pursuant to requests submitted by the Ohio Ballot Board, the 86495  
Controlling Board shall approve transfers from the foregoing 86496

appropriation item 911-441, Ballot Advertising Costs, to an Ohio 86497  
 Ballot Board appropriation item in order to reimburse county 86498  
 boards of elections for the cost of public notices associated with 86499  
 statewide ballot initiatives. 86500

Of the foregoing appropriation item 911-441, Ballot 86501  
 Advertising Costs, the Director of Budget and Management shall 86502  
 transfer any amounts that are not needed for the purpose of 86503  
 reimbursing county boards of elections for the cost of public 86504  
 notices associated with statewide ballot initiatives to 86505  
 appropriation item 911-404, Mandate Assistance. 86506

**Section 32. COS STATE BOARD OF COSMETOLOGY** 86507

General Services Fund Group 86508  
 4K9 879-609 Operating Expenses \$ 2,681,359 \$ 2,822,359 86509  
 TOTAL GSF General Services Fund 86510  
 Group \$ 2,681,359 \$ 2,822,359 86511  
 TOTAL ALL BUDGET FUND GROUPS \$ 2,681,359 \$ 2,822,359 86512

**Section 33. CSW COUNSELOR, SOCIAL WORKER, AND MARRIAGE AND** 86514  
**FAMILY THERAPIST BOARD** 86515

General Services Fund Group 86516  
 4K9 899-609 Operating Expenses \$ 1,021,524 \$ 1,044,812 86517  
 TOTAL GSF General Services Fund 86518  
 Group \$ 1,021,524 \$ 1,044,812 86519  
 TOTAL ALL BUDGET FUND GROUPS \$ 1,021,524 \$ 1,044,812 86520

**Section 34. CLA COURT OF CLAIMS** 86522

General Revenue Fund 86523  
 GRF 015-321 Operating Expenses \$ 2,452,000 \$ 2,477,000 86524  
 TOTAL GRF General Revenue Fund \$ 2,452,000 \$ 2,477,000 86525  
 State Special Revenue Fund Group 86526  
 5K2 015-603 CLA Victims of Crime \$ 1,532,043 \$ 1,582,684 86527

TOTAL SSR State Special Revenue				86528
Fund Group	\$	1,532,043	\$ 1,582,684	86529
TOTAL ALL BUDGET FUND GROUPS	\$	3,984,043	\$ 4,059,684	86530
OFFICE SPACE RENTAL EXPENSES				86531
Of the foregoing appropriation item 015-321, Operating				86532
Expenses, in fiscal year 2005, \$302,000 shall be for the purpose				86533
of paying fiscal year 2005 office space rental expenses. Upon				86534
approval of the Controlling Board, the Court of Claims may expend				86535
up to \$302,000 for the purpose of paying fiscal year 2005 office				86536
space rental expenses.				86537
<b>Section 35. CJS OFFICE OF CRIMINAL JUSTICE SERVICES</b>				86538
General Revenue Fund				86539
GRF 196-401 Criminal Justice	\$	534,570	\$ 520,503	86540
Information System				
GRF 196-403 Center for Violence	\$	20,000	\$ 20,000	86541
Prevention				
GRF 196-405 Violence Prevention	\$	707,076	\$ 688,469	86542
Subsidy				
GRF 196-424 Operating Expenses	\$	1,431,371	\$ 1,427,971	86543
TOTAL GRF General Revenue Fund	\$	2,693,017	\$ 2,656,943	86544
General Services Fund Group				86545
4P6 196-601 General Services	\$	135,450	\$ 86,500	86546
TOTAL GSF Services Fund Group	\$	135,450	\$ 86,500	86547
Federal Special Revenue Fund Group				86548
3L5 196-604 Justice Program	\$	30,334,908	\$ 30,311,870	86549
3U1 196-602 Criminal Justice	\$	1,000,000	\$ 0	86550
Federal Programs				
3V8 196-605 Federal Program	\$	250,000	\$ 0	86551
Purposes FFY 01				
TOTAL FED Federal Special Revenue	\$	31,584,908	\$ 30,311,870	86552





year 1999. 86582

**Section 36. DEN STATE DENTAL BOARD 86583**

General Services Fund Group 86584

4K9 880-609 Operating Expenses \$ 1,324,456 \$ 1,346,656 86585

TOTAL GSF General Services Fund 86586

Group \$ 1,324,456 \$ 1,346,656 86587

TOTAL ALL BUDGET FUND GROUPS \$ 1,324,456 \$ 1,346,656 86588

**Section 37. BDP BOARD OF DEPOSIT 86590**

General Services Fund Group 86591

4M2 974-601 Board of Deposit \$ 1,676,000 \$ 1,676,000 86592

TOTAL GSF General Services Fund 86593

Group \$ 1,676,000 \$ 1,676,000 86594

TOTAL ALL BUDGET FUND GROUPS \$ 1,676,000 \$ 1,676,000 86595

**BOARD OF DEPOSIT EXPENSE FUND 86596**

Upon receiving certification of expenses from the Treasurer 86597

of State, the Director of Budget and Management shall transfer 86598

cash from the Investment Earnings Redistribution Fund (Fund 608) 86599

to the Board of Deposit Expense Fund (Fund 4M2). The latter fund 86600

shall be used to pay for banking charges and fees required for the 86601

operation of the State of Ohio Regular Account. 86602

**Section 38. DEV DEPARTMENT OF DEVELOPMENT 86603**

General Revenue Fund 86604

GRF 195-321 Operating Expenses \$ 2,695,236 \$ 3,020,115 86605

GRF 195-401 Thomas Edison Program \$ 16,634,934 \$ 16,334,934 86606

GRF 195-404 Small Business \$ 1,740,722 \$ 1,740,722 86607

Development

GRF 195-405 Minority Business \$ 1,620,755 \$ 1,669,378 86608

Development Division

GRF 195-407 Travel and Tourism \$ 6,049,345 \$ 7,049,345 86609

GRF 195-410	Defense Conversion Assistance	\$	1,500,000	\$	0	86610
GRF 195-412	Business Development Grants	\$	8,905,530	\$	8,905,530	86611
GRF 195-414	First Frontier Match	\$	389,987	\$	389,987	86612
GRF 195-415	Economic Development Division and Regional Offices	\$	5,594,975	\$	5,594,975	86613
GRF 195-416	Governor's Office of Appalachia	\$	4,372,324	\$	4,372,324	86614
GRF 195-417	Urban/Rural Initiative	\$	589,390	\$	589,390	86615
GRF 195-422	Third Frontier Action Fund	\$	16,790,000	\$	16,790,000	86616
GRF 195-426	Clean Ohio Administration	\$	518,730	\$	518,730	86617
GRF 195-432	International Trade	\$	4,492,713	\$	4,492,713	86618
GRF 195-434	Investment in Training Grants	\$	12,227,500	\$	12,227,500	86619
GRF 195-436	Labor/Management Cooperation	\$	811,869	\$	811,869	86620
GRF 195-497	CDBG Operating Match	\$	1,107,400	\$	1,107,400	86621
GRF 195-498	State Energy Match	\$	100,000	\$	100,000	86622
GRF 195-501	Appalachian Local Development Districts	\$	380,080	\$	380,080	86623
GRF 195-502	Appalachian Regional Commission Dues	\$	238,274	\$	246,803	86624
GRF 195-507	Travel and Tourism Grants	\$	1,025,000	\$	1,025,000	86625
GRF 195-515	Economic Development Contingency	\$	10,000,000	\$	10,000,000	86626
GRF 195-516	Shovel Ready Sites	\$	2,500,000	\$	2,500,000	86627
GRF 195-905	Third Frontier Research &	\$	0	\$	7,360,000	86628

	Commercialization				
	General Obligation				
	Debt Service				
TOTAL GRF	General Revenue Fund	\$	100,284,764	\$	107,226,795
					86629
	General Services Fund Group				86630
135	195-605 Supportive Services	\$	7,417,068	\$	7,539,686
					86631
136	195-621 International Trade	\$	24,915	\$	24,915
					86632
685	195-636 General Reimbursements	\$	1,316,012	\$	1,232,530
					86633
TOTAL GSF	General Services Fund				86634
	Group	\$	8,757,995	\$	8,797,131
					86635
	Federal Special Revenue Fund Group				86636
3K8	195-613 Community Development	\$	65,000,000	\$	65,000,000
	Block Grant				86637
3K9	195-611 Home Energy Assistance	\$	85,036,000	\$	85,036,000
	Block Grant				86638
3K9	195-614 HEAP Weatherization	\$	16,219,479	\$	16,219,479
					86639
3L0	195-612 Community Services	\$	25,235,000	\$	25,235,000
	Block Grant				86640
3V1	195-601 HOME Program	\$	40,000,000	\$	40,000,000
					86641
308	195-602 Appalachian Regional	\$	350,200	\$	350,200
	Commission				86642
308	195-603 Housing and Urban	\$	5,000,000	\$	5,000,000
	Development				86643
308	195-605 Federal Projects	\$	15,300,248	\$	15,300,248
					86644
308	195-609 Small Business	\$	4,196,381	\$	4,296,381
	Administration				86645
308	195-618 Energy Federal Grants	\$	3,397,659	\$	3,397,659
					86646
335	195-610 Oil Overcharge	\$	8,500,000	\$	8,500,000
					86647
380	195-622 Housing Development	\$	5,606,080	\$	5,667,627
	Operating				86648
TOTAL FED	Federal Special Revenue				86649
	Fund Group	\$	273,841,047	\$	274,002,594
					86650

State Special Revenue Fund Group				86651
4F2 195-639 State Special Projects	\$	540,183	\$ 290,183	86652
4H4 195-641 First Frontier	\$	500,000	\$ 500,000	86653
4S0 195-630 Enterprise Zone	\$	211,900	\$ 211,900	86654
Operating				
4S1 195-634 Job Creation Tax	\$	375,800	\$ 375,800	86655
Credit Operating				
4W1 195-646 Minority Business	\$	2,580,597	\$ 2,580,597	86656
Enterprise Loan				
444 195-607 Water and Sewer	\$	523,775	\$ 523,775	86657
Commission Loans				
445 195-617 Housing Finance	\$	5,040,843	\$ 4,983,738	86658
Operating				
450 195-624 Minority Business	\$	13,563	\$ 13,563	86659
Bonding Program				
Administration				
451 195-625 Economic Development	\$	2,358,310	\$ 2,358,310	86660
Financing Operating				
5M4 195-659 Universal Service	\$	170,000,000	\$ 170,000,000	86661
5M5 195-660 Energy Efficiency	\$	12,000,000	\$ 12,000,000	86662
Revolving Loan				
611 195-631 Water and Sewer	\$	15,713	\$ 15,713	86663
Administration				
617 195-654 Volume Cap	\$	200,000	\$ 200,000	86664
Administration				
646 195-638 Low and Moderate	\$	40,000,000	\$ 40,000,000	86665
Income Housing Trust				
Fund				
TOTAL SSR State Special Revenue				86666
Fund Group	\$	234,360,684	\$ 234,053,579	86667
Facilities Establishment Fund Group				86668
009 195-664 Innovation Ohio	\$	50,000,000	\$ 55,000,000	86669

037	195-615	Facilities	\$	63,931,149	\$	63,931,149	86670
		Establishment					
4Z6	195-647	Rural Industrial Park	\$	5,000,000	\$	5,000,000	86671
		Loan					
5D2	195-650	Urban Redevelopment	\$	10,475,000	\$	10,475,000	86672
		Loans					
5H1	195-652	Family Farm Loan	\$	1,500,000	\$	1,500,000	86673
		Guarantee					
5S8	195-627	Rural Development	\$	5,000,000	\$	5,000,000	86674
		Initiative					
5S9	195-628	Capital Access Loan	\$	3,000,000	\$	3,000,000	86675
		Program					
TOTAL	037	Facilities					86676
		Establishment Fund Group	\$	138,906,149	\$	143,906,149	86677
		Clean Ohio Revitalization Fund					86678
003	195-663	Clean Ohio Operating	\$	150,000	\$	150,000	86679
TOTAL	003	Clean Ohio Revitalization	\$	150,000	\$	150,000	86680
		Fund					
TOTAL	ALL BUDGET FUND GROUPS		\$	756,300,639	\$	768,136,248	86681

**Section 38.01. THOMAS EDISON PROGRAM** 86683

The foregoing appropriation item 195-401, Thomas Edison 86684  
Program, shall be used for the purposes of sections 122.28 to 86685  
122.38 of the Revised Code in order to provide funds for 86686  
cooperative public and private efforts in technological innovation 86687  
to promote the development and transfer of technology by and to 86688  
Ohio businesses that will lead to the creation of jobs, and to 86689  
provide for the administration of this program by the Technology 86690  
Division. 86691

Of the foregoing appropriation item 195-401, Thomas Edison 86692  
Program, not more than \$2,000,000 in fiscal year 2004 and 86693  
\$2,300,000 in fiscal year 2005 shall be used for operating 86694

expenditures in administering the programs of the Technology 86695  
Division. 86696

**Section 38.02. SMALL BUSINESS DEVELOPMENT** 86697

The foregoing appropriation item 195-404, Small Business 86698  
Development, shall be used to ensure that the unique needs and 86699  
concerns of small businesses are addressed. 86700

The foregoing appropriation item 195-404, Small Business 86701  
Development, may be used to provide grants to local organizations 86702  
to support the operation of Small Business Development Centers and 86703  
other local economic development activity promoting small 86704  
business, and for the cost of administering the small business 86705  
development center program. The centers shall provide technical, 86706  
financial, and management consultation for small business and 86707  
shall facilitate access to state and federal programs. These funds 86708  
shall be used as matching funds for grants from the United States 86709  
Small Business Administration and other federal agencies, pursuant 86710  
to Public Law No. 96-302 (1980) as amended by Public Law No. 86711  
98-395 (1984), and regulations and policy guidelines for the 86712  
programs under this law. 86713

In addition, the Office of Small Business may operate the 86714  
1st-Stop Business Connection and implement and coordinate the 86715  
duties imposed on the Department of Development by Am. Sub. S.B. 86716  
239 of the 115th General Assembly. 86717

**MINORITY BUSINESS DEVELOPMENT DIVISION** 86718

Of the foregoing appropriation item 195-405, Minority 86719  
Business Development Division, up to \$1,060,000 but not less than 86720  
\$954,000 in each fiscal year shall be used to fund minority 86721  
contractors and business assistance organizations. The Minority 86722  
Business Development Division shall determine which cities need 86723  
minority contractors and business assistance organizations by 86724

utilizing United States Census Bureau data and zip codes to locate 86725  
the highest concentrations of minority businesses. The Minority 86726  
Business Development Division also shall determine the numbers of 86727  
minority contractors and business assistance organizations 86728  
necessary and the amount of funding to be provided each. In 86729  
addition, the Minority Business Development Division shall 86730  
continue to plan and implement business conferences. 86731

**Section 38.03. OHIO PREPAREDNESS FOR BRAC-2005** 86732

The foregoing appropriation item 195-410, Defense Conversion 86733  
Assistance, shall be used for grants to local communities to pay 86734  
for the costs associated with the research and preparation of 86735  
response plans for military installations in Ohio, including 86736  
Wright Patterson Air Force Base, Springfield Air National Guard 86737  
Base, and other Ohio military installations in the state for the 86738  
U.S. Department of Defense Base Realignment and Closure (BRAC) 86739  
2005 Program. The grants shall contain requirements for cost 86740  
sharing to evidence the commitment of local communities to this 86741  
process. The Director of Development may reserve up to five per 86742  
cent of the appropriation for contingency and administration 86743  
support. 86744

**Section 38.04. BUSINESS DEVELOPMENT** 86745

The foregoing appropriation item 195-412, Business 86746  
Development Grants, shall be used as an incentive for attracting 86747  
and retaining business opportunities for the state. Any such 86748  
business opportunity, whether new, expanding, or relocating in 86749  
Ohio, is eligible for funding. The project must create or retain a 86750  
significant number of jobs for Ohioans. Grant awards may be 86751  
considered only when (1) the project's viability hinges on an 86752  
award of funds from appropriation item 195-412, Business 86753  
Development Grants; (2) all other public or private sources of 86754



financing have been considered; or (3) the funds act as a catalyst 86755  
for the infusion into the project of other financing sources. 86756

The department's primary goal shall be to award funds to 86757  
political subdivisions of the state for off-site infrastructure 86758  
improvements. In order to meet the particular needs of economic 86759  
development in a region, the department may elect to award funds 86760  
directly to a business for on-site infrastructure improvements. 86761  
"Infrastructure improvements" mean improvements to water system 86762  
facilities, sewer and sewage treatment facilities, electric or gas 86763  
service facilities, fiber optic facilities, rail facilities, site 86764  
preparation, and parking facilities. The Director of Development 86765  
may recommend the funds be used in an alternative manner when 86766  
deemed appropriate to meet an extraordinary economic development 86767  
opportunity or need. 86768

The foregoing appropriation item 195-412, Business 86769  
Development Grants, may be expended only after the submission of a 86770  
request to the Controlling Board by the Department of Development 86771  
outlining the planned use of the funds, and the subsequent 86772  
approval of the request by the Controlling Board. 86773

The foregoing appropriation item 195-412, Business 86774  
Development Grants, may be used for, but is not limited to, 86775  
construction, rehabilitation, and acquisition projects for rail 86776  
freight assistance as requested by the Department of 86777  
Transportation. The Director of Transportation shall submit the 86778  
proposed projects to the Director of Development for an evaluation 86779  
of potential economic benefit. 86780

**Section 38.05. FIRST FRONTIER MATCH** 86781

The foregoing appropriation item 195-414, First Frontier 86782  
Match, shall be used as matching funds to targeted counties for 86783  
the purpose of marketing state, regional, and local 86784  
characteristics that may attract economic development. "Targeted 86785

counties" mean counties that have a population of less than 86786  
175,000 residents. The appropriation may be used either for 86787  
marketing programs by individual targeted counties or for regional 86788  
marketing campaigns that are marketing programs in which at least 86789  
one targeted county is participating with one or more other 86790  
targeted counties or larger counties. 86791

ECONOMIC DEVELOPMENT DIVISION AND REGIONAL OFFICES 86792

The foregoing appropriation item 195-415, Economic 86793  
Development Division and Regional Offices, shall be used for the 86794  
operating expenses of the Economic Development Division and the 86795  
regional economic development offices and for grants for 86796  
cooperative economic development ventures. 86797

**Section 38.06.** GOVERNOR'S OFFICE OF APPALACHIA 86798

The foregoing appropriation item 195-416, Governor's Office 86799  
of Appalachia, shall be used for the administrative costs of 86800  
planning and liaison activities for the Governor's Office of 86801  
Appalachia. Funds not expended for planning and liaison activities 86802  
may be expended for special project grants within the Appalachian 86803  
Region. 86804

Of the foregoing appropriation item 195-416, Governor's 86805  
Office of Appalachia, up to \$250,000 each fiscal year shall be 86806  
used to match federal funds from the Appalachian Regional 86807  
Commission to provide job training to impact the Appalachian 86808  
Region. 86809

Of the foregoing appropriation item 195-416, Governor's 86810  
Office of Appalachia, up to \$4,372,324 in each fiscal year shall 86811  
be used in conjunction with other federal and state funds to 86812  
provide financial assistance to projects in Ohio's Appalachian 86813  
counties in order to further the goals of the Appalachian Regional 86814  
Commission. Such projects and project sponsors shall meet 86815

Appalachian Regional Commission eligibility requirements. Grants 86816  
shall be administered by the Department of Development. 86817

URBAN/RURAL INITIATIVE 86818

The foregoing appropriation item 195-417, Urban/Rural 86819  
Initiative, shall be used to make grants in accordance with 86820  
sections 122.19 to 122.22 of the Ohio Revised Code. 86821

**Section 38.07. THIRD FRONTIER ACTION FUND** 86822

The foregoing appropriation item 195-422, Third Frontier 86823  
Action Fund, shall be used to make grants in accordance with 86824  
sections 184.01 and 184.02 of the Revised Code. Prior to the 86825  
release of funds from appropriation item 195-422, Third Frontier 86826  
Action Fund, each grant award shall be recommended for funding by 86827  
the Third Frontier Commission and obtain approval from the 86828  
Controlling Board. 86829

Of the foregoing appropriation item 195-422, Third Frontier 86830  
Action Fund, not more than six per cent in each fiscal year shall 86831  
be used for operating expenditures in administering the program. 86832

In addition to the six per cent for operating expenditures, 86833  
an additional administrative amount, not to exceed \$1,500,000 86834  
within the biennium, shall be available for proposal evaluation, 86835  
research and analyses, and marketing efforts deemed necessary to 86836  
receive and disseminate information about science and 86837  
technology-related opportunities in the state. 86838

SCIENCE AND TECHNOLOGY COLLABORATION 86839

The Department of Development shall work in close 86840  
collaboration with the Board of Regents and the Third Frontier 86841  
Commission in relation to appropriation items and programs listed 86842  
in the following paragraph, and other technology-related 86843  
appropriations and programs in the Department of Development, the 86844  
Board of Regents, and Air Quality Development Authority, as those 86845

agencies may designate, to ensure implementation of a coherent 86846  
state strategy with respect to science and technology. 86847

Each of the following appropriations and programs: 195-401, 86848  
Thomas Edison Program; 898-402, Coal Development Office; 195-422, 86849  
Third Frontier Action Fund; 898-604, Coal Research and Development 86850  
Fund; 235-454, Research Challenge; 235-510, Ohio Supercomputer 86851  
Center; 235-527, Ohio Aerospace Institute; 235-535, Agricultural 86852  
Research and Development Center; 235-553, Dayton Area Graduate 86853  
Studies Institute; 235-554, Computer Science Graduate Education; 86854  
235-556, Ohio Academic Resources Network; and 195-435, Biomedical 86855  
Research and Technology Transfer Trust, shall be reviewed annually 86856  
by the Third Frontier Commission with respect to its development 86857  
of complementary relationships within a combined state science and 86858  
technology investment portfolio and its overall contribution to 86859  
the state's science and technology strategy, including the 86860  
adoption of appropriately consistent criteria for: (1) the 86861  
scientific merit of activities supported by the program; (2) the 86862  
relevance of the program's activities to commercial opportunities 86863  
in the private sector; (3) the private sector's involvement in a 86864  
process that continually evaluates commercial opportunities to use 86865  
the work supported by the program; and (4) the ability of the 86866  
program and recipients of grant funding from the program to engage 86867  
in activities that are collaborative, complementary, and efficient 86868  
with respect to the expenditure of state funds. 86869

All programs listed in the preceding paragraph shall provide 86870  
annual reports to the Third Frontier Commission discussing 86871  
existing, planned, or possible collaborations between programs and 86872  
recipients of grant funding related to technology, development, 86873  
commercialization, and supporting Ohio's economic development. The 86874  
annual review by the Third Frontier Commission shall be a 86875  
comprehensive review of the entire state science and technology 86876  
program portfolio rather than a review of individual programs. 86877

**Section 38.08. INTERNATIONAL TRADE** 86878

The foregoing appropriation item 195-432, International Trade, shall be used to operate and to maintain Ohio's out-of-state trade offices. 86879  
86880  
86881

The Director of Development may enter into contracts with foreign nationals to staff foreign offices. Such contracts may be paid in local currency or United States currency and shall be exempt from the provisions of section 127.16 of the Revised Code. The director also may establish foreign currency accounts in accordance with section 122.05 of the Revised Code for the payment of expenses related to the operation and maintenance of the foreign trade offices. 86882  
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The foregoing appropriation item 195-432, International Trade, shall be used to fund the International Trade Division and to assist Ohio manufacturers and agricultural producers in exporting to foreign countries in conjunction with the Department of Agriculture. 86890  
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86893  
86894

Of the foregoing appropriation item 195-432, International Trade, up to \$35,000 may be used to purchase gifts for representatives of foreign governments or dignitaries of foreign countries. 86895  
86896  
86897  
86898

**Section 38.09. OHIO INVESTMENT IN TRAINING PROGRAM** 86899

The foregoing appropriation item 195-434, Investment in Training Grants, shall be used to promote training through grants for the reimbursement of eligible training expenses. 86900  
86901  
86902

**Section 38.10. CDBG OPERATING MATCH** 86903

The foregoing appropriation item 195-497, CDBG Operating Match, shall be used to provide matching funds as requested by the 86904  
86905

United States Department of Housing and Urban Development to 86906  
administer the federally funded Community Development Block Grant 86907  
(CDBG) program. 86908

STATE OPERATING MATCH 86909

The foregoing appropriation item 195-498, State Energy Match, 86910  
shall be used to provide matching funds as required by the United 86911  
States Department of Energy to administer the federally funded 86912  
State Energy Plan. 86913

**Section 38.11. TRAVEL AND TOURISM GRANTS** 86914

The foregoing appropriation item 195-507, Travel and Tourism 86915  
Grants, shall be used to provide grants to local organizations to 86916  
support various local travel and tourism events in Ohio. 86917

Of the foregoing appropriation item 195-507, Travel and 86918  
Tourism Grants, up to \$160,000 in each fiscal year of the biennium 86919  
may be used to support the outdoor dramas Trumpet in the Land, 86920  
Blue Jacket, Tecumseh, and the Becky Thatcher Showboat Drama; 86921  
\$40,000 in each fiscal year shall be used for the Cincinnati Film 86922  
Commission; \$40,000 in each fiscal year shall be used for the 86923  
Cleveland Film Commission; \$600,000 in each fiscal year shall be 86924  
used for grants to the International Center for the Preservation 86925  
of Wild Animals; \$120,000 in each fiscal year shall be used for 86926  
the Ottawa County Visitors Bureau, the Sandusky/Erie County 86927  
Visitors and Convention Bureau, and the Lorain County Visitors 86928  
Bureau for collaborative efforts to promote tourism; \$25,000 in 86929  
each fiscal year shall be used for the Ohio River Trails Program; 86930  
\$40,000 in fiscal year 2004 shall be used for the United States 86931  
Senior Open in Toledo; \$20,000 in fiscal year 2005 for the 86932  
Professional Football Hall of Fame; and \$20,000 in fiscal year 86933  
2005 for the Cuyahoga Valley Scenic Railroad. 86934

**Section 38.12. SHOVEL READY SITES** 86935

The foregoing appropriation item 195-516, Shovel Ready Sites, 86936  
shall be used for the Shovel Ready Sites Program. 86937

The Director of Development shall contract for pilot projects 86938  
with three port authorities, two of which shall be from urban 86939  
counties with populations of at least 200,000 but not more than 86940  
600,000 residents, and one of which shall be from a rural county. 86941  
The appropriation shall be used to leverage federal funds, local 86942  
funds, or both, to provide grants for the preparation of sites for 86943  
immediate construction for infrastructure in the state. 86944

**Section 38.13. THIRD FRONTIER RESEARCH & COMMERCIALIZATION** 86945  
**GENERAL OBLIGATION DEBT SERVICE** 86946

The foregoing appropriation item 195-905, Third Frontier 86947  
Research & Commercialization General Obligation Debt Service, 86948  
shall be used to pay all debt service and related financing costs 86949  
during the period from July 1, 2003, to June 30, 2005, on 86950  
obligations to be issued for research and development purposes 86951  
under Section 2p of Article VIII, Ohio Constitution, and 86952  
implementing legislation. The Office of the Sinking Fund or the 86953  
Director of Budget and Management shall effectuate the required 86954  
payments by an intrastate transfer voucher. 86955

**Section 38.14. SUPPORTIVE SERVICES** 86956

The Director of Development may assess divisions of the 86957  
department for the cost of central service operations. Such an 86958  
assessment shall be based on a plan submitted to and approved by 86959  
the Office of Budget and Management by the first day of August of 86960  
each fiscal year, and contain the characteristics of 86961  
administrative ease and uniform application. 86962

A division's payments shall be credited to the Supportive 86963  
Services Fund (Fund 135) using an intrastate transfer voucher. 86964

GENERAL REIMBURSEMENT	86965
The foregoing appropriation item 195-636, General Reimbursements, shall be used for conference and subscription fees and other reimbursable costs. Revenues to the General Reimbursement Fund (Fund 685) shall consist of fees and other moneys charged for conferences, subscriptions, and other administrative costs that are not central service costs.	86966 86967 86968 86969 86970 86971
<b>Section 38.15. TRAINING SERVICES</b>	86972
Of the foregoing appropriation item 195-605, Federal Projects, \$400,000 in each fiscal year shall be used for grants to the Ohio Weatherization Training Center, administered by the Corporation for Ohio Appalachian Development, for training and technical assistance services.	86973 86974 86975 86976 86977
<b>Section 38.16. HEAP WEATHERIZATION</b>	86978
Fifteen per cent of the federal funds received by the state for the Home Energy Assistance Block Grant shall be deposited in appropriation item 195-614, HEAP Weatherization (Fund 3K9), and shall be used to provide home weatherization services in the state.	86979 86980 86981 86982 86983
Of the foregoing appropriation item 195-614, HEAP Weatherization, \$200,000 in each fiscal year shall be used for grants to the Ohio Weatherization Training Center, administered by the Corporation for Ohio Appalachian Development, for training and technical assistance services.	86984 86985 86986 86987 86988
STATE SPECIAL PROJECTS	86989
The foregoing appropriation item 195-639, State Special Projects, shall be used as a general account for the deposit of private-sector funds from utility companies and other miscellaneous state funds. Private-sector moneys shall be used to	86990 86991 86992 86993



(1) pay the expenses of verifying the income-eligibility of HEAP 86994  
applicants, (2) market economic development opportunities in the 86995  
state, and (3) leverage additional federal funds. State funds 86996  
shall be used to match federal housing grants for the homeless. 86997

**Section 38.17. MINORITY BUSINESS ENTERPRISE LOAN** 86998

All repayments from the Minority Development Financing 86999  
Advisory Board loan program and the Ohio Mini-Loan Guarantee 87000  
Program shall be deposited in the State Treasury to the credit of 87001  
the Minority Business Enterprise Loan Fund (Fund 4W1). 87002

All operating costs of administering the Minority Business 87003  
Enterprise Loan Fund shall be paid from the Minority Business 87004  
Enterprise Loan Fund (Fund 4WI). 87005

**MINORITY BUSINESS BONDING FUND** 87006

Notwithstanding Chapters 122., 169., and 175. of the Revised 87007  
Code and other provisions of Am. Sub. H.B. 283 of the 123rd 87008  
General Assembly, the Director of Development may, upon the 87009  
recommendation of the Minority Development Financing Advisory 87010  
Board, pledge up to \$10,000,000 in the 2003-2005 biennium of 87011  
unclaimed funds administered by the Director of Commerce and 87012  
allocated to the Minority Business Bonding Program pursuant to 87013  
section 169.05 of the Revised Code. The transfer of any cash by 87014  
the Director of Budget and Management from the Department of 87015  
Commerce's Unclaimed Funds Fund (Fund 543) to the Department of 87016  
Development's Minority Business Bonding Fund (Fund 449) shall 87017  
occur, if requested by the Director of Development, only if such 87018  
funds are needed for payment of losses arising from the Minority 87019  
Business Bonding Program, and only after proceeds of the initial 87020  
transfer of \$2,700,000 by the Controlling Board to the Minority 87021  
Business Bonding Program has been used for that purpose. Moneys 87022  
transferred by the Director of Budget and Management from the 87023  
Department of Commerce for this purpose may be moneys in custodial 87024

funds held by the Treasurer of State. If expenditures are required 87025  
for payment of losses arising from the Minority Business Bonding 87026  
Program, such expenditures shall be made from appropriation item 87027  
195-623, Minority Business Bonding Contingency in the Minority 87028  
Business Bonding Fund, and such amounts are appropriated. 87029

MINORITY BUSINESS BONDING PROGRAM ADMINISTRATION 87030

Investment earnings of the Minority Business Bonding Fund 87031  
(Fund 449) shall be credited to the Minority Business Bonding 87032  
Program Administration Fund (Fund 450). 87033

**Section 38.18.** ECONOMIC DEVELOPMENT FINANCING OPERATING 87034

The foregoing appropriation item 195-625, Economic 87035  
Development Financing Operating, shall be used for the operating 87036  
expenses of financial assistance programs authorized under Chapter 87037  
166. of the Revised Code and under sections 122.43 and 122.45 of 87038  
the Revised Code. 87039

VOLUME CAP ADMINISTRATION 87040

The foregoing appropriation item 195-654, Volume Cap 87041  
Administration, shall be used for expenses related to the 87042  
administration of the Volume Cap Program. Revenues received by the 87043  
Volume Cap Administration Fund (Fund 617) shall consist of 87044  
application fees, forfeited deposits, and interest earned from the 87045  
custodial account held by the Treasurer of State. 87046

UNIVERSAL SERVICE FUND 87047

The foregoing appropriation item 195-659, Universal Service, 87048  
shall be used to provide payments to regulated electric utility 87049  
companies for low-income customers enrolled in Percentage of 87050  
Income Payment Plan (PIPP) electric accounts, to fund targeted 87051  
energy efficiency and customer education services to PIPP 87052  
customers, and to cover the department's administrative costs 87053  
related to the Universal Service Fund Programs. 87054

ENERGY EFFICIENCY REVOLVING LOAN FUND 87055

The foregoing appropriation item 195-660, Energy Efficiency 87056  
Revolving Loan, shall be used to provide financial assistance to 87057  
customers for eligible energy efficiency projects for residential, 87058  
commercial and industrial business, local government, educational 87059  
institution, nonprofit, and agriculture customers, and to pay for 87060  
the program's administrative costs as provided in the Revised Code 87061  
and rules adopted by the Director of Development. 87062

GLOBAL ANALYST SETTLEMENT AGREEMENTS PAYMENTS 87063

All payments received by the state pursuant to a series of 87064  
settlements with ten brokerage firms reached with the United 87065  
States Securities and Exchange Commission, the National 87066  
Association of Securities Dealers, the New York Stock Exchange, 87067  
the New York Attorney General, and other state regulators, 87068  
(henceforth referred to as the "Global Analysts Settlement 87069  
Agreements") shall be deposited into the state treasury to the 87070  
credit of the Economic Development Contingency Fund (Fund 5Y6), 87071  
which is hereby created in the state treasury. The fund shall be 87072  
used by the Director of Development to support economic 87073  
development projects for which appropriations would not otherwise 87074  
be available, and shall be subject to the submission of a request 87075  
to the Controlling Board by the Director outlining the planned use 87076  
of the funds, and the subsequent approval of the request by the 87077  
Controlling Board. 87078

**Section 38.19.** FACILITIES ESTABLISHMENT FUND 87079

The foregoing appropriation item 195-615, Facilities 87080  
Establishment (Fund 037), shall be used for the purposes of the 87081  
Facilities Establishment Fund under Chapter 166. of the Revised 87082  
Code. 87083

Notwithstanding Chapter 166. of the Revised Code, up to 87084

\$1,800,000 in cash per fiscal year may be transferred from the 87085  
Facilities Establishment Fund (Fund 037) to the Economic 87086  
Development Financing Operating Fund (Fund 451). The transfer is 87087  
subject to Controlling Board approval pursuant to division (B) of 87088  
section 166.03 of the Revised Code. 87089

Notwithstanding Chapter 166. of the Revised Code, up to 87090  
\$20,475,000 in cash may be transferred during the biennium from 87091  
the Facilities Establishment Fund (Fund 037) to the Urban 87092  
Redevelopment Loans Fund (Fund 5D2) for the purpose of removing 87093  
barriers to urban core redevelopment. The Director of Development 87094  
shall develop program guidelines for the transfer and release of 87095  
funds, including, but not limited to, the completion of all 87096  
appropriate environmental assessments before state assistance is 87097  
committed to a project. 87098

Notwithstanding Chapter 166. of the Revised Code, up to 87099  
\$5,000,000 per fiscal year in cash may be transferred from the 87100  
Facilities Establishment Fund (Fund 037) to the Rural Industrial 87101  
Park Loan Fund (Fund 4Z6). The transfer is subject to Controlling 87102  
Board approval pursuant to section 166.03 of the Revised Code. 87103

FAMILY FARM LOAN PROGRAM 87104

Notwithstanding Chapter 166. of the Revised Code, up to 87105  
\$1,500,000 in each fiscal year shall be transferred from moneys in 87106  
the Facilities Establishment Fund (Fund 037) to the Family Farm 87107  
Loan Guarantee Fund (Fund 5H1) in the Department of Development. 87108  
These moneys shall be used for loan guarantees. The transfer is 87109  
subject to Controlling Board approval. 87110

Financial assistance from the Family Farm Loan Guarantee Fund 87111  
(Fund 5H1) shall be repaid to Fund 5H1. This fund is established 87112  
in accordance with sections 166.031, 901.80, 901.81, 901.82, and 87113  
901.83 of the Revised Code. 87114

When the Family Farm Loan Guarantee Fund (Fund 5H1) ceases to 87115

exist, all outstanding balances, all loan repayments, and any 87116  
other outstanding obligations shall revert to the Facilities 87117  
Establishment Fund (Fund 037). 87118

RURAL DEVELOPMENT INITIATIVE FUND 87119

(A)(1) The Rural Development Initiative Fund (Fund 5S8) shall 87120  
receive moneys from the Facilities Establishment Fund (Fund 037). 87121  
The Director of Development may make grants from the Rural 87122  
Development Initiative Fund as specified in division (A)(2) of 87123  
this section to eligible applicants in Appalachian counties and in 87124  
rural counties in the state that are designated as distressed 87125  
pursuant to section 122.25 of the Revised Code. Preference shall 87126  
be given to eligible applicants located in Appalachian counties 87127  
designated as distressed by the federal Appalachian Regional 87128  
Commission. The Rural Development Initiative Fund (Fund 5S8) shall 87129  
cease to exist after June 30, 2007. All moneys remaining in the 87130  
Fund after that date shall revert to the Facilities Establishment 87131  
Fund (Fund 037). 87132

(2) The Director of Development shall make grants from the 87133  
Rural Development Initiative Fund (Fund 5S8) only to eligible 87134  
applicants who also qualify for and receive funding under the 87135  
Rural Industrial Park Loan Program as specified in sections 122.23 87136  
to 122.27 of the Revised Code. Eligible applicants shall use the 87137  
grants for the purposes specified in section 122.24 of the Revised 87138  
Code. All projects supported by grants from the fund are subject 87139  
to Chapter 4115. of the Revised Code as specified in division (E) 87140  
of section 166.02 of the Revised Code. The Director shall develop 87141  
program guidelines for the transfer and release of funds. The 87142  
release of grant moneys to an eligible applicant is subject to 87143  
Controlling Board approval. 87144

(B) Notwithstanding Chapter 166. of the Revised Code, the 87145  
Director of Budget and Management may transfer up to \$5,000,000 87146  
per fiscal year in cash on an as needed basis at the request of 87147

the Director of Development from the Facilities Establishment Fund 87148  
(Fund 037) to the Rural Development Initiative Fund (Fund 5S8). 87149  
The transfer is subject to Controlling Board approval pursuant to 87150  
section 166.03 of the Revised Code. 87151

**CAPITAL ACCESS LOAN PROGRAM** 87152

The foregoing appropriation item 195-628, Capital Access Loan 87153  
Program, shall be used for operating, program, and administrative 87154  
expenses of the program. Funds of the Capital Access Loan Program 87155  
shall be used to assist participating financial institutions in 87156  
making program loans to eligible businesses that face barriers in 87157  
accessing working capital and obtaining fixed asset financing. 87158

Notwithstanding Chapter 166. of the Revised Code, the 87159  
Director of Budget and Management may transfer up to \$3,000,000 87160  
per fiscal year in cash on an as needed basis at the request of 87161  
the Director of Development from the Facilities Establishment Fund 87162  
(Fund 037) to the Capital Access Loan Program Fund (Fund 5S9). The 87163  
transfer is subject to Controlling Board approval pursuant to 87164  
section 166.03 of the Revised Code. 87165

**INNOVATION OHIO LOAN FUND** 87166

The foregoing appropriation item 195-664, Innovation Ohio, 87167  
shall be used to provide for innovation Ohio purposes, including 87168  
loan guarantees and loans pursuant to Chapter 166. and 87169  
particularly sections 166.12 to 166.16 of the Revised Code. Of the 87170  
foregoing appropriation item 195-664, Innovation Ohio, the 87171  
unencumbered balance of the appropriation at the end of fiscal 87172  
year 2004 shall be transferred by the Director of Budget and 87173  
Management to fiscal year 2005. 87174

**Section 38.20. CLEAN OHIO OPERATING EXPENSES** 87175

The foregoing appropriation item 195-663, Clean Ohio 87176  
Operating, shall be used by the Department of Development in 87177

administering sections 122.65 to 122.658 of the Revised Code.				87178
<b>Section 39. OBD OHIO BOARD OF DIETETICS</b>				87179
General Services Fund Group				87180
4K9 860-609 Operating Expenses	\$	334,917	\$ 329,687	87181
TOTAL GSF General Services Fund				87182
Group	\$	334,917	\$ 329,687	87183
TOTAL ALL BUDGET FUND GROUPS	\$	334,917	\$ 329,687	87184
<b>Section 40. CDR COMMISSION ON DISPUTE RESOLUTION AND CONFLICT</b>				87186
MANAGEMENT				87187
General Revenue Fund				87188
GRF 145-401 Commission on Dispute	\$	500,000	\$ 500,000	87189
Resolution/Management				
TOTAL GRF General Revenue Fund	\$	500,000	\$ 500,000	87190
General Services Fund Group				87191
4B6 145-601 Gifts and Grants	\$	140,000	\$ 140,000	87192
TOTAL GSF General Services Fund	\$	140,000	\$ 140,000	87193
Group				
Federal Special Revenue Fund Group				87194
3S6 145-602 Dispute Resolution:	\$	140,000	\$ 140,000	87195
Federal				
TOTAL FED Federal Special Revenue	\$	140,000	\$ 140,000	87196
Fund Group				
TOTAL ALL BUDGET FUND GROUPS	\$	780,000	\$ 780,000	87197
COMMISSION ON DISPUTE RESOLUTION/MANAGEMENT				87198
The foregoing appropriation item 145-401, Commission on				87199
Dispute Resolution/Management, shall be used in each fiscal year				87200
by the Commission on Dispute Resolution and Conflict Management				87201
for the purpose of providing dispute resolution and conflict				87202
management training, consultation, and materials for state and				87203

local government, communities, school districts, and courts and, 87204  
in consultation with the Department of Education, for the purpose 87205  
of offering competitive school conflict programs to school 87206  
districts. 87207

The Commission shall assist the Department of Education in 87208  
the development and dissemination of the school conflict 87209  
management programs to school districts. 87210

**Section 41.** EDU DEPARTMENT OF EDUCATION 87211

General Revenue Fund 87212

GRF 200-100 Personal Services \$ 12,211,314 \$ 12,211,314 87213

GRF 200-320 Maintenance and \$ 5,066,249 \$ 5,066,249 87214  
Equipment

GRF 200-408 Public Preschool \$ 19,018,551 \$ 19,018,551 87215

GRF 200-410 Professional \$ 29,490,073 \$ 29,765,073 87216  
Development

GRF 200-411 Family and Children \$ 3,324,750 \$ 3,324,750 87217  
First

GRF 200-420 Technical Systems \$ 5,703,750 \$ 5,703,750 87218  
Development

GRF 200-421 Alternative Education \$ 16,135,547 \$ 16,135,547 87219  
Programs

GRF 200-422 School Management \$ 1,778,000 \$ 1,778,000 87220  
Assistance

GRF 200-424 Policy Analysis \$ 592,220 \$ 592,220 87221

GRF 200-425 Tech Prep Consortia \$ 2,133,213 \$ 2,133,213 87222  
Support

GRF 200-426 Ohio Educational \$ 34,331,741 \$ 34,331,741 87223  
Computer Network

GRF 200-427 Academic Standards \$ 9,000,592 \$ 9,000,592 87224

GRF 200-431 School Improvement \$ 10,905,625 \$ 10,905,625 87225  
Initiatives



GRF 200-433	Reading/Writing/Math Improvement	\$ 20,488,264	\$ 20,488,264	87226
GRF 200-437	Student Assessment	\$ 41,353,391	\$ 45,953,391	87227
GRF 200-439	Accountability/Report Cards	\$ 4,087,500	\$ 4,087,500	87228
GRF 200-441	American Sign Language	\$ 207,717	\$ 207,717	87229
GRF 200-442	Child Care Licensing	\$ 1,385,633	\$ 1,385,633	87230
GRF 200-445	OhioReads Admin/Volunteer Support	\$ 4,500,000	\$ 4,500,000	87231
GRF 200-446	Education Management Information System	\$ 16,928,969	\$ 16,928,969	87232
GRF 200-447	GED Testing/Adult High School	\$ 1,829,106	\$ 1,829,106	87233
GRF 200-448	Educator Preparation	\$ 24,375	\$ 24,375	87234
GRF 200-449	Head Start/Head Start Plus Start Up	\$ 11,000,000	\$ 5,000,000	87235
GRF 200-452	Teaching Success Commission Initiatives	\$ 1,650,000	\$ 1,650,000	87236
GRF 200-455	Community Schools	\$ 4,231,842	\$ 4,231,842	87237
GRF 200-500	School Finance Equity	\$ 14,039,495	\$ 7,819,443	87238
GRF 200-501	Base Cost Funding	\$ 4,391,033,023	\$ 4,409,958,425	87239
GRF 200-502	Pupil Transportation	\$ 394,950,126	\$ 404,245,812	87240
GRF 200-503	Bus Purchase Allowance	\$ 17,199,960	\$ 17,199,960	87241
GRF 200-505	School Lunch Match	\$ 8,998,025	\$ 8,998,025	87242
GRF 200-509	Adult Literacy Education	\$ 8,774,250	\$ 8,774,250	87243
GRF 200-511	Auxiliary Services	\$ 127,903,356	\$ 127,903,356	87244
GRF 200-513	Student Intervention Services	\$ 38,890,815	\$ 41,090,815	87245
GRF 200-514	Postsecondary Adult Career-Technical Education	\$ 19,919,464	\$ 19,919,464	87246

GRF 200-520	Disadvantaged Pupil Impact Aid	\$ 371,766,738	\$ 373,266,738	87247
GRF 200-521	Gifted Pupil Program	\$ 48,201,031	\$ 48,201,031	87248
GRF 200-525	Parity Aid	\$ 320,677,373	\$ 426,951,154	87249
GRF 200-532	Nonpublic Administrative Cost Reimbursement	\$ 55,803,103	\$ 55,803,103	87250
GRF 200-540	Special Education Enhancements	\$ 137,214,484	\$ 139,536,046	87251
GRF 200-545	Career-Technical Education Enhancements	\$ 14,572,907	\$ 14,572,907	87252
GRF 200-546	Charge-Off Supplement	\$ 48,478,418	\$ 48,478,418	87253
GRF 200-558	Emergency Loan Interest Subsidy	\$ 3,022,500	\$ 2,300,000	87254
GRF 200-566	OhioReads Grants	\$ 12,874,777	\$ 12,832,272	87255
GRF 200-578	Safe and Supportive Schools	\$ 3,576,348	\$ 3,576,348	87256
GRF 200-901	Property Tax Allocation - Education	\$ 783,350,000	\$ 822,360,000	87257
GRF 200-906	Tangible Tax Exemption - Education	\$ 70,710,000	\$ 67,710,000	87258
TOTAL GRF	General Revenue Fund	\$ 7,149,334,615	\$ 7,317,750,989	87259
	General Services Fund Group			87260
138 200-606	Computer Services	\$ 7,404,690	\$ 7,635,949	87261
4D1 200-602	Ohio Prevention/Education Resource Center	\$ 347,000	\$ 347,000	87262
4L2 200-681	Teacher Certification and Licensure	\$ 5,038,017	\$ 5,236,517	87263
452 200-638	Miscellaneous Revenue	\$ 500,000	\$ 500,000	87264
5B1 200-651	Child Nutrition Services	\$ 800,000	\$ 800,000	87265
5H3 200-687	School District	\$ 18,000,000	\$ 18,000,000	87266

		Solvency Assistance					
596	200-656	Ohio Career	\$	516,694	\$	529,761	87267
		Information System					
		TOTAL GSF General Services					87268
		Fund Group	\$	32,606,401	\$	33,049,227	87269
		Federal Special Revenue Fund Group					87270
3C5	200-661	Early Childhood	\$	21,508,746	\$	21,508,746	87271
		Education					
3D1	200-664	Drug Free Schools	\$	13,169,757	\$	13,347,966	87272
3D2	200-667	Honors Scholarship	\$	1,786,500	\$	1,786,500	87273
		Program					
3H9	200-605	Head Start	\$	275,000	\$	275,000	87274
		Collaboration Project					
3L6	200-617	Federal School Lunch	\$	185,948,186	\$	191,898,528	87275
3L7	200-618	Federal School	\$	48,227,431	\$	49,524,254	87276
		Breakfast					
3L8	200-619	Child/Adult Food	\$	63,577,244	\$	65,293,830	87277
		Programs					
3L9	200-621	Career-Technical	\$	48,029,701	\$	48,029,701	87278
		Education Basic Grant					
3M0	200-623	ESEA Title 1A	\$	356,458,504	\$	384,975,184	87279
3M1	200-678	Innovative Education	\$	15,041,997	\$	16,094,937	87280
3M2	200-680	Ind W/Disab Education	\$	288,468,284	\$	331,392,575	87281
		Act					
3S2	200-641	Education Technology	\$	19,682,057	\$	20,469,339	87282
3T4	200-613	Public Charter Schools	\$	23,287,500	\$	26,187,113	87283
3Y2	200-688	21st Century Community	\$	17,138,239	\$	18,500,000	87284
		Learning Centers					
3Y4	200-632	Reading First	\$	29,881,256	\$	33,168,194	87285
3Y6	200-635	Improving Teacher	\$	103,686,420	\$	104,100,000	87286
		Quality					
3Y7	200-689	English Language	\$	4,872,334	\$	5,505,737	87287
		Acquisition					

3Z2	200-690	State Assessments	\$	11,894,315	\$	12,489,031	87288
309	200-601	Educationally Disadvantaged	\$	22,148,769	\$	22,899,001	87289
366	200-604	Adult Basic Education	\$	21,369,906	\$	22,223,820	87290
367	200-607	School Food Services	\$	10,767,759	\$	11,144,631	87291
368	200-614	Veterans' Training	\$	626,630	\$	655,587	87292
369	200-616	Career-Tech Education Federal Enhancement	\$	8,165,672	\$	8,165,672	87293
370	200-624	Education of Exceptional Children	\$	1,933,910	\$	1,933,910	87294
374	200-647	Troops to Teachers	\$	2,618,076	\$	2,622,370	87295
TOTAL FED Federal Special Revenue Fund Group							87296
			\$	1,320,564,139	\$	1,414,191,626	87297
State Special Revenue Fund Group							87298
4R7	200-695	Indirect Cost Recovery	\$	5,002,500	\$	5,250,400	87299
4V7	200-633	Interagency Support	\$	800,000	\$	800,000	87300
454	200-610	Guidance and Testing	\$	956,761	\$	956,761	87301
455	200-608	Commodity Foods	\$	11,308,000	\$	11,624,624	87302
5U2	200-685	National Education Statistics	\$	200,000	\$	200,000	87303
5W2	200-663	Head Start Plus/Head Start	\$	57,170,000	\$	108,184,000	87304
5X8	200-453	Jobs for Ohio Graduates Program	\$	3,500,000	\$	3,500,000	87305
598	200-659	Auxiliary Services Reimbursement	\$	1,328,910	\$	1,328,910	87306
620	200-615	Educational Grants	\$	1,000,000	\$	1,000,000	87307
TOTAL SSR State Special Revenue Fund Group							87308
			\$	81,266,171	\$	132,844,695	87309
Lottery Profits Education Fund Group							87310
017	200-612	Base Cost Funding	\$	606,123,500	\$	606,195,300	87311
017	200-682	Lease Rental Payment	\$	31,776,500	\$	31,704,700	87312

Reimbursement			
TOTAL LPE Lottery Profits			87313
Education Fund Group	\$ 637,900,000	\$ 637,900,000	87314
Revenue Distribution Fund Group			87315
053 200-900 School District	\$ 115,911,593	\$ 115,911,593	87316
Property Tax			
Replacement			
TOTAL RDF Revenue Distribution			87317
Fund Group	\$ 115,911,593	\$ 115,911,593	87318
TOTAL ALL BUDGET FUND GROUPS	\$ 9,337,582,973	\$ 9,651,648,130	87319

**Section 41.01. PERSONAL SERVICES** 87321

Of the foregoing appropriation item 200-100, Personal 87322  
Services, \$1,630,181 in each fiscal year shall be used by the 87323  
Department of Education to provide vocational administration 87324  
matching funds pursuant to 20 U.S.C. 2311. 87325

**MAINTENANCE AND EQUIPMENT** 87326

Of the foregoing appropriation item 200-320, Maintenance and 87327  
Equipment, up to \$25,000 may be expended in each fiscal year for 87328  
State Board of Education out-of-state travel. 87329

Of the foregoing appropriation item 200-320, Maintenance and 87330  
Equipment, \$692,014 in each fiscal year shall be used by the 87331  
Department of Education to provide vocational administration 87332  
matching funds pursuant to 20 U.S.C. 2311. 87333

**Section 41.02. PUBLIC PRESCHOOL** 87334

The Department of Education shall distribute the foregoing 87335  
appropriation item 200-408, Public Preschool, to pay the costs of 87336  
comprehensive preschool programs. As used in this section, "school 87337  
district" means a city, local, exempted village, or joint 87338  
vocational school district, or an educational service center. 87339

(A) In each fiscal year, up to two per cent of the total 87340  
appropriation may be used by the department for program support 87341  
and technical assistance; developing program capacity; and 87342  
assisting programs with facilities planning, construction, 87343  
renovation, or lease agreements in conjunction with the Community 87344  
Development Finance Fund (CDFS). The Department shall distribute 87345  
the remainder of the appropriation in each fiscal year to serve 87346  
children from families earning not more than 185 per cent of the 87347  
federal poverty guidelines. 87348

(B) The department shall provide an annual report to the 87349  
Governor, the Speaker of the House of Representatives, the 87350  
President of the Senate, the State Board of Education, Head Start 87351  
agencies, and other interested parties regarding the Public 87352  
Preschool Program and performance indicators, as outlined by the 87353  
Department. 87354

(C) For purposes of this section, "eligible child" means a 87355  
child who is at least three years of age, is not of the age to be 87356  
eligible for kindergarten, and whose family earns not more than 87357  
185 per cent of the federal poverty guidelines. 87358

(D) After setting aside the amounts to make payments due from 87359  
the previous fiscal year, in fiscal year 2004 and fiscal year 87360  
2005, the Department shall distribute funds first to recipients of 87361  
funds under the program in the previous fiscal year and the 87362  
balance to new recipients. Awards under this section shall be 87363  
distributed on a per-pupil basis, which the Department may adjust 87364  
so that the per-pupil amount multiplied by the number of eligible 87365  
children enrolled and receiving services, as defined by the 87366  
Department, reported on the first day of December or the first 87367  
business day following that date equals the amount allocated under 87368  
division (A) of this section. The Department may increase the 87369  
per-pupil amount by a reasonable percentage for inflation, to be 87370  
determined by the Department. 87371

The Department may reallocate unobligated or unspent money to participating school districts for purposes of program expansion, improvement, or special projects to promote quality and innovation.

(E) Costs for developing and administering a preschool program may not exceed fifteen per cent of the total approved costs of the program.

All recipients of funds shall maintain such fiscal control and accounting procedures as may be necessary to ensure the disbursement of, and accounting for, these funds. The control of funds provided in this program, and title to property obtained therefrom, shall be under the authority of the approved recipient for purposes provided in the program unless, as described in division (J) of this section, a preschool program waives its right for funding or a program's funding is eliminated or reduced due to its inability to meet financial or program performance standards. The approved recipient shall administer and use such property and funds for the purposes specified.

(F) The Department shall prescribe target levels for critical performance indicators for the purpose of assessing public preschool programs. On-site reviews and follow-up visits shall be based on progress in meeting the prescribed target levels.

(G) The Department may examine a recipient's financial and program records. If the financial practices of the program are not in accordance with standard accounting principles or do not meet financial standards outlined under division (E) of this section, or if the program fails to substantially meet the Head Start performance standards or exhibits below average performance as measured against the performance indicators outlined in division (F) of this section, the preschool program shall propose and implement a corrective action plan that has been approved by the

Department. The approved corrective action plan shall be signed by 87403  
the school district board of education and the appropriate grantee 87404  
official. The corrective action plan shall include a schedule for 87405  
monitoring by the Department. Such monitoring may include monthly 87406  
reports, inspections, a timeline for correction of deficiencies, 87407  
and technical assistance to be provided by the Department or 87408  
obtained by the public preschool program. The Department may 87409  
withhold funding pending corrective action. If a public preschool 87410  
program fails to satisfactorily complete a corrective action plan, 87411  
the Department may either deny expansion funding to the program or 87412  
withdraw all or part of the public preschool funding from the 87413  
agency and establish a new state-funded agency through a 87414  
competitive bidding process established by the Department. 87415

(H) The department shall require public preschool programs to 87416  
document child progress, using research-based indicators as 87417  
prescribed by the department, and report results annually. The 87418  
department shall determine the dates for documenting and 87419  
reporting. 87420

(I) Each school district shall develop a sliding fee scale 87421  
based on family incomes in the district and shall charge families 87422  
who earn more than the federal poverty guidelines for preschool. 87423

(J) If a public preschool program voluntarily waives its 87424  
right for funding, or has its funding eliminated for not meeting 87425  
financial standards or program performance standards, the grantee 87426  
and delegate shall transfer control of title to property, 87427  
equipment, and remaining supplies obtained through the program to 87428  
designated grantees and return any unexpended funds to the 87429  
Department along with any reports prescribed by the Department. 87430  
The funding made available from a program that waives its right 87431  
for funding or has its funding eliminated or reduced may be used 87432  
by the Department for new grant awards or expansion grants. The 87433  
Department may award new grants or expansion grants to eligible 87434



providers who apply. The eligible providers who apply must do so 87435  
in accordance with the competitive bidding process established by 87436  
the Department. 87437

**Section 41.03. PROFESSIONAL DEVELOPMENT** 87438

Of the foregoing appropriation item 200-410, Professional 87439  
Development, \$5,200,000 in fiscal year 2004 shall be used by the 87440  
Department of Education to support a statewide comprehensive 87441  
system of regional professional development centers that support 87442  
local educators' ability to foster academic achievement in the 87443  
students they serve. Of the foregoing appropriation item 200-410, 87444  
Professional Development, \$5,200,000 in fiscal year 2005 shall be 87445  
used by the regional education delivery system. Before releasing 87446  
these funds in fiscal year 2005, the Department of Education shall 87447  
submit a spending plan to the Controlling Board. The release of 87448  
the funds is contingent on Controlling Board approval of the 87449  
spending plan. Both the regional professional development centers 87450  
in fiscal year 2004 and the regional education delivery system in 87451  
fiscal year 2005 shall include training that assists educators, 87452  
school leadership, and technical assistance providers in 87453  
understanding and implementing standards-based education, data 87454  
analysis, and development of assessment systems for quality 87455  
instruction. 87456

Of the foregoing appropriation item 200-410, Professional 87457  
Development, \$7,079,625 in fiscal year 2004 and \$7,329,625 in 87458  
fiscal year 2005 shall be used by the Department of Education to 87459  
provide grants to pay \$2,000 of the application fee in order to 87460  
assist teachers from public and chartered nonpublic schools 87461  
applying for the first time to the National Board for Professional 87462  
Teaching Standards for professional teaching certificates or 87463  
licenses that the board offers. This set aside shall also be used 87464  
to recognize and reward teachers who become certified by the 87465

National Board for Professional Teaching Standards pursuant to 87466  
section 3319.55 of the Revised Code. Up to \$300,000 in each fiscal 87467  
year of this set aside may be used by the Department to pay for 87468  
costs associated with activities to support candidates through the 87469  
application and certification process. 87470

These moneys shall be used to pay up to the first 500 87471  
applications in fiscal year 2004 and the first 400 applications in 87472  
fiscal year 2005 received by the Department. 87473

Of the foregoing appropriation item 200-410, Professional 87474  
Development, up to \$10,442,358 in each fiscal year shall be 87475  
allocated for entry year programs. These funds shall be used to 87476  
support mentoring services and performance assessments of 87477  
beginning teachers in school districts and chartered nonpublic 87478  
schools. 87479

Of the foregoing appropriation item 200-410, Professional 87480  
Development, up to \$188,090 in each fiscal year shall be used to 87481  
provide technical assistance and grants for districts to develop 87482  
local knowledge/skills-based compensation systems. Each district 87483  
receiving grants shall issue an annual report to the Department of 87484  
Education detailing the use of the funds and the impact of the 87485  
system developed by the district. 87486

Of the foregoing appropriation item 200-410, Professional 87487  
Development, up to \$670,000 in each fiscal year shall be used for 87488  
training and professional development of school administrators, 87489  
school treasurers, and school business officials. 87490

Of the foregoing appropriation item 200-410, Professional 87491  
Development, \$144,000 in each fiscal year shall be used by the 87492  
Department of Education to develop a supply and demand report that 87493  
describes the availability of quality educators and critical 87494  
educator shortage areas in Ohio. 87495

Of the foregoing appropriation item 200-410, Professional 87496

Development, \$1,056,000 in each fiscal year shall be used for 87497  
educator recruitment programs targeting special need areas, 87498  
including recruiting highly qualified minority candidates into 87499  
teaching, recruiting prospective mathematics and science teachers, 87500  
and targeting other areas of special need. 87501

Of the foregoing appropriation item 200-410, Professional 87502  
Development, \$60,000 in fiscal year 2004 and \$70,000 in fiscal 87503  
year 2005 shall be used to support the Ohio University Leadership 87504  
Program. 87505

Of the foregoing appropriation item 200-410, Professional 87506  
Development, \$4,650,000 in each fiscal year shall be allocated by 87507  
the Department of Education on a per pupil basis, to school 87508  
districts in academic emergency. These funds shall be used by the 87509  
districts to provide an equivalent of five days of ongoing 87510  
embedded professional development for classroom teachers who 87511  
provide instruction in the subject areas of reading, writing, 87512  
mathematics, science, or social studies to students enrolled in 87513  
the ninth or tenth grade. This professional development shall 87514  
focus on developing subject competency, developing cultural 87515  
competency, developing skills for analyzing test data, and 87516  
developing data-based intervention strategies to prepare students 87517  
below grade level to pass the Ohio Graduation Test. Districts 87518  
shall submit a research-based, professional development plan for 87519  
five days of embedded professional development to the Department 87520  
of Education prior to receiving funds. The plan shall detail how 87521  
ninth and tenth grade teachers will learn and implement classroom 87522  
strategies for students to reach state standards in mathematics, 87523  
reading, writing, social studies, and science. 87524

**Section 41.04. TECHNICAL SYSTEMS DEVELOPMENT** 87525

The foregoing appropriation item 200-420, Technical Systems 87526  
Development, shall be used to support the development and 87527

implementation of information technology solutions designed to 87528  
improve the performance and customer service of the Department of 87529  
Education. Funds may be used for personnel, maintenance, and 87530  
equipment costs related to the development and implementation of 87531  
these technical system projects. Implementation of these systems 87532  
shall allow the Department to provide greater levels of assistance 87533  
to school districts and to provide more timely information to the 87534  
public, including school districts, administrators, and 87535  
legislators. 87536

ALTERNATIVE EDUCATION PROGRAMS 87537

There is hereby created the Alternative Education Advisory 87538  
Council, which shall consist of one representative from each of 87539  
the following agencies: the Ohio Department of Education; the 87540  
Department of Youth Services; the Ohio Department of Alcohol and 87541  
Drug Addiction Services; the Department of Mental Health; the 87542  
Office of the Governor or, at the Governor's discretion, the 87543  
Office of the Lieutenant Governor; the Office of the Attorney 87544  
General; and the Office of the Auditor of State. 87545

Of the foregoing appropriation item 200-421, Alternative 87546  
Education Programs, not less than \$7,529,274 in each fiscal year 87547  
shall be used for the renewal of successful implementation grants 87548  
and for competitive matching grants to the 21 urban school 87549  
districts as defined in division (O) of section 3317.02 of the 87550  
Revised Code as it existed prior to July 1, 1998, and not less 87551  
than \$7,494,820 in each fiscal year shall be used for the renewal 87552  
of successful implementation of grants and for competitive 87553  
matching grants to rural and suburban school districts for 87554  
alternative educational programs for existing and new at-risk and 87555  
delinquent youth. Programs shall be focused on youth in one or 87556  
more of the following categories: those who have been expelled or 87557  
suspended, those who have dropped out of school or who are at risk 87558  
of dropping out of school, those who are habitually truant or 87559

disruptive, or those on probation or on parole from a Department 87560  
of Youth Services facility. Grants shall be awarded according to 87561  
the criteria established by the Alternative Education Advisory 87562  
Council in 1999. Grants shall be awarded only to programs where 87563  
the grant would not serve as the program's primary source of 87564  
funding. These grants shall be administered by the Department of 87565  
Education. 87566

The Department of Education may waive compliance with any 87567  
minimum education standard established under section 3301.07 of 87568  
the Revised Code for any alternative school that receives a grant 87569  
under this section on the grounds that the waiver will enable the 87570  
program to more effectively educate students enrolled in the 87571  
alternative school. 87572

Of the foregoing appropriation item 200-421, Alternative 87573  
Education Programs, \$75,000 in each fiscal year shall be used to 87574  
support the Toledo Tech Academy. 87575

Of the foregoing appropriation item 200-421, Alternative 87576  
Education Programs, up to \$449,235 in each fiscal year may be used 87577  
for program administration, monitoring, technical assistance, 87578  
support, research, and evaluation. Any unexpended balance may be 87579  
used to provide additional matching grants to urban, suburban, or 87580  
rural school districts as outlined above. 87581

Of the foregoing appropriation item 200-421, Alternative 87582  
Education Programs, \$287,218 in each fiscal year shall be used to 87583  
contract with the Center for Learning Excellence at The Ohio State 87584  
University to provide technical support for the project and the 87585  
completion of formative and summative evaluation of the grants. 87586

Of the foregoing appropriation item 200-421, Alternative 87587  
Education Programs, \$300,000 in each fiscal year shall be used to 87588  
support Amer-I-Can. Of this set-aside, no funds shall be disbursed 87589  
without approval of the Controlling Board. Amer-I-Can programs 87590

shall submit to the Controlling Board a biennial spending plan 87591  
that delineates how these funds will be spent. Amer-I-Can programs 87592  
also shall demonstrate to the Controlling Board that they have 87593  
hired an independent evaluator and have selected valid and 87594  
reliable instruments to assess pre and post changes in student 87595  
behavior. 87596

SCHOOL MANAGEMENT ASSISTANCE 87597

Of the foregoing appropriation item 200-422, School 87598  
Management Assistance, \$351,000 in each fiscal year shall be used 87599  
by the Auditor of State for expenses incurred in the Auditor of 87600  
State's role relating to fiscal caution activities as defined in 87601  
Chapter 3316. of the Revised Code. Expenses include duties related 87602  
to the completion of performance audits for school districts that 87603  
the Superintendent of Public Instruction determines are employing 87604  
fiscal practices or experiencing budgetary conditions that could 87605  
produce a state of fiscal watch or fiscal emergency. 87606

The remainder of foregoing appropriation item 200-422, School 87607  
Management Assistance, shall be used by the Department of 87608  
Education to provide fiscal technical assistance and inservice 87609  
education for school district management personnel and to 87610  
administer, monitor, and implement the fiscal watch and fiscal 87611  
emergency provisions under Chapter 3316. of the Revised Code. 87612

POLICY ANALYSIS 87613

The foregoing appropriation item 200-424, Policy Analysis, 87614  
shall be used by the Department of Education to support a system 87615  
of administrative, statistical, and legislative education 87616  
information to be used for policy analysis. Staff supported by 87617  
this appropriation shall administer the development of reports, 87618  
analyses, and briefings to inform education policymakers of 87619  
current trends in education practice, efficient and effective use 87620  
of resources, and evaluation of programs to improve education 87621

results. The database shall be kept current at all times. These 87622  
research efforts shall be used to supply information and analysis 87623  
of data to the General Assembly and other state policymakers, 87624  
including the Office of Budget and Management and the Legislative 87625  
Service Commission. 87626

The Department of Education may use funding from this 87627  
appropriation item to purchase or contract for the development of 87628  
software systems or contract for policy studies that will assist 87629  
in the provision and analysis of policy-related information. 87630  
Funding from this appropriation item also may be used to monitor 87631  
and enhance quality assurance for research-based policy analysis 87632  
and program evaluation to enhance the effective use of education 87633  
information to inform education policymakers. 87634

TECH PREP CONSORTIA SUPPORT 87635

The foregoing appropriation item 200-425, Tech Prep Consortia 87636  
Support, shall be used by the Department of Education to support 87637  
state-level activities designed to support, promote, and expand 87638  
tech prep programs. Use of these funds shall include, but not be 87639  
limited to, administration of grants, program evaluation, 87640  
professional development, curriculum development, assessment 87641  
development, program promotion, communications, and statewide 87642  
coordination of tech prep consortia. 87643

OHIO EDUCATIONAL COMPUTER NETWORK 87644

The foregoing appropriation item 200-426, Ohio Educational 87645  
Computer Network, shall be used by the Department of Education to 87646  
maintain a system of information technology throughout Ohio and to 87647  
provide technical assistance for such a system in support of the 87648  
State Education Technology Plan pursuant to section 3301.07 of the 87649  
Revised Code. 87650

Of the foregoing appropriation item 200-426, Ohio Educational 87651  
Computer Network, up to \$18,592,763 in each fiscal year shall be 87652

used by the Department of Education to support connection of all 87653  
public school buildings to the state's education network, to each 87654  
other, and to the Internet. In each fiscal year the Department of 87655  
Education shall use these funds to assist data acquisition sites 87656  
or school districts with the operational costs associated with 87657  
this connectivity. The Department of Education shall develop a 87658  
formula and guidelines for the distribution of these funds to the 87659  
data acquisition sites or individual school districts. As used in 87660  
this section, "public school building" means a school building of 87661  
any city, local, exempted village, or joint vocational school 87662  
district, or any community school established under Chapter 3314. 87663  
of the Revised Code, or any educational service center building 87664  
used for instructional purposes, or the Ohio School for the Deaf 87665  
and the Ohio School for the Blind, or high schools chartered by 87666  
the Ohio Department of Youth Services and high schools operated by 87667  
Ohio Department of Rehabilitation and Corrections' Ohio Central 87668  
School System. 87669

Of the foregoing appropriation item 200-426, Ohio Educational 87670  
Computer Network, up to \$1,884,355 in each fiscal year shall be 87671  
used for the Union Catalog and InfOhio Network. 87672

The Department of Education shall use up to \$3,412,500 in 87673  
each fiscal year to assist designated data acquisition sites with 87674  
operational costs associated with the increased use of the state's 87675  
education network by chartered nonpublic schools. The Department 87676  
of Education shall use the same per building amount as used to 87677  
provide connectivity subsidy funds to public school buildings. 87678

The remainder of appropriation item 200-426, Ohio Educational 87679  
Computer Network, shall be used to support development, 87680  
maintenance, and operation of a network of uniform and compatible 87681  
computer-based information and instructional systems. The 87682  
technical assistance shall include, but not be restricted to, 87683  
development and maintenance of adequate computer software systems 87684



to support network activities. Program funds may be used, through 87685  
a formula and guidelines devised by the department, to subsidize 87686  
the activities of designated data acquisition sites, as defined by 87687  
State Board of Education rules, to provide school districts and 87688  
chartered nonpublic schools with computer-based student and 87689  
teacher instructional and administrative information services, 87690  
including approved computerized financial accounting, and to 87691  
ensure the effective operation of local automated administrative 87692  
and instructional systems. To broaden the scope of the use of 87693  
technology for education, the Department may use up to \$223,762 in 87694  
each fiscal year to coordinate the activities of the computer 87695  
network with other agencies funded by the department or the state. 87696  
In order to improve the efficiency of network activities, the 87697  
department and data acquisition sites may jointly purchase 87698  
equipment, materials, and services from funds provided under this 87699  
appropriation for use by the network and, when considered 87700  
practical by the department, may utilize the services of 87701  
appropriate state purchasing agencies. 87702

**ACADEMIC STANDARDS** 87703

Of the foregoing appropriation item 200-427, Academic 87704  
Standards, up to \$731,250 in each fiscal year shall be used to 87705  
provide funds to school districts that have one or more teachers 87706  
participating in the teachers-on-loan program. 87707

The remainder of appropriation item 200-427, Academic 87708  
Standards, shall be used by the Department of Education to develop 87709  
and communicate to school districts academic content standards and 87710  
curriculum models. The Department of Education shall communicate 87711  
these standards and curricula to school districts primarily 87712  
through Internet website postings and electronic mail. 87713

**Section 41.05. SCHOOL IMPROVEMENT INITIATIVES** 87714

Of the foregoing appropriation item 200-431, School 87715

Improvement Initiatives, \$10,505,625 in each fiscal year shall be 87716  
used to provide technical assistance to school districts that are 87717  
declared to be in a state of academic watch or academic emergency 87718  
under section 3302.03 of the Revised Code to provide support to 87719  
districts in the development and implementation of their 87720  
continuous improvement plans as required in section 3302.04 of the 87721  
Revised Code and to provide technical assistance and support in 87722  
accordance with Title I of the "No Child Left Behind Act of 2001," 87723  
115 Stat. 1425, 20 U.S.C. 6317. 87724

Of the foregoing appropriation item 200-431, School 87725  
Improvement Initiatives, up to \$350,000 in each fiscal year shall 87726  
be used to reduce the dropout rate by addressing the academic and 87727  
social problems of inner-city students through Project GRAD. 87728

Of the foregoing appropriation item 200-431, School 87729  
Improvement Initiatives, \$50,000 in each fiscal year shall be used 87730  
to support LEAF. 87731

READING/WRITING/MATH IMPROVEMENT 87732

Of the foregoing appropriation item 200-433, 87733  
Reading/Writing/Math Improvement, up to \$12,675,000 in each fiscal 87734  
year shall be used for professional development in literacy for 87735  
classroom teachers, administrators, and literacy specialists, and 87736  
to provide intensive summer training for mathematics teachers. 87737

Of the foregoing appropriation item 200-433, 87738  
Reading/Writing/Math Improvement, \$250,000 in each fiscal year 87739  
shall be used to continue the Waterford Early Reading Program. 87740

Of the foregoing appropriation item 200-433, 87741  
Reading/Writing/Math Improvement, up to \$1,000,000 in each fiscal 87742  
year shall be used by the Department of Education to fund the 87743  
Reading Recovery Training Network, to cover the cost of release 87744  
time for the teacher trainers, and to provide grants to districts 87745  
to implement other reading improvement programs on a pilot basis. 87746

Funds from this appropriation item also may be used to conduct 87747  
evaluations of the impact and effectiveness of Reading Recovery 87748  
and other reading improvement programs. 87749

The remainder of appropriation item 200-433, 87750  
Reading/Writing/Math Improvement, shall be used to support 87751  
standards-based classroom reading and writing instruction and 87752  
reading intervention and the design/development of standards-based 87753  
literacy curriculum materials; to support literacy professional 87754  
development partnerships between the Department of Education, 87755  
higher education institutions, the literacy specialists project, 87756  
the Ohio principals' literacy network, regional literacy teams, 87757  
literacy networks, and school districts. 87758

STUDENT ASSESSMENT 87759

Of the foregoing appropriation item 200-437, Student 87760  
Assessment, \$500,000 in fiscal year 2004 and \$100,000 in fiscal 87761  
year 2005 shall be used by the Department of Education to train 87762  
school district personnel to score the practice version of the 87763  
Ohio Graduation Test to be taken by students enrolled in the ninth 87764  
grade in school districts in academic watch or academic emergency 87765  
pursuant to sections 3301.0710 and 3301.0711 of the Revised Code. 87766

The remainder of appropriation item 200-437, Student 87767  
Assessment, shall be used to develop, field test, print, 87768  
distribute, score, report results, and support other associated 87769  
costs for the tests required under sections 3301.0710 and 87770  
3301.0711 of the Revised Code and for similar purposes as required 87771  
by section 3301.27 of the Revised Code. 87772

ACCOUNTABILITY/REPORT CARDS 87773

The foregoing appropriation item 200-439, 87774  
Accountability/Report Cards, shall be used for the development of 87775  
an accountability system that includes the preparation and 87776  
distribution of school report cards pursuant to section 3302.03 of 87777

the Revised Code.	87778
AMERICAN SIGN LANGUAGE	87779
Of the foregoing appropriation item 200-441, American Sign Language, up to \$136,943 in each fiscal year shall be used to implement pilot projects for the integration of American Sign Language deaf language into the kindergarten through twelfth-grade curriculum.	87780 87781 87782 87783 87784
The remainder of the appropriation shall be used by the Department of Education to provide supervision and consultation to school districts in dealing with parents of children who are deaf or hard of hearing, in integrating American Sign Language as a foreign language, and in obtaining interpreters and improving their skills.	87785 87786 87787 87788 87789 87790
CHILD CARE LICENSING	87791
The foregoing appropriation item 200-442, Child Care Licensing, shall be used by the Department of Education to license and to inspect preschool and school-age child care programs in accordance with sections 3301.52 to 3301.59 of the Revised Code.	87792 87793 87794 87795
OHIOREADS ADMIN/VOLUNTEER SUPPORT	87796
The foregoing appropriation item 200-445, OhioReads Admin/Volunteer Support, may be allocated by the OhioReads Office in the Department of Education at the direction of the OhioReads Council for volunteer coordinators in public school buildings, to educational service centers for costs associated with volunteer coordination, for background checks for volunteers, to evaluate the OhioReads Program, and for operating expenses associated with administering the program.	87797 87798 87799 87800 87801 87802 87803 87804
<b>Section 41.06.</b> EDUCATION MANAGEMENT INFORMATION SYSTEM	87805
The foregoing appropriation item 200-446, Education Management Information System, shall be used by the Department of	87806 87807

Education to improve the Education Management Information System 87808  
(EMIS). 87809

Of the foregoing appropriation item 200-446, Education 87810  
Management Information System, up to \$1,295,857 in each fiscal 87811  
year shall be distributed to designated data acquisition sites for 87812  
costs relating to processing, storing, and transferring data for 87813  
the effective operation of the EMIS. These costs may include, but 87814  
are not limited to, personnel, hardware, software development, 87815  
communications connectivity, professional development, and support 87816  
services, and to provide services to participate in the State 87817  
Education Technology Plan pursuant to section 3301.07 of the 87818  
Revised Code. 87819

Of the foregoing appropriation item 200-446, Education 87820  
Management Information System, up to \$8,055,189 in each fiscal 87821  
year shall be distributed on a per-pupil basis to school 87822  
districts, community schools established under Chapter 3314. of 87823  
the Revised Code, education service centers, joint vocational 87824  
school districts, and any other education entity that reports data 87825  
through EMIS. From this funding, each school district or community 87826  
school established under Chapter 3314. of the Revised Code with 87827  
enrollment greater than 100 students and each vocational school 87828  
district shall receive a minimum of \$5,000 in each fiscal year. 87829  
Each school district or community school established under Chapter 87830  
3314. of the Revised Code with enrollment between one and one 87831  
hundred and each education service center and each county board of 87832  
MR/DD that submits data through EMIS shall receive \$3,000 in each 87833  
fiscal year. This subsidy shall be used for costs relating to 87834  
reporting, processing, storing, transferring, and exchanging data 87835  
necessary to meet requirements of the Department of Education's 87836  
data system. 87837

Of the foregoing appropriation item 200-446, Education 87838  
Management Information System, \$782,500 in each fiscal year shall 87839

be used by the Department of Education, in consultation with an 87840  
advisory group of school districts, community schools, and other 87841  
education-related entities, for the development and implementation 87842  
of a common core of Education Management Information System data 87843  
definitions and data format standards. Once these definitions and 87844  
standards have been developed, they shall be approved by the 87845  
Education Data Advisory Council. Once the standards are approved 87846  
by the Education Data Advisory Council, any software meeting the 87847  
standards shall be designated as an approved vendor and may enter 87848  
into contracts with local school districts, community schools, 87849  
data acquisition centers, or other educational entities for the 87850  
purpose of collecting and managing data required under Ohio's 87851  
education management information system (EMIS) laws. On an annual 87852  
basis, the Department of Education shall convene an advisory group 87853  
of school districts, community schools, and other 87854  
education-related entities to review the Education Management 87855  
Information System data definitions and data format standards. The 87856  
advisory group shall recommend changes and enhancements based upon 87857  
surveys of its members, education agencies in other states, and 87858  
current industry practices, to reflect best practices, align with 87859  
federal initiatives, and meet the needs of school districts. 87860

School districts and community schools shall implement a 87861  
common and uniform set of data definitions and data format 87862  
standards for Education Management Information System purposes by 87863  
July 1, 2004. The Department of Education shall work with data 87864  
acquisition sites and their member school districts and community 87865  
schools to implement those uniform standards. School districts and 87866  
community schools that do not adopt and implement the uniform data 87867  
definitions and standards by July 1, 2004, as jointly determined 87868  
by the Department of Education software development team and the 87869  
advisory group shall have all EMIS funding withheld until they are 87870  
in compliance. 87871

GED TESTING/ADULT HIGH SCHOOL 87872

The foregoing appropriation item 200-447, GED Testing/Adult High School, shall be used to provide General Educational Development (GED) testing at no cost to applicants, pursuant to rules adopted by the State Board of Education. The Department of Education shall reimburse school districts and community schools, created in accordance with Chapter 3314. of the Revised Code, for a portion of the costs incurred in providing summer instructional or intervention services to students who have not graduated due to their inability to pass one or more parts of the state's ninth grade proficiency test. School districts shall also provide such services to students who are residents of the district pursuant to section 3313.64 of the Revised Code, but who are enrolled in chartered, nonpublic schools. The services shall be provided in the public school, in nonpublic schools, in public centers, or in mobile units located on or off the nonpublic school premises. No school district shall provide summer instructional or intervention services to nonpublic school students as authorized by this section unless such services are available to students attending the public schools within the district. No school district shall provide services for use in religious courses, devotional exercises, religious training, or any other religious activity. Chartered, nonpublic schools shall pay for any unreimbursed costs incurred by school districts for providing summer instruction or intervention services to students enrolled in chartered, nonpublic schools. School districts may provide these services to students directly or contract with postsecondary or nonprofit community-based institutions in providing instruction. The appropriation also shall be used for state reimbursement to school districts for adult high school continuing education programs pursuant to section 3313.531 of the Revised Code or for costs associated with awarding adult high school diplomas under section

3313.611 of the Revised Code. 87904

EDUCATOR PREPARATION 87905

The foregoing appropriation item 200-448, Educator 87906  
Preparation, shall be used by the Ohio Teacher Education and 87907  
Licensure Advisory Commission to carry out the responsibilities of 87908  
the 21-member Ohio Teacher Education and Licensure Advisory 87909  
Commission. The advisory commission is charged by the State Board 87910  
of Education with considering all matters related to educator 87911  
preparation and licensure, including standards for educator 87912  
preparation and licensure, approval of institutions and programs, 87913  
and recommending decisions to the State Board of Education. 87914

TITLE IV-A HEAD START AND TITLE IV-A HEAD START PLUS START UP 87915

The foregoing appropriation item 200-449, Head Start/Head 87916  
Start Plus Start Up, shall be used to provide start up grants for 87917  
Title IV-A reimbursable funding for the provision of services to 87918  
children eligible for Title IV-A services. In fiscal year 2004, 87919  
these grants shall be provided to Title IV-A Head Start agencies. 87920  
In fiscal year 2005, these grants shall be provided to Title IV-A 87921  
Head Start agencies and Title IV-A Head Start Plus agencies. The 87922  
amount of each grant shall be determined by the Department of 87923  
Education. Funds appropriated for this purpose shall be reimbursed 87924  
to the General Revenue Fund when the Title IV-A Head Start or 87925  
Title IV-A Head Start Plus programs cease or are no longer funded 87926  
from Title IV-A. If one program ceases or is no longer funded with 87927  
Title IV-A funds, the General Revenue Fund will be reimbursed for 87928  
that program. 87929

If a Title IV-A Head Start agency or Title IV-A Head Start 87930  
Plus agency chooses not to participate in the program or if the 87931  
Department of Education suspends or terminates part or all of its 87932  
funding, reimbursement owed to the grantee shall be held by the 87933  
Department of Education up to the amount of the grant owed by the 87934



grantee. If insufficient reimbursement is available to recover the 87935  
amount owed by the grantee, the grantee shall return the remaining 87936  
balance within 60 days of the date of the decision not to 87937  
participate, the suspension, or the termination. Funding recovered 87938  
from such grantees shall be used by the Department of Education 87939  
for supplying grants to new grantees for Title IV-A reimbursable 87940  
funding for provision of services to children eligible for Title 87941  
IV-A services. Any funding remaining when the Title IV-A Head 87942  
Start and the Title IV-A Head Start Plus programs cease or are no 87943  
longer funded with Title IV-A funds shall be returned to the 87944  
General Revenue Fund. 87945

The Title IV-A Head Start Plus agency that is receiving funds 87946  
to operate a Head Start program in accordance with section 3301.35 87947  
of the Revised Code shall provide the program through contracts 87948  
with child care providers licensed or certified in accordance with 87949  
Chapter 5104. of the Revised Code. If a licensed or certified 87950  
child care provider is not in operation or willing to participate 87951  
and if eligible families are in need of full-day and full-year 87952  
Head Start and child care services, the Title IV-A Head Start Plus 87953  
agency may be the sole source provider. 87954

TEACHING SUCCESS COMMISSION INITIATIVES 87955

The foregoing appropriation item 200-452, Teaching Success 87956  
Commission Initiatives, shall be used by the Department of 87957  
Education to support initiatives recommended by the Governor's 87958  
Commission on Teaching Success. 87959

COMMUNITY SCHOOLS 87960

Of the foregoing appropriation item 200-455, Community 87961  
Schools, up to \$1,308,661 in each fiscal year may be used by the 87962  
Department of Education for additional services and 87963  
responsibilities under section 3314.11 of the Revised Code. 87964

Of the foregoing appropriation item 200-455, Community 87965

Schools, up to \$250,000 in each fiscal year may be used by the 87966  
Department of Education for developing and conducting training 87967  
sessions for sponsors and prospective sponsors of community 87968  
schools as prescribed in division (A)(1) of section 3314.015 of 87969  
the Revised Code. In developing such training sessions, the 87970  
Department shall collect and disseminate examples of best 87971  
practices used by sponsors of independent charter schools in Ohio 87972  
and other states. 87973

The remaining appropriation may be used by the Department of 87974  
Education to make grants of up to \$50,000 to each proposing group 87975  
with a preliminary agreement obtained under division (C)(2) of 87976  
section 3314.02 of the Revised Code in order to defray planning 87977  
and initial start-up costs. In the first year of operation of a 87978  
community school, the Department of Education may make a grant of 87979  
not more than \$100,000 to the governing authority of the school to 87980  
partially defray additional start-up costs. The amount of the 87981  
grant shall be based on a thorough examination of the needs of the 87982  
community school. The Department of Education shall not utilize 87983  
moneys received under this section for any other purpose other 87984  
than those specified under this section. 87985

A community school awarded start-up grants from appropriation 87986  
item 200-613, Public Charter Schools (Fund 3T4), shall not be 87987  
eligible for grants under this section. 87988

**Section 41.07. SCHOOL FINANCE EQUITY** 87989

The foregoing appropriation item 200-500, School Finance 87990  
Equity, shall be distributed to school districts based on the 87991  
formula specified in section 3317.0213 of the Revised Code. 87992

**Section 41.08. BASE COST FUNDING** 87993

The foregoing appropriation item 200-501, Base Cost Funding, 87994  
includes \$90,000,000 in each fiscal year for the state education 87995

aid offset due to the change in public utility valuation as a 87996  
result of Am. Sub. S.B. 3 and Am. Sub. S.B. 287, both of the 123rd 87997  
General Assembly. This amount represents the total state education 87998  
aid offset due to the valuation change for school districts and 87999  
joint vocational school districts from all relevant appropriation 88000  
line item sources. If it is determined that the state education 88001  
aid offset is more than \$90,000,000, the Controlling Board may 88002  
increase the appropriation for appropriation item 200-501, Base 88003  
Cost Funding, by the difference amount if presented with such a 88004  
request from the Department of Education. The appropriation 88005  
increase, if any, is hereby appropriated. If it is determined that 88006  
the state education aid offset is less than \$90,000,000, the 88007  
Director of Budget and Management shall then reduce the 88008  
appropriation for appropriation item 200-501, Base Cost Funding, 88009  
by the difference amount and notify the Controlling Board of this 88010  
action. The appropriation decrease determined by the Director of 88011  
Budget and Management, if any, is hereby approved, and 88012  
appropriations are hereby reduced by the amount determined. 88013

Of the foregoing appropriation item 200-501, Base Cost 88014  
Funding, up to \$425,000 shall be expended in each fiscal year for 88015  
court payments pursuant to section 2151.357 of the Revised Code; 88016  
an amount shall be available in each fiscal year for the cost of 88017  
reappraisal guarantee pursuant to section 3317.04 of the Revised 88018  
Code; an amount shall be available in each fiscal year to fund up 88019  
to 225 full-time equivalent approved GRADS teacher grants pursuant 88020  
to division (R) of section 3317.024 of the Revised Code; an amount 88021  
shall be available in each fiscal year to make payments to school 88022  
districts pursuant to division (A)(2) of section 3317.022 of the 88023  
Revised Code; an amount shall be available in each fiscal year to 88024  
make payments to school districts pursuant to division (F) of 88025  
section 3317.022 of the Revised Code; an amount shall be available 88026  
in each fiscal year to make payments to school districts pursuant 88027  
to division (C) of section 3317.0212 of the Revised Code; and up 88028

to \$15,000,000 in each fiscal year shall be reserved for payments 88029  
pursuant to sections 3317.026, 3317.027, and 3317.028 of the 88030  
Revised Code except that the Controlling Board may increase the 88031  
\$15,000,000 amount if presented with such a request from the 88032  
Department of Education. Of the foregoing appropriation item 88033  
200-501, Base Cost Funding, up to \$15,000,000 in each fiscal year 88034  
shall be used to provide additional state aid to school districts 88035  
for special education students pursuant to division (C)(3) of 88036  
section 3317.022 of the Revised Code; up to \$2,000,000 in each 88037  
fiscal year shall be reserved for Youth Services tuition payments 88038  
pursuant to section 3317.024 of the Revised Code; and up to 88039  
\$52,000,000 in each fiscal year shall be reserved to fund the 88040  
state reimbursement of educational service centers pursuant to 88041  
section 3317.11 of the Revised Code and the section of this act 88042  
entitled "EDUCATIONAL SERVICE CENTERS FUNDING." An amount shall be 88043  
available for special education weighted funding pursuant to 88044  
division (C)(1) of section 3317.022 and division (D)(1) of section 88045  
3317.16 of the Revised Code. 88046

Of the foregoing appropriation item 200-501, Base Cost 88047  
Funding, an amount shall be available in each fiscal year to be 88048  
used by the Department of Education for transitional aid for 88049  
school districts. Funds shall be distributed pursuant to the 88050  
section of this act entitled "TRANSITIONAL AID." 88051

Of the foregoing appropriation item 200-501, Base Cost 88052  
Funding, up to \$1,000,000 in each fiscal year shall be used by the 88053  
Department of Education for a pilot program to pay for educational 88054  
services for youth who have been assigned by a juvenile court or 88055  
other authorized agency to any of the facilities described in 88056  
division (A) of the section titled "Private Treatment Facility 88057  
Pilot Project." 88058

The remaining portion of appropriation item 200-501, Base 88059  
Cost Funding, shall be expended for the public schools of city, 88060

local, exempted village, and joint vocational school districts, 88061  
including base cost funding, special education speech service 88062  
enhancement funding, career-technical education weight funding, 88063  
career-technical education associated service funding, guarantee 88064  
funding, and teacher training and experience funding pursuant to 88065  
sections 3317.022, 3317.023, 3317.0212, and 3317.16 of the Revised 88066  
Code. 88067

Appropriation items 200-500, School Finance Equity, 200-501, 88068  
Base Cost Funding, 200-502, Pupil Transportation, 200-520, 88069  
Disadvantaged Pupil Impact Aid, 200-521, Gifted Pupil Program, 88070  
200-525, Parity Aid, and 200-546, Charge-Off Supplement, other 88071  
than specific set-asides, are collectively used in each fiscal 88072  
year to pay state formula aid obligations for school districts and 88073  
joint vocational school districts pursuant to Chapter 3317. of the 88074  
Revised Code. The first priority of these appropriation items, 88075  
with the exception of specific set-asides, is to fund state 88076  
formula aid obligations under Chapter 3317. of the Revised Code. 88077  
It may be necessary to reallocate funds among these appropriation 88078  
items in order to meet state formula aid obligations. If it is 88079  
determined that it is necessary to transfer funds among these 88080  
appropriation items to meet state formula aid obligations, the 88081  
Department of Education shall seek approval from the Controlling 88082  
Board to transfer funds among these appropriation items. 88083

**Section 41.09. PUPIL TRANSPORTATION** 88084

Of the foregoing appropriation item 200-502, Pupil 88085  
Transportation, up to \$822,400 in each fiscal year may be used by 88086  
the Department of Education for training prospective and 88087  
experienced school bus drivers in accordance with training 88088  
programs prescribed by the Department. Up to \$56,975,910 in each 88089  
fiscal year may be used by the Department of Education for special 88090  
education transportation reimbursements to school districts and 88091

county MR/DD boards for transportation operating costs as provided 88092  
in division (M) of section 3317.024 of the Revised Code. The 88093  
remainder of appropriation item 200-502, Pupil Transportation, 88094  
shall be used for the state reimbursement of public school 88095  
districts' costs in transporting pupils to and from the school 88096  
they attend in accordance with the district's policy, State Board 88097  
of Education standards, and the Revised Code. 88098

**BUS PURCHASE ALLOWANCE** 88099

The foregoing appropriation item 200-503, Bus Purchase 88100  
Allowance, shall be distributed to school districts, educational 88101  
service centers, and county MR/DD boards pursuant to rules adopted 88102  
under section 3317.07 of the Revised Code. Up to 28 per cent of 88103  
the amount appropriated may be used to reimburse school districts 88104  
and educational service centers for the purchase of buses to 88105  
transport handicapped and nonpublic school students and to county 88106  
MR/DD boards, the Ohio School for the Deaf, and the Ohio School 88107  
for the Blind for the purchase of buses to transport handicapped 88108  
students. 88109

**SCHOOL LUNCH MATCH** 88110

The foregoing appropriation item 200-505, School Lunch Match, 88111  
shall be used to provide matching funds to obtain federal funds 88112  
for the school lunch program. 88113

**Section 41.10. ADULT LITERACY EDUCATION** 88114

The foregoing appropriation item 200-509, Adult Literacy 88115  
Education, shall be used to support adult basic and literacy 88116  
education instructional programs and the State Literacy Resource 88117  
Center Program. 88118

Of the foregoing appropriation item 200-509, Adult Literacy 88119  
Education, up to \$519,188 in each fiscal year shall be used for 88120  
the support and operation of the State Literacy Resource Center. 88121

Of the foregoing appropriation item 200-509, Adult Literacy 88122  
Education, \$146,250 in each fiscal year shall be used to support 88123  
initiatives for English as a second language programs in 88124  
combination with citizenship. Funding shall be provided to 88125  
organizations that received such funds during fiscal year 2003 88126  
from appropriation item 200-570, School Improvement Incentive 88127  
Grants. 88128

The remainder of the appropriation shall be used to continue 88129  
to satisfy the state match and maintenance of effort requirements 88130  
for the support and operation of the Department of 88131  
Education-administered instructional grant program for adult basic 88132  
and literacy education in accordance with the department's state 88133  
plan for adult basic and literacy education as approved by the 88134  
State Board of Education and the Secretary of the United States 88135  
Department of Education. 88136

AUXILIARY SERVICES 88137

The foregoing appropriation item 200-511, Auxiliary Services, 88138  
shall be used by the Department of Education for the purpose of 88139  
implementing section 3317.06 of the Revised Code. Of the 88140  
appropriation, up to \$1,462,500 in each fiscal year may be used 88141  
for payment of the Post-Secondary Enrollment Options Program for 88142  
nonpublic students pursuant to section 3365.10 of the Revised 88143  
Code. 88144

STUDENT INTERVENTION SERVICES 88145

Of the foregoing appropriation item 200-513, Student 88146  
Intervention Services, \$3,700,000 in fiscal year 2004 and 88147  
\$5,900,000 in fiscal year 2005 shall be allocated by the 88148  
Department of Education, on a per pupil basis, to school districts 88149  
in academic emergency. Districts shall use these funds for 88150  
salaries, materials, and training to provide after-school, 88151  
in-school, Saturday school, summer school, or other related 88152

intervention programs to students as specified in division (D)(2) 88153  
of section 3301.0711 of the Revised Code. In fiscal year 2004 88154  
these programs shall be provided to students enrolled in the ninth 88155  
grade. In fiscal year 2005, these programs shall be provided to 88156  
students enrolled in the ninth and tenth grades. At the end of 88157  
each fiscal year, the school districts receiving these funds shall 88158  
report to the Department of Education the number of students who 88159  
were offered intervention, the number of students who 88160  
participated, and the number of students who completed the 88161  
intervention program, and shall provide an evaluation of the 88162  
impact of the intervention on students. 88163

Of the foregoing appropriation item 200-513, Student 88164  
Intervention Services, \$150,000 in each fiscal year shall be used 88165  
for Read Baby Read. 88166

The remainder of appropriation item 200-513, Student 88167  
Intervention Services, shall be used to assist districts providing 88168  
the intervention services specified in section 3313.608 of the 88169  
Revised Code. The Department of Education shall establish 88170  
guidelines for the use and distribution of these moneys. School 88171  
districts receiving funds from this appropriation shall report to 88172  
the Department of Education on how funds were used. 88173

POSTSECONDARY ADULT CAREER-TECHNICAL EDUCATION 88174

Of the foregoing appropriation item 200-514, Postsecondary 88175  
Adult Career-Technical Education, \$40,000 in each fiscal year 88176  
shall be used for the statewide coordination of the activities of 88177  
the Ohio Young Farmers. 88178

The remainder of appropriation item 200-514, Postsecondary 88179  
Adult Career-Technical Education, shall be used by the State Board 88180  
of Education to provide postsecondary adult career-technical 88181  
education under sections 3313.52 and 3313.53 of the Revised Code. 88182

DISADVANTAGED PUPIL IMPACT AID 88183



Notwithstanding the distribution formula outlined in section 88184  
3317.029 of the Revised Code, each school district shall receive 88185  
an additional two per cent in Disadvantaged Pupil Impact Aid 88186  
(DPIA) funding in fiscal year 2004 over what was received in 88187  
fiscal year 2003 unless the district receives DPIA funding from 88188  
the DPIA guarantee provision pursuant to division (B) of section 88189  
3317.029 of the Revised Code in fiscal year 2003. For such a 88190  
district, its DPIA funding in fiscal year 2004 shall equal the 88191  
amount of DPIA funding the district received in fiscal year 2003. 88192

Notwithstanding the distribution formula outlined in section 88193  
3317.029 of the Revised Code, each school district shall receive 88194  
an additional two per cent in DPIA funding in fiscal year 2005 88195  
over what was received in fiscal year 2004 unless the district 88196  
receives DPIA funding from the DPIA guarantee provision pursuant 88197  
to division (B) of section 3317.029 of the Revised Code in fiscal 88198  
year 2003. For such a district, its DPIA funding in fiscal year 88199  
2005 shall equal the amount of DPIA funding the district received 88200  
in fiscal year 2004. 88201

School districts must continue to comply with all expenditure 88202  
guidelines and restrictions outlined in divisions (F), (G), (I), 88203  
and (K) of section 3317.029 of the Revised Code by assuming a two 88204  
per cent increase in funds for each program outlined in divisions 88205  
(C), (D), and (E) of section 3317.029 of the Revised Code and by 88206  
assuming a DPIA index equivalent to the index calculated in fiscal 88207  
year 2003. 88208

The Department of Education shall pay all-day, everyday 88209  
kindergarten funding to all school districts in each fiscal year 88210  
that qualified for and provided the service in fiscal year 2003 88211  
pursuant to section 3317.029 of the Revised Code. School districts 88212  
and community schools that did not have a DPIA allocation in 88213  
fiscal year 2003 shall not receive an allocation in fiscal year 88214  
2004 or fiscal year 2005. 88215

Of the foregoing appropriation item 200-520, Disadvantaged 88216  
Pupil Impact Aid, up to \$3,800,000 in each fiscal year shall be 88217  
used for school breakfast programs. Of this amount, up to 88218  
\$1,000,000 shall be used in each fiscal year by the Department of 88219  
Education for the purpose of increasing participation in child 88220  
nutrition programs, particularly school breakfast and summer 88221  
meals. The Department shall collaborate with the Children's Hunger 88222  
Alliance in the outreach effort. The remainder of the 88223  
appropriation shall be used to partially reimburse school 88224  
buildings within school districts that are required to have a 88225  
school breakfast program pursuant to section 3313.813 of the 88226  
Revised Code, at a rate decided by the Department. 88227

Of the foregoing appropriation item 200-520, Disadvantaged 88228  
Pupil Impact Aid, \$4,500,000 in fiscal year 2004 and \$6,000,000 in 88229  
fiscal year 2005 shall be used to operate the school choice 88230  
program in the Cleveland Municipal School District pursuant to 88231  
sections 3313.974 to 3313.979 of the Revised Code. 88232

Of the portion of the funds distributed to the Cleveland 88233  
Municipal School District under this section, up to \$11,901,887 in 88234  
each fiscal year shall be used to operate the school choice 88235  
program in the Cleveland Municipal School District pursuant to 88236  
sections 3313.974 to 3313.979 of the Revised Code. 88237

**Section 41.11. GIFTED PUPIL PROGRAM** 88238

The foregoing appropriation item 200-521, Gifted Pupil 88239  
Program, shall be used for gifted education units not to exceed 88240  
1,110 in each fiscal year pursuant to division (P) of section 88241  
3317.024 and division (F) of section 3317.05 of the Revised Code. 88242

Of the foregoing appropriation item 200-521, Gifted Pupil 88243  
Program, up to \$5,000,000 each in fiscal year may be used as an 88244  
additional supplement for identifying gifted students pursuant to 88245

Chapter 3324. of the Revised Code.	88246
Of the foregoing appropriation item 200-521, Gifted Pupil Program, the Department of Education may expend up to \$1,000,000 in each fiscal year for the Summer Honors Institute for gifted freshman and sophomore high school students. Up to \$600,000 in each fiscal year shall be used for research and demonstration projects. The Department of Education shall research and evaluate the effectiveness of gifted education programs in Ohio. Up to \$70,000 in each fiscal year shall be used for the Ohio Summer School for the Gifted (Martin Essex Program).	88247 88248 88249 88250 88251 88252 88253 88254 88255
<b>Section 41.12. PARITY AID</b>	88256
The foregoing appropriation item 200-525, Parity Aid, shall be distributed to school districts based on the formulas specified in section 3317.0217 of the Revised Code.	88257 88258 88259
<b>NONPUBLIC ADMINISTRATIVE COST REIMBURSEMENT</b>	88260
The foregoing appropriation item 200-532, Nonpublic Administrative Cost Reimbursement, shall be used by the Department of Education for the purpose of implementing section 3317.063 of the Revised Code.	88261 88262 88263 88264
<b>Section 41.13. SPECIAL EDUCATION ENHANCEMENTS</b>	88265
Of the foregoing appropriation item 200-540, Special Education Enhancements, up to \$44,204,000 in fiscal year 2004 and up to \$45,441,712 in fiscal year 2005 shall be used to fund special education and related services at county boards of mental retardation and developmental disabilities for eligible students under section 3317.20 of the Revised Code. Up to \$2,452,125 shall be used in each fiscal year to fund special education classroom and related services units at institutions.	88266 88267 88268 88269 88270 88271 88272 88273
Of the foregoing appropriation item 200-540, Special	88274

Education Enhancements, up to \$2,906,875 in each fiscal year shall 88275  
be used for home instruction for children with disabilities; up to 88276  
\$1,462,500 in each fiscal year shall be used for parent mentoring 88277  
programs; and up to \$2,783,396 in each fiscal year may be used for 88278  
school psychology interns. 88279

Of the foregoing appropriation item 200-540, Special 88280  
Education Enhancements, \$3,406,090 in each fiscal year shall be 88281  
used by the Department of Education to assist school districts in 88282  
funding aides pursuant to paragraph (A)(3)(c)(i)(b) of rule 88283  
3301-51-04 of the Administrative Code. 88284

Of the foregoing appropriation item 200-540, Special 88285  
Education Enhancements, \$78,384,498 in each fiscal year shall be 88286  
distributed by the Department of Education to county boards of 88287  
mental retardation and developmental disabilities, educational 88288  
service centers, and school districts for preschool special 88289  
education units and preschool supervisory units in accordance with 88290  
section 3317.161 of the Revised Code. The department may reimburse 88291  
county boards of mental retardation and developmental 88292  
disabilities, educational service centers, and school districts 88293  
for related services as defined in rule 3301-31-05 of the 88294  
Administrative Code, for preschool occupational and physical 88295  
therapy services provided by a physical therapy assistant and 88296  
certified occupational therapy assistant, and for an instructional 88297  
assistant. To the greatest extent possible, the Department of 88298  
Education shall allocate these units to school districts and 88299  
educational service centers. The Controlling Board may approve the 88300  
transfer of unallocated funds from appropriation item 200-501, 88301  
Base Cost Funding, to appropriation item 200-540, Special 88302  
Education Enhancements, to fully fund existing units as necessary 88303  
or to fully fund additional units. The Controlling Board may 88304  
approve the transfer of unallocated funds from appropriation item 88305  
200-540, Special Education Enhancements, to appropriation item 88306

200-501, Base Cost Funding, to fully fund the special education 88307  
weight cost funding. 88308

The Department of Education shall require school districts, 88309  
educational service centers, and county MR/DD boards serving 88310  
preschool children with disabilities to document child progress 88311  
using research-based indicators prescribed by the Department and 88312  
report results annually. The reporting dates and methodology shall 88313  
be determined by the Department. 88314

Of the foregoing appropriation item 200-540, Special 88315  
Education Enhancements, \$315,000 in each fiscal year shall be 88316  
expended to conduct a demonstration project involving language and 88317  
literacy intervention teams supporting student acquisition of 88318  
language and literacy skills. The demonstration project shall 88319  
demonstrate improvement of language and literacy skills of at-risk 88320  
learners under the instruction of certified speech pathologists 88321  
and educators. Baseline data shall be collected and comparison 88322  
data for fiscal year 2004 and fiscal year 2005 shall be collected 88323  
and reported to the Governor, Ohio Reads Council, Department of 88324  
Education, and the General Assembly. 88325

Of the foregoing appropriation item 200-540, Special 88326  
Education Enhancements, up to \$500,000 in each fiscal year shall 88327  
be used for the Research-Based Reading Mentoring Program. 88328

Of the foregoing appropriation item 200-540, Special 88329  
Education Enhancements, \$600,000 in each fiscal year shall be used 88330  
to support the Bellefaire Jewish Children's Bureau. 88331

**Section 41.14. CAREER-TECHNICAL EDUCATION ENHANCEMENTS** 88332

Of the foregoing appropriation item 200-545, Career-Technical 88333  
Education Enhancements, up to \$2,576,107 in each fiscal year shall 88334  
be used to fund career-technical education units at institutions. 88335

Of the foregoing appropriation item 200-545, Career-Technical 88336

Education Enhancements, up to \$2,925,000 in each fiscal year shall 88337  
be used by the Department of Education to fund competitive grants 88338  
to tech prep consortia that expand the number of students enrolled 88339  
in tech prep programs. These grant funds shall be used to directly 88340  
support expanded tech prep programs, including equipment, provided 88341  
to students enrolled in school districts, including joint 88342  
vocational school districts, and affiliated higher education 88343  
institutions. 88344

Of the foregoing appropriation item 200-545, Career-Technical 88345  
Education Enhancements, \$2,225,000 in each fiscal year shall be 88346  
used to provide an amount to each eligible school district for the 88347  
replacement or updating of equipment essential for the instruction 88348  
of students in job skills taught as part of a career-technical 88349  
program or programs approved for such instruction by the State 88350  
Board of Education. School districts replacing or updating 88351  
career-technical education equipment may purchase or lease such 88352  
equipment. The Department of Education shall review and approve 88353  
all equipment requests and may allot appropriated funds to 88354  
eligible school districts on the basis of the number of full-time 88355  
equivalent workforce development teachers in all eligible 88356  
districts making application for funds. 88357

The State Board of Education may adopt standards of need for 88358  
equipment allocation. Pursuant to the adoption of any such 88359  
standards of need by the State Board of Education, appropriated 88360  
funds may be allotted to eligible districts according to such 88361  
standards. Equipment funds allotted under either process shall be 88362  
provided to a school district at 30, 40, or 50 per cent of cost on 88363  
the basis of a rating developed by the Department of Education 88364  
using the state share percentage as provided in division (B)(2) of 88365  
section 3317.022 of the Revised Code. 88366

Of the foregoing appropriation item 200-545, Career-Technical 88367  
Education Enhancements, up to \$3,650,000 in each fiscal year shall 88368

be used by the Department of Education to support existing High 88369  
Schools That Work (HSTW) sites, develop and support new sites, 88370  
fund technical assistance, and support regional centers and middle 88371  
school programs. The purpose of HSTW is to combine challenging 88372  
academic courses and modern career-technical studies to raise the 88373  
academic achievement of students. It provides intensive technical 88374  
assistance, focused staff development, targeted assessment 88375  
services, and ongoing communications and networking opportunities. 88376

Of the foregoing appropriation item 200-545, Career-Technical 88377  
Education Enhancements, \$2,400,000 in each fiscal year shall be 88378  
used for K-12 career development. 88379

Of the foregoing appropriation item 200-545, Career-Technical 88380  
Education Enhancements, up to \$496,800 in each fiscal year shall 88381  
be allocated for the Ohio Career Information System (OCIS) and 88382  
used for the dissemination of career information data to public 88383  
schools, libraries, rehabilitation centers, two- and four-year 88384  
colleges and universities, and other governmental units. 88385

Of the foregoing appropriation item 200-545, Career-Technical 88386  
Educational Enhancements, \$300,000 in each fiscal year shall be 88387  
used by the Department of Education to enable students in 88388  
agricultural programs to enroll in a fifth quarter of instruction 88389  
based on the agricultural education model of delivering work-based 88390  
learning through supervised agricultural experience. The 88391  
Department of Education shall determine eligibility criteria and 88392  
the reporting process for the Agriculture 5th Quarter Project and 88393  
shall fund as many programs as possible given the \$300,000 set 88394  
aside. 88395

**Section 41.15. CHARGE-OFF SUPPLEMENT** 88396

The foregoing appropriation item 200-546, Charge-Off 88397  
Supplement, shall be used by the Department of Education to make 88398  
payments pursuant to section 3317.0216 of the Revised Code. 88399

EMERGENCY LOAN INTEREST SUBSIDY 88400

The foregoing appropriation item 200-558, Emergency Loan 88401  
Interest Subsidy, shall be used to provide a subsidy to school 88402  
districts receiving emergency school loans pursuant to section 88403  
3313.484 of the Revised Code. The subsidy shall be used to pay 88404  
these districts the difference between the amount of interest the 88405  
district is paying on an emergency loan, and the interest that the 88406  
district would have paid if the interest rate on the loan had been 88407  
two per cent. 88408

**Section 41.16.** OHIOREADS GRANTS 88409

Of the foregoing appropriation item 200-566, OhioReads 88410  
Grants, the OhioReads Office in the Department of Education shall 88411  
use \$2,125,223 in fiscal year 2004 and \$2,167,728 in fiscal year 88412  
2005 to fund the STARS program. 88413

The remainder of the foregoing appropriation item 200-566, 88414  
OhioReads Grants, shall be disbursed by the OhioReads Office in 88415  
the Department of Education at the direction of the OhioReads 88416  
Council to provide grants to public schools in city, local, and 88417  
exempted village school districts; community schools; and 88418  
educational service centers serving kindergarten through fourth 88419  
grade students to support local reading literacy initiatives 88420  
including reading programs, materials, professional development, 88421  
tutoring, tutor recruitment and training, and parental 88422  
involvement. 88423

Grants awarded by the OhioReads Council are intended to 88424  
improve reading outcomes, especially on reading proficiency tests. 88425

SAFE AND SUPPORTIVE SCHOOLS 88426

Of the foregoing appropriation item 200-578, Safe and 88427  
Supportive Schools, up to \$224,250 in each fiscal year shall be 88428  
used to fund a safe school center to provide resources for parents 88429



and for school and law enforcement personnel. 88430

Of the foregoing appropriation item 200-578, Safe and 88431  
Supportive Schools, up to \$20,000 in each fiscal year may be used 88432  
by schools for the Eddie Eagle Gun Safety Pilot Program. School 88433  
districts wishing to participate in the pilot program shall apply 88434  
to the Department of Education under guidelines established by the 88435  
Superintendent of Public Instruction. 88436

Of the foregoing appropriation item 200-578, Safe and 88437  
Supportive Schools, up to \$1,800,000 in each fiscal year shall be 88438  
used for a safe school help line. 88439

The remainder of the appropriation shall be distributed based 88440  
on guidelines developed by the Department of Education to enhance 88441  
school safety. The guidelines shall provide a list of 88442  
research-based best practices and programs from which local 88443  
grantees shall select based on local needs. These practices shall 88444  
include, but not be limited to, school resource officers and safe 88445  
and drug free school coordinators and social-emotional development 88446  
programs. 88447

**Section 41.17. PROPERTY TAX ALLOCATION - EDUCATION** 88448

The Superintendent of Public Instruction shall not request, 88449  
and the Controlling Board shall not approve, the transfer of funds 88450  
from appropriation item 200-901, Property Tax Allocation - 88451  
Education, to any other appropriation item. 88452

The appropriation item 200-901, Property Tax Allocation - 88453  
Education, is appropriated to pay for the state's costs incurred 88454  
due to the homestead exemption and the property tax rollback. In 88455  
cooperation with the Department of Taxation, the Department of 88456  
Education shall distribute these funds directly to the appropriate 88457  
school districts of the state, notwithstanding sections 321.24 and 88458  
323.156 of the Revised Code, which provide for payment of the 88459

homestead exemption and property tax rollback by the Tax Commissioner to the appropriate county treasurer and the subsequent redistribution of these funds to the appropriate local taxing districts by the county auditor.

Appropriation item 200-906, Tangible Tax Exemption - Education, is appropriated to pay for the state's costs incurred due to the tangible personal property tax exemption required by division (C)(3) of section 5709.01 of the Revised Code. In cooperation with the Department of Taxation, the Department of Education shall distribute to each county treasurer the total amount appearing in the notification from the county treasurer pursuant to division (G) of section 321.24 of the Revised Code, for all school districts located in the county, notwithstanding the provision in section 321.24 of the Revised Code which provides for payment of the \$10,000 tangible personal property tax exemption by the Tax Commissioner to the appropriate county treasurer for all local taxing districts located in the county. Pursuant to division (G) of section 321.24 of the Revised Code, the county auditor shall distribute the amount paid by the Department of Education among the appropriate school districts.

Upon receipt of these amounts, each school district shall distribute the amount among the proper funds as if it had been paid as real or tangible personal property taxes. Payments for the costs of administration shall continue to be paid to the county treasurer and county auditor as provided for in sections 319.54, 321.26, and 323.156 of the Revised Code.

Any sums, in addition to the amounts specifically appropriated in appropriation items 200-901, Property Tax Allocation - Education, for the homestead exemption and the property tax rollback payments, and 200-906, Tangible Tax Exemption - Education, for the \$10,000 tangible personal property tax exemption payments, which are determined to be necessary for

these purposes, are hereby appropriated. 88492

**Section 41.18. TEACHER CERTIFICATION AND LICENSURE 88493**

The foregoing appropriation item 200-681, Teacher 88494  
Certification and Licensure, shall be used by the Department of 88495  
Education in each year of the biennium to administer teacher 88496  
certification and licensure functions pursuant to sections 88497  
3301.071, 3301.074, 3301.50, 3301.51, 3319.088, 3319.22, 3319.24 88498  
to 3319.28, 3319.281, 3319.282, 3319.29, 3319.301, 3319.31, and 88499  
3319.51 of the Revised Code. 88500

**SCHOOL DISTRICT SOLVENCY ASSISTANCE 88501**

Of the foregoing appropriation item 200-687, School District 88502  
Solvency Assistance, \$9,000,000 in each fiscal year shall be 88503  
allocated to the School District Shared Resource Account and 88504  
\$9,000,000 in each fiscal year shall be allocated to the 88505  
Catastrophic Expenditures Account. These funds shall be used to 88506  
provide assistance and grants to school districts to enable them 88507  
to remain solvent pursuant to section 3316.20 of the Revised Code. 88508  
Assistance and grants shall be subject to approval by the 88509  
Controlling Board. Any required reimbursements from school 88510  
districts for solvency assistance shall be made to the appropriate 88511  
account in the School District Solvency Assistance Fund (Fund 88512  
5H3). 88513

**Section 41.19. HEAD START PLUS/HEAD START 88514**

There is hereby established the Title IV-A Head Start Program 88515  
to be administered by the Department of Education in accordance 88516  
with an interagency agreement entered into with the Department of 88517  
Job and Family Services under division (A)(2) of section 5101.801 88518  
of the Revised Code. The program shall provide benefits and 88519  
services to TANF eligible individuals pursuant to the requirements 88520  
of section 5101.801 of the Revised Code. Upon approval by the 88521

Department of Job and Family Services, the Department of Education 88522  
shall adopt policies and procedures establishing program 88523  
requirements for eligibility, services, fiscal accountability, and 88524  
other criteria necessary to comply with the provisions of Title 88525  
IV-A of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 88526  
301, as amended. 88527

The foregoing appropriation item 200-663, Head Start 88528  
Plus/Head Start, shall be used to reimburse Title IV-A Head Start 88529  
Plus and Title IV-A Head Start programs for services to children. 88530  
The Department of Education shall administer the Title IV-A Head 88531  
Start Plus and Title IV-A Head Start programs in accordance with 88532  
an interagency agreement between the Departments of Education and 88533  
Job and Family Services. Title IV-A Head Start Plus and Title IV-A 88534  
Head Start providers shall meet all requirements as outlined in 88535  
section 3301.311 of the Revised Code. The Department of Education 88536  
shall adopt policies and procedures to establish a procedure for 88537  
approving Title IV-A Head Start Plus and Title IV-A Head Start 88538  
agencies. 88539

Of the foregoing appropriation item 200-663, Head Start 88540  
Plus/Head Start, up to \$57,170,000 in fiscal year 2004 shall be 88541  
used to support the Title IV-A Head Start program. Up to two 88542  
percent of this amount may be used by the Department of Education 88543  
to provide associated program support and technical assistance. 88544

Of the foregoing appropriation item 200-663, Head Start 88545  
Plus/Head Start, up to \$83,457,126 in fiscal year 2005 shall be 88546  
used to support the Title IV-A Head Start Plus initiative. Title 88547  
IV-A Head Start Plus shall provide up to 10,000 slots of full-day, 88548  
full-year programming for children at least three years of age and 88549  
not kindergarten age eligible. The program shall meet the child 88550  
care needs of low-income families who meet eligibility 88551  
requirements established in rules and administrative orders 88552  
adopted by the Ohio Department of Job and Family Services and 88553

provide early education and comprehensive services as provided 88554  
through the Head Start program before the enactment of this act. 88555

Of the foregoing appropriation item 200-663, Head Start 88556  
Plus/Head Start, up to \$22,763,177 in fiscal year 2005 shall be 88557  
used to support the Title IV-A Head Start program. This funding 88558  
shall be used to support up to 4,000 slots of traditional half-day 88559  
center-based, home-based, combination, or locally-designed option, 88560  
Title IV-A Head Start services. 88561

Of the foregoing appropriation line item 200-663, Head Start 88562  
Plus/Head Start, up to \$1,963,697 in fiscal year 2005 may be used 88563  
by the Department of Education to provide associated program 88564  
support and technical assistance. 88565

For purposes of this section, "eligible child" means a child 88566  
who is at least three years of age, has not entered kindergarten, 88567  
and is not of compulsory school age whose family earns not more 88568  
than 100 per cent of the federal poverty level, except as 88569  
otherwise provided in the following paragraph. 88570

The Department of Education, in consultation with Title IV-A 88571  
Head Start agencies and, beginning in July 1, 2004, Title IV-A 88572  
Head Start Plus agencies, shall establish criteria under which 88573  
these agencies may apply to the Department for a waiver to include 88574  
as "eligible children" those children from families earning up to 88575  
the level of eligibility established for child care subsidy by the 88576  
Department of Job and Family Services who otherwise qualify as 88577  
"eligible children" under the preceding paragraph. 88578

In fiscal year 2004, in order to serve children whose 88579  
families receive child care subsidy and whose incomes do not 88580  
exceed the income eligibility requirement for child care subsidy, 88581  
Title IV-A Head Start agencies may enroll children whose families 88582  
receive this child care subsidy from the Ohio Department of Job 88583  
and Family Services, if they partner with child care centers or 88584

family day care homes, where appropriate. This provision is to 88585  
meet the child care needs of low-income families who are working, 88586  
in training or education programs, or participating in Ohio Works 88587  
First approved activities. 88588

The Department of Education shall conduct a head count of the 88589  
number of children served by Head Start agencies under this 88590  
program in December 2003 and in December 2004. Any funding 88591  
appropriated to this program in fiscal year 2005, which the 88592  
Department of Education projects is not necessary to provide 88593  
services to children enrolled as of the head count taken in 88594  
December 2004 shall be returned to the Department of Job and 88595  
Family Services for use as child care assistance. 88596

The Department of Education shall provide an annual report to 88597  
the Governor, the Speaker of the House of Representatives, the 88598  
President of the Senate, the State Board of Education, Title IV-A 88599  
Head Start Plus and Title IV-A Head Start providers, and other 88600  
interested parties regarding the Title IV-A Head Start Plus and 88601  
Title IV-A Head Start program and performance indicators as 88602  
outlined by the Department of Education. 88603

JOBS FOR OHIO GRADUATES PROGRAM 88604

Pursuant to an interagency agreement entered into between the 88605  
Department of Job and Family Services and the Department of 88606  
Education, \$3,500,000 from Workforce Investment Act funds (Fund 88607  
3V0), reserved for statewide workforce investment activities, in 88608  
fiscal year 2004 and fiscal year 2005, shall be used to support 88609  
the Jobs for Ohio Graduates programs administered by the 88610  
Department of Education. 88611

AUXILIARY SERVICES REIMBURSEMENT 88612

Notwithstanding section 3317.064 of the Revised Code, if the 88613  
unobligated cash balance is sufficient, the Treasurer of State 88614  
shall transfer \$1,500,000 in fiscal year 2004 within thirty days 88615

after the effective date of this section and \$1,500,000 in fiscal 88616  
year 2005 by August 1, 2004, from the Auxiliary Services Personnel 88617  
Unemployment Compensation Fund to the Department of Education's 88618  
Auxiliary Services Reimbursement Fund (Fund 598). 88619

**Section 41.20.** LOTTERY PROFITS EDUCATION FUND 88620

Appropriation item 200-612, Base Cost Funding (Fund 017), 88621  
shall be used in conjunction with appropriation item 200-501, Base 88622  
Cost Funding (GRF), to provide payments to school districts 88623  
pursuant to Chapter 3317. of the Revised Code. 88624

The Department of Education, with the approval of the 88625  
Director of Budget and Management, shall determine the monthly 88626  
distribution schedules of appropriation item 200-501, Base Cost 88627  
Funding (GRF), and appropriation item 200-612, Base Cost Funding 88628  
(Fund 017). If adjustments to the monthly distribution schedule 88629  
are necessary, the Department of Education shall make such 88630  
adjustments with the approval of the Director of Budget and 88631  
Management. 88632

The Director of Budget and Management shall transfer via 88633  
intrastate transfer voucher the amount appropriated under the 88634  
Lottery Profits Education Fund for appropriation item 200-682, 88635  
Lease Rental Payment Reimbursement, to the General Revenue Fund on 88636  
a schedule determined by the director. These funds shall support 88637  
the appropriation item 230-428, Lease Rental Payments (GRF), of 88638  
the School Facilities Commission. 88639

\* LOTTERY PROFITS TRANSFERS 88640

On or before the first day of May of each fiscal year, the 88641  
Director of Budget and Management shall determine if lottery 88642  
profits transfers will meet the appropriation amounts from the 88643  
Lottery Profits Education Fund. 88644

**Section 41.21.** LOTTERY PROFITS EDUCATION RESERVE FUND 88645

(A) There is hereby created the Lottery Profits Education Reserve Fund (Fund 018) in the State Treasury. At no time shall the amount to the credit of the fund exceed \$75,000,000. Investment earnings of the Lottery Profits Education Reserve Fund shall be credited to the fund. Notwithstanding any provisions of law to the contrary, for fiscal years 2004 and 2005, there is appropriated to the Department of Education, from the Lottery Profits Education Reserve Fund, an amount necessary to make loans authorized by sections 3317.0210, 3317.0211, and 3317.62 of the Revised Code. All loan repayments from loans made in fiscal years 1992, 1993, 1994, 1995, 1996, 1997, 1998, or 1999 shall be deposited into the credit of the Lottery Profits Education Reserve Fund.

(B)(1) On or before July 15, 2003, the Director of Budget and Management shall determine the amount by which lottery profit transfers received by the Lottery Profits Education Fund for fiscal year 2003 exceed \$637,722,600. The amount so certified shall be distributed in fiscal year 2004 pursuant to division (C) of this section.

(2) On or before July 15, 2004, the Director of Budget and Management shall determine the amount by which lottery profit transfers received by the Lottery Profits Education Fund for fiscal year 2004 exceed \$637,900,000. The amount so determined shall be distributed in fiscal year 2005 pursuant to division (D) of this section.

The Director of Budget and Management shall annually certify the amounts determined pursuant to this section to the Speaker of the House of Representatives and the President of the Senate.

(C) In fiscal year 2004, if there is a balance in the Lottery Profits Education Fund, the moneys shall be allocated as provided in this division. Any amounts so allocated are appropriated.



An amount equal to five per cent of the estimated lottery profits of \$637,722,600 in fiscal year 2003 or the amount remaining in the fund, whichever is the lesser amount, shall be transferred to the Lottery Profits Education Reserve Fund within the limitations specified in division (A) of this section and be reserved and shall not be available for allocation or distribution during fiscal year 2004. Any amounts exceeding \$75,000,000 shall be distributed pursuant to division (E) of this section.

(D) In fiscal year 2005, if there is a balance in the Lottery Profits Education Fund, the moneys shall be allocated as provided in this division. Any amounts so allocated are appropriated.

An amount equal to five per cent of the estimated lottery profits transfers of \$637,900,000 in fiscal year 2004 or the amount remaining in the fund, whichever is the lesser amount, shall be transferred to the Lottery Profits Education Reserve Fund within the limitations specified in division (A) of this section and be reserved and shall not be available for allocation or distribution during fiscal year 2005. Any amounts exceeding \$75,000,000 shall be distributed pursuant to division (E) of this section.

(E) In the appropriate fiscal year, any remaining amounts after the operations required by division (C) or (D) of this section, respectively, shall be transferred to the Public School Building Fund (Fund 021) and such amount is appropriated to appropriation item CAP-622, Public School Buildings, in the School Facilities Commission.

**Section 41.22. SCHOOL DISTRICT PROPERTY TAX REPLACEMENT**

The foregoing appropriation item 200-900, School District Property Tax Replacement, shall be used by the Department of Education, in consultation with the Department of Taxation, to

make payments to school districts and joint vocational school 88707  
districts pursuant to section 5727.85 of the Revised Code. 88708

**Section 41.23.** \* DISTRIBUTION FORMULAS 88709

The Department of Education shall report the following to the 88710  
Director of Budget and Management, the Legislative Office of 88711  
Education Oversight, and the Legislative Service Commission: 88712

(A) Changes in formulas for distributing state 88713  
appropriations, including administratively defined formula 88714  
factors; 88715

(B) Discretionary changes in formulas for distributing 88716  
federal appropriations; 88717

(C) Federally mandated changes in formulas for distributing 88718  
federal appropriations. 88719

Any such changes shall be reported two weeks prior to the 88720  
effective date of the change. 88721

**Section 41.24.** DISTRIBUTION - SCHOOL DISTRICT SUBSIDY 88722  
PAYMENTS 88723

This section shall not take effect unless the Director of 88724  
Budget and Management adopts an order putting it into effect and 88725  
certifies a copy of the order to the Superintendent of Public 88726  
Instruction and the Controlling Board. 88727

Notwithstanding any other provision of the Revised Code, the 88728  
monthly distribution of payments made to school districts and 88729  
educational service centers pursuant to section 3317.01 of the 88730  
Revised Code for the first six months of each fiscal year shall 88731  
equal, as nearly as possible, six and two-thirds per cent of the 88732  
estimate of the amounts payable for each fiscal year. The monthly 88733  
distribution of payments for the last six months of each fiscal 88734  
year shall equal, as nearly as possible, ten per cent of the final 88735

calculation of the amounts payable to each school district for 88736  
that fiscal year. 88737

The treasurer of each school district or educational service 88738  
center may accrue, in addition to the payments defined in this 88739  
section, to the accounts of the calendar years that end during 88740  
each fiscal year, the difference between the sum of the first six 88741  
months' payments in each fiscal year and the amounts the district 88742  
would have received had the payments been made in, as nearly as 88743  
possible in each fiscal year, twelve equal monthly payments. 88744

Notwithstanding the limitations on the amount of borrowing 88745  
and time of payment provided for in section 133.10 of the Revised 88746  
Code but subject to sections 133.26 and 133.30 of the Revised 88747  
Code, a board of education of a school district may at any time 88748  
between July 1, 2003, and December 31, 2003, or at any time 88749  
between July 1, 2004, and December 31, 2004, borrow money to pay 88750  
any necessary and actual expenses of the school district during 88751  
the last six months of calendar years 2003 and 2004 and in 88752  
anticipation of the receipt of any portion of the payments to be 88753  
received by that district in the first six months of calendar 88754  
years 2004 and 2005 representing the respective amounts accrued 88755  
pursuant to the preceding paragraph, and issue notes to evidence 88756  
that borrowing to mature not later than the thirtieth day of June 88757  
of the calendar year following the calendar year in which such 88758  
amount was borrowed. The principal amount borrowed in the last six 88759  
months of calendar years 2003 or 2004 under this paragraph may not 88760  
exceed the entire amount accrued or to be accrued by the district 88761  
treasurer in those calendar years pursuant to the preceding 88762  
paragraph. The proceeds of the notes shall be used only for the 88763  
purposes for which the anticipated receipts are lawfully 88764  
appropriated by the board of education. No board of education 88765  
shall be required to use the authority granted by this paragraph. 88766  
The receipts so anticipated, and additional amounts from 88767

distributions to the districts in the first six months of calendar 88768  
years 2004 and 2005 pursuant to Chapter 3317. of the Revised Code 88769  
needed to pay the interest on the notes, shall be deemed 88770  
appropriated by the board of education to the extent necessary for 88771  
the payment of the principal of and interest on the notes at 88772  
maturity, and the amounts necessary to make those monthly 88773  
distributions are appropriated from the General Revenue Fund. For 88774  
the purpose of better ensuring the prompt payment of principal of 88775  
and interest on the notes when due, the resolution of the board of 88776  
education authorizing the notes may direct that the amount of the 88777  
receipts anticipated, together with those additional amounts 88778  
needed to pay the interest on the borrowed amounts, shall be 88779  
deposited and segregated, in trust or otherwise, to the extent, at 88780  
the time or times, and in the manner provided in that resolution. 88781  
The borrowing authorized by this section does not constitute debt 88782  
for purposes of section 133.04 of the Revised Code. School 88783  
districts shall be reimbursed by the state for all necessary and 88784  
actual costs to districts arising from this provision, including, 88785  
without limitation, the interest paid on the notes while the notes 88786  
are outstanding. The Department of Education shall adopt rules 88787  
that are not inconsistent with this section for school district 88788  
eligibility and application for reimbursement of such costs. 88789  
Payments of these costs shall be made out of any anticipated 88790  
balances in appropriation items distributed under Chapter 3317. of 88791  
the Revised Code. The department shall submit all requests for 88792  
reimbursement under these provisions to the Controlling Board for 88793  
approval. 88794

During the last six months of each calendar year, instead of 88795  
deducting the amount the Superintendent of Public Instruction 88796  
would otherwise deduct from a school district's or educational 88797  
service center's state aid payments in accordance with the 88798  
certifications made for such year pursuant to sections 3307.56 and 88799  
3309.51 of the Revised Code, the superintendent shall deduct an 88800

amount equal to forty per cent of the amount so certified. The 88801  
secretaries of the retirement systems shall compute the 88802  
certifications for the ensuing year under such sections as if the 88803  
entire amounts certified as due in the calendar year ending the 88804  
current fiscal year, but not deducted pursuant to this paragraph, 88805  
had been deducted and paid in that calendar year. During the first 88806  
six months of the ensuing calendar year, in addition to deducting 88807  
the amounts the Superintendent of Public Instruction is required 88808  
to deduct under such sections during such period, the 88809  
superintendent shall deduct from a district's or educational 88810  
service center's state aid payments an additional amount equal to 88811  
the amount that was certified as due from the district for the 88812  
calendar year that ends during the fiscal year, but that was not 88813  
deducted because of this paragraph. The superintendent's 88814  
certifications to the Director of Budget and Management during the 88815  
first six months of the calendar year shall reflect such 88816  
additional deduction. 88817

**Section 41.25. EDUCATIONAL SERVICE CENTERS FUNDING** 88818

(A) As used in this section: 88819

(1) "Internet- or computer-based community school" has the 88820  
same meaning as in section 3314.02 of the Revised Code. 88821

(2) "Service center ADM" has the same meaning as in section 88822  
3317.11 of the Revised Code. 88823

(B) Notwithstanding division (F) of section 3317.11 of the 88824  
Revised Code, no funds shall be provided under that division to an 88825  
educational service center in either fiscal year for any pupils of 88826  
a city or exempted village school district unless an agreement to 88827  
provide services under section 3313.843 of the Revised Code was 88828  
entered into by January 1, 1997, except that funds shall be 88829  
provided to an educational service center for any pupils of a city 88830  
school district if the agreement to provide services was entered 88831

into within one year of the date upon which such district changed 88832  
from a local school district to a city school district. 88833

(C) Notwithstanding any provision of the Revised Code to the 88834  
contrary, an educational service center that sponsors a community 88835  
school under Chapter 3314. of the Revised Code in either fiscal 88836  
year may include the students of that community school in its 88837  
service center ADM for purposes of state funding under division 88838  
(F) of section 3317.11 of the Revised Code, unless the community 88839  
school is an Internet- or computer-based community school. A 88840  
service center shall include the community school students in its 88841  
service center ADM only to the extent that the students are not 88842  
already so included, and only in accordance with guidelines issued 88843  
by the Department of Education. If the students of a community 88844  
school sponsored by an educational service center are included in 88845  
the service center ADM of another educational service center, 88846  
those students shall be removed from the service center ADM of the 88847  
other educational service center and added to the service center 88848  
ADM of the community school's sponsoring service center. The 88849  
General Assembly authorizes this procedure as an incentive for 88850  
educational service centers to take over sponsorship of community 88851  
schools from the State Board of Education as the State Board's 88852  
sponsorship is phased out in accordance with Sub. H.B. 364 of the 88853  
124th General Assembly. No student of an Internet- or 88854  
computer-based community school shall be counted in the service 88855  
center ADM of any educational service center. The Department shall 88856  
pay educational service centers under division (F) of section 88857  
3317.11 of the Revised Code for community school students included 88858  
in their service center ADMs under this division only if 88859  
sufficient funds earmarked within appropriation item 200-501, Base 88860  
Cost Funding, for payments under that division remain after first 88861  
paying for students attributable to their local and client school 88862  
districts, in accordance with divisions (B) and (D) of this 88863  
section. 88864

(D) If insufficient funds are earmarked within appropriation 88865  
item 200-501, Base Cost Funding, for payments under division (F) 88866  
of section 3317.11 of the Revised Code and division (C) of this 88867  
section in fiscal year 2004 or fiscal year 2005, the Department 88868  
shall prioritize the distribution of the earmarked funds as 88869  
follows: 88870

(1) The Department shall first distribute to each educational 88871  
service center the per-student amount specified in division (F) of 88872  
section 3317.11 of the Revised Code for each student in its 88873  
service center ADM attributable to the local school districts 88874  
within the service center's territory. 88875

(2) The Department shall distribute the remaining funds in 88876  
each fiscal year to each educational service center for the 88877  
students in its service center ADM attributable to each city and 88878  
exempted village school district that had entered into an 88879  
agreement with an educational service center for that fiscal year 88880  
under section 3313.843 of the Revised Code by January 1, 1997, up 88881  
to the per-student amount specified in division (F) of section 88882  
3317.11 of the Revised Code. If insufficient funds remain to pay 88883  
each service center the full amount specified in division (F) of 88884  
that section for each such student, the Department shall 88885  
distribute the remaining funds to each service center 88886  
proportionally, on a per-student basis for each such student, 88887  
unless that proportional per-student amount exceeds the amount 88888  
specified in division (F)(1) of that section. In that case, the 88889  
Department shall distribute the per-student amount specified in 88890  
division (F)(1) of that section to each service center for each 88891  
such student and shall distribute the remainder proportionally, on 88892  
a per-student basis for each such student, to the multi-county 88893  
service centers described in division (F)(2) of that section. 88894

(3) If the Department has paid each service center under 88895  
divisions (D)(1) and (2) of this section, the full amount 88896

specified in division (F) of section 3317.11 of the Revised Code 88897  
for each student attributable to its local school districts and 88898  
its client school districts described in division (D)(2) of this 88899  
section the Department shall distribute any remaining funds 88900  
proportionally, on a per-student basis, to each service center 88901  
that sponsors a community school, other than an Internet- or 88902  
computer-based community school, for the students included in the 88903  
service center ADM under division (C) of this section. These 88904  
payments shall not exceed per student the amount specified in 88905  
division (F) of section 3317.11 of the Revised Code. 88906

**Section 41.26.** \* For the school year commencing July 1, 2003, 88907  
or the school year commencing July 1, 2004, or both, the 88908  
Superintendent of Public Instruction may waive for the board of 88909  
education of any school district the ratio of teachers to pupils 88910  
in kindergarten through fourth grade required under paragraph 88911  
(A)(3) of rule 3301-35-05 of the Administrative Code if the 88912  
following conditions apply: 88913

(A) The board of education requests the waiver. 88914

(B) After the Department of Education conducts an on-site 88915  
evaluation of the district related to meeting the required ratio, 88916  
the board of education demonstrates to the satisfaction of the 88917  
Superintendent of Public Instruction that providing the facilities 88918  
necessary to meet the required ratio during the district's regular 88919  
school hours with pupils in attendance would impose an extreme 88920  
hardship on the district. 88921

(C) The board of education provides assurances that are 88922  
satisfactory to the Superintendent of Public Instruction that the 88923  
board will act in good faith to meet the required ratio as soon as 88924  
possible. 88925

**Section 41.27.** PRIVATE TREATMENT FACILITY PILOT PROJECT 88926



(A) As used in this section:	88927
(1) The following are "participating residential treatment centers":	88928
(a) Private residential treatment facilities that have entered into a contract with the Department of Youth Services to provide services to children placed at the facility by the Department and which, in fiscal year 2004 or fiscal year 2005 or both, the Department pays through appropriation item 470-401, Care and Custody;	88929
(a) Private residential treatment facilities that have entered into a contract with the Department of Youth Services to provide services to children placed at the facility by the Department and which, in fiscal year 2004 or fiscal year 2005 or both, the Department pays through appropriation item 470-401, Care and Custody;	88930
(a) Private residential treatment facilities that have entered into a contract with the Department of Youth Services to provide services to children placed at the facility by the Department and which, in fiscal year 2004 or fiscal year 2005 or both, the Department pays through appropriation item 470-401, Care and Custody;	88931
(a) Private residential treatment facilities that have entered into a contract with the Department of Youth Services to provide services to children placed at the facility by the Department and which, in fiscal year 2004 or fiscal year 2005 or both, the Department pays through appropriation item 470-401, Care and Custody;	88932
(a) Private residential treatment facilities that have entered into a contract with the Department of Youth Services to provide services to children placed at the facility by the Department and which, in fiscal year 2004 or fiscal year 2005 or both, the Department pays through appropriation item 470-401, Care and Custody;	88933
(a) Private residential treatment facilities that have entered into a contract with the Department of Youth Services to provide services to children placed at the facility by the Department and which, in fiscal year 2004 or fiscal year 2005 or both, the Department pays through appropriation item 470-401, Care and Custody;	88934
(a) Private residential treatment facilities that have entered into a contract with the Department of Youth Services to provide services to children placed at the facility by the Department and which, in fiscal year 2004 or fiscal year 2005 or both, the Department pays through appropriation item 470-401, Care and Custody;	88935
(b) Abraxas, in Shelby;	88936
(c) Paint Creek, in Bainbridge;	88937
(d) Act One, in Akron;	88938
(e) Friars Club, in Cincinnati.	88939
(2) "Education program" means an elementary or secondary education program or a special education program and related services.	88940
(2) "Education program" means an elementary or secondary education program or a special education program and related services.	88941
(2) "Education program" means an elementary or secondary education program or a special education program and related services.	88942
(3) "Served child" means any child receiving an education program pursuant to division (B) of this section.	88943
(3) "Served child" means any child receiving an education program pursuant to division (B) of this section.	88944
(4) "School district responsible for tuition" means a city, exempted village, or local school district that, if tuition payment for a child by a school district is required under law that existed in fiscal year 1998, is the school district required to pay that tuition.	88945
(4) "School district responsible for tuition" means a city, exempted village, or local school district that, if tuition payment for a child by a school district is required under law that existed in fiscal year 1998, is the school district required to pay that tuition.	88946
(4) "School district responsible for tuition" means a city, exempted village, or local school district that, if tuition payment for a child by a school district is required under law that existed in fiscal year 1998, is the school district required to pay that tuition.	88947
(4) "School district responsible for tuition" means a city, exempted village, or local school district that, if tuition payment for a child by a school district is required under law that existed in fiscal year 1998, is the school district required to pay that tuition.	88948
(4) "School district responsible for tuition" means a city, exempted village, or local school district that, if tuition payment for a child by a school district is required under law that existed in fiscal year 1998, is the school district required to pay that tuition.	88949
(5) "Residential child" means a child who resides in a participating residential treatment center and who is receiving an educational program under division (B) of this section.	88950
(5) "Residential child" means a child who resides in a participating residential treatment center and who is receiving an educational program under division (B) of this section.	88951
(5) "Residential child" means a child who resides in a participating residential treatment center and who is receiving an educational program under division (B) of this section.	88952
(B) A youth who is a resident of the state and has been assigned by a juvenile court or other authorized agency to a residential treatment facility specified in division (A) of this	88953
(B) A youth who is a resident of the state and has been assigned by a juvenile court or other authorized agency to a residential treatment facility specified in division (A) of this	88954
(B) A youth who is a resident of the state and has been assigned by a juvenile court or other authorized agency to a residential treatment facility specified in division (A) of this	88955

section shall be enrolled in an approved educational program 88956  
located in or near the facility. Approval of the educational 88957  
program shall be contingent upon compliance with the criteria 88958  
established for such programs by the Department of Education. The 88959  
educational program shall be provided by a school district or 88960  
educational service center, or by the residential facility itself. 88961  
Maximum flexibility shall be given to the residential treatment 88962  
facility to determine the provider. In the event that a voluntary 88963  
agreement cannot be reached and the residential facility does not 88964  
choose to provide the educational program, the educational service 88965  
center in the county in which the facility is located shall 88966  
provide the educational program at the treatment center to 88967  
children under twenty-two years of age residing in the treatment 88968  
center. 88969

(C) Any school district responsible for tuition for a 88970  
residential child shall, notwithstanding any conflicting provision 88971  
of the Revised Code regarding tuition payment, pay tuition for the 88972  
child for fiscal year 2004 and fiscal year 2005 to the education 88973  
program provider and in the amount specified in this division. If 88974  
there is no school district responsible for tuition for a 88975  
residential child and if the participating residential treatment 88976  
center to which the child is assigned is located in the city, 88977  
exempted village, or local school district that, if the child were 88978  
not a resident of that treatment center, would be the school 88979  
district where the child is entitled to attend school under 88980  
sections 3313.64 and 3313.65 of the Revised Code, that school 88981  
district, notwithstanding any conflicting provision of the Revised 88982  
Code, shall pay tuition for the child for fiscal year 2004 and 88983  
fiscal year 2005 under this division unless that school district 88984  
is providing the educational program to the child under division 88985  
(B) of this section. 88986

A tuition payment under this division shall be made to the 88987

school district, educational service center, or residential 88988  
treatment facility providing the educational program to the child. 88989

The amount of tuition paid shall be: 88990

(1) The amount of tuition determined for the district under 88991  
division (A) of section 3317.08 of the Revised Code; 88992

(2) In addition, for any student receiving special education 88993  
pursuant to an individualized education program as defined in 88994  
section 3323.01 of the Revised Code, a payment for excess costs. 88995  
This payment shall equal the actual cost to the school district, 88996  
educational service center, or residential treatment facility of 88997  
providing special education and related services to the student 88998  
pursuant to the student's individualized education program, minus 88999  
the tuition paid for the child under division (C)(1) of this 89000  
section. 89001

A school district paying tuition under this division shall 89002  
not include the child for whom tuition is paid in the district's 89003  
average daily membership certified under division (A) of section 89004  
3317.03 of the Revised Code. 89005

(D) In each of fiscal years 2004 and 2005, the Department of 89006  
Education shall reimburse, from appropriations made for the 89007  
purpose, a school district, educational service center, or 89008  
residential treatment facility, whichever is providing the 89009  
service, that has demonstrated that it is in compliance with the 89010  
funding criteria for each served child for whom a school district 89011  
must pay tuition under division (C) of this section. The amount of 89012  
the reimbursement shall be the formula amount specified in section 89013  
3317.022 of the Revised Code, except that the department shall 89014  
proportionately reduce this reimbursement if sufficient funds are 89015  
not available to pay this amount to all qualified providers. 89016

(E) Funds provided to a school district, educational service 89017  
center, or residential treatment facility under this section shall 89018

be used to supplement, not supplant, funds from other public 89019  
sources for which the school district, service center, or 89020  
residential treatment facility is entitled or eligible. 89021

(F) The Department of Education shall track the utilization 89022  
of funds provided to school districts, educational service 89023  
centers, and residential treatment facilities under this section 89024  
and monitor the effect of the funding on the educational programs 89025  
they provide in participating residential treatment facilities. 89026  
The department shall monitor the programs for educational 89027  
accountability. 89028

**Section 41.28. SCHOOL DISTRICT PARTICIPATION IN NATIONAL 89029**  
**ASSESSMENT OF EDUCATION PROGRESS 89030**

The General Assembly intends for the Superintendent of Public 89031  
Instruction to provide for school district participation in the 89032  
administration of the National Assessment of Education Progress in 89033  
accordance with section 3301.27 of the Revised Code. Each school 89034  
and school district selected for participation by the 89035  
Superintendent of Public Instruction shall participate. 89036

**Section 41.29. Notwithstanding division (C)(1) of section 89037**  
3313.975 of the Revised Code, in addition to students in 89038  
kindergarten through third grade, initial scholarships may be 89039  
awarded to fourth, fifth, sixth, seventh, and eighth grade 89040  
students in fiscal year 2004 and in fiscal year 2005. 89041

**Section 41.30. STATEMENT OF STATE SHARE PERCENTAGE FOR BASE 89042**  
**COST AND PARITY AID FUNDING 89043**

Pursuant to division (D)(3) of section 3317.012 of the 89044  
Revised Code, and based on the most recent data available prior to 89045  
the enactment of this act, the General Assembly has determined 89046  
that the state share percentage of base cost and parity aid 89047

funding for the update year (fiscal year 2002) is 49.0%. This is 89048  
the target percentage for fiscal year 2004 and fiscal year 2005 89049  
that the General Assembly shall use to fulfill its obligation 89050  
under division (D)(4) of section 3317.012 of the Revised Code. 89051

Pursuant to division (D)(4) of section 3317.012 of the 89052  
Revised Code, and based on the most recent data available prior to 89053  
the enactment of this act, the General Assembly has determined 89054  
that the state share percentage of base cost and parity aid 89055  
funding for fiscal year 2004 is 48.5% and for fiscal year 2005 is 89056  
47.9%. This determination fulfills the General Assembly's 89057  
obligation under that division for fiscal year 2004 and fiscal 89058  
year 2005. 89059

**Section 41.31. DEPARTMENT OF EDUCATION APPROPRIATION 89060**  
**TRANSFERS FOR STUDENT ASSESSMENT 89061**

In fiscal year 2004 and fiscal year 2005, if the 89062  
Superintendent of Public Instruction determines that additional 89063  
funds are needed to fully fund the requirements of Am. Sub. S.B. 1 89064  
of the 124th General Assembly for assessments of student 89065  
performance, the Superintendent of Public Instruction may 89066  
recommend the reallocation of unspent and unencumbered 89067  
appropriations within the Department of Education to the General 89068  
Revenue Fund appropriation item 200-437, Student Assessment, to 89069  
the Director of Budget and Management. If the Director of Budget 89070  
and Management determines that such a reallocation is required, 89071  
the Director of Budget and Management may transfer unspent and 89072  
unencumbered funds within the Department of Education as necessary 89073  
to appropriation item 200-437, Student Assessment. 89074

**Section 41.32. (A) As used in this section: 89075**

(1) "IEP" has the same meaning as in section 3314.08 of the 89076  
Revised Code. 89077

(2) "SBH student" means a student receiving special education and related services for severe behavior handicap conditions pursuant to an IEP. 89078  
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(B) This section applies only to a community school established under Chapter 3314. of the Revised Code that in each of fiscal years 2004 and 2005 enrolls a number of SBH students equal to at least fifty per cent of the total number of students enrolled in the school in the applicable fiscal year. 89081  
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(C) In addition to any payments made under section 3314.08 of the Revised Code, in each of fiscal years 2004 and 2005 the Department of Education shall pay to a community school a subsidy equal to the difference between the aggregate amount calculated and paid in that fiscal year to the community school for special education and related services additional weighted costs for the SBH students enrolled in the school and the aggregate amount that would have been calculated for the school for special education and related services additional weighted costs for those same students in fiscal year 2001. If the difference is a negative number, the amount of the subsidy shall be zero. 89086  
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(D) The amount of any subsidy paid to a community school under this section shall not be deducted from any moneys calculated under Chapter 3317. of the Revised Code for payment to a school district in which any of its students are entitled to attend school under section 3313.64 or 3313.65 of the Revised Code. 89097  
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The amount of any subsidy paid to a community school under this section shall be paid from the amount appropriated to the Department of Education in appropriation item 200-501, Base Cost Funding. 89103  
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**Section 41.33.** (A) As used in this section: 89107

- (1) "Entitled to attend school" means entitled to attend school in a school district under section 3313.64 and 3313.65 of the Revised Code.
- (2) "Formula ADM" and "category six special education ADM" have the same meanings as in section 3317.02 of the Revised Code.
- (3) "Individualized education program" has the same meaning as in section 3323.01 of the Revised Code.
- (4) "Parent" has the same meaning as in section 3313.64 of the Revised Code.
- (5) "Qualified special education child" is a child for whom all of the following conditions apply:
- (a) The school district in which the child is entitled to attend school has identified the child as autistic;
  - (b) The school district in which the child is entitled to attend school has developed an individualized education program under Chapter 3323. of the Revised Code for the child;
  - (c) The child either:
    - (i) Was enrolled in the school district in which the child is entitled to attend school in any grade from preschool through twelve in the school year prior to the year in which a scholarship under this section is first sought for the child;
    - (ii) Is eligible to enter school in any grade preschool through twelve in the school district in which the child is entitled to attend school in the school year in which a scholarship under this section is first sought for the child.
- (6) "Registered private provider" means a nonpublic school or other nonpublic entity that has been approved by the Department of Education to participate in the program established under this section.

(B) There is hereby established the Pilot Project Special Education Scholarship Program. Under the program, in fiscal years 2004 and 2005, the Department of Education shall pay a scholarship to the parent of each qualified special education child upon application of that parent pursuant to procedures and deadlines established by rule of the State Board of Education. Each scholarship shall be used only to pay tuition for the child on whose behalf the scholarship is awarded to attend a special education program that implements the child's individualized education program and that is operated by a school district other than the school district in which the child is entitled to attend school or by another public entity, to either of which under law the parent is required to pay tuition on behalf of the child, or by a registered private provider. Each scholarship shall be in an amount not to exceed the lesser of the tuition charged for the child by the special education program or fifteen thousand dollars. The purpose of the scholarship is to permit the parent of a qualified special education child the choice to send the child to a special education program, instead of, or in addition to, the one operated by or for the school district in which the child is entitled to attend school, to receive the services prescribed in the child's individualized education program once the individualized education program is finalized. A scholarship under this section shall not be awarded to the parent of a child while the child's individualized education program is being developed by the school district in which the child is entitled to attend school, or while any administrative or judicial mediation or proceedings with respect to the content of the child's individualized education program are pending. A scholarship under this section shall not be awarded to the parent of a child who attends a public special education program under a contract, compact, or other bilateral agreement between the school district in which the child is entitled to attend school and another school



district or other public provider or to the parent of a child who 89170  
attends a community school established under Chapter 3314. of the 89171  
Revised Code. A child attending a special education program with a 89172  
scholarship under this section shall continue to be entitled to 89173  
transportation to and from that program in the manner prescribed 89174  
by law. 89175

(C)(1) Notwithstanding anything to the contrary in the 89176  
Revised Code, a child for whom a scholarship is awarded under this 89177  
section shall be counted in the formula ADM and the category six 89178  
special education ADM of the district in which the child is 89179  
entitled to attend school and not in the formula ADM and the 89180  
category six special education ADM of any other school district. 89181

(2) In each fiscal year, the Department shall deduct from the 89182  
amounts paid to each school district under Chapter 3317. of the 89183  
Revised Code, and, if necessary, sections 321.24 and 323.156 of 89184  
the Revised Code, the aggregate amount of scholarships awarded 89185  
under this section for qualified special education children 89186  
included in the formula ADM and category six special education ADM 89187  
of that school district as provided in division (C)(1) of this 89188  
section. The scholarships deducted shall be considered as an 89189  
approved special education and related services expense for the 89190  
purpose of the school district's compliance with division (C)(5) 89191  
of section 3317.022 of the Revised Code. 89192

(3) From time to time, the Department shall make a payment to 89193  
the parent of each qualified special education child for whom a 89194  
scholarship has been awarded under this section. The scholarship 89195  
amount shall be proportionately reduced in the case of any such 89196  
child who is not enrolled in the special education program for 89197  
which a scholarship was awarded under this section for the entire 89198  
school year. The Department shall make no payments to the parent 89199  
of a child while any administrative or judicial mediation or 89200  
proceedings with respect to the content of the child's 89201

individualized education program are pending. 89202

(D) A scholarship shall not be paid to a parent for payment 89203  
of tuition owed to a nonpublic entity unless that entity is a 89204  
registered private provider. The Department shall approve entities 89205  
that meet the standards established by rule of the State Board for 89206  
the program established under this section. 89207

(E) The State Board shall adopt rules in accordance with 89208  
Chapter 119. of the Revised Code prescribing procedures necessary 89209  
to implement this section, including, but not limited to, 89210  
procedures and deadlines for parents to apply for scholarships, 89211  
standards for registered private providers, and procedures for 89212  
approval of entities as registered private providers. The Board 89213  
shall adopt the rules so that the program established under this 89214  
section is operational by January 1, 2004. 89215

(F) The Legislative Office of Education Oversight shall 89216  
conduct a formative evaluation of the program established under 89217  
this section and shall report its findings to the General Assembly 89218  
not later than March 1, 2005. In conducting the evaluation, the 89219  
Office shall to the extent possible gather comments from parents 89220  
who have been awarded scholarships under the program, school 89221  
district officials, representatives of registered private 89222  
providers, educators, and representatives of educational 89223  
organizations for inclusion in the report required under this 89224  
section. 89225

**Section 41.34.** (A) Not later than March 31, 2004, the 89226  
department of education shall recommend to the general assembly, 89227  
in consultation with stakeholders, plans for an Ohio Regional 89228  
Education Delivery System to provide minimum core services and 89229  
technical assistance to school districts. The recommendations 89230  
shall address how the system should provide the state-funded core 89231  
services currently provided by educational service centers, 89232

regional professional development centers, special education 89233  
regional resource centers, area media centers, school improvement 89234  
facilitators, Ohio SchoolNet regional services, data acquisition 89235  
sites, educational technology centers, and other regional service 89236  
providers. The department shall also recommend that the system 89237  
provide minimum core services and technical assistance to 89238  
chartered nonpublic schools to assist these schools in meeting 89239  
Ohio's statutory and administrative code provisions applicable to 89240  
such schools. However, the recommendations shall specify that in 89241  
providing services to chartered nonpublic schools, the system is 89242  
not required to create additional services or technical assistance 89243  
beyond those provided to school districts. 89244

(B)(1) The number of regional service centers recommended 89245  
under the Ohio Regional Education Delivery System shall not exceed 89246  
nineteen and shall be distributed geographically throughout the 89247  
state. 89248

(2) The plans shall recommend that each region established 89249  
under the Ohio Regional Education Delivery System be served by a 89250  
fiscal agent in the form of a regional educational service agency. 89251  
Each service agency shall be selected by a majority vote of the 89252  
school districts in the region based upon the agency's 89253  
satisfactory audit record, demonstrated fiscal capacity, and 89254  
demonstrated staff and resource capacity. The selection of each 89255  
service agency shall be subject to final approval by the State 89256  
Board of Education. 89257

(C) The department, in consultation with stakeholders, shall 89258  
recommend an accountability system for the Ohio Regional Education 89259  
Delivery System or any part thereof as deemed necessary. The 89260  
recommended accountability system shall include minimum standards 89261  
for operation and the provision of minimum core services. It shall 89262  
also include benchmarks against performance measures based on each 89263  
of the following: 89264

(1) Student achievement;	89265
(2) The effectiveness and efficiency of service delivery;	89266
(3) The quality of implementation of state initiatives;	89267
(4) Satisfaction expressed by school districts and other entities that use the Ohio Regional Education Delivery System with the quality of the system.	89268 89269 89270
(D) The Department, in consultation with stakeholders, shall recommend rules regarding each of the following:	89271 89272
(1) Procedures for changing the boundaries of regions established under the system;	89273 89274
(2) Procedures for changing the configuration of the system;	89275
(3) A requirement that each regional service center, prior to receiving state funds, submit to the Department an annual strategic plan and budget that is aligned with the state's strategic plan and demonstrates how the regional service center provides and coordinates services and technical assistance to client service providers, school districts, and school buildings;	89276 89277 89278 89279 89280 89281
(4) A governance structure for the system that includes a Regional Education Delivery Center Board and functional area advisory boards.	89282 89283 89284
(E) The Department shall recommend a methodology to provide funding to the regional service centers, and all parts thereof, in order to support state education initiatives.	89285 89286 89287
<b>Section 41.35.</b> (A) There is hereby created the Head Start Partnership Study Council consisting of the following twenty-two members:	89288 89289 89290
(1) Four representatives appointed by the Director of Job and Family Services, two of whom are employees of the Department of Job and Family Services;	89291 89292 89293

(2) Four representatives appointed by the Superintendent of Public Instruction, two of whom are employees of the Department of Education;	89294 89295 89296
(3) Three members of the House of Representatives, not more than two of whom are members of the same political party, appointed by the Speaker of the House of Representatives;	89297 89298 89299
(4) Three members of the Senate, not more two of whom are members of the same political party, appointed by the President of the Senate;	89300 89301 89302
(5) Three representatives of Head Start agencies, two of whom are appointed by the Ohio Head Start Association, and one of whom is appointed by the Ohio Association of Community Action Agencies;	89303 89304 89305
(6) Two representatives of child care providers appointed by the Ohio Association of Child Care Providers;	89306 89307
(7) One representative appointed by the Ohio Day Care Advisory Council;	89308 89309
(8) One representative appointed by the County Commissioner's Association of Ohio;	89310 89311
(9) One representative appointed by the Association of Directors of County Departments of Job and Family Services.	89312 89313
Initial appointments of members shall be made not later than September 1, 2003. Vacancies in any of those appointments shall be filled in the same manner as original appointments.	89314 89315 89316
The Speaker of the House of Representatives and the President of the Senate jointly shall appoint the chairperson of the Council.	89317 89318 89319
Members of the Council shall serve without compensation.	89320
(B) In fiscal year 2004, the Council shall advise the Departments of Education and Job and Family Services in the design	89321 89322

and implementation of the Title IV-A Head Start Plus Program as 89323  
established under sections 3301.33 and 3301.35 of the Revised Code 89324  
and shall report to the General Assembly on the plans for that 89325  
program by December 31, 2003. 89326

(C) In fiscal year 2005, the Council shall monitor the 89327  
implementation of the Title IV-A Head Start Plus Program as 89328  
established under sections 3301.33 and 3301.35 of the Revised Code 89329  
and provide advice to the Departments of Education and Job and 89330  
Family Services in that implementation. 89331

(D) Unless reauthorized by the General Assembly, the Council 89332  
shall cease to exist on July 1, 2005. 89333

**Section 41.36.** (A) In the 2004-2005 and 2005-2006 school 89334  
years, within three months after a student identified with 89335  
disabilities begins receiving services for the first time under an 89336  
individualized education program, as defined in section 3323.01 of 89337  
the Revised Code, the school district in which that student is 89338  
enrolled shall require the student to undergo a comprehensive eye 89339  
examination performed either by an optometrist licensed under 89340  
Chapter 4725. of the Revised Code or by a physician authorized 89341  
under Chapter 4731. of the Revised Code to practice medicine and 89342  
surgery or osteopathic medicine and surgery who is comprehensively 89343  
trained and educated in the treatment of the human eye, eye 89344  
disease, or comprehensive vision services, unless the student 89345  
underwent such an examination within the nine-month period 89346  
immediately prior to being identified with disabilities. 89347

However, no student who has not undergone the eye examination 89348  
required under this section shall be prohibited from initiating, 89349  
receiving, or continuing to receive services prescribed in the 89350  
student's individualized education program. 89351

(B) The superintendent of each school district or the 89352  
superintendent's designee may determine fulfillment of the 89353

requirement prescribed in division (A) of this section based on 89354  
any special circumstances of the student, the student's parent, 89355  
guardian, or family that may prevent the student from undergoing 89356  
the eye examination prior to beginning special education services. 89357

(C) Except for a student who may be entitled to a 89358  
comprehensive eye examination in the identification of the 89359  
student's disabilities, in the development of the student's 89360  
individualized education program, or as a related service under 89361  
the student's individualized education program, neither the state 89362  
nor any school district shall be responsible for paying for the 89363  
eye examination required by this section. 89364

**Section 41.37. TRANSITIONAL AID** 89365

The Department of Education shall distribute earmarked funds 89366  
within appropriation item 200-501, Base Cost Funding, for 89367  
transitional aid in each fiscal year to each city, local, and 89368  
exempted village school district that experiences a decrease in 89369  
its SF-3 funding plus charge-off supplement for the current fiscal 89370  
year in excess of five per cent of its SF-3 funding plus 89371  
charge-off supplement for the previous fiscal year. The Department 89372  
shall distribute to each such district an amount to reduce the 89373  
decrease to five per cent of the district's SF-3 funding plus 89374  
charge-off supplement for the previous fiscal year. For this 89375  
purpose, "SF-3 funding plus charge-off supplement" equals the sum 89376  
of the following: 89377

(A) Base cost funding under division (A) of section 3317.022 89378  
of the Revised Code; 89379

(B) Special education and related services additional 89380  
weighted funding under division (C)(1) of section 3317.022 of the 89381  
Revised Code; 89382

(C) Speech services funding under division (C)(4) of section 89383

3317.022 of the Revised Code;	89384
(D) Vocational education additional weighted funding under division (E) of section 3317.022 of the Revised Code;	89385 89386
(E) GRADS funding under division (R) of section 3317.024 of the Revised Code;	89387 89388
(F) Adjustments for classroom teachers and educational service personnel under divisions (B), (C), and (D) of section 3317.023 of the Revised Code;	89389 89390 89391
(G) Disadvantaged Pupil Impact Aid under section 3317.029 of the Revised Code;	89392 89393
(H) Gifted education units under division (F) of section 3317.05 of the Revised Code;	89394 89395
(I) Equity aid under section 3317.0213 of the Revised Code;	89396
(J) Transportation under division (D) of section 3317.022 of the Revised Code;	89397 89398
(K) The state aid guarantee under section 3317.0212 of the Revised Code;	89399 89400
(L) The excess cost supplement under division (F) of section 3317.022 of the Revised Code;	89401 89402
(M) Parity aid under section 3317.0217 of the Revised Code;	89403
(N) The reappraisal guarantee under division (C) of section 3317.04 of the Revised Code;	89404 89405
(O) The charge-off supplement under section 3317.0216 of the Revised Code.	89406 89407
The SF-3 funding plus charge-off supplement for fiscal year 2003 for each district is the sum of those amounts less the general revenue fund spending reductions ordered by the Governor under Executive Order 2003-03T, March 5, 2003.	89408 89409 89410 89411



**Section 41.38.** By January 1, 2004, the Department of 89412  
Education shall provide to the General Assembly a feasible 89413  
standard for measuring school district attendance rates. 89414

**Section 41.39. EARMARK ACCOUNTABILITY** 89415

At the request of the Superintendent of Public Instruction, 89416  
any entity that receives a budget earmark under the Department of 89417  
Education shall submit annually to the chairpersons of the 89418  
committees of the House of Representatives and the Senate 89419  
primarily concerned with education and to the Department of 89420  
Education a report that includes a description of the services 89421  
supported by the funds, a description of the results achieved by 89422  
those services, an analysis of the effectiveness of the program, 89423  
and an opinion as to the program's applicability to other school 89424  
districts. For an earmarked entity that received state funds from 89425  
an earmark in the prior fiscal year, no funds shall be provided by 89426  
the Department of Education to an earmarked entity for a fiscal 89427  
year until its report for the prior fiscal year has been 89428  
submitted. 89429

**Section 42. OEB OHIO EDUCATIONAL TELECOMMUNICATIONS NETWORK** 89430  
COMMISSION 89431

General Revenue Fund 89432

GRF 374-100	Personal Services	\$	1,300,000	\$	1,300,000	89433
GRF 374-200	Maintenance	\$	800,000	\$	800,000	89434
GRF 374-300	Equipment	\$	97,500	\$	97,500	89435
GRF 374-401	Statehouse News Bureau	\$	260,000	\$	260,000	89436
GRF 374-402	Ohio Government	\$	762,146	\$	762,146	89437
	Telecommunications					
	Studio					
GRF 374-403	Ohio SONET	\$	2,000,000	\$	2,000,000	89438
GRF 374-404	Telecommunications	\$	3,962,199	\$	3,864,269	89439

Operating Subsidy			
TOTAL GRF General Revenue Fund	\$	9,181,845	\$ 9,083,915 89440
General Services Fund Group			89441
4F3 374-603 Affiliate Services	\$	3,067,447	\$ 3,067,447 89442
4T2 374-605 Government	\$	150,000	\$ 150,000 89443
Television/Telecommunications			
Operating			
TOTAL GSF General Services			89444
Fund Group	\$	3,217,447	\$ 3,217,447 89445
TOTAL ALL BUDGET FUND GROUPS	\$	12,399,292	\$ 12,301,362 89446
STATEHOUSE NEWS BUREAU			
The foregoing appropriation item 374-401, Statehouse News			89448
Bureau, shall be used solely to support the operations of the Ohio			89449
Statehouse News Bureau.			89450
OHIO GOVERNMENT TELECOMMUNICATIONS STUDIO			
The foregoing appropriation item 374-402, Ohio Government			89452
Telecommunications Studio, shall be used solely to support the			89453
operations of the Ohio Government Telecommunications Studio.			89454
OHIO SONET			
The foregoing appropriation item 374-403, Ohio SONET, shall			89456
be used by the Ohio Educational Telecommunications Network			89457
Commission to pay monthly operating expenses and maintenance of			89458
the television and radio transmission infrastructure.			89459
TELECOMMUNICATIONS OPERATING SUBSIDY			
Of the foregoing appropriation item 374-404,			89461
Telecommunications Operating Subsidy, \$45,000 in each fiscal year			89462
shall be used for a competitive grant for dial-up newspaper			89463
reading services for the blind and physically handicapped. The			89464
Ohio Educational Telecommunications Network shall not disburse			89465
these funds without prior approval of the Controlling Board.			89466

The remainder of appropriation item 374-404, 89467  
 Telecommunications Operating Subsidy, shall be distributed by the 89468  
 Ohio Educational Telecommunications Network Commission to Ohio's 89469  
 qualified public educational television stations, radio reading 89470  
 services, and educational radio stations to support their 89471  
 operations. The funds shall be distributed pursuant to an 89472  
 allocation developed by the Ohio Educational Telecommunications 89473  
 Network Commission. 89474

**Section 43. ELC OHIO ELECTIONS COMMISSION** 89475

General Revenue Fund 89476

GRF 051-321 Operating Expenses \$ 294,857 \$ 294,857 89477

TOTAL GRF General Revenue Fund \$ 294,857 \$ 294,857 89478

State Special Revenue Fund Group 89479

4P2 051-601 Ohio Elections 89480

Commission Fund \$ 312,716 \$ 321,766 89481

TOTAL SSR State Special 89482

Revenue Fund Group \$ 312,716 \$ 321,766 89483

TOTAL ALL BUDGET FUND GROUPS \$ 607,573 \$ 616,623 89484

**Section 44. FUN STATE BOARD OF EMBALMERS AND FUNERAL** 89486

DIRECTORS 89487

General Services Fund Group 89488

4K9 881-609 Operating Expenses \$ 563,639 \$ 594,870 89489

TOTAL GSF General Services 89490

Fund Group \$ 563,639 \$ 594,870 89491

TOTAL ALL BUDGET FUND GROUPS \$ 563,639 \$ 594,870 89492

**Section 45. ERB STATE EMPLOYMENT RELATIONS BOARD** 89494

General Revenue Fund 89495

GRF 125-321 Operating Expenses \$ 3,268,338 \$ 3,268,338 89496

TOTAL GRF General Revenue Fund \$ 3,268,338 \$ 3,268,338 89497

General Services Fund Group				89498
572 125-603 Training and Publications	\$	75,541	\$ 75,541	89499
TOTAL GSF General Services Fund Group				89500
Fund Group	\$	75,541	\$ 75,541	89501
TOTAL ALL BUDGET FUND GROUPS	\$	3,343,879	\$ 3,343,879	89502
<b>Section 46. ENG STATE BOARD OF ENGINEERS AND SURVEYORS</b>				89504
General Services Fund Group				89505
4K9 892-609 Operating Expenses	\$	999,150	\$ 1,041,369	89506
TOTAL GSF General Services Fund Group				89507
Fund Group	\$	999,150	\$ 1,041,369	89508
TOTAL ALL BUDGET FUND GROUPS	\$	999,150	\$ 1,041,369	89509
<b>Section 47. EPA ENVIRONMENTAL PROTECTION AGENCY</b>				89511
General Revenue Fund				89512
GRF 715-403 Clean Ohio	\$	788,985	\$ 788,985	89513
GRF 715-501 Local Air Pollution Control	\$	1,119,878	\$ 1,091,882	89514
GRF 717-321 Surface Water	\$	9,333,376	\$ 9,358,950	89515
GRF 718-321 Groundwater	\$	1,195,001	\$ 1,163,554	89516
GRF 719-321 Air Pollution Control	\$	2,543,260	\$ 2,543,260	89517
GRF 721-321 Drinking Water	\$	2,713,032	\$ 2,713,032	89518
GRF 723-321 Hazardous Waste	\$	110,184	\$ 107,284	89519
GRF 724-321 Pollution Prevention	\$	765,137	\$ 745,002	89520
GRF 725-321 Laboratory	\$	1,290,237	\$ 1,293,971	89521
GRF 726-321 Corrective Actions	\$	1,253,593	\$ 1,255,080	89522
TOTAL GRF General Revenue Fund	\$	21,112,683	\$ 21,061,000	89523
General Services Fund Group				89524
199 715-602 Laboratory Services	\$	1,042,081	\$ 1,045,654	89525
219 715-604 Central Support Indirect	\$	15,239,297	\$ 15,544,407	89526

4A1	715-640	Operating Expenses	\$	3,308,758	\$	3,369,731	89527
TOTAL GSF General Services							89528
Fund Group			\$	19,590,136	\$	19,959,792	89529
Federal Special Revenue Fund Group							89530
3F2	715-630	Revolving Loan Fund - Operating	\$	80,000	\$	80,000	89531
3F3	715-632	Fed Supported Cleanup and Response	\$	2,792,648	\$	2,326,434	89532
3F4	715-633	Water Quality Management	\$	737,850	\$	712,850	89533
3F5	715-641	Nonpoint Source Pollution Management	\$	7,090,002	\$	7,155,000	89534
3J1	715-620	Urban Stormwater	\$	850,000	\$	956,001	89535
3K2	715-628	Clean Water Act 106	\$	4,125,992	\$	4,125,992	89536
3K4	715-634	DOD Monitoring and Oversight	\$	1,462,173	\$	1,450,333	89537
3K6	715-639	Remedial Action Plan	\$	416,000	\$	385,001	89538
3N1	715-655	Pollution Prevention Grants	\$	10,172	\$	0	89539
3N4	715-657	DOE Monitoring and Oversight	\$	3,362,932	\$	3,427,442	89540
3V7	715-606	Agencywide Grants	\$	100,268	\$	0	89541
352	715-611	Wastewater Pollution	\$	252,000	\$	265,002	89542
353	715-612	Public Water Supply	\$	2,909,865	\$	2,916,174	89543
354	715-614	Hazardous Waste Management - Federal	\$	4,195,192	\$	4,203,891	89544
357	715-619	Air Pollution Control - Federal	\$	5,447,334	\$	5,599,501	89545
362	715-605	Underground Injection Control - Federal	\$	101,874	\$	101,874	89546
TOTAL FED Federal Special Revenue							89547
Fund Group			\$	33,934,302	\$	33,705,495	89548

	State Special Revenue Fund Group					89549	
3T3	715-669	Drinking Water SRF	\$	3,631,132	\$	3,716,777	89550
4J0	715-638	Underground Injection Control	\$	379,488	\$	394,385	89551
4K2	715-648	Clean Air - Non Title V	\$	3,092,801	\$	3,370,002	89552
4K3	715-649	Solid Waste	\$	14,286,500	\$	14,698,987	89553
4K4	715-650	Surface Water Protection	\$	9,380,180	\$	9,380,181	89554
4K5	715-651	Drinking Water Protection	\$	6,294,334	\$	6,255,946	89555
4P5	715-654	Cozart Landfill	\$	146,792	\$	149,728	89556
4R5	715-656	Scrap Tire Management	\$	5,800,000	\$	6,000,000	89557
4R9	715-658	Voluntary Action Program	\$	603,435	\$	795,671	89558
4T3	715-659	Clean Air - Title V Permit Program	\$	16,950,003	\$	16,650,001	89559
4U7	715-660	Construction & Demolition Debris	\$	220,000	\$	220,000	89560
5H4	715-664	Groundwater Support	\$	1,768,661	\$	1,797,036	89561
5N2	715-613	Dredge and Fill	\$	30,000	\$	30,000	89562
5S1	715-607	Clean Ohio - Operating	\$	206,735	\$	208,174	89563
500	715-608	Immediate Removal Special Account	\$	475,024	\$	482,000	89564
503	715-621	Hazardous Waste Facility Management	\$	11,051,591	\$	11,465,671	89565
503	715-662	Hazardous Waste Facility Board	\$	566,350	\$	576,619	89566
505	715-623	Hazardous Waste Cleanup	\$	10,862,544	\$	11,557,987	89567
505	715-674	Clean Ohio Environmental Review	\$	999,896	\$	1,179,249	89568
541	715-670	Site Specific Cleanup	\$	344,448	\$	345,075	89569

542	715-671	Risk Management	\$	142,087	\$	146,188	89570
		Reporting					
6A1	715-645	Environmental	\$	1,500,000	\$	1,500,000	89571
		Education					
602	715-626	Motor Vehicle	\$	1,444,464	\$	1,437,398	89572
		Inspection and					
		Maintenance					
644	715-631	ER Radiological Safety	\$	281,424	\$	286,114	89573
660	715-629	Infectious Waste	\$	160,000	\$	160,000	89574
		Management					
676	715-642	Water Pollution	\$	4,858,798	\$	4,964,625	89575
		Control Loan					
		Administration					
678	715-635	Air Toxic Release	\$	314,081	\$	210,662	89576
679	715-636	Emergency Planning	\$	2,798,648	\$	2,828,647	89577
696	715-643	Air Pollution Control	\$	750,002	\$	750,000	89578
		Administration					
699	715-644	Water Pollution	\$	625,000	\$	625,000	89579
		Control Administration					
TOTAL SSR	State Special Revenue		\$	99,964,418	\$	102,182,123	89580
Fund Group							
TOTAL ALL BUDGET FUND GROUPS			\$	174,601,539	\$	176,908,410	89581
		CENTRAL SUPPORT INDIRECT					89582
		Notwithstanding any other provision of law to the contrary,					89583
		the Director of Environmental Protection, with the approval of the					89584
		Director of Budget and Management, shall utilize a methodology for					89585
		determining each division's payments into the Central Support					89586
		Indirect Fund (Fund 219). The methodology used shall contain the					89587
		characteristics of administrative ease and uniform application.					89588
		Payments to the Central Support Indirect Fund (Fund 219) shall be					89589
		made using an intrastate transfer voucher.					89590
		CLEAN OHIO - OPERATING					89591

The foregoing appropriation item 715-607, Clean Ohio - 89592  
 Operating, shall be used by the Ohio Environmental Protection 89593  
 Agency in administering sections 122.65 to 122.658 of the Revised 89594  
 Code. 89595

**Section 48. EBR ENVIRONMENTAL REVIEW APPEALS COMMISSION 89596**

General Revenue Fund 89597  
 GRF 172-321 Operating Expenses \$ 437,131 \$ 439,109 89598  
 TOTAL GRF General Revenue Fund \$ 437,131 \$ 439,109 89599  
 TOTAL ALL BUDGET FUND GROUPS \$ 437,131 \$ 439,109 89600

**Section 49. ETH OHIO ETHICS COMMISSION 89602**

General Revenue Fund 89603  
 GRF 146-321 Operating Expenses \$ 1,286,869 \$ 1,351,213 89604  
 TOTAL GRF General Revenue Fund \$ 1,286,869 \$ 1,351,213 89605  
 General Services Fund Group 89606  
 4M6 146-601 Operating Expenses \$ 409,543 \$ 383,543 89607  
 TOTAL GSF General Services 89608  
 Fund Group \$ 409,543 \$ 383,543 89609  
 TOTAL ALL BUDGET FUND GROUPS \$ 1,696,412 \$ 1,734,756 89610

**Section 50. EXP OHIO EXPOSITIONS COMMISSION 89612**

General Revenue Fund 89613  
 GRF 723-403 Junior Fair Subsidy \$ 465,412 \$ 465,412 89614  
 TOTAL GRF General Revenue Fund \$ 465,412 \$ 465,412 89615  
 State Special Revenue Fund Group 89616  
 4N2 723-602 Ohio State Fair \$ 520,000 \$ 520,000 89617  
     Harness Racing  
 506 723-601 Operating Expenses \$ 13,211,481 \$ 13,643,315 89618  
 640 723-603 State Fair Reserve \$ 125,000 \$ 0 89619  
 TOTAL SSR State Special Revenue 89620



Fund Group	\$	13,856,481	\$	14,163,315	89621
TOTAL ALL BUDGET FUND GROUPS	\$	14,321,893	\$	14,628,727	89622

STATE FAIR RESERVE 89623

The foregoing appropriation item 723-603, State Fair Reserve, 89624  
shall serve as a budget reserve fund for the Ohio Expositions 89625  
Commission in the event of a significant decline in attendance due 89626  
to inclement weather or extraordinary circumstances during the 89627  
Ohio State Fair resulting in a loss of revenue. The State Fair 89628  
Reserve may be used by the Ohio Expositions Commission to pay 89629  
bills resulting from the Ohio State Fair only if all the following 89630  
criteria are met: 89631

(A) Admission revenues for the 2003 Ohio State Fair are less 89632  
than \$2,542,500 or admission revenues for the 2004 Ohio State Fair 89633  
are less than \$2,619,000 due to inclement weather or extraordinary 89634  
circumstances. These amounts are ninety per cent of the projected 89635  
admission revenues for each year. 89636

(B) The Ohio Expositions Commission declares a state of 89637  
fiscal exigency and requests release of funds by the Director of 89638  
Budget and Management. 89639

(C) The Director of Budget and Management releases the funds. 89640  
The Director of Budget and Management may approve or disapprove 89641  
the request for release of funds, may increase or decrease the 89642  
amount of release, and may place such conditions as the director 89643  
considers necessary on the use of the released funds. The Director 89644  
of Budget and Management may transfer appropriation authority from 89645  
fiscal year 2004 to fiscal year 2005 as needed. 89646

In the event that the Ohio Expositions Commission faces a 89647  
temporary cash shortage that will preclude it from meeting current 89648  
obligations, the Commission may request the Director of Budget and 89649  
Management to approve use of the State Fair Reserve to meet those 89650  
obligations. The request shall include a plan describing how the 89651

Commission will eliminate the cash shortage. If the Director of 89652  
Budget and Management approves the expenditures, the Commission 89653  
shall reimburse Fund 640 by the thirtieth day of June of that same 89654  
fiscal year through an intrastate transfer voucher. The amount 89655  
reimbursed is hereby appropriated. 89656

Of the foregoing appropriation item 723-603, State Fair 89657  
Reserve, up to \$125,000 shall be transferred in fiscal year 2004 89658  
to appropriation item 723-403, Junior Fair Subsidy. 89659

**Section 51. GOV OFFICE OF THE GOVERNOR** 89660

General Revenue Fund 89661

GRF 040-321 Operating Expenses	\$	4,112,358	\$	4,235,726	89662
GRF 040-403 Federal Relations	\$	510,000	\$	510,000	89663
GRF 040-408 Office of Veterans'	\$	276,723	\$	285,025	89664

Affairs

TOTAL GRF General Revenue Fund	\$	4,899,081	\$	5,030,751	89665
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General Services Fund Group 89666

412 040-607 Federal Relations	\$	500,000	\$	500,000	89667
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TOTAL GSF General Services Fund	\$	500,000	\$	500,000	89668
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Group

TOTAL ALL BUDGET FUND GROUPS	\$	5,399,081	\$	5,530,751	89669
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APPOINTMENT OF LEGAL COUNSEL FOR THE GOVERNOR 89670

The Governor may expend a portion of the foregoing 89671  
appropriation item 040-321, Operating Expenses, to hire or appoint 89672  
legal counsel to be used in proceedings involving the Governor in 89673  
the Governor's official capacity or the Governor's office only, 89674  
without the approval of the Attorney General, notwithstanding 89675  
sections 109.02 and 109.07 of the Revised Code. 89676

FEDERAL RELATIONS 89677

A portion of the foregoing appropriation items 040-403, 89678  
Federal Relations, and 040-607, Federal Relations, may be used to 89679

support Ohio's membership in national or regional associations. 89680

The Office of the Governor may charge any state agency of the 89681  
executive branch using an intrastate transfer voucher such amounts 89682  
necessary to defray the costs incurred for the conduct of federal 89683  
relations associated with issues that can be attributed to the 89684  
agency. Amounts collected shall be deposited to the Office of the 89685  
Governor Federal Relations Fund (Fund 412). 89686

**Section 52.** DOH DEPARTMENT OF HEALTH 89687

General Revenue Fund 89688

GRF 440-407 Animal Borne Disease \$ 2,690,101 \$ 2,690,101 89689  
and Prevention

GRF 440-412 Cancer Incidence \$ 1,038,815 \$ 1,066,616 89690  
Surveillance System

GRF 440-413 Healthy Communities \$ 4,139,009 \$ 4,139,009 89691

GRF 440-416 Child and Family \$ 9,034,972 \$ 9,034,972 89692  
Health Services

GRF 440-418 Immunizations \$ 8,431,975 \$ 8,600,615 89693

GRF 440-419 Sexual Assault \$ 35,899 \$ 35,899 89694  
Prevention

GRF 440-444 AIDS Prevention and \$ 7,589,816 \$ 7,589,816 89695  
Treatment

GRF 440-446 Infectious Disease \$ 439,330 \$ 439,330 89696  
Prevention

GRF 440-451 Lab and Public Health \$ 6,085,250 \$ 6,085,250 89697  
Prevention Programs

GRF 440-452 Child and Family \$ 1,024,017 \$ 1,024,017 89698  
Health Services Match

GRF 440-453 Health Care Quality \$ 10,453,728 \$ 10,453,728 89699  
Assurance

GRF 440-454 Local Environmental \$ 1,047,654 \$ 1,047,654 89700  
Health

**Am. Sub. H. B. No. 95, Part II**  
**As Reported by the Committee of Conference**

GRF 440-459	Help Me Grow	\$	9,861,089	\$	9,861,089	89701
GRF 440-461	Center for Vital and Health Stats	\$	4,079,790	\$	4,079,790	89702
GRF 440-504	Poison Control Network	\$	388,000	\$	388,000	89703
GRF 440-505	Medically Handicapped Children	\$	6,462,257	\$	6,462,738	89704
GRF 440-507	Targeted Health Care Services Over 21	\$	731,023	\$	731,023	89705
GRF 440-508	Migrant Health	\$	91,301	\$	91,301	89706
TOTAL GRF	General Revenue Fund	\$	73,624,026	\$	73,820,948	89707
General Services Fund Group						89708
142 440-618	General Operations - General Services Fund	\$	3,372,444	\$	3,461,915	89709
211 440-613	Central Support Indirect Costs	\$	26,578,343	\$	26,584,707	89710
473 440-622	Lab Operating Expenses	\$	4,154,045	\$	4,154,045	89711
683 440-633	Employee Assistance Program	\$	1,192,234	\$	1,192,214	89712
698 440-634	Nurse Aide Training	\$	170,000	\$	170,000	89713
TOTAL GSF	General Services Fund Group	\$	35,467,066	\$	35,562,881	89714
Federal Special Revenue Fund Group						89716
320 440-601	Maternal Child Health Block Grant	\$	34,451,205	\$	35,136,169	89717
387 440-602	Preventive Health Block Grant	\$	8,200,000	\$	8,200,000	89718
389 440-604	Women, Infants, and Children	\$	210,000,000	\$	220,000,000	89719
391 440-606	Medicaid/Medicare	\$	26,294,274	\$	26,820,159	89720
392 440-618	General Operations - Federal Fund	\$	114,474,764	\$	115,319,323	89721
TOTAL FED	Federal Special Revenue					89722

Fund Group		\$	393,420,243	\$	405,475,651	89723
State Special Revenue Fund Group						89724
4D6 440-608	Genetics Services	\$	2,300,000	\$	2,300,000	89725
4F9 440-610	Sickle Cell Disease Control	\$	1,035,344	\$	1,035,344	89726
4G0 440-636	Heirloom Birth Certificate	\$	5,000	\$	5,000	89727
4G0 440-637	Birth Certificate Surcharge	\$	5,000	\$	5,000	89728
4L3 440-609	Miscellaneous Expenses	\$	256,082	\$	144,119	89729
4T4 440-603	Child Highway Safety	\$	233,894	\$	233,894	89730
4V6 440-641	Save Our Sight	\$	1,733,327	\$	1,767,994	89731
470 440-618	General Operations - State Special Revenue	\$	14,525,443	\$	16,025,194	89732
471 440-619	Certificate of Need	\$	475,000	\$	483,572	89733
477 440-627	Medically Handicapped Children Audit	\$	4,640,498	\$	4,733,008	89734
5B5 440-616	Quality, Monitoring, and Inspection	\$	838,479	\$	838,479	89735
5C0 440-615	Alcohol Testing and Permit	\$	1,455,405	\$	1,455,405	89736
5D6 440-620	Second Chance Trust	\$	887,018	\$	825,951	89737
5G4 440-639	Adoption Services	\$	20,000	\$	20,000	89738
5E1 440-624	Health Services	\$	688,321	\$	0	89739
5L1 440-623	Nursing Facility Technical Assistance Program	\$	586,153	\$	617,517	89740
610 440-626	Radiation Emergency Response	\$	923,315	\$	923,315	89741
666 440-607	Medically Handicapped Children - County Assessments	\$	14,320,687	\$	14,320,687	89742
TOTAL SSR	State Special Revenue					89743

Fund Group	\$	44,928,966	\$	45,734,479	89744
Holding Account Redistribution Fund Group					89745
R14 440-631 Vital Statistics	\$	70,000	\$	70,000	89746
R48 440-625 Refunds, Grants	\$	20,400	\$	20,400	89747
Reconciliation, and Audit Settlements					
TOTAL 090 Holding Account					89748
Redistribution Fund Group	\$	90,400	\$	90,400	89749
TOTAL ALL BUDGET FUND GROUPS	\$	547,530,701	\$	560,684,359	89750

**Section 52.01. CANCER REGISTRY SYSTEM** 89752

Of the foregoing appropriation item 440-412, Cancer Incidence 89753  
 Surveillance System, not more than \$50,000 in each fiscal year 89754  
 shall be provided to Health Comp, Inc. 89755

The remaining moneys in appropriation item 440-412, Cancer 89756  
 Incidence Surveillance System, shall be used to maintain and 89757  
 operate the Ohio Cancer Incidence Surveillance System pursuant to 89758  
 sections 3701.261 to 3701.263 of the Revised Code. 89759

**Section 52.02. CHILD AND FAMILY HEALTH SERVICES** 89760

Of the foregoing appropriation item 440-416, Child and Family 89761  
 Health Services, \$1,700,000 in each fiscal year shall be used for 89762  
 women's health services. 89763

Of the foregoing appropriation item 440-416, Child and Family 89764  
 Health Services, not more than \$270,000 shall be used in each 89765  
 fiscal year for the OPTIONS dental care access program. 89766

Of the foregoing appropriation item 440-416, Child and Family 89767  
 Health Services, not more than \$900,000 in each fiscal year shall 89768  
 be used by federally qualified health centers and federally 89769  
 designated look-alikes to provide services to uninsured low-income 89770  
 persons. 89771

Of the foregoing appropriation item 440-416, Child and Family Health Services, \$500,000 in each fiscal year shall be used for abstinence-only education. The Director of Health shall develop guidelines for the establishment of abstinence programs for teenagers with the purpose of decreasing unplanned pregnancies and abortion. The guidelines shall be developed pursuant to Title V of the "Social Security Act," 42 U.S.C. 510, and shall include, but are not limited to, advertising campaigns and direct training in schools and other locations.

Of the foregoing appropriation item 440-416, Child and Family Health Services, \$30,000 in each fiscal year shall be allocated to the Jewish Family Service of Cleveland, \$10,000 in each fiscal year shall be allocated to the Jewish Family Service of Cincinnati, and \$10,000 in each fiscal year shall be allocated to the Jewish Family Services of Columbus for interpreters for health care.

Of the foregoing appropriation item 440-416, Child and Family Health Services, \$25,000 in each fiscal year shall be allocated to Clermont County's Comprehensive Community Suicide Prevention Program.

Of the foregoing appropriation item 440-416, Child and Family Health Services, \$25,000 in each fiscal year shall be allocated to the Health Education Center in Cincinnati.

Of the foregoing appropriation item 440-416, Child and Family Health Services, \$62,500 in each fiscal year shall be allocated to the Cincinnati YWCA Hippy.

Of the foregoing appropriation item 440-416, Child and Family Health Services, \$25,000 in each fiscal year shall be allocated to the Helping Hearts Program.

Of the foregoing appropriation item 440-416, Child and Family Health Services, \$25,000 in each fiscal year shall be allocated to

the Tree of Knowledge Learning Center. 89803

Of the foregoing appropriation item 440-416, Child and Family 89804  
Health Services, \$50,000 in each fiscal year shall be allocated to 89805  
the Mayerson Foundation. 89806

Of the foregoing appropriation item 440-416, Child and Family 89807  
Health Services, \$50,000 in each fiscal year shall be allocated to 89808  
the Columbus Yassenoff Jewish Community Center to fund nutrition 89809  
and exercise education for children ages eight to thirteen. 89810

**Section 52.03.** WOMEN'S HEALTH SERVICES UNTIL JANUARY 1, 2004 89811

None of the funds received for women's health services 89812  
through a family planning grant from the foregoing appropriation 89813  
item 440-416, Child and Family Health Services, shall be used to 89814  
provide abortion services. None of the funds received through 89815  
these family planning grants shall be used for counseling for or 89816  
referrals for abortion, except in the case of a medical emergency. 89817  
These funds shall be distributed on the basis of the relative need 89818  
in the community served by the Director of Health to family 89819  
planning programs, which shall include family planning programs 89820  
funded under Title V of the "Social Security Act," 49 Stat. 620 89821  
(1935), 42 U.S.C. 301, as amended, and Title X of the "Public 89822  
Health Services Act," 58 Stat. 682 (1946), 42 U.S.C. 201, as 89823  
amended, as well as to other family planning programs that the 89824  
Department of Health also determines will provide services that 89825  
are physically and financially separate from abortion-providing 89826  
and abortion-promoting activities, and that do not include 89827  
counseling for or referrals for abortion, other than in the case 89828  
of medical emergency, with state moneys, but that otherwise 89829  
substantially comply with the quality standards for such programs 89830  
under Title V and Title X. 89831

The Director of Health, by rule, shall provide reasonable 89832  
methods by which a grantee wishing to be eligible for federal 89833



funding may comply with these requirements for state funding 89834  
without losing its eligibility for federal funding, while ensuring 89835  
that a family planning program receiving a family planning grant 89836  
must be organized so that it is physically and financially 89837  
separate from the provision of abortion services and from 89838  
activities promoting abortion as a method of family planning. 89839

This section expires January 1, 2004. 89840

**Section 52.04. WOMEN'S SERVICES STARTING JANUARY 1, 2004** 89841

None of the funds received through grants for women's health 89842  
services under this section from the foregoing appropriation item 89843  
440-416, Child and Family Health Services, shall be used to 89844  
provide abortion services. None of the funds received through 89845  
these grants shall be used for counseling for or referrals for 89846  
abortion, except in the case of a medical emergency. These funds 89847  
shall be distributed by the Director of Health to programs that 89848  
the Department of Health determines will provide services that are 89849  
physically and financially separate from abortion-providing and 89850  
abortion-promoting activities, and that do not include counseling 89851  
for or referrals for abortion, other than in the case of medical 89852  
emergency. 89853

These women's health services include and are limited to the 89854  
following: pelvic exams and lab testing; breast exams and patient 89855  
education on breast cancer; screening for cervical cancer; 89856  
screening and treatment for Sexually Transmitted Diseases (STDs) 89857  
and HIV screening; voluntary choice of contraception, including 89858  
abstinence and natural family planning; patient education and 89859  
pre-pregnancy counseling on the dangers of smoking, alcohol, and 89860  
drug use during pregnancy; education on sexual coercion and 89861  
violence in relationships; and prenatal care or referral for 89862  
prenatal care. These health care services shall be provided by 89863  
licensed doctors, licensed nurses, licensed medical assistants, 89864

licensed counselors, and licensed social workers in a medical 89865  
clinic setting. 89866

The Director of Health shall adopt rules in accordance with 89867  
Chapter 119. of the Revised Code specifying reasonable eligibility 89868  
standards that must be met to receive the state funding and 89869  
provide reasonable methods by which a grantee wishing to be 89870  
eligible for federal funding may comply with these requirements 89871  
for state funding without losing its eligibility for federal 89872  
funding. 89873

Each applicant for these funds shall provide sufficient 89874  
assurance to the Director of Health of all of the following: 89875

(A) The program shall not discriminate in the provision of 89876  
services based on an individual's religion, race, national origin, 89877  
handicapping condition, age, sex, number of pregnancies, or 89878  
marital status; 89879

(B) The program shall provide services without subjecting 89880  
individuals to any coercion to accept services or to employ any 89881  
particular methods of family planning; 89882

(C) Acceptance of services shall be solely on a voluntary 89883  
basis and may not be made a prerequisite to eligibility for, or 89884  
receipt of, any other service, assistance from, or participation 89885  
in, any other program of the service provider; 89886

(D) The costs for services provided by the program, if any 89887  
are charged, shall be based on the patient's ability to pay and 89888  
priority in the provision of services shall be given to persons 89889  
from low-income families. 89890

In distributing these grant funds, the Director of Health 89891  
shall give priority to grant requests from local departments of 89892  
health for women's health services to be provided directly by 89893  
personnel of the local department of health. Prior to the 89894  
effective date of this section, the Director of Health shall issue 89895

a single request for proposals for all grants under this 89896  
set-aside. The Director of Health shall send a notification of 89897  
this request for proposals to every local department of health in 89898  
this state and shall place a notification on the department's web 89899  
site. The Director shall allow at least 30 days after issuing this 89900  
notification before closing the period to receive applications. 89901

After the closing date for receiving grant applications, the 89902  
Director of Health shall first consider grant applications from 89903  
local departments of health that apply for grants for women's 89904  
health services to be provided directly by personnel of the local 89905  
department of health. Local departments of health that apply for 89906  
grants for women's health services to be provided directly by 89907  
personnel of the local department of health need not provide all 89908  
the listed women's health services in order to qualify for a 89909  
grant. However, in prioritizing awards among local departments of 89910  
health that qualify for funding under this paragraph, the Director 89911  
of Health may consider, among other reasonable factors, the 89912  
comprehensiveness of the women's health services to be offered, 89913  
provided that no local department of health shall be discriminated 89914  
against in the process of awarding these grant funds because the 89915  
applicant does not provide contraception. 89916

If funds remain after awarding grants to all local 89917  
departments of health that qualify for the priority, the Director 89918  
of Health may make grants to other applicants. Awards to other 89919  
applicants may be made to those applicants that will offer all 89920  
eight of the listed women's health services or that will offer all 89921  
of the services except contraception. No applicant shall be 89922  
discriminated against in the process of awarding these grant funds 89923  
because the applicant does not provide contraception. 89924

This section takes effect January 1, 2004. 89925

**Section 52.05. SEXUAL ASSAULT PREVENTION AND INTERVENTION** 89926

The foregoing appropriation item 440-419, Sexual Assault	89927
Prevention and Intervention, shall be used for the following	89928
purposes:	89929
(A) Funding of new services in counties with no services for	89930
sexual assault;	89931
(B) Expansion of services provided in currently funded	89932
projects so that comprehensive crisis intervention and prevention	89933
services are offered;	89934
(C) Start-up funding for Sexual Assault Nurse Examiner (SANE)	89935
projects;	89936
(D) Statewide expansion of local outreach and public	89937
awareness efforts.	89938
HIV/AIDS PREVENTION/TREATMENT	89939
Of the foregoing appropriation item 440-444, AIDS Prevention	89940
and Treatment, up to \$6.4 million in fiscal year 2004 and up to	89941
\$6.7 million in fiscal year 2005 shall be used to assist persons	89942
with HIV/AIDS in acquiring HIV-related medications.	89943
INFECTIOUS DISEASE PREVENTION	89944
Of the foregoing appropriation item 440-446, Infectious	89945
Disease Prevention, not more than \$200,000 in each fiscal year	89946
shall be used to reimburse boards of county commissioners pursuant	89947
to division (A) of section 339.77 of the Revised Code.	89948
Of the foregoing appropriation item 440-446, Infectious	89949
Disease Prevention, not more than \$60,000 shall be used by the	89950
Director of Health to reimburse Boards of County Commissioners for	89951
the cost of detaining indigent persons with tuberculosis. Any	89952
portion of the \$60,000 allocated for detainment not used for that	89953
purpose shall be used to make payments to counties pursuant to	89954
section 339.77 of the Revised Code.	89955
Of the foregoing appropriation item 440-446, Infectious	89956

Disease Prevention, not more than \$250,000 in each fiscal year 89957  
shall be used for the purchase of drugs for sexually transmitted 89958  
diseases. 89959

HELP ME GROW 89960

The foregoing appropriation item 440-459, Help Me Grow, shall 89961  
be used by the Department of Health to distribute subsidies to 89962  
counties to implement the Help Me Grow program. Appropriation item 89963  
440-459 may be used in conjunction with Temporary Assistance for 89964  
Needy Families from the Department of Job and Family Services, 89965  
Early Intervention funding from the Department of Mental 89966  
Retardation and Developmental Disabilities, and in conjunction 89967  
with other early childhood funds and services to promote the 89968  
optimal development of young children. Local contracts shall be 89969  
developed between local departments of job and family services and 89970  
family and children first councils for the administration of TANF 89971  
funding for the Help Me Grow Program. The Department of Health 89972  
shall enter into an interagency agreement with the Department of 89973  
Education, Department of Mental Retardation and Developmental 89974  
Disabilities, Department of Job and Family Services, and 89975  
Department of Mental Health to ensure that all early childhood 89976  
programs and initiatives are coordinated and school linked. 89977

POISON CONTROL NETWORK 89978

The foregoing appropriation item 440-504, Poison Control 89979  
Network, shall be used in each fiscal year by the Department of 89980  
Health for grants to the consolidated Ohio Poison Control Center 89981  
to provide poison control services to Ohio citizens. 89982

Notwithstanding section 3701.83 of the Revised Code, not 89983  
later than the fifteenth day of July of each fiscal year or as 89984  
soon as possible thereafter, the Director of Budget and Management 89985  
shall transfer cash in the amount of \$127,287 from appropriation 89986  
item 440-618, General Operations - General Services Fund, (Fund 89987

142) to the General Revenue Fund.	89988
TARGETED HEALTH CARE SERVICES OVER 21	89989
In each fiscal year, appropriation item 440-507, Targeted Health Care Services Over 21, shall be used to administer the cystic fibrosis program and implement the Hemophilia Insurance Premium Payment program.	89990 89991 89992 89993
EXTENSION OF HEMOPHILIA HEALTH INSURANCE PREMIUM PAYMENTS	89994
The Director of Health shall continue to provide, through contracts with or grants to hemophilia treatment centers, for health insurance premiums to be paid for individuals who are at least twenty-one years of age, diagnosed with hemophilia or a related bleeding disorder, and receive such assistance on the day prior to the effective date of this section under the program for care and treatment of persons suffering from hemophilia established under former section 3701.144 of the Revised Code until the effective date of the initial rules adopted under division (A)(12) of section 3701.021 of the Revised Code for the hemophilia program established under section 3701.029 of the Revised Code. The Public Health Council shall adopt those rules not later than twelve months after the effective date of this section.	89995 89996 89997 89998 89999 90000 90001 90002 90003 90004 90005 90006 90007 90008
MATERNAL CHILD HEALTH BLOCK GRANT	90009
Of the foregoing appropriation item 440-601, Maternal Child Health Block Grant (Fund 320), \$2,091,299 shall be used in each fiscal year for the purposes of abstinence-only education. The Director of Health shall develop guidelines for the establishment of abstinence programs for teenagers with the purpose of decreasing unplanned pregnancies and abortion. Such guidelines shall be pursuant to Title V of the "Social Security Act," 42 U.S.C. 510, and shall include, but are not limited to, advertising campaigns and direct training in schools and other locations.	90010 90011 90012 90013 90014 90015 90016 90017 90018

GENETICS SERVICES	90019
The foregoing appropriation item 440-608, Genetics Services	90020
(Fund 4D6), shall be used by the Department of Health to	90021
administer programs authorized by sections 3701.501 and 3701.502	90022
of the Revised Code. None of these funds shall be used to counsel	90023
or refer for abortion, except in the case of a medical emergency.	90024
SAFETY AND QUALITY OF CARE STANDARDS	90025
The Department of Health may use Fund 471, Certificate of	90026
Need, for administering sections 3702.11 to 3702.20 and 3702.30 of	90027
the Revised Code in each fiscal year.	90028
MEDICALLY HANDICAPPED CHILDREN AUDIT	90029
The Medically Handicapped Children Audit Fund (Fund 477)	90030
shall receive revenue from audits of hospitals and recoveries from	90031
third-party payers. Moneys may be expended for payment of audit	90032
settlements and for costs directly related to obtaining recoveries	90033
from third-party payers and for encouraging Medically Handicapped	90034
Children's Program recipients to apply for third-party benefits.	90035
Moneys also may be expended for payments for diagnostic and	90036
treatment services on behalf of medically handicapped children, as	90037
defined in division (A) of section 3701.022 of the Revised Code,	90038
and Ohio residents who are twenty-one or more years of age and who	90039
are suffering from cystic fibrosis or hemophilia. Moneys may also	90040
be expended for administrative expenses incurred in operating the	90041
Medically Handicapped Children's Program.	90042
CASH TRANSFER FROM LIQUOR CONTROL FUND TO ALCOHOL TESTING AND	90043
PERMIT FUND	90044
The Director of Budget and Management, pursuant to a plan	90045
submitted by the Department of Health, or as otherwise determined	90046
by the Director of Budget and Management, shall set a schedule to	90047
transfer cash from the Liquor Control Fund (Fund 043) to the	90048

Alcohol Testing and Permit Fund (Fund 5C0) to meet the operating needs of the Alcohol Testing and Permit program. 90049  
 90050

The Director of Budget and Management shall transfer to the Alcohol Testing and Permit Fund (Fund 5C0) from the Liquor Control Fund (Fund 043) established in section 4301.12 of the Revised Code such amounts at such times as determined by the transfer schedule. 90051  
 90052  
 90053  
 90054

**MEDICALLY HANDICAPPED CHILDREN - COUNTY ASSESSMENTS** 90055

The foregoing appropriation item 440-607, Medically Handicapped Children - County Assessments (Fund 666), shall be used to make payments pursuant to division (E) of section 3701.023 of the Revised Code. 90056  
 90057  
 90058  
 90059

**NURSING FACILITY TECHNICAL ASSISTANCE PROGRAM** 90060

The Director of Budget and Management shall transfer, by intrastate transfer voucher, each fiscal year, cash from Fund 4E3, Resident Protection Fund, in the Ohio Department of Job and Family Services, to Fund 5L1, Nursing Facility Technical Assistance Fund, in the Ohio Department of Health, to be used in accordance with section 3721.026 of the Revised Code. The transfers shall equal the amount appropriated per fiscal year in Fund 5L1, Nursing Facility Technical Assistance Fund. 90061  
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**Section 53. HEF HIGHER EDUCATIONAL FACILITY COMMISSION** 90069

Agency Fund Group				90070
461 372-601 Operating Expenses	\$	15,290	\$ 16,819	90071
TOTAL AGY Agency Fund Group	\$	15,290	\$ 16,819	90072
TOTAL ALL BUDGET FUND GROUPS	\$	15,290	\$ 16,819	90073

**Section 54. SPA COMMISSION ON HISPANIC/LATINO AFFAIRS** 90075

General Revenue Fund				90076
GRF 148-100 Personal Services	\$	127,419	\$ 127,419	90077
GRF 148-200 Maintenance	\$	35,901	\$ 35,901	90078



TOTAL GRF General Revenue Fund	\$	163,320	\$	163,320	90079
General Services Fund Group					90080
601 148-602 Gifts and Miscellaneous	\$	8,485	\$	8,485	90081
TOTAL GSF General Services Fund Group	\$	8,485	\$	8,485	90082 90083
TOTAL ALL BUDGET FUND GROUPS	\$	171,805	\$	171,805	90084

**Section 55. OHS OHIO HISTORICAL SOCIETY**

					90086
General Revenue Fund					90087
GRF 360-403 Adena - Worthington Home	\$	200,000	\$	150,000	90088
GRF 360-501 Operating Subsidy	\$	3,389,973	\$	3,389,973	90089
GRF 360-502 Site Operations	\$	8,240,438	\$	8,240,438	90090
GRF 360-503 Ohio Bicentennial Commission	\$	1,847,239	\$	58,164	90091
GRF 360-504 Ohio Preservation Office	\$	289,733	\$	289,733	90092
GRF 360-505 Afro-American Museum	\$	778,231	\$	778,231	90093
GRF 360-506 Hayes Presidential Center	\$	524,981	\$	524,981	90094
GRF 360-508 Historical Grants	\$	2,200,000	\$	1,550,000	90095
TOTAL GRF General Revenue Fund	\$	17,470,595	\$	14,981,520	90096
TOTAL ALL BUDGET FUND GROUPS	\$	17,470,595	\$	14,981,520	90097

**SUBSIDY APPROPRIATION**

Upon approval by the Director of Budget and Management, the	90099
foregoing appropriation items shall be released to the Ohio	90100
Historical Society in quarterly amounts that in total do not	90101
exceed the annual appropriations. The funds and fiscal records of	90102
the society for fiscal years 2004 and 2005 shall be examined by	90103
independent certified public accountants approved by the Auditor	90104
of State, and a copy of the audited financial statements shall be	90105

filed with the Office of Budget and Management. The society shall 90106  
prepare and submit to the Office of Budget and Management the 90107  
following: 90108

(A) An estimated operating budget for each fiscal year of the 90109  
biennium. The operating budget shall be submitted at or near the 90110  
beginning of each year. 90111

(B) Financial reports, indicating actual receipts and 90112  
expenditures for the fiscal year to date. These reports shall be 90113  
filed at least semiannually during the fiscal biennium. 90114

The foregoing appropriations shall be considered to be the 90115  
contractual consideration provided by the state to support the 90116  
state's offer to contract with the Ohio Historical Society under 90117  
section 149.30 of the Revised Code. If the Ohio Historical Society 90118  
accepts this contractual offer, the society may not, during fiscal 90119  
year 2004 or 2005, close any of the sites operated by the society 90120  
as of the effective date of this section. 90121

Not later than May 15, 2004, the Ohio Historical Society 90122  
shall submit to the Controlling Board a plan for the 90123  
implementation of the recommendations of the Select Committee to 90124  
Study the Effectiveness of Ohio's Historical Programs and 90125  
Partnerships. No appropriations to the society for fiscal year 90126  
2005 may be expended without prior approval of the implementation 90127  
plan by the Controlling Board. 90128

HAYES PRESIDENTIAL CENTER 90129

If a United States government agency, including, but not 90130  
limited to, the National Park Service, chooses to take over the 90131  
operations or maintenance of the Hayes Presidential Center, in 90132  
whole or in part, the Ohio Historical Society shall make 90133  
arrangements with the National Park Service or other United States 90134  
government agency for the efficient transfer of operations or 90135  
maintenance. 90136

HISTORICAL GRANTS 90137

Of the foregoing appropriation item 360-508, Historical 90138  
Grants, \$91,667 in fiscal year 2004 and \$88,571 in fiscal year 90139  
2005 shall be distributed to the Hebrew Union College in 90140  
Cincinnati for the Center for Holocaust and Humanity Education, 90141  
\$137,500 in fiscal year 2004 shall be distributed to the National 90142  
Underground Railroad Freedom Center in Cincinnati, \$229,167 in 90143  
fiscal year 2004 and \$221,430 in fiscal year 2005 shall be 90144  
distributed to the Great Lakes Historical Society in Vermilion, 90145  
\$733,333 in fiscal year 2004 and \$708,571 in fiscal year 2005 90146  
shall be distributed to the Western Reserve Historical Society in 90147  
Cleveland, \$458,333 in fiscal year 2004 shall be distributed to 90148  
the Village of Dennison for the Historical Center Street District, 90149  
\$91,667 in fiscal year 2004 and \$88,571 in fiscal year 2005 shall 90150  
be distributed to the Harbor Heritage Society Steamship Mather in 90151  
Cleveland, and \$458,333 in fiscal year 2004 and \$442,857 in fiscal 90152  
year 2005 shall be distributed to the Cincinnati Museum Center. 90153

OHIO BICENTENNIAL COMMISSION ROYALTIES 90154

Notwithstanding any previous arrangement to the contrary, the 90155  
Ohio Bicentennial Commission shall keep the first \$100,000 in 90156  
earned royalties associated with the Ohio Bicentennial logo during 90157  
the 2004-2005 biennium. This \$100,000 shall be used to cover the 90158  
operating expenses of the Ohio Bicentennial Commission in fiscal 90159  
year 2005. The remaining moneys collected from royalties 90160  
associated with the Ohio Bicentennial logo shall be deposited into 90161  
the General Revenue Fund, of which \$350,000 shall be distributed 90162  
to the Ohio Historical Society for use in appropriation item 90163  
360-403, Adena - Worthington Home. 90164

**Section 56.** REP OHIO HOUSE OF REPRESENTATIVES 90165

General Revenue Fund 90166

GRF 025-321 Operating Expenses	\$	19,018,547	\$	19,969,473	90167
TOTAL GRF General Revenue Fund	\$	19,018,547	\$	19,969,473	90168
General Services Fund Group					90169
103 025-601 House Reimbursement	\$	1,351,875	\$	1,419,469	90170
4A4 025-602 Miscellaneous Sales	\$	35,690	\$	37,474	90171
TOTAL GSF General Services					90172
Fund Group	\$	1,387,565	\$	1,456,943	90173
TOTAL ALL BUDGET FUND GROUPS	\$	20,406,112	\$	21,426,416	90174

**Section 57. IGO OFFICE OF THE INSPECTOR GENERAL** 90176

General Revenue Fund					90177
GRF 965-321 Operating Expenses	\$	812,000	\$	812,000	90178
TOTAL GRF General Revenue Fund	\$	812,000	\$	812,000	90179
State Special Revenue Fund Group					90180
4Z3 965-602 Special Investigations	\$	100,000	\$	100,000	90181
TOTAL SSR State Special Revenue	\$	100,000	\$	100,000	90182
Fund Group					
TOTAL ALL BUDGET FUND GROUPS	\$	912,000	\$	912,000	90183

**SPECIAL INVESTIGATIONS** 90184

Of the foregoing appropriation item 965-602, Special 90185  
Investigations, up to \$100,000 in each fiscal year may be used for 90186  
investigative costs, pursuant to section 121.481 of the Revised 90187  
Code. 90188

**Section 58. INS DEPARTMENT OF INSURANCE** 90189

Federal Special Revenue Fund Group					90190
3U5 820-602 OSHIIP Operating Grant	\$	560,559	\$	560,559	90191
TOTAL FED Federal Special					90192
Revenue Fund Group	\$	560,559	\$	560,559	90193
State Special Revenue Fund Group					90194
554 820-601 Operating Expenses -	\$	506,515	\$	561,411	90195

OSHIIP

554 820-606 Operating Expenses	\$	21,815,431	\$	22,357,575	90196
555 820-605 Examination	\$	7,433,751	\$	7,639,581	90197
TOTAL SSR State Special Revenue					90198
Fund Group	\$	29,755,697	\$	30,558,567	90199
TOTAL ALL BUDGET FUND GROUPS	\$	30,316,256	\$	31,119,126	90200

MARKET CONDUCT EXAMINATION 90201

When conducting a market conduct examination of any insurer 90202  
doing business in this state, the Superintendent of Insurance may 90203  
assess the costs of the examination against the insurer. The 90204  
superintendent may enter into consent agreements to impose 90205  
administrative assessments or fines for conduct discovered that 90206  
may be violations of statutes or regulations administered by the 90207  
superintendent. All costs, assessments, or fines collected shall 90208  
be deposited to the credit of the Department of Insurance 90209  
Operating Fund (Fund 554). 90210

EXAMINATIONS OF DOMESTIC FRATERNAL BENEFIT SOCIETIES 90211

The Superintendent of Insurance may transfer funds from the 90212  
Department of Insurance Operating Fund (Fund 554), established by 90213  
section 3901.021 of the Revised Code, to the Superintendent's 90214  
Examination Fund (Fund 555), established by section 3901.071 of 90215  
the Revised Code, only for the expenses incurred in examining 90216  
domestic fraternal benefit societies as required by section 90217  
3921.28 of the Revised Code. 90218

On July 1, 2003, or as soon as possible thereafter, the 90219  
Director of Budget and Management shall transfer \$1,000,000 from 90220  
the Department of Insurance Operating Fund (Fund 554) to the 90221  
General Revenue Fund. 90222

**Section 59.** JFS DEPARTMENT OF JOB AND FAMILY SERVICES 90223

General Revenue Fund 90224

GRF 600-321	Support Services				90225	
	State	\$	62,361,047	\$	58,611,047	90226
	Federal	\$	7,176,249	\$	7,125,883	90227
	Support Services Total	\$	69,537,296	\$	65,736,930	90228
GRF 600-410	TANF State	\$	272,619,061	\$	272,619,061	90229
GRF 600-413	Child Care	\$	84,120,596	\$	84,120,596	90230
	Match/Maintenance of					
	Effort					
GRF 600-416	Computer Projects					90231
	State	\$	120,000,000	\$	120,000,000	90232
	Federal	\$	31,095,442	\$	31,400,454	90233
	Computer Projects	\$	151,095,442	\$	151,400,454	90234
	Total					
GRF 600-420	Child Support	\$	5,091,446	\$	5,091,446	90235
	Administration					
GRF 600-421	Office of Family	\$	4,864,932	\$	4,864,932	90236
	Stability					
GRF 600-422	Local Operations	\$	2,305,232	\$	2,305,232	90237
GRF 600-423	Office of Children and	\$	5,000,000	\$	5,000,000	90238
	Families					
GRF 600-424	Office of Workforce	\$	877,971	\$	877,971	90239
	Development					
GRF 600-425	Office of Ohio Health					90240
	Plans					
	State	\$	21,944,901	\$	22,603,740	90241
	Federal	\$	21,848,555	\$	22,495,502	90242
	Office of Ohio Health	\$	43,793,456	\$	45,099,242	90243
	Plans Total					
GRF 600-435	Unemployment	\$	3,188,473	\$	3,188,473	90244
	Compensation Review					
	Commission					
GRF 600-439	Commission to Reform	\$	125,000	\$	125,000	90245
	Medicaid					

GRF 600-502	Child Support Match	\$	16,814,103	\$	16,814,103	90246
GRF 600-511	Disability Financial Assistance	\$	22,839,371	\$	22,839,371	90247
GRF 600-521	Family Stability Subsidy	\$	55,206,401	\$	55,206,401	90248
GRF 600-523	Children and Families Subsidy	\$	69,846,563	\$	69,846,563	90249
GRF 600-525	Health Care/Medicaid State					90250
		\$	3,651,294,321	\$	3,842,465,911	90251
	Federal	\$	5,188,691,539	\$	5,463,149,039	90252
	Health Care Total	\$	8,839,985,860	\$	9,305,614,950	90253
GRF 600-528	Adoption Services State	\$	33,395,955	\$	36,017,981	90254
	Federal	\$	37,368,248	\$	41,115,000	90255
	Adoption Services Total	\$	70,764,203	\$	77,132,981	90256
TOTAL GRF	General Revenue Fund					90257
	State	\$	4,428,706,900	\$	4,619,409,355	90258
	Federal	\$	5,286,180,033	\$	5,565,285,878	90259
	GRF Total	\$	9,718,075,406	\$	10,187,883,706	90260
General Services Fund Group						90261
4A8 600-658	Child Support Collections	\$	27,255,646	\$	26,680,794	90262
4R4 600-665	BCII Services/Fees	\$	136,974	\$	136,974	90263
5C9 600-671	Medicaid Program Support	\$	54,686,270	\$	55,137,078	90264
5N1 600-677	County Technologies	\$	5,000,000	\$	5,000,000	90265
613 600-645	Training Activities	\$	135,000	\$	135,000	90266
TOTAL GSF	General Services Fund Group					90267
		\$	87,213,890	\$	87,089,846	90268
Federal Special Revenue Fund Group						90269
3A2 600-641	Emergency Food	\$	2,083,500	\$	2,187,675	90270

		Distribution				
3D3	600-648	Children's Trust Fund	\$	2,040,524	\$	2,040,524 90272
		Federal				
3F0	600-623	Health Care Federal	\$	391,658,105	\$	394,221,409 90273
3F0	600-650	Hospital Care	\$	298,128,308	\$	305,879,644 90274
		Assurance Match				
3G5	600-655	Interagency	\$	1,180,523,642	\$	1,245,244,536 90275
		Reimbursement				
3H7	600-617	Child Care Federal	\$	224,539,425	\$	235,045,596 90276
3N0	600-628	IV-E Foster Care	\$	173,963,142	\$	173,963,142 90277
		Maintenance				
3S5	600-622	Child Support Projects	\$	534,050	\$	534,050 90278
3V0	600-662	WIA Ohio Option #7	\$	87,407,014	\$	89,352,850 90279
3V0	600-688	Workforce Investment	\$	93,636,390	\$	94,932,750 90280
		Act				
3V4	600-678	Federal Unemployment	\$	153,690,682	\$	154,111,608 90281
		Programs				
3V4	600-679	Unemployment	\$	3,097,320	\$	2,860,297 90282
		Compensation Review				
		Commission - Federal				
3V6	600-689	TANF Block Grant	\$	786,095,609	\$	845,909,688 90283
3W3	600-659	TANF/Title XX	\$	88,994,049	\$	93,498,158 90284
316	600-602	State and Local	\$	11,212,594	\$	11,249,282 90285
		Training				
327	600-606	Child Welfare	\$	29,119,408	\$	28,665,728 90286
331	600-686	Federal Operating	\$	48,237,185	\$	47,340,081 90287
365	600-681	JOB Training Program	\$	5,000,000	\$	0 90288
384	600-610	Food Stamps and State	\$	134,560,572	\$	135,141,694 90289
		Administration				
385	600-614	Refugee Services	\$	5,793,656	\$	5,841,407 90290
395	600-616	Special	\$	3,975,821	\$	3,975,821 90291
		Activities/Child and				
		Family Services				



396	600-620	Social Services Block Grant	\$	74,969,767	\$	74,986,134	90292
397	600-626	Child Support	\$	304,157,939	\$	307,468,576	90293
398	600-627	Adoption Maintenance/ Administration	\$	339,957,978	\$	340,104,370	90294
TOTAL FED Federal Special Revenue							90295
Fund Group			\$	4,443,376,680	\$	4,594,555,020	90296
State Special Revenue Fund Group							90297
198	600-647	Children's Trust Fund	\$	4,336,109	\$	4,336,109	90298
4A9	600-607	Unemployment Compensation Admin Fund	\$	8,001,000	\$	8,001,000	90299
4E3	600-605	Nursing Home Assessments	\$	4,759,913	\$	4,759,914	90300
4E7	600-604	Child and Family Services Collections	\$	300,000	\$	300,000	90301
4F1	600-609	Foundation Grants/Child and Family Services	\$	119,310	\$	119,310	90302
4J5	600-613	Nursing Facility Bed Assessments	\$	35,060,013	\$	35,064,238	90303
4J5	600-618	Residential State Supplement Payments	\$	15,700,000	\$	15,700,000	90304
4K1	600-621	ICF/MR Bed Assessments	\$	20,467,050	\$	20,428,726	90305
4R3	600-687	Banking Fees	\$	892,000	\$	892,000	90306
4Z1	600-625	HealthCare Compliance	\$	10,000,000	\$	10,000,000	90307
5A5	600-685	Unemployment Benefit Automation	\$	14,000,000	\$	0	90308
5P5	600-692	Health Care Services	\$	492,932,514	\$	515,947,439	90309
5Q9	600-619	Supplemental Inpatient Hospital Payments	\$	30,797,539	\$	30,797,539	90310
5R2	600-608	Medicaid-Nursing Facilities	\$	113,754,184	\$	113,754,184	90311

5S3 600-629	MR/DD Medicaid Administration and Oversight	\$ 1,620,960	\$ 1,620,960	90312
5T2 600-652	Child Support Special Payment	\$ 1,500,000	\$ 750,000	90313
5U3 600-654	Health Care Services Administration	\$ 7,576,322	\$ 6,119,127	90314
5U6 600-663	Children and Family Support	\$ 4,929,718	\$ 4,929,718	90315
651 600-649	Hospital Care Assurance Program Fund	\$ 208,634,072	\$ 214,058,558	90316
TOTAL SSR	State Special Revenue			90317
Fund Group		\$ 975,380,704	\$ 987,578,822	90318
Agency Fund Group				90319
192 600-646	Support Intercept - Federal	\$ 136,500,000	\$ 136,500,000	90320
5B6 600-601	Food Stamp Intercept	\$ 5,000,000	\$ 5,000,000	90321
583 600-642	Support Intercept - State	\$ 20,565,582	\$ 20,565,582	90322
TOTAL AGY	Agency Fund Group	\$ 162,065,582	\$ 162,065,582	90323
Holding Account	Redistribution Fund Group			90324
R12 600-643	Refunds and Audit Settlements	\$ 5,343,906	\$ 5,343,906	90325
R13 600-644	Forgery Collections	700,000	700,000	90326
TOTAL 090	Holding Account Redistribution Fund Group	\$ 6,043,906	\$ 6,043,906	90327
TOTAL ALL BUDGET FUND GROUPS		\$15,392,156,168	\$16,025,216,882	90328
<b>Section 59.01.</b>	OHIO COMMISSION TO REFORM MEDICAID			90330
	The foregoing appropriation item 600-439, Commission to			90331
	Reform Medicaid, shall be used to fund the Ohio Commission to			90332
	Reform Medicaid.			90333

HEALTH CARE/MEDICAID 90334

The foregoing appropriation item 600-525, Health 90335  
Care/Medicaid, shall not be limited by the provisions of section 90336  
131.33 of the Revised Code. 90337

**Section 59.02.** CHILD SUPPORT COLLECTIONS/TANF MOE 90338

The foregoing appropriation item 600-658, Child Support 90339  
Collections, shall be used by the Department of Job and Family 90340  
Services to meet the TANF maintenance of effort requirements of 90341  
Pub. L. No. 104-193. After the state has met the maintenance of 90342  
effort requirement, the Department of Job and Family Services may 90343  
use funds from appropriation item 600-658 to support public 90344  
assistance activities. 90345

**Section 59.03.** MEDICAID PROGRAM SUPPORT FUND - STATE 90346

The foregoing appropriation item 600-671, Medicaid Program 90347  
Support, shall be used by the Department of Job and Family 90348  
Services to pay for Medicaid services and contracts. The 90349  
Department may also deposit to Fund 5C9 revenues received from 90350  
other state agencies for Medicaid services under the terms of 90351  
interagency agreements between the Department and other state 90352  
agencies. 90353

**Section 59.04.** HEALTH CARE SERVICES ADMINISTRATION 90354

The foregoing appropriation item 600-654, Health Care 90355  
Services Administration, shall be used by the Department of Job 90356  
and Family Services for costs associated with the administration 90357  
of the Medicaid program. 90358

**Section 59.05.** HEALTH CARE SERVICES ADMINISTRATION FUND 90359

Of the amount received by the Department of Job and Family 90360

Services during fiscal year 2004 and fiscal year 2005 from the 90361  
first installment of assessments paid under section 5112.06 of the 90362  
Revised Code and intergovernmental transfers made under section 90363  
5112.07 of the Revised Code, the Director of Job and Family 90364  
Services shall deposit \$350,000 in each fiscal year into the state 90365  
treasury to the credit of the Health Care Services Administration 90366  
Fund (Fund 5U3). 90367

HOSPITAL CARE ASSURANCE MATCH FUND 90368

Appropriation item 600-650, Hospital Care Assurance Match, 90369  
shall be used by the Department of Job and Family Services in 90370  
accordance with division (B) of section 5112.18 of the Revised 90371  
Code. 90372

**Section 59.06.** TANF FEDERAL BLOCK GRANT FUNDS AND TRANSFERS 90373

Upon the request of the Department of Job and Family 90374  
Services, the Director of Budget and Management may seek 90375  
Controlling Board approval to increase appropriations in 90376  
appropriation item 600-689, TANF Block Grant, provided sufficient 90377  
funds exist to do so without any corresponding decrease in other 90378  
appropriation items. The Department of Job and Family Services 90379  
shall provide the Director of Budget and Management and the 90380  
Controlling Board with documentation to support the need for the 90381  
increased appropriation. 90382

All transfers of moneys from or charges against TANF Federal 90383  
Block Grant awards for use in the Social Services Block Grant or 90384  
the Child Care and Development Block Grant shall be done after the 90385  
Department of Job and Family Services gives written notice to the 90386  
Director of Budget and Management. The Department of Job and 90387  
Family Services shall first provide the Director of Budget and 90388  
Management with documentation to support the need for such 90389  
transfers or charges for use in the Social Services Block Grant or 90390  
in the Child Care and Development Block Grant. 90391

Before the thirtieth day of September of each fiscal year, 90392  
the Department of Job and Family Services shall file claims with 90393  
the United States Department of Health and Human Services for 90394  
reimbursement for all allowable expenditures for services provided 90395  
by the Department of Job and Family Services, or other agencies 90396  
that may qualify for Social Services Block Grant funding pursuant 90397  
to Title XX of the Social Security Act. 90398

On July 31, 2003, or as soon as possible thereafter, the 90399  
Director of Budget and Management shall transfer the cash balance 90400  
remaining in Fund 3G0, Jobs Administration, to Fund 3V6, TANF 90401  
Block Grant. Fund 3G0 shall be abolished once this transfer has 90402  
been completed. 90403

**Section 59.07a.** GOVERNOR'S OFFICE OF FAITH-BASED AND 90404  
COMMUNITY INITIATIVES 90405

Of the foregoing appropriation item 600-659, TANF/Title XX, 90406  
\$625,000 in the fiscal year 2004-2005 biennium shall be used to 90407  
support the activities of the Governor's Office of Faith-Based and 90408  
Community Initiatives. 90409

OHIO ASSOCIATION OF SECOND HARVEST FOOD BANKS 90410

Of the foregoing appropriation item 600-659, TANF/Title XX 90411  
(Fund 3W3), up to \$4,500,000 in each fiscal year shall be used by 90412  
the Department of Job and Family Services to support expenditures 90413  
to the Ohio Association of Second Harvest Food Banks according to 90414  
the following criteria. 90415

As used in this section, "federal poverty guidelines" has the 90416  
same meaning as in section 5101.46 of the Revised Code. 90417

The Department of Job and Family Services shall provide an 90418  
annual grant of \$4,500,000 in each of the fiscal years 2004 and 90419  
2005 to the Ohio Association of Second Harvest Food Banks. In each 90420

fiscal year, the Ohio Association of Second Harvest Food Banks 90421  
shall use \$2,500,000 for the purchase of food products for the 90422  
Ohio Food Program, of which up to \$105,000 may be used for food 90423  
storage and transport, and shall use \$2,000,000 for the 90424  
Agricultural Surplus Production Alliance Project. Funds provided 90425  
for the Ohio Food Program shall be used to purchase food products 90426  
and to distribute those food products to agencies participating in 90427  
the emergency food distribution program. No funds provided through 90428  
this grant may be used for administrative expenses other than 90429  
funds provided for food storage and transport. As soon as possible 90430  
after entering into a grant agreement at the beginning of each 90431  
fiscal year, the Department of Job and Family Services shall 90432  
distribute the grant funds in one single payment. The Ohio 90433  
Association of Second Harvest Food Banks shall develop a plan for 90434  
the distribution of the food products to local food distribution 90435  
agencies. Agencies receiving these food products shall ensure that 90436  
individuals and families who receive any of the food products 90437  
purchased with these funds have an income at or below 150 per cent 90438  
of the federal poverty guidelines. The Department of Job and 90439  
Family Services and the Ohio Association of Second Harvest Food 90440  
Banks shall agree on reporting requirements to be incorporated 90441  
into the grant agreement. 90442

The Ohio Association of Second Harvest Food Banks shall 90443  
return any fiscal year 2004 funds from this grant remaining 90444  
unspent on June 30, 2004, to the Department of Job and Family 90445  
Services not later than November 1, 2004. The Ohio Association of 90446  
Second Harvest Food Banks shall return any fiscal year 2005 funds 90447  
from the grant remaining unspent on June 30, 2005, to the 90448  
Department of Job and Family Services no later than November 1, 90449  
2005. 90450

**Section 59.08.A.1. OHIO ALLIANCE OF BOYS AND GIRLS CLUBS** 90451

Of the foregoing appropriation item 600-659, TANF/Title XX 90452  
(Fund 3W3), the Department of Job and Family Services shall use up 90453  
to \$600,000 in each fiscal year to support expenditures of the 90454  
Ohio Alliance of Boys and Girls Clubs to provide nutritional 90455  
meals, snacks, and educational and enrichment services to children 90456  
participating in programs and activities operated by eligible Boys 90457  
and Girls Clubs. 90458

The Department of Job and Family Services shall provide an 90459  
annual grant of \$600,000 in each fiscal year to the Ohio Alliance 90460  
of Boys and Girls Clubs. As soon as possible after entering into a 90461  
grant agreement at the beginning of each fiscal year, the 90462  
Department of Job and Family Services shall distribute the grant 90463  
funds in one single payment. The Department of Job and Family 90464  
Services and the Ohio Alliance of Boys and Girls Clubs shall agree 90465  
on reporting requirements to be incorporated into the grant 90466  
agreement. 90467

The Ohio Alliance of Boys and Girls Clubs shall return any 90468  
fiscal year 2004 funds from the grant remaining unspent on June 90469  
30, 2004, to the Ohio Department of Job and Family Services not 90470  
later than November 1, 2004. The Ohio Alliance of Boys and Girls 90471  
Clubs shall return any fiscal year 2005 funds from this grant 90472  
remaining unspent on June 30, 2005, to the Ohio Department of Job 90473  
and Family Services not later than November 1, 2005. 90474

**Section 59.09b.** ADULT PROTECTIVE SERVICES 90475

Of the foregoing appropriation item 600-659, TANF/Title XX 90476  
(Fund 3W3), up to \$2,700,000 in each fiscal year shall be used by 90477  
the Department of Job and Family Services to reimburse county 90478  
departments of job and family services for all or part of the 90479  
costs they incur in providing adult protective services pursuant 90480  
to sections 5101.60 to 5101.71 of the Revised Code. 90481

**Section 59.10.** In order to assure that the Maintenance of 90482  
Effort funding for the TANF block grant is sufficient, the 90483  
Director of Job and Family Services may request that the Director 90484  
of Budget and Management transfer cash from Fund 5T2, Child 90485  
Support Special Payment, to Fund 4A8, Child Support Collections, 90486  
as needed. This additional funding is hereby appropriated. 90487

**Section 59.11. PRESCRIPTION DRUG REBATE FUND** 90488

The foregoing appropriation item 600-692, Health Care 90489  
Services, shall be used by the Department of Job and Family 90490  
Services in accordance with section 5111.081 of the Revised Code. 90491  
Moneys recovered by the Department pursuant to the Department's 90492  
rights of recovery under section 5101.58 of the Revised Code, that 90493  
are not directed to the Health Care Services Administration Fund 90494  
(Fund 5U3) pursuant to section 5111.94 of the Revised Code shall 90495  
also be deposited into Fund 5P5. 90496

**Section 59.12. ODJFS FUNDS** 90497

AGENCY FUND GROUP 90498

The Agency Fund Group shall be used to hold revenues until 90499  
the appropriate fund is determined or until they are directed to 90500  
the appropriate governmental agency other than the Department of 90501  
Job and Family Services. If it is determined that additional 90502  
appropriation authority is necessary, such amounts are hereby 90503  
appropriated. 90504

HOLDING ACCOUNT REDISTRIBUTION GROUP 90505

The foregoing appropriation items 600-643, Refunds and Audit 90506  
Settlements, and 600-644, Forgery Collections, Holding Account 90507  
Redistribution Fund Group, shall be used to hold revenues until 90508  
they are directed to the appropriate accounts or until they are 90509  
refunded. If it is determined that additional appropriation 90510



authority is necessary, such amounts are hereby appropriated. 90511

**Section 59.13.** CONSOLIDATED FUNDING ALLOCATION FOR COUNTY 90512  
DEPARTMENTS OF JOB AND FAMILY SERVICES 90513

Using the foregoing appropriation items 600-521, Family 90514  
Stability Subsidy; 600-659, TANF/Title XX; 600-610, Food Stamps 90515  
and State Administration; 600-410, TANF State; 600-689, TANF Block 90516  
Grant; 600-620, Social Services Block Grant; 600-523, Children and 90517  
Families Subsidy; 600-413, Child Care Match/Maintenance of Effort; 90518  
600-617, Child Care Federal; 600-623, Health Care Federal; and 90519  
600-614, Refugees Services, the Department of Job and Family 90520  
Services may establish a consolidated allocation for county 90521  
departments of job and family services to the extent authorized by 90522  
Sections 5101.21 and 5101.211 of the Revised Code and rules 90523  
adopted under Section 5101.21 of the Revised Code. The county 90524  
department is not required to use all the money from one or more 90525  
of the appropriation items listed in this paragraph for the 90526  
purpose for which the specific appropriation item is made so long 90527  
as the county department uses the money for a purpose for which at 90528  
least one of the other of those appropriation items is made. The 90529  
county department may not use the money in the consolidated 90530  
allocation for a purpose other than a purpose any of those 90531  
appropriation items are made. The county department shall use the 90532  
money in the consolidated allocation in accordance with section 90533  
5101.21 of the Revised Code and rules adopted under that section. 90534

If the spending estimates used in establishing the single 90535  
allocation are not realized and the county department uses money 90536  
in one or more of those appropriation items in a manner for which 90537  
federal financial participation is not available, the department 90538  
shall use state funds available in one or more of those 90539  
appropriation items to ensure that the county department receives 90540  
the full amount of its allocation and complete a reconciliation at 90541

the end of the fiscal year to appropriately align cash draws with 90542  
expenditures related to state and federal claims. 90543

To facilitate this reconciliation, before the thirty-first 90544  
day of May of the current fiscal year and after the conclusion of 90545  
the county reconciliation process for the previous fiscal year, 90546  
the Director of Job and Family Services may request that the 90547  
Director of Budget and Management transfer cash between the funds 90548  
that make-up the consolidated allocation to the county departments 90549  
of job and family services. The consolidated allocation is the 90550  
maximum amount the county department shall receive from those 90551  
appropriation items. 90552

A county department not receiving a consolidated allocation 90553  
shall comply with section 5101.213 of the Revised Code and the 90554  
rules adopted under that section. 90555

**Section 59.14. TRANSFER OF FUNDS** 90556

The Department of Job and Family Services shall transfer, 90557  
through intrastate transfer vouchers, cash from State Special 90558  
Revenue Fund 4K1, ICF/MR Bed Assessments, to fund 4K8, Home and 90559  
Community-Based Services, in the Ohio Department of Mental 90560  
Retardation and Developmental Disabilities. The sum of the 90561  
transfers shall equal \$12,000,000 in fiscal year 2004 and 90562  
\$12,000,000 in fiscal year 2005. The transfer may occur on a 90563  
quarterly basis or on a schedule developed and agreed to by both 90564  
departments. 90565

The Department of Job and Family Services shall transfer, 90566  
through intrastate transfer vouchers, cash from the State Special 90567  
Revenue Fund 4J5, Home and Community-Based Services for the Aged, 90568  
to Fund 4J4, PASSPORT, in the Department of Aging. The sum of the 90569  
transfers shall be \$33,268,052 in fiscal year 2004 and \$33,263,984 90570  
in fiscal year 2005. The transfer may occur on a quarterly basis 90571

or on a schedule developed and agreed to by both departments.	90572
TRANSFERS OF IMD/DSH CASH	90573
The Department of Job and Family Services shall transfer,	90574
through intrastate transfer voucher, cash from fund 5C9, Medicaid	90575
Program Support, to the Department of Mental Health's Fund 4X5,	90576
OhioCare, in accordance with an interagency agreement which	90577
delegates authority from the Department of Job and Family Services	90578
to the Department of Mental Health to administer specified	90579
Medicaid services.	90580
<b>Section 59.15. EMPLOYER SURCHARGE</b>	90581
The surcharge and the interest on the surcharge amounts due	90582
for calendar years 1988, 1989, and 1990 as required by Am. Sub.	90583
H.B. 171 of the 117th General Assembly, Am. Sub. H.B. 111 of the	90584
118th General Assembly, and section 4141.251 of the Revised Code	90585
as it existed prior to Sub. H.B. 478 of the 122nd General	90586
Assembly, again shall be assessed and collected by, accounted for,	90587
and made available to the Department of Job and Family Services in	90588
the same manner as set forth in section 4141.251 of the Revised	90589
Code as it existed prior to Sub. H.B. 478 of the 122nd General	90590
Assembly, notwithstanding the repeal of the surcharge for calendar	90591
years after 1990, pursuant to Sub. H.B. 478 of the 122nd General	90592
Assembly, except that amounts received by the Director on or after	90593
July 1, 2001, shall be deposited into the special administrative	90594
fund established pursuant to section 4141.11 of the Revised Code.	90595
<b>Section 59.16. FUNDING FOR HABILITATIVE SERVICES</b>	90596
Notwithstanding any limitations contained in sections 5112.31	90597
and 5112.37 of the Revised Code, in each fiscal year, cash from	90598
State Special Revenue Fund 4K1, ICF/MR Bed Assessments, in excess	90599
of the amounts needed for transfers to Fund 4K8 may be used by the	90600
Department of Job and Family Services to cover costs of care	90601

provided to participants in a waiver with an ICF/MR level of care 90602  
requirement administered by the Department of Job and Family 90603  
Services. 90604

**Section 59.17. FUNDING FOR INSTITUTIONAL FACILITY AUDITS AND 90605**  
**THE OHIO ACCESS SUCCESS PROJECT 90606**

Notwithstanding any limitations in sections 3721.51 and 90607  
3721.56 of the Revised Code, in each fiscal year, cash from the 90608  
State Special Revenue Fund 4J5, Home and Community-Based Services 90609  
for the Aged, in excess of the amounts needed for the transfers 90610  
may be used by the Department of Job and Family Services for the 90611  
following purposes: (A) up to \$1.0 million in each fiscal year to 90612  
fund the state share of audits of Medicaid cost reports filed with 90613  
the Department of Job and Family Services by nursing facilities 90614  
and intermediate care facilities for the mentally retarded; and 90615  
(B) up to \$350,000 in fiscal year 2004 and up to \$350,000 in 90616  
fiscal year 2005 to provide one-time transitional benefits under 90617  
the Ohio Access Success Project that the Director of Job and 90618  
Family Services may establish under section 5111.88 of the Revised 90619  
Code. 90620

**Section 59.18. REFUND OF SETS PENALTY 90621**

The Department of Job and Family Services shall deposit any 90622  
refunds for penalties that were paid directly or indirectly by the 90623  
state for the Support Enforcement Tracking System (SETS) to Fund 90624  
3V6, TANF Block Grant. 90625

**Section 59.19. PROGRAM OF ALL-INCLUSIVE CARE FOR THE ELDERLY 90626**

The Director of Job and Family Services may submit to the 90627  
United States Secretary of Health and Human Services a request to 90628  
transfer the day-to-day administration of the Program of 90629  
All-Inclusive Care for the Elderly, known as PACE, in accordance 90630

with 42 U.S.C. 1396u-4, to the Department of Aging. If the United States Secretary approves the transfer, the Directors of Job and Family Services and Aging may enter into an interagency agreement under section 5111.86 of the Revised Code to transfer responsibility for the day-to-day administration of PACE from the Department of Job and Family Services to the Department of Aging. The interagency agreement is subject to the approval of the Director of Budget and Management and shall include an estimated cost of services to be provided under PACE and an estimated cost for the administrative duties assigned by the agreement to the Department of Aging.

If the Directors of Job and Family Services and Aging enter into the interagency agreement, the Director of Budget and Management shall reduce the amount in appropriation item 600-525, Health Care/Medicaid, by the estimated costs of PACE. If the Director of Budget and Management makes the reduction, the state and federal share of the estimated costs of PACE services and administration is hereby appropriated to the Department of Aging. The Director of Budget and Management shall establish a new appropriation item for the appropriation.

**Section 59.20. APPROPRIATIONS FROM FUND 3V0**

Upon the request of the Department of Job and Family Services, the Director of Budget and Management may increase appropriations in either appropriation item 600-662, WIA Ohio Option #7, Fund 3V0 or in appropriation item 600-688, Workforce Investment Act, Fund 3V0, with a corresponding decrease in the other appropriation item supported by Fund 3V0 to allow counties that administer the Workforce Investment Act as a conventional county to administer the Act as an Ohio Option county or to allow counties that administer the Workforce Investment Act as an Ohio Option county to administer the Act as a conventional county.

JOB FOR OHIO GRADUATES PROGRAM 90662

Pursuant to an interagency agreement entered into between the 90663  
Department of Job and Family Services and the Department of 90664  
Education, \$3,500,000 from Workforce Investment Act funds (Fund 90665  
3V0), reserved for statewide workforce investment activities, in 90666  
fiscal year 2004 and fiscal year 2005, shall be used to support 90667  
the Jobs for Ohio Graduates programs administered by the 90668  
Department of Education. 90669

WORKFORCE DEVELOPMENT GRANT AGREEMENT 90670

The Department of Job and Family Services may use 90671  
appropriations from appropriation item 600-662, WIA Ohio Option 90672  
#7, or from appropriation item 600-688, Workforce Investment Act, 90673  
to provide financial assistance for workforce development 90674  
activities included in a grant agreement entered into by the 90675  
department in accordance with section 5101.20 of the Revised Code. 90676

**Section 59.21. FEDERAL UNEMPLOYMENT PROGRAMS** 90677

There is hereby appropriated out of funds made available to 90678  
the state under section 903(d) of the Social Security Act, as 90679  
amended, \$53,700,000 for fiscal year 2004 and \$47,300,000 for 90680  
fiscal year 2005. Upon the request of the Director of Job and 90681  
Family Services, the Director of Budget and Management shall 90682  
increase the appropriation for fiscal year 2004 by the amount 90683  
remaining unspent from the fiscal year 2003 appropriation and 90684  
shall increase the appropriation for fiscal year 2005 by the 90685  
amount remaining unspent from the fiscal year 2004 appropriation. 90686  
The appropriation is to be used under the direction of the 90687  
Department of Job and Family Services to pay for administrative 90688  
activities for the Unemployment Insurance Program, employment 90689  
services, and other allowable expenditures under section 903(d) of 90690  
the Social Security Act, as amended. 90691

The amounts obligated pursuant to this section shall not exceed at any time the amount by which the aggregate of the amounts transferred to the account of the state pursuant to section 903(d) of the Social Security Act, as amended, exceeds the aggregate of the amounts obligated for administration and paid out for benefits and required by law to be charged against the amounts transferred to the account of the state.

Of the appropriation item 600-678, Federal Unemployment Programs, in Section 63 of Am. Sub. H.B. 94 of the 124th General Assembly, as amended, up to \$18,000,000 in fiscal year 2004 and up to \$18,000,000 in fiscal year 2005 shall be used by the Department of Job and Family Services to reimburse the General Revenue Fund, through state intrastate transfer vouchers, for expenses incurred on or after the effective date of this section from the General Revenue Fund for the aforementioned programs as reported to the federal government as allowable expenditures.

**Section 59.22. MEDICAID PAYMENT TO CHILDREN'S HOSPITALS**

As used in this section, "children's hospital" has the same meaning as in section 3702.51 of the Revised Code.

For fiscal years 2004 and 2005, the Medicaid payment to children's hospitals shall include the adjustment for inflation provided for by paragraph (G) of rule 5101:3-2-074 of the Administrative Code as that paragraph existed on December 30, 2002.

The Department of Job and Family Services shall pay to each children's hospital participating in the Medicaid program an amount equal to the difference between (1) the amount the hospital would have been paid under rule 5101:3-2-074 of the Administrative Code for the period beginning January 1, 2003, and ending May 31, 2003, if the amendment to paragraph (G) of that rule that went

into effect on December 31, 2002, had not gone into effect and (2) 90722  
the amount that the hospital was paid under that rule for that 90723  
period. 90724

**Section 59.23. MEDICAID PAYMENTS FOR OUTPATIENT HOSPITAL 90725**  
**SERVICES 90726**

As used in this section, "hospital" does not include a 90727  
children's hospital as defined in the section of this act titled 90728  
MEDICAID PAYMENT TO CHILDREN'S HOSPITALS. 90729

The Department of Job and Family Services shall increase the 90730  
total amount the Department pays all hospitals under the Medicaid 90731  
Program for outpatient services provided during the period 90732  
beginning July 1, 2003, and ending June 30, 2004, to the maximum 90733  
extent possible using \$9,811,136 from the foregoing appropriation 90734  
item 600-525, Health Care/Medicaid. The Department of Job and 90735  
Family Services shall also increase the total amount the 90736  
Department pays all hospitals under the Medicaid Program for 90737  
outpatient services provided during the period beginning July 1, 90738  
2004, and ending June 30, 2005, to the maximum extent possible 90739  
using \$9,811,136 from the foregoing appropriation item 600-525, 90740  
Health Care/Medicaid. The Department shall make the increase in 90741  
accordance with an inflation adjustment factor for outpatient 90742  
hospital services established in rules the Director of Job and 90743  
Family Services shall adopt in accordance with Chapter 119. of the 90744  
Revised Code. 90745

**Section 59.24. CHILD CARE 90746**

(A) Notwithstanding any other provision of law, the Director 90747  
of Job and Family Services shall not reduce the initial and 90748  
continued eligibility level for publicly funded child care below 90749  
one hundred fifty per cent of the federal poverty line during 90750  
fiscal years 2004 and 2005. 90751



(B) Notwithstanding division (B) of section 5104.39 of the Revised Code, the Director of Job and Family Services shall not, during fiscal years 2004 and 2005, disenroll publicly funded child care program participants who have incomes at or below 165 per cent of the federal poverty line and do not otherwise cease to qualify for the program, if one of the following applies:

(1) The family enrolled in the program before June 9, 2003;

(2) The family enrolled in the program when the family's income was at or below 150 per cent of the federal poverty line.

**Section 59.25. MEDICAID COVERAGE OF DENTAL SERVICES**

For fiscal years 2004 and 2005, the Medicaid program shall continue to cover dental services in at least the amount, duration, and scope that it does on the effective date of this section under rules governing Medicaid coverage of dental services adopted under section 5111.02 of the Revised Code.

**Section 59.26. MEDICAID COVERAGE OF VISION SERVICES**

For fiscal years 2004 and 2005, the Medicaid program shall continue to cover vision care services in at least the amount, duration, and scope that it does on the effective date of this section under rules governing Medicaid coverage of vision care services under section 5111.02 of the Revised Code.

**Section 59.27. MEDICAID COVERAGE OF PODIATRIC SERVICES**

For fiscal years 2004 and 2005, the Medicaid program shall continue to cover podiatric services in at least the amount, scope, and duration that it does on the effective date of this section under rules governing Medicaid coverage of podiatric services adopted under section 5111.02 of the Revised Code.

**Section 59.28.** WELFARE DIVERSION PROGRAMS 90779

Of the foregoing appropriation item 600-521, Family Stability 90780  
Subsidy, prior to county distribution, \$1,250,000 in each fiscal 90781  
year shall be used to support specific welfare diversion programs. 90782  
In each fiscal year, Accountability and Credibility Together (ACT) 90783  
shall receive \$1,000,000 of the \$1,250,000 to continue its welfare 90784  
diversion program. In each fiscal year, \$250,000 of the \$1,250,000 90785  
shall be used to establish a welfare diversion demonstration 90786  
project in Butler County. The demonstration project shall be 90787  
administered by the Butler County United Way. 90788

**Section 59.29.** OHIO COMMISSION TO REFORM MEDICAID 90789

There is hereby established the Ohio Commission to Reform 90790  
Medicaid, which shall consist of nine members: three appointed by 90791  
the Governor, three by the Speaker of the House of 90792  
Representatives, and three by the President of the Senate. 90793  
Appointments shall be made not later than ninety days after the 90794  
effective date of this section. All members shall serve at the 90795  
pleasure of the appointing authority. Members shall serve without 90796  
compensation. Vacancies shall be filled in the manner of original 90797  
appointments. 90798

The Commission shall conduct a complete review of the state 90799  
Medicaid program and shall make recommendations for comprehensive 90800  
reform and cost containment. The Commission shall submit a report 90801  
of its findings and recommendations to the Governor, Speaker, and 90802  
Senate President not later than January 1, 2005. 90803

The Commission may hire a staff director and additional 90804  
employees to provide technical support. 90805

The Director of Job and Family Services shall, on behalf of 90806  
the Commission, seek federal financial participation for the 90807  
administrative costs of the Commission. 90808

**Section 59.30.** (A) As used in this section, "intermediate care facility for the mentally retarded" has the same meaning as in section 5111.20 of the Revised Code. 90809  
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(B) Except as provided in divisions (C) and (D) of this section and notwithstanding Chapter 5111. of the Revised Code, the number of intermediate care facility for the mentally retarded beds eligible for Medicaid payments during fiscal years 2004 and 2005 shall not be higher than the number of such beds eligible for such payments on the effective date of this section. Not later than July 15, 2003, the Department of Job and Family Services shall inform the Office of Budget and Management how many intermediate care facility for the mentally retarded beds are eligible for Medicaid payments on the effective date of this section. 90812  
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(C) The Department of Job and Family Services may issue one or more waivers of division (B) of this section in the event that an emergency, as determined by the Department, exists. In determining whether to issue a waiver, the Department of Job and Family Services shall consider the recommendation of the Department of Mental Retardation and Developmental Disabilities. 90823  
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(D) A bed in an intermediate care facility for the mentally retarded that obtains a residential facility license under section 5123.19 of the Revised Code pursuant to section 5123.1910 of the Revised Code and is otherwise eligible to receive Medicaid payments may receive Medicaid payments during fiscal years 2004 and 2005 regardless of whether that will result in there being more beds eligible for Medicaid payments than is permitted by division (B) of this section. 90829  
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**Section 59.31. DISABILITY ASSISTANCE TRANSITION** 90837

(A) Subject to the provisions of Chapter 5115. of the Revised 90838

Code, as amended, enacted, and repealed by this act, the 90839  
Disability Financial Assistance Program constitutes a continuation 90840  
of the financial assistance component of the Disability Assistance 90841  
Program established under Chapter 5115. of the Revised Code, as it 90842  
existed prior to the effective date of this section, and the 90843  
Disability Medical Assistance Program constitutes a continuation 90844  
of the medical assistance component of the Disability Assistance 90845  
Program. 90846

Any business commenced but not completed on behalf of the 90847  
Disability Assistance Program shall be completed in the same 90848  
manner, and with the same effect, on behalf of the Disability 90849  
Financial Assistance Program and the Disability Medical Assistance 90850  
Program. 90851

Except as provided in divisions (B) and (C) of this section, 90852  
all rules, orders, and determinations regarding the Disability 90853  
Assistance Program continue in effect as rules, orders, and 90854  
determinations regarding the Disability Financial Assistance 90855  
Program and the Disability Medical Assistance Program, until 90856  
modified or rescinded. 90857

Wherever the Disability Assistance Program is referred to in 90858  
any law, contract, or other document, the reference shall be 90859  
deemed to refer to the Disability Financial Assistance Program or 90860  
the Disability Medical Assistance Program, whichever is 90861  
appropriate. 90862

(B) Notwithstanding any determination through administrative 90863  
or judicial order or otherwise, a person who was receiving 90864  
financial assistance under the Disability Assistance Program prior 90865  
to the effective date of this section ceases to be eligible for 90866  
continued financial assistance under the Disability Financial 90867  
Assistance Program on the effective date of this section, unless 90868  
one of the following is the case: 90869

(1) The person was receiving the assistance on the basis of 90870  
being age 60 or older or on the basis of being unable to do any 90871  
substantial or gainful activity by reason of a medically 90872  
determinable physical or mental impairment that can be expected to 90873  
result in death or has lasted or can be expected to last for not 90874  
less than nine months. 90875

(2) The person was receiving the assistance by meeting other 90876  
eligibility requirements but applies for Disability Financial 90877  
Assistance pursuant to section 5115.05 of the Revised Code, as 90878  
amended by this act, and receives a determination of eligibility 90879  
by meeting the requirements specified in section 5115.01 of the 90880  
Revised Code, as amended by this act. 90881

(C) Notwithstanding the provisions of section 5115.10 of the 90882  
Revised Code, as amended by this act, that limit eligibility for 90883  
disability medical assistance to persons determined to be 90884  
medication dependent, both of the following apply: 90885

(1) The Director of Job and Family Services may adopt rules 90886  
in accordance with section 111.15 of the Revised Code providing 90887  
for and governing temporary provision of disability medical 90888  
assistance to persons who were recipients of medical assistance 90889  
under the Disability Assistance Program prior to the effective 90890  
date of this section. 90891

(2) A person's eligibility for disability medical assistance 90892  
may continue pursuant to the rules adopted under division (C)(1) 90893  
of this section until the state or county department of job and 90894  
family services conducts a redetermination of the person's 90895  
eligibility in accordance with the requirement that recipients be 90896  
medication dependent, unless the person otherwise becomes 90897  
ineligible for disability medical assistance. 90898

**Section 59.32.** DISABILITY FINANCIAL ASSISTANCE FOR RESIDENTS 90899

OF TREATMENT CENTERS 90900

Notwithstanding any other law to the contrary, up to 90901  
\$2,176,269 in appropriation item 600-511, Disability Financial 90902  
Assistance, shall be used in each fiscal year for services for 90903  
residents of residential treatment centers certified as an alcohol 90904  
or drug addiction program by the Department of Alcohol and Drug 90905  
Addiction Services under section 3793.06 of the Revised Code. 90906

**Section 59.33.** Of the foregoing appropriation item 600-689, 90907  
TANF Block Grant, \$57,170,000 in fiscal year 2004 shall be used 90908  
for the Head Start Program pursuant to an interagency agreement 90909  
entered into by Department of Job and Family Services and the 90910  
Department of Education under division (A)(2) of section 5101.801 90911  
of the Revised Code. Of that amount, \$5,000,000 shall be used to 90912  
provide Head Start slots in fiscal year 2004 that would otherwise 90913  
not be available. 90914

Of the foregoing appropriation item 600-689, TANF Block 90915  
Grant, \$108,184,000 in fiscal year 2005 shall be used for the Head 90916  
Start Plus Program pursuant to an interagency agreement entered 90917  
into by Department of Job and Family Services and the Department 90918  
of Education under division (A)(2) of section 5101.801 of the 90919  
Revised Code. Of that amount, \$5,000,000 shall be used to ensure 90920  
that Head Start Plus provider payments reflect service rendered in 90921  
fiscal year 2005. 90922

**Section 59.34.** STUDY OF MEDICAID COVERAGE FOR BREAST AND 90923  
CERVICAL CANCER TREATMENT 90924

(A) The Department of Job and Family Services shall conduct a 90925  
study of the feasibility of expanding the Medicaid coverage 90926  
provided under section 5111.0110 of the Revised Code pursuant to 90927  
the "Breast and Cervical Cancer Prevention and Treatment Act of 90928  
2000," 114 Stat. 1381, 42 U.S.C. 1396a, as amended. In particular, 90929

the Department shall study the extension of coverage to women who receive breast and cervical cancer screenings that are not directly paid for with federal funds obtained under Title XV of the "Public Health Service Act," 104 Stat. 409 (1990), 42 U.S.C., as amended. The study of this extension shall include consideration of both of the following options, as specified by the federal Centers for Medicare and Medicaid Services:

(1) Coverage of women who have been screened under a Title XV-funded Centers for Disease Control and Prevention Breast and Cervical Cancer Early Detection Program in which their particular clinical services were not paid for with Title XV funds, but the services were rendered by a provider or an entity funded at least in part with Title XV funds, and the services were within the scope of a grant, sub-grant, or contract under the breast and cervical cancer early detection program and the Title XV grantee has elected to include such screening activities by that provider or entity as screening activities pursuant to Title XV;

(2) Coverage of women who have been screened by any other provider or entity and the Title XV grantee has elected to include screening activities by that provider or entity as screening activities pursuant to Title XV.

(B) Not later than June 1, 2004, the Department shall complete its study and prepare a report of its findings and recommendations. The Department shall submit a copy of its report to the President of the Senate, Speaker of the House of Representatives, and Director of Budget and Management. Copies of the report shall be made available to the public on request.

**Section 59.35.** Pursuant to 7 U.S.C. 2015(o)(4)(A)(i), the Department of Job and Family Services shall request that the United States Secretary of Agriculture waive the applicability of the work requirement of 7 U.S.C. 2015(o)(2) during fiscal years

2004 and 2005 to food stamp benefit recipients who reside in a 90961  
county of this state that the Department determines has had an 90962  
unemployment rate of over 10 per cent for each of the four months 90963  
before the month in which the waiver is in effect for the county. 90964  
The Department shall make monthly determinations of which counties 90965  
the waiver shall be in effect in. No individual may be exempted 90966  
from the work requirements for more than a total of nine months 90967  
beginning July 1, 2003, and ending June 30, 2005. 90968

The Department shall report to the Speaker and Minority 90969  
Leader of the House of Representatives and President and Minority 90970  
Leader of the Senate on receipt or rejection of the waiver sought 90971  
under this section. 90972

**Section 59.36. MEDICAID PER DIEM ADJUSTMENTS FOR ICFs/MR** 90973

(A) As used in this section: 90974

(1) "Intermediate care facility for the mentally retarded" 90975  
has the same meaning as in section 5111.20 of the Revised Code. 90976

(2) "Medicaid days" means all days during which a resident 90977  
who is a Medicaid recipient occupies a bed in an intermediate care 90978  
facility for the mentally retarded that is included in the 90979  
facility's certified capacity under Title XIX of the "Social 90980  
Security Act," 79 Stat. 286 (1965), 42 U.S.C. 1396, as amended. 90981  
Therapeutic or hospital leave days for which payment is made under 90982  
section 5111.33 of the Revised Code are considered Medicaid days 90983  
proportionate to the percentage of the intermediate care facility 90984  
for the mentally retarded's per resident per day rate paid for 90985  
those days. 90986

(3) "Per diem rate" means the per diem rate calculated 90987  
pursuant to Chapter 5111. of the Revised Code. 90988

(B) Notwithstanding Chapter 5111. of the Revised Code, rates 90989  
paid to intermediate care facilities for the mentally retarded 90990



under the Medicaid program shall be subject to the following 90991  
limitations: 90992

(1) For fiscal year 2004, the mean total per diem rate for 90993  
all intermediate care facilities for the mentally retarded in the 90994  
state, weighted by May 2003 Medicaid days and calculated as of 90995  
July 1, 2003, shall not exceed \$221.43. 90996

(2) For fiscal year 2005, the mean total per diem rate for 90997  
all intermediate care facilities for the mentally retarded in the 90998  
state, weighted by May 2004 Medicaid days and calculated as of 90999  
July 1, 2004, shall not exceed \$225.86. 91000

(3) If the mean total per diem rate for all intermediate care 91001  
facilities for the mentally retarded in the state for fiscal year 91002  
2004 or 2005, weighted by Medicaid days as specified in division 91003  
(B)(1) or (2) of this section, as appropriate, and calculated as 91004  
of the first day of July of the calendar year in which the fiscal 91005  
year begins, exceeds the amount specified in division (B)(1) or 91006  
(2) of this section, as applicable, the Department of Job and 91007  
Family Services shall reduce the total per diem rate for each 91008  
intermediate care facility for the mentally retarded in the state 91009  
by a percentage that is equal to the percentage by which the mean 91010  
total per diem rate exceeds the amount specified in division 91011  
(B)(1) or (2) of this section for that fiscal year. 91012

(4) Subsequent to any reduction required by division (B)(3) 91013  
of this section, the rate of an intermediate care facility for the 91014  
mentally retarded shall be subject to any adjustments required or 91015  
authorized by Chapter 5111. of the Revised Code during the 91016  
remainder of the year. 91017

**Section 59.37. MEDICAID PER DIEM ADJUSTMENTS FOR NURSING 91018  
FACILITIES 91019**

(A) As used in this section: 91020

(1) "Medicaid days" means all days during which a resident who is a Medicaid recipient occupies a bed in a nursing facility that is included in the facility's certified capacity under Title XIX of the "Social Security Act," 79 Stat. 286 (1965), 42 U.S.C. 1396, as amended. Therapeutic or hospital leave days for which payment is made under section 5111.33 of the Revised Code are considered Medicaid days proportionate to the percentage of the nursing facility's per resident per day rate paid for those days.

(2) "Nursing facility" has the same meaning as in section 5111.20 of the Revised Code.

(3) "Per diem rate" means the per diem rate calculated pursuant to Chapter 5111. of the Revised Code and includes the payments made to nursing facilities under division (B) of section 63.37 of Am. Sub. H.B. 94 of the 124th General Assembly, as most recently amended by this act.

(B) Notwithstanding Chapter 5111. of the Revised Code, rates paid to nursing facilities under the Medicaid program shall be subject to the following limitations:

(1) For fiscal year 2004, the mean total per diem rate for all nursing facilities in the state, weighted by May 2003 Medicaid days and calculated as of July 1, 2003, shall not exceed \$156.68.

(2) For fiscal year 2005, the mean total per diem rate for all nursing facilities in the state, weighted by May 2004 Medicaid days and calculated as of July 1, 2004, shall not exceed \$159.00, plus any difference between \$156.68 and the mean total per diem rate for all nursing facilities in the state for fiscal year 2004, weighted by Medicaid days and calculated as of July 1, 2003.

(3) If the mean total per diem rate for all nursing facilities in the state for fiscal year 2004 or 2005, weighted by Medicaid days as specified in division (B)(1) or (2) of this section, as appropriate, and calculated as of the first day of

July of the calendar year in which the fiscal year begins, exceeds 91052  
the amount specified for that fiscal year in division (B)(1) or 91053  
(2) of this section, the Department of Job and Family Services 91054  
shall reduce the total per diem rate for each nursing facility in 91055  
the state by a percentage that is equal to the percentage by which 91056  
the mean total per diem rate exceeds the amount specified in 91057  
division (B)(1) or (2) of this section for that fiscal year. 91058

(4) Subsequent to any reduction required by division (B)(3) 91059  
of this section, a nursing facility's rate shall be subject to any 91060  
adjustments required or authorized by Chapter 5111. of the Revised 91061  
Code during the remainder of the fiscal year. 91062

(C) Except as follows, the Department of Job and Family 91063  
Services shall continue to implement rules adopted under Chapter 91064  
5111. of the Revised Code regarding Medicaid payments to nursing 91065  
facilities that are in effect on the effective date of this 91066  
section: 91067

(1) The Department shall not continue to implement a rule 91068  
that is inconsistent with this act, but shall instead implement 91069  
this act. 91070

(2) The Department may adopt, amend, or rescind rules under 91071  
Chapter 5111. of the Revised Code as provided by those sections to 91072  
the extent those sections are consistent with this act. 91073

**Section 60.** JCO JUDICIAL CONFERENCE OF OHIO 91074

General Revenue Fund 91075

GRF 018-321 Operating Expenses	\$	962,000	\$	957,000	91076
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TOTAL GRF General Revenue Fund	\$	962,000	\$	957,000	91077
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General Services Fund Group 91078

403 018-601 Ohio Jury Instructions	\$	200,000	\$	200,000	91079
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TOTAL GSF General Services Fund	\$	200,000	\$	200,000	91080
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Group

TOTAL ALL BUDGET FUND GROUPS	\$	1,162,000	\$	1,157,000	91081
STATE COUNCIL OF UNIFORM STATE LAWS					91082
Notwithstanding section 105.26 of the Revised Code, of the					91083
foregoing appropriation item 018-321, Operating Expenses, up to					91084
\$63,000 in fiscal year 2004 and up to \$66,000 in fiscal year 2005					91085
may be used to pay the expenses of the State Council of Uniform					91086
State Laws, including membership dues to the National Conference					91087
of Commissioners on Uniform State Laws.					91088
OHIO JURY INSTRUCTIONS FUND					91089
The Ohio Jury Instructions Fund (Fund 403) shall consist of					91090
grants, royalties, dues, conference fees, bequests, devises, and					91091
other gifts received for the purpose of supporting costs incurred					91092
by the Judicial Conference of Ohio in dispensing educational and					91093
informational data to the state's judicial system. Fund 403 shall					91094
be used by the Judicial Conference of Ohio to pay expenses					91095
incurred in dispensing educational and informational data to the					91096
state's judicial system. All moneys accruing to Fund 403 in excess					91097
of \$200,000 in fiscal year 2004 and in excess of \$200,000 in					91098
fiscal year 2005 are hereby appropriated for the purposes					91099
authorized.					91100
No money in the Ohio Jury Instructions Fund shall be					91101
transferred to any other fund by the Director of Budget and					91102
Management or the Controlling Board.					91103
<b>Section 61. JSC THE JUDICIARY/SUPREME COURT</b>					91104
General Revenue Fund					91105
GRF 005-321 Operating Expenses -	\$	113,636,659	\$	118,401,294	91106
Judiciary/Supreme					
Court					
GRF 005-401 State Criminal	\$	346,194	\$	356,371	91107
Sentencing Council					

GRF 005-406 Law-Related Education	\$	209,836	\$	216,131	91108
TOTAL GRF General Revenue Fund	\$	114,192,689	\$	118,973,796	91109
General Services Fund Group					91110
672 005-601 Continuing Judicial Education	\$	126,000	\$	120,000	91111
TOTAL GSF General Services Fund Group	\$	126,000	\$	120,000	91112
Federal Special Revenue Fund Group					91113
3J0 005-603 Federal Grants	\$	1,030,061	\$	1,030,061	91114
TOTAL FED Federal Special Revenue Fund Group	\$	1,030,061	\$	1,030,061	91115
State Special Revenue Fund Group					91116
4C8 005-605 Attorney Registration	\$	2,332,733	\$	2,495,171	91117
5T8 005-609 Grants and Awards	\$	33,296	\$	33,296	91118
6A8 005-606 Supreme Court Admissions	\$	1,230,514	\$	1,267,428	91119
643 005-607 Commission on Continuing Legal Education	\$	568,788	\$	587,210	91120
TOTAL SSR State Special Revenue Fund Group	\$	4,165,331	\$	4,383,105	91121
TOTAL ALL BUDGET FUND GROUPS	\$	119,514,081	\$	124,506,962	91122
LAW-RELATED EDUCATION					91123
The foregoing appropriation item 005-406, Law-Related Education, shall be distributed directly to the Ohio Center for Law-Related Education for the purposes of providing continuing citizenship education activities to primary and secondary students, expanding delinquency prevention programs, increasing activities for at-risk youth, and accessing additional public and private money for new programs.					91124 91125 91126 91127 91128 91129 91130
CONTINUING JUDICIAL EDUCATION					91131

The Continuing Judicial Education Fund (Fund 672) shall 91132  
consist of fees paid by judges and court personnel for attending 91133  
continuing education courses and other gifts and grants received 91134  
for the purpose of continuing judicial education. The foregoing 91135  
appropriation item 005-601, Continuing Judicial Education, shall 91136  
be used to pay expenses for continuing education courses for 91137  
judges and court personnel. If it is determined by the 91138  
Administrative Director of the Supreme Court that additional 91139  
appropriations are necessary, the amounts are hereby appropriated. 91140

No money in the Continuing Judicial Education Fund shall be 91141  
transferred to any other fund by the Director of Budget and 91142  
Management or the Controlling Board. Interest earned on moneys in 91143  
the Continuing Judicial Education Fund shall be credited to the 91144  
fund. 91145

FEDERAL GRANTS 91146

The Federal Grants Fund (Fund 3J0) shall consist of grants 91147  
and other moneys awarded to the Supreme Court (The Judiciary) by 91148  
the United States Government or other entities that receive the 91149  
moneys directly from the United States Government and distribute 91150  
those moneys to the Supreme Court (The Judiciary). The foregoing 91151  
appropriation item 005-603, Federal Grants, shall be used in a 91152  
manner consistent with the purpose of the grant or award. If it is 91153  
determined by the Administrative Director of the Supreme Court 91154  
that additional appropriations are necessary, the amounts are 91155  
hereby appropriated. 91156

No money in the Federal Grants Fund shall be transferred to 91157  
any other fund by the Director of Budget and Management or the 91158  
Controlling Board. However, interest earned on moneys in the 91159  
Federal Grants Fund shall be credited or transferred to the 91160  
General Revenue Fund. 91161

ATTORNEY REGISTRATION 91162

In addition to funding other activities considered 91163  
appropriate by the Supreme Court, the foregoing appropriation item 91164  
005-605, Attorney Registration, may be used to compensate 91165  
employees and fund the appropriate activities of the following 91166  
offices established by the Supreme Court pursuant to the Rules for 91167  
the Government of the Bar of Ohio: the Office of Disciplinary 91168  
Counsel, the Board of Commissioners on Grievances and Discipline, 91169  
the Clients' Security Fund, the Board of Commissioners on the 91170  
Unauthorized Practice of Law, and the Office of Attorney 91171  
Registration. If it is determined by the Administrative Director 91172  
of the Supreme Court that additional appropriations are necessary, 91173  
the amounts are hereby appropriated. 91174

No moneys in the Attorney Registration Fund shall be 91175  
transferred to any other fund by the Director of Budget and 91176  
Management or the Controlling Board. Interest earned on moneys in 91177  
the Attorney Registration Fund shall be credited to the fund. 91178

GRANTS AND AWARDS 91179

The Grants and Awards Fund (Fund 5T8) shall consist of grants 91180  
and other moneys awarded to the Supreme Court (The Judiciary) by 91181  
the State Justice Institute, the Office of Criminal Justice 91182  
Services, or other entities. The foregoing appropriation item 91183  
005-609, Grants and Awards, shall be used in a manner consistent 91184  
with the purpose of the grant or award. If it is determined by the 91185  
Administrative Director of the Supreme Court that additional 91186  
appropriations are necessary, the amounts are hereby appropriated. 91187

No moneys in the Grants and Awards Fund shall be transferred 91188  
to any other fund by the Director of Budget and Management or the 91189  
Controlling Board. However, interest earned on moneys in the 91190  
Grants and Awards Fund shall be credited or transferred to the 91191  
General Revenue Fund. 91192

SUPREME COURT ADMISSIONS 91193

The foregoing appropriation item 005-606, Supreme Court Admissions, shall be used to compensate Supreme Court employees who are primarily responsible for administering the attorney admissions program, pursuant to the Rules for the Government of the Bar of Ohio, and to fund any other activities considered appropriate by the court. Moneys shall be deposited into the Supreme Court Admissions Fund (Fund 6A8) pursuant to the Supreme Court Rules for the Government of the Bar of Ohio. If it is determined by the Administrative Director of the Supreme Court that additional appropriations are necessary, the amounts are hereby appropriated.

No moneys in the Supreme Court Admissions Fund shall be transferred to any other fund by the Director of Budget and Management or the Controlling Board. Interest earned on moneys in the Supreme Court Admissions Fund shall be credited to the fund.

**CONTINUING LEGAL EDUCATION**

The foregoing appropriation item 005-607, Commission on Continuing Legal Education, shall be used to compensate employees of the Commission on Continuing Legal Education, established pursuant to the Supreme Court Rules for the Government of the Bar of Ohio, and to fund other activities of the commission considered appropriate by the court. If it is determined by the Administrative Director of the Supreme Court that additional appropriations are necessary, the amounts are hereby appropriated.

No moneys in the Continuing Legal Education Fund shall be transferred to any other fund by the Director of Budget and Management or the Controlling Board. Interest earned on moneys in the Continuing Legal Education Fund shall be credited to the fund.

**Section 62. LEC LAKE ERIE COMMISSION**

State Special Revenue Fund Group



4C0 780-601 Lake Erie Protection	\$	1,070,975	\$	1,070,975	91224
Fund					
5D8 780-602 Lake Erie Resources	\$	689,004	\$	689,004	91225
Fund					
TOTAL SSR State Special Revenue					91226
Fund Group	\$	1,759,979	\$	1,759,979	91227
TOTAL ALL BUDGET FUND GROUPS	\$	1,759,979	\$	1,759,979	91228

CASH TRANSFER 91229

Not later than the thirtieth day of November of each fiscal year, the Executive Director of the Ohio Lake Erie Office, with the approval of the Lake Erie Commission, shall certify to the Director of Budget and Management the cash balance in the Lake Erie Resources Fund (Fund 5D8) in excess of amounts needed to meet operating expenses of the Lake Erie Office. The Ohio Lake Erie Office may request the Director of Budget and Management to transfer up to the certified amount from the Lake Erie Resources Fund (Fund 5D8) to the Lake Erie Protection Fund (Fund 4C0). The Director of Budget and Management may transfer the requested amount, or the Director may transfer a different amount up to the certified amount. Cash transferred shall be used for the purposes described in division (A) of section 1506.23 of the Revised Code. The amount transferred by the director is appropriated to the foregoing appropriation item 780-601, Lake Erie Protection Fund, which shall be increased by the amount transferred.

**Section 63. LRS LEGAL RIGHTS SERVICE** 91246

General Revenue Fund					91247
GRF 054-100 Personal Services	\$	193,514	\$	193,514	91248
GRF 054-200 Maintenance	\$	33,938	\$	33,938	91249
GRF 054-300 Equipment	\$	1,856	\$	1,856	91250
GRF 054-401 Ombudsman	\$	291,247	\$	291,247	91251
TOTAL GRF General Revenue Fund	\$	520,555	\$	520,555	91252

General Services Fund Group				91253
416 054-601 Gifts and Donations	\$	1,352	\$ 1,352	91254
5M0 054-610 Settlements	\$	75,000	\$ 75,000	91255
TOTAL GSF General Services				91256
Fund Group	\$	76,352	\$ 76,352	91257
Federal Special Revenue Fund Group				91258
3B8 054-603 Protection and	\$	1,018,279	\$ 1,018,279	91259
Advocacy - Mentally				
Ill				
3N3 054-606 Protection and	\$	507,648	\$ 507,648	91260
Advocacy - Individual				
Rights				
3N9 054-607 Assistive Technology	\$	50,000	\$ 50,000	91261
3R9 054-604 Family Support	\$	242,500	\$ 242,500	91262
Collaborative				
3T2 054-609 Client Assistance	\$	404,807	\$ 404,807	91263
Program				
3X1 054-611 Protection and	\$	187,784	\$ 187,784	91264
Advocacy for				
Beneficiaries of				
Social Security				
3Z6 054-612 Traumatic Brain Injury	\$	50,000	\$ 50,000	91265
305 054-602 Protection and	\$	1,280,363	\$ 1,280,363	91266
Advocacy -				
Developmentally				
Disabled				
TOTAL FED Federal Special Revenue				91267
Fund Group	\$	3,741,381	\$ 3,741,381	91268
TOTAL ALL BUDGET FUND GROUPS	\$	4,338,288	\$ 4,338,288	91269
<b>Section 64. JLE JOINT LEGISLATIVE ETHICS COMMITTEE</b>				91271
General Revenue Fund				91272

GRF 028-321	Legislative Ethics	\$	550,000	\$	550,000	91273
	Committee					
TOTAL GRF	General Revenue Fund	\$	550,000	\$	550,000	91274
TOTAL ALL BUDGET FUND GROUPS		\$	550,000	\$	550,000	91275

TRANSFER OF FUNDS TO GRF 91276

On July 1, 2003, or as soon thereafter as possible, the 91277  
Director of Budget and Management shall transfer 50 per cent of 91278  
the cash balance in the Joint Legislative Ethics Committee Fund 91279  
(Fund 4G7) to the General Revenue Fund. On July 1, 2004, or as 91280  
soon thereafter as possible, the Director of Budget and Management 91281  
shall transfer all of the remaining cash balance in the Joint 91282  
Legislative Ethics Committee Fund (Fund 4G7) to the General 91283  
Revenue Fund. 91284

**Section 65. LSC LEGISLATIVE SERVICE COMMISSION** 91285

General Revenue Fund						91286
GRF 035-321	Operating Expenses	\$	14,065,000	\$	14,770,000	91287
GRF 035-402	Legislative Interns	\$	975,000	\$	990,000	91288
GRF 035-404	Legislative Office of	\$	1,205,000	\$	1,256,427	91289
	Education Oversight					
GRF 035-405	Correctional	\$	200,000	\$	300,000	91290
	Institution Inspection					
	Committee					
GRF 035-406	ATMS Replacement	\$	20,000	\$	20,000	91291
	Project					
GRF 035-407	Legislative Task Force	\$	100,000	\$	0	91292
	on Redistricting					
GRF 035-409	National Associations	\$	430,000	\$	441,000	91293
GRF 035-410	Legislative	\$	3,624,200	\$	3,624,200	91294
	Information Systems					
TOTAL GRF	General Revenue Fund	\$	20,619,200	\$	21,401,627	91295
General Services	Fund Group					91296

4F6 035-603	Legislative Budget	\$	149,350	\$	152,337	91297
	Services					
410 035-601	Sale of Publications	\$	25,000	\$	25,000	91298
TOTAL GSF General Services						91299
Fund Group		\$	174,350	\$	177,337	91300
TOTAL ALL BUDGET FUND GROUPS						91301
ATMS REPLACEMENT PROJECT						91302
Of the foregoing appropriation item 035-406, ATMS Replacement						91303
Project, any amounts not used for the ATMS project may be used to						91304
pay the operating expenses of the Legislative Service Commission.						91305
<b>Section 66. LIB STATE LIBRARY BOARD</b>						91306
General Revenue Fund						91307
GRF 350-321	Operating Expenses	\$	6,700,721	\$	6,700,721	91308
GRF 350-400	Ohio Public Library	\$	0	\$	5,000,000	91309
	Information Network					
GRF 350-401	Ohioana Rental	\$	124,816	\$	124,816	91310
	Payments					
GRF 350-501	Cincinnati Public	\$	584,414	\$	569,803	91311
	Library					
GRF 350-502	Regional Library	\$	1,194,374	\$	1,194,374	91312
	Systems					
GRF 350-503	Cleveland Public	\$	879,042	\$	857,066	91313
	Library					
TOTAL GRF General Revenue Fund						91314
General Services Fund Group						91315
139 350-602	Intra-Agency Service	\$	9,000	\$	9,000	91316
	Charges					
4S4 350-604	OPLIN Technology	\$	6,450,000	\$	1,000,000	91317
459 350-602	Interlibrary Service	\$	2,759,661	\$	2,809,661	91318
	Charges					
TOTAL GSF General Services						91319

Fund Group	\$	9,218,661	\$	3,818,661	91320
Federal Special Revenue Fund Group					91321
313 350-601 LSTA Federal	\$	5,541,647	\$	5,541,647	91322
TOTAL FED Federal Special Revenue					91323
Fund Group	\$	5,541,647	\$	5,541,647	91324
TOTAL ALL BUDGET FUND GROUPS	\$	24,243,675	\$	23,807,088	91325
OHIOANA RENTAL PAYMENTS					91326
The foregoing appropriation item 350-401, Ohioana Rental					91327
Payments, shall be used to pay the rental expenses of the Martha					91328
Kinney Cooper Ohioana Library Association pursuant to section					91329
3375.61 of the Revised Code.					91330
CINCINNATI PUBLIC LIBRARY					91331
The foregoing appropriation item 350-501, Cincinnati Public					91332
Library, shall be used for the Talking Book program, which assists					91333
the blind and disabled.					91334
REGIONAL LIBRARY SYSTEMS					91335
The foregoing appropriation item 350-502, Regional Library					91336
Systems, shall be used to support regional library systems					91337
eligible for funding under section 3375.90 of the Revised Code.					91338
CLEVELAND PUBLIC LIBRARY					91339
The foregoing appropriation item 350-503, Cleveland Public					91340
Library, shall be used for the Talking Book program, which assists					91341
the blind and disabled.					91342
OHIO PUBLIC LIBRARY INFORMATION NETWORK					91343
The foregoing appropriation items 350-604, OPLIN Technology,					91344
and, in fiscal year 2005, 350-400, Ohio Public Library Information					91345
Network, shall be used for an information telecommunications					91346
network linking public libraries in the state and such others as					91347
may be certified as participants by the Ohio Public Library					91348
Information Network Board.					91349

The Ohio Public Library Information Network Board shall 91350  
consist of eleven members appointed by the State Library Board 91351  
from among the staff of public libraries and past and present 91352  
members of boards of trustees of public libraries, based on the 91353  
recommendations of the Ohio library community. The Ohio Public 91354  
Library Information Network Board, in consultation with the State 91355  
Library, shall develop a plan of operations for the network. The 91356  
board may make decisions regarding use of the foregoing OPLIN 91357  
appropriation items 350-604 and may receive and expend grants to 91358  
carry out the operations of the network in accordance with state 91359  
law and the authority to appoint and fix the compensation of a 91360  
director and necessary staff. The State Library shall be the 91361  
fiscal agent for the network and shall have fiscal accountability 91362  
for the expenditure of funds. The Ohio Public Library Information 91363  
Network Board members shall be reimbursed for actual travel and 91364  
necessary expenses incurred in carrying out their 91365  
responsibilities. 91366

In order to limit access to obscene and illegal materials 91367  
through internet use at Ohio Public Library Information Network 91368  
(OPLIN) terminals, local libraries with OPLIN computer terminals 91369  
shall adopt policies that control access to obscene and illegal 91370  
materials. These policies may include use of technological systems 91371  
to select or block certain internet access. The OPLIN shall 91372  
condition provision of its funds, goods, and services on 91373  
compliance with these policies. The OPLIN Board shall also adopt 91374  
and communicate specific recommendations to local libraries on 91375  
methods to control such improper usage. These methods may include 91376  
each library implementing a written policy controlling such 91377  
improper use of library terminals and requirements for parental 91378  
involvement or written authorization for juvenile internet usage. 91379

The OPLIN Board shall research and assist or advise local 91380  
libraries with regard to emerging technologies and methods that 91381

may be effective means to control access to obscene and illegal 91382  
materials. The OPLIN Executive Director shall biannually provide 91383  
written reports to the Governor, the Speaker and Minority Leader 91384  
of the House of Representatives, and the President and Minority 91385  
Leader of the Senate on any steps being taken by OPLIN and public 91386  
libraries in the state to limit and control such improper usage as 91387  
well as information on technological, legal, and law enforcement 91388  
trends nationally and internationally affecting this area of 91389  
public access and service. 91390

The Ohio Public Library Information Network, InfOhio, and 91391  
OhioLink shall, to the extent feasible, coordinate and cooperate 91392  
in their purchase or other acquisition of the use of electronic 91393  
databases for their respective users and shall contribute funds in 91394  
an equitable manner to such effort. 91395

TRANSFER TO OPLIN TECHNOLOGY FUND 91396

Notwithstanding sections 5747.03 and 5747.47 of the Revised 91397  
Code and any other provision of law to the contrary, in accordance 91398  
with a schedule established by the Director of Budget and 91399  
Management, the Director of Budget and Management shall transfer 91400  
up to \$5,000,000 in fiscal year 2004 from the Library and Local 91401  
Government Support Fund (Fund 065) to the OPLIN Technology Fund 91402  
(Fund 4S4). 91403

**Section 67. LCO LIQUOR CONTROL COMMISSION** 91404

Liquor Control Fund Group 91405

043 970-321 Operating Expenses	\$	779,886	\$	794,387	91406
TOTAL LCF Liquor Control Fund Group	\$	779,886	\$	794,387	91407
TOTAL ALL BUDGET FUND GROUPS	\$	779,886	\$	794,387	91408

COMPUTER EQUIPMENT 91409

Of the foregoing appropriation item 970-321, Operating 91410  
Expenses, \$27,700 in fiscal year 2004 and \$4,500 in fiscal year 91411

2005 shall be used for computer equipment. 91412

**Section 68.** LOT STATE LOTTERY COMMISSION 91413

State Lottery Fund Group 91414

044 950-100 Personal Services \$ 25,114,200 \$ 25,133,314 91415

044 950-200 Maintenance \$ 20,100,168 \$ 20,120,268 91416

044 950-300 Equipment \$ 3,067,250 \$ 3,113,259 91417

044 950-402 Game and Advertising \$ 68,683,000 \$ 68,683,000 91418

Contracts

044 950-500 Problem Gambling \$ 335,000 \$ 335,000 91419

Subsidy

044 950-601 Prizes, Bonuses, and \$ 166,173,455 \$ 166,173,455 91420

Commissions

871 950-602 Annuity Prizes \$ 162,228,451 \$ 162,185,260 91421

TOTAL SLF State Lottery Fund 91422

Group \$ 445,701,524 \$ 445,743,556 91423

TOTAL ALL BUDGET FUND GROUPS \$ 445,701,524 \$ 445,743,556 91424

OPERATING EXPENSES 91425

The Controlling Board may, at the request of the State 91426  
Lottery Commission, authorize additional appropriations for 91427  
operating expenses of the State Lottery Commission from the State 91428  
Lottery Fund up to a maximum of 15 per cent of anticipated total 91429  
revenue accruing from the sale of lottery tickets. 91430

PRIZES, BONUSSES, AND COMMISSIONS 91431

Any amounts, in addition to the amounts appropriated in 91432  
appropriation item 950-601, Prizes, Bonuses, and Commissions, that 91433  
are determined by the Director of the State Lottery Commission to 91434  
be necessary to fund prizes, bonuses, and commissions are hereby 91435  
appropriated. 91436

ANNUITY PRIZES 91437

With the approval of the Office of Budget and Management, the 91438



State Lottery Commission shall transfer cash from the State 91439  
Lottery Fund Group (Fund 044) to the Deferred Prizes Trust Fund 91440  
(Fund 871) in an amount sufficient to fund deferred prizes. The 91441  
Treasurer of State, from time to time, shall credit the Deferred 91442  
Prizes Trust Fund (Fund 871) the pro rata share of interest earned 91443  
by the Treasurer of State on invested balances. 91444

Any amounts, in addition to the amounts appropriated in 91445  
appropriation item 950-602, Annuity Prizes, that are determined by 91446  
the Director of the State Lottery Commission to be necessary to 91447  
fund deferred prizes and interest earnings are hereby 91448  
appropriated. 91449

TRANSFERS TO THE LOTTERY PROFITS EDUCATION FUND 91450

The Ohio Lottery Commission shall transfer an amount greater 91451  
than or equal to \$637,900,000 in fiscal year 2004 and \$637,900,000 91452  
in fiscal year 2005 to the Lottery Profits Education Fund. 91453  
Transfers from the Commission to the Lottery Profits Education 91454  
Fund shall represent the estimated net income from operations for 91455  
the Commission in fiscal year 2004 or fiscal year 2005. Transfers 91456  
by the Commission to the Lottery Profits Education Fund shall be 91457  
administered in accordance with and pursuant to the Revised Code. 91458

TRANSFERS OF UNCLAIMED PRIZE FUNDS 91459

On July 31, 2003, or as soon thereafter as possible, the 91460  
Director of Budget and Management shall transfer up to \$7,500,000 91461  
in cash from the Unclaimed Prize Fund (Fund 872) to the Lottery 91462  
Profits Education Reserve Fund (Fund 018). The remaining 91463  
unencumbered and unallotted balances as of July 31, 2003, in the 91464  
Unclaimed Prize Fund (Fund 872) are hereby transferred to the 91465  
State Lottery Fund Group (Fund 044). 91466

**Section 69. MED STATE MEDICAL BOARD** 91467

General Services Fund Group 91468

5C6 883-609 State Medical Board	\$	7,098,956	\$	7,199,935	91469
Operating					
TOTAL GSF General Services					91470
Fund Group	\$	7,098,956	\$	7,199,935	91471
TOTAL ALL BUDGET FUND GROUPS	\$	7,098,956	\$	7,199,935	91472

**Section 70. DMH DEPARTMENT OF MENTAL HEALTH** 91474

Division of General Administration Intragovernmental Service Fund 91475  
 Group 91476

151 235-601 General Administration \$ 85,181,973 \$ 85,181,973 91477

TOTAL ISF Intragovernmental 91478

Service Fund Group \$ 85,181,973 \$ 85,181,973 91479

    Division of Mental Health-- 91480

        Psychiatric Services to Correctional Facilities 91481

General Revenue Fund 91482

GRF 332-401 Forensic Services \$ 4,338,858 \$ 4,338,858 91483

TOTAL GRF General Revenue Fund \$ 4,338,858 \$ 4,338,858 91484

TOTAL ALL BUDGET FUND GROUPS \$ 89,520,831 \$ 89,520,831 91485

**FORENSIC SERVICES** 91486

The foregoing appropriation item 322-401, Forensic Services, 91487  
 shall be used to provide psychiatric services to courts of common 91488  
 pleas. The appropriation shall be allocated through community 91489  
 mental health boards to certified community agencies and shall be 91490  
 distributed according to the criteria delineated in rule 91491  
 5122:4-1-01 of the Administrative Code. These community forensic 91492  
 funds may also be used to provide forensic training to community 91493  
 mental health boards and to forensic psychiatry residency programs 91494  
 in hospitals operated by the Department of Mental Health and to 91495  
 provide evaluations of patients of forensic status in facilities 91496  
 operated by the Department of Mental Health prior to conditional 91497  
 release to the community. 91498

In addition, appropriation item 332-401, Forensic Services, 91499  
 may be used to support projects involving mental health, substance 91500  
 abuse, courts, and law enforcement to identify and develop 91501  
 appropriate alternative services to institutionalization for 91502  
 nonviolent mentally ill offenders, and to provide linkage to 91503  
 community services for severely mentally disabled offenders 91504  
 released from institutions operated by the Department of 91505  
 Rehabilitation and Correction. Funds may also be utilized to 91506  
 provide forensic monitoring and tracking in addition to community 91507  
 programs serving persons of forensic status on conditional release 91508  
 or probation. 91509

Division of Mental Health-- 91510

Administration and Statewide Programs 91511

General Revenue Fund 91512

GRF 333-321 Central Administration \$ 22,808,798 \$ 24,178,778 91513

GRF 333-402 Resident Trainees \$ 1,364,919 \$ 1,364,919 91514

GRF 333-403 Pre-Admission \$ 650,135 \$ 650,135 91515

Screening Expenses

GRF 333-415 Lease-Rental Payments \$ 25,935,650 \$ 23,206,750 91516

GRF 333-416 Research Program \$ 1,001,551 \$ 1,001,551 91517

Evaluation

TOTAL GRF General Revenue Fund \$ 51,761,053 \$ 50,402,133 91518

General Services Fund Group 91519

149 333-609 Central Office Rotary \$ 1,087,454 \$ 1,103,578 91520

- Operating

TOTAL General Services Fund Group \$ 1,087,454 \$ 1,103,578 91521

Federal Special Revenue Fund Group 91522

3A7 333-612 Social Services Block \$ 25,000 \$ 0 91523

Grant

3A8 333-613 Federal Grant - \$ 57,470 \$ 57,984 91524

Administration

3A9 333-614 Mental Health Block \$ 827,363 \$ 835,636 91525

	Grant				
3B1	333-635	Community Medicaid	\$	4,126,430	\$ 4,145,222 91526
	Expansion				
324	333-605	Medicaid/Medicare	\$	523,761	\$ 514,923 91527
TOTAL Federal Special Revenue					91528
Fund Group			\$	5,560,024	\$ 5,553,765 91529
State Special Revenue Fund Group					91530
4X5	333-607	Behavioral Health	\$	2,913,327	\$ 3,000,634 91531
	Medicaid Services				
485	333-632	Mental Health	\$	134,233	\$ 134,233 91532
	Operating				
5M2	333-602	PWLC Campus	\$	200,000	\$ 200,000 91533
	Improvement				
TOTAL State Special Revenue					91534
Fund Group			\$	3,247,560	\$ 3,334,867 91535
TOTAL ALL BUDGET FUND GROUPS			\$	61,656,091	\$ 60,394,343 91536

RESIDENCY TRAINEESHIP PROGRAMS 91537

The foregoing appropriation item 333-402, Resident Trainees, 91538  
shall be used to fund training agreements entered into by the 91539  
Department of Mental Health for the development of curricula and 91540  
the provision of training programs to support public mental health 91541  
services. 91542

PRE-ADMISSION SCREENING EXPENSES 91543

The foregoing appropriation item 333-403, Pre-Admission 91544  
Screening Expenses, shall be used to pay for costs to ensure that 91545  
uniform statewide methods for pre-admission screening are in place 91546  
to perform assessments for persons in need of mental health 91547  
services or for whom institutional placement in a hospital or in 91548  
another inpatient facility is sought. Pre-admission screening 91549  
includes the following activities: pre-admission assessment, 91550  
consideration of continued stay requests, discharge planning and 91551

referral, and adjudication of appeals and grievance procedures.				91552
LEASE-RENTAL PAYMENTS				91553
The foregoing appropriation item 333-415, Lease-Rental				91554
Payments, shall be used to meet all payments at the times they are				91555
required to be made during the period from July 1, 2003, to June				91556
30, 2005, by the Department of Mental Health pursuant to leases				91557
and agreements made under section 154.20 of the Revised Code, but				91558
limited to the aggregate amount of \$49,142,400. Nothing in this				91559
act shall be deemed to contravene the obligation of the state to				91560
pay, without necessity for further appropriation, from the sources				91561
pledged thereto, the bond service charges on obligations issued				91562
pursuant to section 154.20 of the Revised Code.				91563
<b>Section 70.01. DIVISION OF MENTAL HEALTH - HOSPITALS</b>				91564
General Revenue Fund				91565
GRF 334-408 Community and Hospital	\$ 380,249,629	\$ 390,506,082		91566
Mental Health Services				
GRF 334-506 Court Costs	\$ 976,652	\$ 976,652		91567
TOTAL GRF General Revenue Fund	\$ 381,226,281	\$ 391,482,734		91568
General Services Fund Group				91569
149 334-609 Hospital Rotary -	\$ 22,908,053	\$ 24,408,053		91570
Operating Expenses				
150 334-620 Special Education	\$ 120,930	\$ 120,930		91571
TOTAL GSF General Services				91572
Fund Group	\$ 23,028,983	\$ 24,528,983		91573
Federal Special Revenue Fund Group				91574
3B0 334-617 Elementary and	\$ 248,644	\$ 251,866		91575
Secondary Education				
Act				
3B1 334-635 Hospital Medicaid	\$ 2,000,000	\$ 2,000,000		91576
Expansion				

324	334-605	Medicaid/Medicare	\$	10,484,944	\$	10,916,925	91577
TOTAL FED		Federal Special Revenue					91578
Fund Group			\$	12,733,588	\$	13,168,791	91579
State Special Revenue		Fund Group					91580
485	334-632	Mental Health	\$	2,387,253	\$	2,476,297	91581
		Operating					
5L2	334-619	Health	\$	26,000	\$	0	91582
		Foundation/Greater					
		Cincinnati					
692	334-636	Community Mental	\$	100,000	\$	100,000	91583
		Health Board Risk Fund					
TOTAL SSR		State Special Revenue					91584
Fund Group			\$	2,513,253	\$	2,576,297	91585
TOTAL ALL BUDGET FUND GROUPS			\$	419,502,105	\$	431,756,805	91586
		COMMUNITY MENTAL HEALTH BOARD RISK FUND					91587
		The foregoing appropriation item 334-636, Community Mental					91588
		Health Board Risk Fund, shall be used to make payments pursuant to					91589
		section 5119.62 of the Revised Code.					91590
		<b>Section 70.02. DIVISION OF MENTAL HEALTH - COMMUNITY SUPPORT</b>					91591
		SERVICES					91592
		General Revenue Fund					91593
GRF	335-419	Community Medication	\$	7,711,092	\$	7,959,798	91594
		Subsidy					
GRF	335-505	Local MH Systems of	\$	89,687,868	\$	89,687,868	91595
		Care					
TOTAL GRF		General Revenue Fund	\$	97,398,960	\$	97,647,666	91596
		General Services Fund Group					91597
4P9	335-604	Community Mental	\$	200,000	\$	200,000	91598
		Health Projects					
TOTAL GSF		General Services					91599

Fund Group	\$	200,000	\$	200,000	91600
Federal Special Revenue Fund Group					91601
3A7 335-612 Social Services Block	\$	9,314,108	\$	9,314,108	91602
Grant					
3A8 335-613 Federal Grant -	\$	1,717,040	\$	1,717,040	91603
Community Mental					
Health Board Subsidy					
3A9 335-614 Mental Health Block	\$	16,887,218	\$	17,056,090	91604
Grant					
3B1 335-635 Community Medicaid	\$	220,472,136	\$	237,766,721	91605
Expansion					
TOTAL FED Federal Special Revenue	\$	248,390,502	\$	265,853,959	91606
Fund Group					
State Special Revenue Fund Group					91607
632 335-616 Community Capital	\$	250,000	\$	250,000	91608
Replacement					
TOTAL SSR State Special Revenue	\$	250,000	\$	250,000	91609
Fund Group					
TOTAL ALL BUDGET FUND GROUPS	\$	346,239,462	\$	363,951,625	91610
DEPARTMENT TOTAL					91611
GENERAL REVENUE FUND	\$	534,725,152	\$	543,871,391	91612
DEPARTMENT TOTAL					91613
GENERAL SERVICES FUND GROUP	\$	24,316,437	\$	25,832,561	91614
DEPARTMENT TOTAL					91615
FEDERAL SPECIAL REVENUE					91616
FUND GROUP	\$	266,684,114	\$	284,576,515	91617
DEPARTMENT TOTAL					91618
STATE SPECIAL REVENUE FUND GROUP	\$	6,010,813	\$	6,161,164	91619
DEPARTMENT TOTAL					91620
INTRAGOVERNMENTAL FUND GROUP	\$	85,181,973	\$	85,181,973	91621
TOTAL DEPARTMENT OF MENTAL HEALTH	\$	916,918,489	\$	945,623,604	91622

**Section 70.03.** COMMUNITY MEDICATION SUBSIDY 91624

The foregoing appropriation item 335-419, Community Medication Subsidy, shall be used to provide subsidized support for psychotropic medication needs of indigent citizens in the community to reduce unnecessary hospitalization because of lack of medication and to provide subsidized support for methadone costs. 91625  
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LOCAL MENTAL HEALTH SYSTEMS OF CARE 91630

The foregoing appropriation item 335-505, Local Mental Health Systems of Care, shall be used for mental health services provided by community mental health boards in accordance with a community mental health plan submitted pursuant to section 340.03 of the Revised Code and as approved by the Department of Mental Health. 91631  
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Of the foregoing appropriation, not less than \$34,818,917 in fiscal year 2004 and not less than \$34,818,917 in fiscal year 2005 shall be distributed by the Department of Mental Health on a per capita basis to community mental health boards. 91636  
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Of the foregoing appropriation, \$100,000 in each fiscal year shall be used to fund family and consumer education and support. 91640  
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BEHAVIORAL HEALTH MEDICAID SERVICES 91642

The Department of Mental Health shall administer specified Medicaid Services as delegated by the Department of Job and Family Services in an interagency agreement. The foregoing appropriation item 333-607, Behavioral Health Medicaid Services, may be used to make payments for free-standing psychiatric hospital inpatient services as defined in an interagency agreement with the Department of Job and Family Services. 91643  
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**Section 71.** DMR DEPARTMENT OF MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES 91650  
91651



Section 71.01. GENERAL ADMINISTRATION AND STATEWIDE SERVICES				91652
General Revenue Fund				91653
GRF 320-321 Central Administration	\$ 9,174,390	\$ 9,357,878		91654
GRF 320-412 Protective Services	\$ 1,911,471	\$ 2,008,330		91655
GRF 320-415 Lease-Rental Payments	\$ 25,935,650	\$ 23,206,750		91656
TOTAL GRF General Revenue Fund	\$ 37,021,511	\$ 34,572,958		91657
General Services Fund Group				91658
4B5 320-640 Conference/Training	\$ 400,000	\$ 400,000		91659
TOTAL GSF General Services				91660
Fund Group	\$ 400,000	\$ 400,000		91661
Federal Special Revenue Fund Group				91662
3A4 320-605 Administrative Support	\$ 12,492,892	\$ 12,492,892		91663
3A5 320-613 DD Council Operating	\$ 861,000	\$ 861,000		91664
Expenses				91665
325 320-634 Protective Services	\$ 100,000	\$ 100,000		91666
TOTAL FED Federal Special Revenue				91667
Fund Group	\$ 13,453,892	\$ 13,453,892		91668
State Special Revenue Fund Group				91669
5S2 590-622 Medicaid	\$ 2,969,552	\$ 2,969,552		91670
Administration &				
Oversight				
TOTAL SSR State Special Revenue				91671
Fund Group	\$ 2,969,552	\$ 2,969,552		91672
TOTAL ALL GENERAL ADMINISTRATION				91673
AND STATEWIDE SERVICES				91674
BUDGET FUND GROUPS	\$ 53,844,955	\$ 51,396,402		91675
LEASE-RENTAL PAYMENTS				91676
The foregoing appropriation item 320-415, Lease-Rental				91677
Payments, shall be used to meet all payments at the times they are				91678
required to be made during the period from July 1, 2003, to June				91679

30, 2005, by the Department of Mental Retardation and 91680  
 Developmental Disabilities pursuant to leases and agreements made 91681  
 under section 154.20 of the Revised Code, but limited to the 91682  
 aggregate amount of \$49,142,400. Nothing in this act shall be 91683  
 deemed to contravene the obligation of the state to pay, without 91684  
 necessity for further appropriation, from the sources pledged 91685  
 thereto, the bond service charges on obligations issued pursuant 91686  
 to section 154.20 of the Revised Code. 91687

**Section 71.02. COMMUNITY SERVICES** 91688

General Revenue Fund 91689

GRF 322-405 State Use Program \$ 268,792 \$ 273,510 91690

GRF 322-413 Residential and \$ 8,439,337 \$ 8,450,787 91691

Support Services

GRF 322-416 Waiver State Match \$ 95,695,198 \$ 100,019,747 91692

GRF 322-417 Supported Living \$ 43,179,715 \$ 43,179,715 91693

GRF 322-451 Family Support \$ 6,975,870 \$ 6,975,870 91694

Services

GRF 322-452 Service and Support \$ 8,849,724 \$ 8,849,724 91695

Administration

GRF 322-501 County Boards \$ 31,795,691 \$ 31,795,691 91696

Subsidies

GRF 322-503 Tax Equity \$ 14,000,000 \$ 15,000,000 91697

TOTAL GRF General Revenue Fund \$ 209,204,327 \$ 214,545,044 91698

General Services Fund Group 91699

4J6 322-645 Intersystem Services \$ 3,300,000 \$ 3,300,000 91700

for Children

4U4 322-606 Community MR and DD \$ 300,000 \$ 300,000 91701

Trust

4V1 322-611 Program Support \$ 610,000 \$ 625,000 91702

488 322-603 Residential Services \$ 1,000,000 \$ 1,000,000 91703

Refund

TOTAL GSF General Services				91704
Fund Group	\$	5,210,000	\$ 5,225,000	91705
Federal Special Revenue Fund Group				91706
3A4 322-605 Community Program	\$	1,000,000	\$ 1,000,000	91707
Support				
3A4 322-610 Community Residential	\$	500,000	\$ 500,000	91708
Support				
3A5 322-613 DD Council Grants	\$	3,130,000	\$ 3,130,000	91709
3G6 322-639 Medicaid Waiver	\$	344,068,714	\$ 373,772,814	91710
3M7 322-650 CAFS Medicaid	\$	254,739,737	\$ 267,668,087	91711
325 322-608 Federal Grants -	\$	2,023,587	\$ 1,833,815	91712
Operating Expenses				91713
325 322-612 Social Service Block	\$	10,319,346	\$ 10,330,830	91714
Grant				91715
325 322-617 Education Grants -	\$	75,500	\$ 75,500	91716
Operating				91717
TOTAL FED Federal Special Revenue				91718
Fund Group	\$	615,856,884	\$ 658,311,046	91719
State Special Revenue Fund Group				91720
4K8 322-604 Waiver - Match	\$	12,000,000	\$ 12,000,000	91721
5H0 322-619 Medicaid Repayment	\$	25,000	\$ 25,000	91722
TOTAL SSR State Special Revenue				91723
Fund Group	\$	12,025,000	\$ 12,025,000	91724
TOTAL ALL COMMUNITY SERVICES				91725
BUDGET FUND GROUPS	\$	842,296,211	\$ 890,106,090	91726

RESIDENTIAL AND SUPPORT SERVICES 91727

The Department of Mental Retardation and Developmental 91728  
Disabilities may designate a portion of appropriation item 91729  
322-413, Residential and Support Services, for the following: 91730

(A) Sermak Class Services used to implement the requirements 91731  
of the agreement settling the consent decree in *Sermak v. Manuel*, 91732

Case No. c-2-80-220, United States District Court for the Southern District of Ohio, Eastern Division; 91733  
91734

(B) Medicaid-reimbursed programs other than home and community-based waiver services, in an amount not to exceed \$1,000,000 in each fiscal year, that enable persons with mental retardation and developmental disabilities to live in the community. 91735  
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WAIVER STATE MATCH 91740

The purposes for which the foregoing appropriation item 322-416, Waiver State Match, shall be used include the following: 91741  
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(A) Home and community-based waiver services pursuant to Title XIX of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as amended. 91743  
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(B) Services contracted by county boards of mental retardation and developmental disabilities. 91746  
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(C) To pay the nonfederal share of the cost of one or more new intermediate care facility for the mentally retarded certified beds in a county where the county board of mental retardation and developmental disabilities does not initiate or support the development or certification of such beds, if the director of mental retardation and developmental disabilities is required by this act to transfer to the director of job and family services funds to pay such nonfederal share. 91748  
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The Department of Mental Retardation and Developmental Disabilities may designate a portion of appropriation item 322-416, Waiver State Match, to county boards of mental retardation and developmental disabilities that have greater need for various residential and support services due to a low percentage of residential and support services development in comparison to the number of individuals with mental retardation or developmental disabilities in the county. 91756  
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Of the foregoing appropriation item 322-416, Waiver State Match, \$9,850,000 in each year of the biennium shall be distributed by the Department to county boards of mental retardation and developmental disabilities to support existing residential facilities waiver and individual options waiver related to Medicaid activities provided for in the component of a county board's plan developed under division (A)(2) of section 5126.054 of the Revised Code and approved under section 5123.046 of the Revised Code. Up to \$3,000,000 of these funds in each fiscal year may be used to implement day-to-day program management services under division (A)(2) of section 5126.054 of the Revised Code. Up to \$4,200,000 in each fiscal year may be used to implement the program and health and welfare requirements of division (A)(2) of section 5126.054 of the Revised Code.

In fiscal years 2004 and 2005 not less than \$2,650,000 of these funds shall be used to recruit and retain, under division (A)(2) of section 5126.054 of the Revised Code, the direct care staff necessary to implement the services included in an individualized service plan in a manner that ensures the health and welfare of the individuals being served.

The methodology utilized by the department to determine each residential facilities waiver and individual options provider's allocation of such funds in fiscal year 2003 shall be used for allocation purposes to such providers in fiscal years 2004 and 2005, respectively.

**SUPPORTED LIVING**

The purposes for which the foregoing appropriation item 322-417, Supported Living, shall be used include supported living services contracted by county boards of mental retardation and developmental disabilities in accordance with sections 5126.40 to 5126.47 of the Revised Code and to pay the nonfederal share of the

cost of one or more new intermediate care facility for the 91795  
mentally retarded certified beds in a county where the county 91796  
board of mental retardation and developmental disabilities does 91797  
not initiate or support the development or certification of such 91798  
beds, if the director of mental retardation and developmental 91799  
disabilities is required by this act to transfer to the director 91800  
of job and family services funds to pay such nonfederal share. 91801

OTHER RESIDENTIAL AND SUPPORT SERVICE PROGRAMS 91802

Notwithstanding Chapters 5123. and 5126. of the Revised Code, 91803  
the Department of Mental Retardation and Developmental 91804  
Disabilities may develop residential and support service programs 91805  
funded by appropriation item 322-413, Residential and Support 91806  
Services, appropriation item 322-416, Waiver State Match, or 91807  
appropriation item 322-417, Supported Living, that enable persons 91808  
with mental retardation and developmental disabilities to live in 91809  
the community. Notwithstanding Chapter 5121. and section 5123.122 91810  
of the Revised Code, the department may waive the support 91811  
collection requirements of those statutes for persons in community 91812  
programs developed by the department under this section. The 91813  
department shall adopt rules under Chapter 119. of the Revised 91814  
Code or may use existing rules for the implementation of these 91815  
programs. 91816

FAMILY SUPPORT SERVICES 91817

Notwithstanding sections 5123.171, 5123.19, 5123.20, and 91818  
5126.11 of the Revised Code, the Department of Mental Retardation 91819  
and Developmental Disabilities may implement programs funded by 91820  
appropriation item 322-451, Family Support Services, to provide 91821  
assistance to persons with mental retardation or developmental 91822  
disabilities and their families who are living in the community. 91823  
The department shall adopt rules to implement these programs. The 91824  
department may also use the foregoing appropriation item 322-451, 91825  
Family Support Services, to pay the nonfederal share of the cost 91826

of one or more new intermediate care facility for the mentally 91827  
retarded certified beds in a county where the county board of 91828  
mental retardation and developmental disabilities initiates or 91829  
supports the development or certification of such beds, if the 91830  
director of mental retardation and developmental disabilities is 91831  
required by this act to transfer to the director of job and family 91832  
services funds to pay such nonfederal share. 91833

SERVICE AND SUPPORT ADMINISTRATION 91834

The foregoing appropriation item 322-452, Service and Support 91835  
Administration, shall be allocated to county boards of mental 91836  
retardation and developmental disabilities for the purpose of 91837  
providing service and support administration services and to 91838  
assist in bringing state funding for all department-approved 91839  
service and support administrators within county boards of mental 91840  
retardation and developmental disabilities to the level authorized 91841  
in division (C) of section 5126.15 of the Revised Code. The 91842  
department may request approval from the Controlling Board to 91843  
transfer any unobligated appropriation authority from other state 91844  
General Revenue Fund appropriation items within the department's 91845  
budget to appropriation item 322-452, Service and Support 91846  
Administration, to be used to meet the statutory funding level in 91847  
division (C) of section 5126.15 of the Revised Code. 91848

Notwithstanding division (C) of section 5126.15 of the 91849  
Revised Code and subject to funding in appropriation item 322-452, 91850  
Service and Support Administration, no county may receive less 91851  
than its allocation in fiscal year 1995. Wherever case management 91852  
services are referred to in any law, contract, or other document, 91853  
the reference shall be deemed to refer to service and support 91854  
administration. No action or proceeding pending on the effective 91855  
date of this section is affected by the renaming of case 91856  
management services as service and support administration. 91857

The Department of Mental Retardation and Developmental 91858

Disabilities shall adopt, amend, and rescind rules as necessary to 91859  
reflect the renaming of case management services as service and 91860  
support administration. All boards of mental retardation and 91861  
developmental disabilities and the entities with which they 91862  
contract for services shall rename the titles of their employees 91863  
who provide service and support administration. All boards and 91864  
contracting entities shall make corresponding changes to all 91865  
employment contracts. 91866

The department may also use the foregoing appropriation item 91867  
322-452, Service and Support Administration, to pay the nonfederal 91868  
share of the cost of one or more new intermediate care facility 91869  
for the mentally retarded certified beds in a county where the 91870  
county board of mental retardation and developmental disabilities 91871  
initiates or supports the development or certification of such 91872  
beds, if the director of mental retardation and developmental 91873  
disabilities is required by this act to transfer to the director 91874  
of job and family services funds to pay such nonfederal share. 91875

STATE SUBSIDIES TO MR/DD BOARDS 91876

The foregoing appropriation item 322-501, County Boards 91877  
Subsidies, shall be distributed to county boards of mental 91878  
retardation and developmental disabilities pursuant to section 91879  
5126.12 of the Revised Code to the limit of the lesser of the 91880  
amount required by that section or the appropriation in 91881  
appropriation item 322-501 prorated to all county boards of mental 91882  
retardation and developmental disabilities. 91883

The department may also use the foregoing appropriation item 91884  
322-501, County Boards Subsidies, to pay the nonfederal share of 91885  
the cost of one or more new intermediate care facility for the 91886  
mentally retarded certified beds in a county where the county 91887  
board of mental retardation and developmental disabilities 91888  
initiates or supports the development or certification of such 91889  
beds, if the director of mental retardation and developmental 91890



disabilities is required by this act to transfer to the director 91891  
of job and family services funds to pay such nonfederal share. 91892

TAX EQUITY 91893

The foregoing appropriation item 322-503, Tax Equity, shall 91894  
be used to fund the tax equalization program created under section 91895  
5126.18 of the Revised Code for county boards of mental 91896  
retardation and developmental disabilities. 91897

INTERSYSTEM SERVICES FOR CHILDREN 91898

The foregoing appropriation item 322-645, Intersystem 91899  
Services for Children, shall be used to support direct grants to 91900  
county family and children first councils created under section 91901  
121.37 of the Revised Code. The funds shall be used as partial 91902  
support payment and reimbursement for locally coordinated 91903  
treatment plans for multi-needs children that come to the 91904  
attention of the Family and Children First Cabinet Council 91905  
pursuant to section 121.37 of the Revised Code. The Department of 91906  
Mental Retardation and Developmental Disabilities may use up to 91907  
five per cent of this amount for administrative expenses 91908  
associated with the distribution of funds to the county councils. 91909

WAIVER - MATCH 91910

The foregoing appropriation item 322-604, Waiver-Match (Fund 91911  
4K8), shall be used as state matching funds for the home and 91912  
community-based waivers. 91913

**Section 71.03.** DEVELOPMENTAL CENTER PROGRAM TO DEVELOP A 91914  
MODEL BILLING FOR SERVICES RENDERED 91915

Developmental centers of the Department of Mental Retardation 91916  
and Developmental Disabilities may provide services to persons 91917  
with mental retardation or developmental disabilities living in 91918  
the community or to providers of services to these persons. The 91919  
department may develop a methodology for recovery of all costs 91920

associated with the provisions of these services.				91921
<b>Section 71.04. TRANSFER OF FUNDS FOR DEVELOPMENTAL CENTER</b>				91922
PHARMACY PROGRAMS				91923
Beginning July 1, 2003, the Department of Mental Retardation				91924
and Developmental Disabilities shall pay the Department of Job and				91925
Family Services quarterly, through intrastate transfer voucher,				91926
the nonfederal share of Medicaid prescription drug claim costs for				91927
all developmental centers paid by the Department of Job and Family				91928
Services.				91929
<b>Section 71.05. RESIDENTIAL FACILITIES</b>				91930
General Revenue Fund				91931
GRF 323-321 Residential Facilities \$ 105,701,254 \$ 107,252,799				91932
Operations				91933
TOTAL GRF General Revenue Fund \$ 105,701,254 \$ 107,252,799				91934
General Services Fund Group				91935
152 323-609 Residential Facilities \$ 912,177 \$ 912,177				91936
Support				91937
TOTAL GSF General Services				91938
Fund Group \$ 912,177 \$ 912,177				91939
Federal Special Revenue Fund Group				91940
3A4 323-605 Residential Facilities \$ 128,736,729 \$ 128,831,708				91941
Reimbursement				91942
325 323-608 Federal Grants - \$ 571,381 \$ 582,809				91943
Subsidies				91944
325 323-617 Education Grants - \$ 425,000 \$ 425,000				91945
Residential Facilities				91946
TOTAL FED Federal Special Revenue				91947
Fund Group \$ 129,733,110 \$ 129,839,517				91948
State Special Revenue Fund Group				91949
489 323-632 Operating Expense \$ 12,125,628 \$ 12,125,628				91950

TOTAL SSR State Special Revenue				91951	
Fund Group	\$	12,125,628	\$	12,125,628	91952
TOTAL ALL RESIDENTIAL FACILITIES				91953	
BUDGET FUND GROUPS	\$	248,472,169	\$	250,130,121	91954
DEPARTMENT TOTAL				91955	
GENERAL REVENUE FUND	\$	351,927,092	\$	356,370,801	91956
DEPARTMENT TOTAL				91957	
GENERAL SERVICES FUND GROUP	\$	6,522,177	\$	6,537,177	91958
DEPARTMENT TOTAL				91959	
FEDERAL SPECIAL REVENUE FUND GROUP	\$	759,043,886	\$	801,604,455	91960
DEPARTMENT TOTAL				91961	
STATE SPECIAL REVENUE FUND GROUP	\$	27,120,180	\$	27,120,180	91962
TOTAL DEPARTMENT OF MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES		\$ 1,144,613,335	\$	1,191,632,613	91963 91964 91965
(A) The Executive Branch Committee on Medicaid Redesign and Expansion of MRDD Services, as established by Am. Sub. H.B. 94 of the 124th General Assembly, shall continue and consist of all of the following individuals:				91966 91967 91968 91969	
(1) One representative of the Governor appointed by the Governor;				91970 91971	
(2) Two representatives of the Department of Mental Retardation and Developmental Disabilities appointed by the Director of Mental Retardation and Developmental Disabilities;				91972 91973 91974	
(3) Two representatives of the Department of Job and Family Services appointed by the Director of Job and Family Services;				91975 91976	
(4) One representative of the Office of Budget and Management appointed by the Director of Budget and Management;				91977 91978	
(5) One representative of The Arc of Ohio appointed by the organization's board of trustees;				91979 91980	
(6) One representative of the Ohio Association of County				91981	

Boards of Mental Retardation and Developmental Disabilities	91982
appointed by the association's board of trustees;	91983
(7) One representative of the Ohio Superintendents of County	91984
Boards of Mental Retardation and Developmental Disabilities	91985
appointed by the organization's board of trustees;	91986
(8) One representative of the Ohio Provider Resource	91987
Association appointed by the association's board of trustees;	91988
(9) One representative of the Ohio Health Care Association	91989
appointed by the association's board of trustees;	91990
(10) One representative of individuals with mental	91991
retardation or other developmental disability appointed by the	91992
Director of Mental Retardation and Developmental Disabilities.	91993
(B) The Governor shall appoint the chairperson of the	91994
committee. Members of the committee shall serve without	91995
compensation or reimbursement, except to the extent that serving	91996
on the committee is considered a part of their regular employment	91997
duties.	91998
(C) The committee shall meet at times determined by the	91999
chairperson to do all of the following:	92000
(1) Review the effect that the provisions of this act	92001
regarding Medicaid funding for services to individuals with mental	92002
retardation or other developmental disability have on the funding	92003
and provision of services to such individuals;	92004
(2) Identify issues related to, and barriers to, the	92005
effective implementation of those provisions of this act with the	92006
goal of meeting the needs of individuals with mental retardation	92007
or other developmental disability;	92008
(3) Establish effective means for resolving the issues and	92009
barriers, including advocating changes to state law, rules, or	92010
both.	92011

(D) The committee shall submit a final report to the Governor 92012  
and Directors of Mental Retardation and Developmental Disabilities 92013  
and Job and Family Services and shall cease to exist on submission 92014  
of the final report unless the Governor issues an executive order 92015  
providing for the committee to continue. 92016

**Section 71.06.** (A) As used in this section: 92017

(1) "Family support services," "home and community-based 92018  
services," "service and support administration," and "supported 92019  
living" have the same meaning as in section 5126.01 of the Revised 92020  
Code. 92021

(2) "Intermediate care facility for the mentally retarded" 92022  
has the same meaning as in section 5111.20 of the Revised Code. 92023

(B) If one or more new beds obtain certification as an 92024  
intermediate care facility for the mentally retarded bed on or 92025  
after the effective date of this section, the Director of Mental 92026  
Retardation and Developmental Disabilities shall transfer funds to 92027  
the Department of Job and Family Services to pay the nonfederal 92028  
share of the cost under the Medicaid Program for those beds. The 92029  
Director shall use only the following funds for the transfer: 92030

(1) If the beds are located in a county served by a county 92031  
board of mental retardation and developmental disabilities that 92032  
does not initiate or support the beds' certification, funds 92033  
appropriated to the Department of Mental Retardation and 92034  
Developmental Disabilities for home and community-based services 92035  
and supported living for which the Director is authorized to make 92036  
allocations to county boards; 92037

(2) If the beds are located in a county served by a county 92038  
board that initiates or supports the beds' certification, funds 92039  
appropriated to the Department for family support services, 92040  
service and support administration, and other services for which 92041

the Director is authorized to make allocations to counties. 92042

(C) The funds that the Director transfers under division 92043  
 (B)(2) of this section shall be funds that the Director has 92044  
 allocated to the county board serving the county in which the beds 92045  
 are located unless the amount of the allocation is insufficient to 92046  
 pay the entire nonfederal share of the cost under the Medicaid 92047  
 Program for those beds. If the allocation is insufficient, the 92048  
 Director shall use as much of such funds allocated to other 92049  
 counties as is needed to make up the difference. 92050

**Section 72. MIH COMMISSION ON MINORITY HEALTH** 92051

General Revenue Fund 92052

GRF 149-321 Operating Expenses	\$	539,318	\$	539,318	92053
GRF 149-501 Minority Health Grants	\$	751,478	\$	751,478	92054
GRF 149-502 Lupus Program	\$	141,556	\$	141,556	92055
TOTAL GRF General Revenue Fund	\$	1,432,352	\$	1,432,352	92056

Federal Special Revenue Fund Group 92057

3J9 149-602 Federal Grants	\$	150,000	\$	150,000	92058
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TOTAL FED Federal Special Revenue 92059

Fund Group	\$	150,000	\$	150,000	92060
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State Special Revenue Fund Group 92061

4C2 149-601 Minority Health	\$	150,000	\$	150,000	92062
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Conference

TOTAL SSR State Special Revenue 92063

Fund Group	\$	150,000	\$	150,000	92064
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TOTAL ALL BUDGET FUND GROUPS \$ 1,732,352 \$ 1,732,352 92065

**LUPUS PROGRAM** 92066

The foregoing appropriation item 149-502, Lupus Program, 92067  
 shall be used to provide grants for programs in patient, public, 92068  
 and professional education on the subject of systemic lupus 92069  
 erythematosus; to encourage and develop local centers on lupus 92070

information gathering and screening; and to provide outreach to 92071  
 minority women. 92072

<b>Section 73. CRB MOTOR VEHICLE COLLISION REPAIR REGISTRATION</b>				92073
BOARD				92074
General Service Fund Group				92075
5H9 865-609 Operating Expenses	\$	285,497	\$ 314,422	92076
TOTAL GSF General Services				92077
Fund Group	\$	285,497	\$ 314,422	92078
TOTAL ALL BUDGET FUND GROUPS	\$	285,497	\$ 314,422	92079

<b>Section 74. DNR DEPARTMENT OF NATURAL RESOURCES</b>				92081
General Revenue Fund				92082
GRF 725-404 Fountain Square Rental	\$	1,093,300	\$ 1,094,800	92083
Payments - OBA				
GRF 725-407 Conservation Reserve	\$	1,218,750	\$ 1,218,750	92084
Enhancement Program				
GRF 725-412 Reclamation Commission	\$	57,934	\$ 57,934	92085
GRF 725-413 OPFC Lease Rental	\$	15,066,500	\$ 17,709,500	92086
Payments				
GRF 725-423 Stream and Ground	\$	331,819	\$ 331,819	92087
Water Gauging				
GRF 725-425 Wildlife License	\$	816,319	\$ 816,319	92088
Reimbursement				
GRF 725-456 Canal Lands	\$	332,859	\$ 332,859	92089
GRF 725-502 Soil and Water	\$	11,182,024	\$ 11,475,507	92090
Districts				
GRF 725-903 Natural Resources	\$	23,808,300	\$ 26,914,300	92091
General Obligation				
Debt Service				
GRF 727-321 Division of Forestry	\$	9,068,735	\$ 9,068,735	92092
GRF 728-321 Division of Geological	\$	1,731,456	\$ 1,731,456	92093

	Survey					
GRF 729-321	Office of Information Technology	\$	440,895	\$	440,895	92094
GRF 730-321	Division of Parks and Recreation	\$	34,232,205	\$	37,061,493	92095
GRF 731-321	Office of Coastal Management	\$	248,679	\$	259,707	92096
GRF 733-321	Division of Water	\$	3,355,830	\$	3,237,619	92097
GRF 736-321	Division of Engineering	\$	3,410,852	\$	3,436,918	92098
GRF 737-321	Division of Soil and Water	\$	4,215,288	\$	4,234,788	92099
GRF 738-321	Division of Real Estate and Land Management	\$	2,322,031	\$	2,331,781	92100
GRF 741-321	Division of Natural Areas and Preserves	\$	3,104,405	\$	3,104,405	92101
GRF 744-321	Division of Mineral Resources Management	\$	3,439,744	\$	3,495,967	92102
TOTAL GRF	General Revenue Fund	\$	119,477,925	\$	128,355,552	92103
	General Services Fund Group					92104
155 725-601	Departmental Projects	\$	2,645,479	\$	2,831,337	92105
157 725-651	Central Support Indirect	\$	8,272,102	\$	8,423,094	92106
161 725-635	Parks Facilities Maintenance	\$	2,063,124	\$	2,576,240	92107
204 725-687	Information Services	\$	3,384,275	\$	3,476,627	92108
206 725-689	REALM Support Services	\$	475,000	\$	475,000	92109
207 725-690	Real Estate Services	\$	54,000	\$	54,000	92110
223 725-665	Law Enforcement Administration	\$	969,825	\$	976,225	92111
4D5 725-618	Recycled Materials	\$	50,000	\$	50,000	92112
4S9 725-622	NatureWorks Personnel	\$	908,516	\$	983,103	92113



4X8	725-662	Water Resources Council	\$	282,524	\$	282,524	92114
430	725-671	Canal Lands	\$	1,119,834	\$	1,059,056	92115
508	725-684	Natural Resources Publications	\$	209,364	\$	215,626	92116
510	725-631	Maintenance - state-owned residences	\$	255,905	\$	260,849	92117
516	725-620	Water Management	\$	3,663,849	\$	2,342,814	92118
635	725-664	Fountain Square Facilities Management	\$	3,104,199	\$	3,104,199	92119
697	725-670	Submerged Lands	\$	507,099	\$	542,011	92120
TOTAL GSF General Services							92121
Fund Group			\$	27,965,095	\$	27,652,705	92122
Federal Special Revenue Fund Group							92123
3B3	725-640	Federal Forest Pass-Thru	\$	140,000	\$	150,000	92124
3B4	725-641	Federal Flood Pass-Thru	\$	280,000	\$	285,000	92125
3B5	725-645	Federal Abandoned Mine Lands	\$	11,922,845	\$	11,843,866	92126
3B6	725-653	Federal Land and Water Conservation Grants	\$	4,900,000	\$	5,000,000	92127
3B7	725-654	Reclamation - Regulatory	\$	2,179,870	\$	2,168,413	92128
3P0	725-630	Natural Areas and Preserves - Federal	\$	718,876	\$	552,480	92129
3P1	725-632	Geological Survey - Federal	\$	470,780	\$	479,653	92130
3P2	725-642	Oil and Gas-Federal	\$	224,537	\$	232,964	92131
3P3	725-650	Real Estate and Land Management - Federal	\$	2,357,000	\$	2,357,000	92132
3P4	725-660	Water - Federal	\$	300,000	\$	242,000	92133
3R5	725-673	Acid Mine Drainage	\$	792,028	\$	837,223	92134

Abatement/Treatment						
325	725-657	REALM-Federal	\$	1,578,871	\$ 1,578,871	92135
328	725-603	Forestry Federal	\$	1,530,561	\$ 1,484,531	92136
332	725-669	Federal Mine Safety	\$	247,364	\$ 258,103	92137
Grant						
TOTAL FED Federal Special Revenue						92138
Fund Group			\$	27,642,732	\$ 27,470,104	92139
State Special Revenue Fund Group						92140
4J2	725-628	Injection Well Review	\$	98,468	\$ 81,188	92141
4M7	725-631	Wildfire Suppression	\$	100,000	\$ 100,000	92142
4U6	725-668	Scenic Rivers	\$	561,000	\$ 617,100	92143
Protection						
5B3	725-674	Mining Regulation	\$	35,000	\$ 35,000	92144
5K1	725-626	Urban Forestry Grant	\$	400,000	\$ 400,000	92145
5P2	725-634	Wildlife Boater Angler	\$	1,500,000	\$ 1,500,000	92146
Administration						
509	725-602	State Forest	\$	982,970	\$ 1,127,117	92147
511	725-646	Ohio Geologic Mapping	\$	983,274	\$ 985,940	92148
512	725-605	State Parks Operations	\$	29,915,146	\$ 29,915,146	92149
514	725-606	Lake Erie Shoreline	\$	1,027,093	\$ 936,254	92150
518	725-643	Oil and Gas Permit	\$	2,205,651	\$ 2,399,580	92151
Fees						
518	725-677	Oil and Gas Well	\$	1,000,000	\$ 1,000,000	92152
Plugging						
521	725-627	Off-Road Vehicle	\$	118,490	\$ 123,490	92153
Trails						
522	725-656	Natural Areas Checkoff	\$	2,046,737	\$ 1,550,670	92154
Funds						
526	725-610	Strip Mining	\$	1,449,459	\$ 1,449,459	92155
Administration Fees						
527	725-637	Surface Mining	\$	2,793,938	\$ 2,693,938	92156
Administration						
529	725-639	Unreclaimed Land Fund	\$	1,841,589	\$ 1,971,037	92157

531	725-648	Reclamation Forfeiture	\$	2,393,762	\$	2,374,087	92158
532	725-644	Litter Control and Recycling	\$	12,544,686	\$	12,544,686	92159
586	725-633	Scrap Tire Program	\$	1,000,000	\$	1,000,000	92160
615	725-661	Dam Safety	\$	286,045	\$	408,223	92161
TOTAL SSR State Special Revenue							92162
Fund Group			\$	63,283,308	\$	63,212,915	92163
Clean Ohio Fund Group							92164
061	725-405	Clean Ohio Operating	\$	155,000	\$	155,000	92165
TOTAL CLR Clean Ohio Fund Group			\$	155,000	\$	155,000	92166
Wildlife Fund Group							92167
015	740-401	Division of Wildlife Conservation	\$	46,427,945	\$	46,814,691	92168
815	725-636	Cooperative Management Projects	\$	120,449	\$	120,449	92169
816	725-649	Wetlands Habitat	\$	966,885	\$	966,885	92170
817	725-655	Wildlife Conservation Checkoff Fund	\$	5,000,000	\$	5,000,000	92171
818	725-629	Cooperative Fisheries Research	\$	988,582	\$	988,582	92172
819	725-685	Ohio River Management	\$	128,584	\$	128,584	92173
TOTAL WLF Wildlife Fund Group			\$	53,632,445	\$	54,019,191	92174
Waterways Safety Fund Group							92175
086	725-414	Waterways Improvement	\$	3,813,051	\$	4,140,186	92176
086	725-418	Buoy Placement	\$	42,182	\$	42,182	92177
086	725-501	Waterway Safety Grants	\$	137,867	\$	137,867	92178
086	725-506	Watercraft Marine Patrol	\$	576,153	\$	576,153	92179
086	725-513	Watercraft Educational Grants	\$	366,643	\$	366,643	92180
086	739-401	Division of Watercraft	\$	19,420,712	\$	18,718,847	92181
TOTAL WSF Waterways Safety Fund							92182

Group	\$	24,356,608	\$	23,981,878	92183
Holding Account Redistribution Fund Group					92184
R17 725-659 Performance Cash Bond	\$	226,500	\$	226,500	92185
Refunds					
R43 725-624 Forestry	\$	800,000	\$	800,000	92186
TOTAL 090 Holding Account					92187
Redistribution Fund Group	\$	1,026,500	\$	1,026,500	92188
Accrued Leave Liability Fund Group					92189
4M8 725-675 FOP Contract	\$	20,844	\$	20,844	92190
TOTAL ALF Accrued Leave					92191
Liability Fund Group	\$	20,844	\$	20,844	92192
TOTAL ALL BUDGET FUND GROUPS	\$	317,560,457	\$	325,894,689	92193

**Section 74.01. FOUNTAIN SQUARE** 92195

The foregoing appropriation item 725-404, Fountain Square 92196  
Rental Payments - OBA, shall be used by the Department of Natural 92197  
Resources to meet all payments required to be made to the Ohio 92198  
Building Authority during the period from July 1, 2003, to June 92199  
30, 2005, pursuant to leases and agreements with the Ohio Building 92200  
Authority under section 152.241 of the Revised Code, but limited 92201  
to the aggregate amount of \$2,188,100. 92202

The Director of Natural Resources, using intrastate transfer 92203  
vouchers, shall make payments to the General Revenue Fund from 92204  
funds other than the General Revenue Fund to reimburse the General 92205  
Revenue Fund for the other funds' shares of the lease rental 92206  
payments to the Ohio Building Authority. The transfers from the 92207  
non-General Revenue funds shall be made within 10 days of the 92208  
payment to the Ohio Building Authority for the actual amounts 92209  
necessary to fulfill the leases and agreements pursuant to section 92210  
152.241 of the Revised Code. 92211

The foregoing appropriation item 725-664, Fountain Square 92212

Facilities Management (Fund 635), shall be used for payment of 92213  
repairs, renovation, utilities, property management, and building 92214  
maintenance expenses for the Fountain Square Complex. Cash 92215  
transferred by intrastate transfer vouchers from various 92216  
department funds and rental income received by the Department of 92217  
Natural Resources shall be deposited into the Fountain Square 92218  
Facilities Management Fund (Fund 635). 92219

LEASE RENTAL PAYMENTS 92220

The foregoing appropriation item 725-413, OPFC Lease Rental 92221  
Payments, shall be used to meet all payments at the times they are 92222  
required to be made during the period from July 1, 2003, to June 92223  
30, 2005, by the Department of Natural Resources pursuant to 92224  
leases and agreements made under section 154.22 of the Revised 92225  
Code, but limited to the aggregate amount of \$32,776,000. Nothing 92226  
in this act shall be deemed to contravene the obligation of the 92227  
state to pay, without necessity for further appropriation, from 92228  
the sources pledged thereto, the bond service charges on 92229  
obligations issued pursuant to section 154.22 of the Revised Code. 92230

NATURAL RESOURCES GENERAL OBLIGATION DEBT SERVICE 92231

The foregoing appropriation item 725-903, Natural Resources 92232  
General Obligation Debt Service, shall be used to pay all debt 92233  
service and related financing costs at the times they are required 92234  
to be made pursuant to sections 151.01 and 151.05 of the Revised 92235  
Code during the period from July 1, 2003, to June 30, 2005. The 92236  
Office of the Sinking Fund or the Director of Budget and 92237  
Management shall effectuate the required payments by an intrastate 92238  
transfer voucher. 92239

**Section 74.02. WILDLIFE LICENSE REIMBURSEMENT** 92240

Notwithstanding the limits of the transfer from the General 92241  
Revenue Fund to the Wildlife Fund, as adopted in section 1533.15 92242

of the Revised Code, up to the amount available in appropriation 92243  
item 725-425, Wildlife License Reimbursement, may be transferred 92244  
from the General Revenue Fund to the Wildlife Fund (Fund 015). 92245  
Pursuant to the certification of the Director of Budget and 92246  
Management of the amount of foregone revenue in accordance with 92247  
section 1533.15 of the Revised Code, the foregoing appropriation 92248  
item in the General Revenue Fund, appropriation item 725-425, 92249  
Wildlife License Reimbursement, shall be used to reimburse the 92250  
Wildlife Fund (Fund 015) for the cost of hunting and fishing 92251  
licenses and permits issued after June 30, 1990, to individuals 92252  
who are exempted under the Revised Code from license, permit, and 92253  
stamp fees. 92254

CANAL LANDS 92255

The foregoing appropriation item 725-456, Canal Lands, shall 92256  
be used to transfer funds to the Canal Lands Fund (Fund 430) to 92257  
provide operating expenses for the State Canal Lands Program. The 92258  
transfer shall be made using an intrastate transfer voucher and 92259  
shall be subject to the approval of the Director of Budget and 92260  
Management. 92261

SOIL AND WATER DISTRICTS 92262

In addition to state payments to soil and water conservation 92263  
districts authorized by section 1515.10 of the Revised Code, the 92264  
Department of Natural Resources may pay to any soil and water 92265  
conservation district, from authority in appropriation item 92266  
725-502, Soil and Water Districts, an annual amount not to exceed 92267  
\$30,000, upon receipt of a request and justification from the 92268  
district and approval by the Ohio Soil and Water Conservation 92269  
Commission. The county auditor shall credit the payments to the 92270  
special fund established under section 1515.10 of the Revised Code 92271  
for the local soil and water conservation district. Moneys 92272  
received by each district shall be expended for the purposes of 92273  
the district. 92274

Of the foregoing appropriation item 725-502, Soil and Water 92275  
Districts, \$120,000 shall be earmarked in fiscal year 2004 for the 92276  
Franklin County Soil and Water District. 92277

Of the foregoing appropriation item 725-502, Soil and Water 92278  
Districts, \$175,000 shall be earmarked in fiscal year 2004 for the 92279  
Indian Lake Watershed. 92280

Of the foregoing appropriation item 725-502, Soil and Water 92281  
Districts, \$50,000 shall be earmarked for the Rush Creek Watershed 92282  
in each fiscal year. 92283

Of the foregoing appropriation item 725-502, Soil and Water 92284  
Districts, \$28,000 shall be earmarked for the Conservation Action 92285  
Program in each fiscal year. 92286

Of the foregoing appropriation item 725-502, Soil and Water 92287  
Districts, \$150,000 each fiscal year shall be earmarked for the 92288  
Muskingum Conservancy District. 92289

Of the foregoing appropriation item 725-502, Soil and Water 92290  
Districts, \$120,000 in fiscal year 2004 shall be earmarked for the 92291  
relocation of Route 30. 92292

FUND CONSOLIDATION 92293

On July 15, 2003, or as soon thereafter as possible, the 92294  
Director of Budget and Management shall transfer the cash balance 92295  
as certified by the Director of Natural Resources from the Real 92296  
Estate and Land Management-Federal Fund (Fund 3P3) to the 92297  
REALM-Federal Fund (Fund 3Z5). The Director shall cancel any 92298  
remaining outstanding encumbrances against appropriation item 92299  
725-650, Real Estate and Land Management-Federal, that are 92300  
associated with the REALM federal programs and reestablish them 92301  
against appropriation item 725-657, REALM-Federal. The amounts of 92302  
any encumbrances canceled and reestablished are hereby 92303  
appropriated. 92304

LAW ENFORCEMENT ADMINISTRATION 92305

On or after July 1, 2003, but not later than July 15, 2003, 92306  
the Director of Budget and Management shall transfer \$969,825 from 92307  
the Central Support Indirect Fund (Fund 157) to the Law 92308  
Enforcement Administration Fund (Fund 223). On or after July 1, 92309  
2004, but not later than July 15, 2004, the Director of Budget and 92310  
Management shall transfer \$976,225 from the Central Support 92311  
Indirect Fund (Fund 157) to the Law Enforcement Administration 92312  
Fund (Fund 223). 92313

OIL AND GAS WELL PLUGGING 92314

The foregoing appropriation item 725-677, Oil and Gas Well 92315  
Plugging, shall be used exclusively for the purposes of plugging 92316  
wells and to properly restore the land surface of idle and orphan 92317  
oil and gas wells pursuant to section 1509.071 of the Revised 92318  
Code. No funds from the appropriation item shall be used for 92319  
salaries, maintenance, equipment, or other administrative 92320  
purposes, except for those costs directly attributed to the 92321  
plugging of an idle or orphan well. Appropriation authority from 92322  
this appropriation item shall not be transferred to any other fund 92323  
or line item. 92324

CLEAN OHIO OPERATING EXPENSES 92325

The foregoing appropriation item 725-405, Clean Ohio 92326  
Operating, shall be used by the Department of Natural Resources in 92327  
administering section 1519.05 of the Revised Code. 92328

DIVISION OF SOIL AND WATER 92329

Of the foregoing appropriation item 737-321, Division of Soil 92330  
and Water, \$220,000 in each fiscal year shall be earmarked for the 92331  
Water Quality Laboratory located at Heidelberg College. 92332

WATERCRAFT MARINE PATROL 92333

Of the foregoing appropriation item 739-401, Division of 92334



Watercraft, not more than \$200,000 in each fiscal year shall be 92335  
expended for the purchase of equipment for marine patrols 92336  
qualifying for funding from the Department of Natural Resources 92337  
pursuant to section 1547.67 of the Revised Code. Proposals for 92338  
equipment shall accompany the submission of documentation for 92339  
receipt of a marine patrol subsidy pursuant to section 1547.67 of 92340  
the Revised Code and shall be loaned to eligible marine patrols 92341  
pursuant to a cooperative agreement between the Department of 92342  
Natural Resources and the eligible marine patrol. 92343

ELIMINATION OF CIVILIAN CONSERVATION CORPS 92344

Upon the closure of the Division of Civilian Conservation, 92345  
the Director of Natural Resources, not later than June 30, 2004, 92346  
shall distribute, allocate, salvage, or transfer all assets, 92347  
equipment, supplies, and cash balances of the Division of Civilian 92348  
Conservation to other operating divisions of the Department of 92349  
Natural Resources as determined by the director. The director 92350  
shall maintain a record of such disposition of all assets. 92351

The director shall maintain balances within the Civilian 92352  
Conservation Corps Fund to pay all outstanding obligations, 92353  
including unemployment and other costs associated with the orderly 92354  
closure of the Division of Civilian Conservation. All amounts 92355  
necessary for the orderly closure are hereby appropriated. 92356

PROHIBITION AGAINST ENTRANCE FEES FOR STATE PARKS AND NATURE 92357  
PRESERVES 92358

During the biennium that includes fiscal years 2004 and 2005, 92359  
the Department of Natural Resources shall not charge a fee for the 92360  
privilege of entering a state park or a nature preserve, as 92361  
"nature preserve" is defined in section 1517.01 of the Revised 92362  
Code. 92363

**Section 75. NUR STATE BOARD OF NURSING 92364**

General Services Fund Group				92365
4K9 884-609 Operating Expenses	\$	5,232,776	\$ 5,257,576	92366
5P8 884-601 Nursing Special Issues	\$	5,000	\$ 5,000	92367
TOTAL GSF General Services				92368
Fund Group	\$	5,237,776	\$ 5,262,576	92369
TOTAL ALL BUDGET FUND GROUPS	\$	5,237,776	\$ 5,262,576	92370

**NURSING SPECIAL ISSUES** 92371

The foregoing appropriation item 884-601, Nursing Special 92372  
 Issues (Fund 5P8), shall be used to pay the costs the Board of 92373  
 Nursing incurs in implementing section 4723.062 of the Revised 92374  
 Code. 92375

**Section 76. PYT OCCUPATIONAL THERAPY, PHYSICAL THERAPY, AND** 92376  
**ATHLETIC TRAINERS BOARD** 92377

General Services Fund Group				92378
4K9 890-609 Operating Expenses	\$	771,391	\$ 801,480	92379
TOTAL GSF General Services Fund	\$	771,391	\$ 801,480	92380
Group				
TOTAL ALL BUDGET FUND GROUPS	\$	771,391	\$ 801,480	92381

**Section 77. OLA OHIOANA LIBRARY ASSOCIATION** 92383

General Revenue Fund				92384
GRF 355-501 Library Subsidy	\$	215,036	\$ 215,036	92385
TOTAL GRF General Revenue Fund	\$	215,036	\$ 215,036	92386
TOTAL ALL BUDGET FUND GROUPS	\$	215,036	\$ 215,036	92387

**Section 78. ODB OHIO OPTICAL DISPENSERS BOARD** 92389

General Services Fund Group				92390
4K9 894-609 Operating Expenses	\$	307,096	\$ 312,656	92391
TOTAL GSF General Services				92392
Fund Group	\$	307,096	\$ 312,656	92393

TOTAL ALL BUDGET FUND GROUPS	\$	307,096	\$	312,656	92394
<b>Section 79.</b> OPT STATE BOARD OF OPTOMETRY					92396
General Services Fund Group					92397
4K9 885-609 Operating Expenses	\$	306,140	\$	324,391	92398
TOTAL GSF General Services					92399
Fund Group	\$	306,140	\$	324,391	92400
TOTAL ALL BUDGET FUND GROUPS	\$	306,140	\$	324,391	92401
<b>Section 80.</b> OPP STATE BOARD OF ORTHOTICS, PROSTHETICS, AND					92403
PEDORTHICS					92404
General Services Fund Group					92405
4K9 973-609 Operating Expenses	\$	100,206	\$	102,395	92406
TOTAL GSF General Services					92407
Fund Group	\$	100,206	\$	102,395	92408
TOTAL ALL BUDGET FUND GROUPS	\$	100,206	\$	102,395	92409
<b>Section 81.</b> PBR STATE PERSONNEL BOARD OF REVIEW					92410
General Revenue Fund					92411
GRF 124-321 Operating	\$	1,029,430	\$	1,077,170	92412
TOTAL GRF General Revenue Fund	\$	1,029,430	\$	1,077,170	92413
General Services Fund Group					92414
636 124-601 Transcript and Other	\$	25,000	\$	25,000	92415
TOTAL GSF General Services					92416
Fund Group	\$	25,000	\$	25,000	92417
TOTAL ALL BUDGET FUND GROUPS	\$	1,054,430	\$	1,102,170	92418
TRANSCRIPT AND OTHER					92419
The foregoing appropriation item 124-601, Transcript and					92420
Other, may be used to defray the costs of producing an					92421
administrative record.					92422

<b>Section 82. PRX STATE BOARD OF PHARMACY</b>				92423
General Services Fund Group				92424
4A5 887-605 Drug Law Enforcement	\$	72,900	\$ 75,550	92425
4K9 887-609 Operating Expenses	\$	4,733,987	\$ 4,914,594	92426
TOTAL GSF General Services				92427
Fund Group	\$	4,806,887	\$ 4,990,144	92428
TOTAL ALL BUDGET FUND GROUPS	\$	4,806,887	\$ 4,990,144	92429
 <b>Section 83. PSY STATE BOARD OF PSYCHOLOGY</b>				92431
General Services Fund Group				92432
4K9 882-609 Operating Expenses	\$	564,544	\$ 561,525	92433
TOTAL GSF General Services				92434
Fund Group	\$	564,544	\$ 561,525	92435
TOTAL ALL BUDGET FUND GROUPS	\$	564,544	\$ 561,525	92436
 <b>Section 84. PUB OHIO PUBLIC DEFENDER COMMISSION</b>				92438
General Revenue Fund				92439
GRF 019-321 Public Defender	\$	1,430,057	\$ 1,351,494	92440
Administration				
GRF 019-401 State Legal Defense	\$	5,974,780	\$ 5,943,572	92441
Services				
GRF 019-403 Multi-County: State	\$	917,668	\$ 930,894	92442
Share				
GRF 019-404 Trumbull County -	\$	299,546	\$ 308,450	92443
State Share				
GRF 019-405 Training Account	\$	33,323	\$ 33,323	92444
GRF 019-501 County Reimbursement -	\$	30,567,240	\$ 32,630,070	92445
Non-Capital Cases				
GRF 019-503 County Reimbursement -	\$	693,000	\$ 726,000	92446
Capital Cases				
TOTAL GRF General Revenue Fund	\$	39,915,614	\$ 41,923,803	92447

General Services Fund Group				92448
101 019-602 Inmate Legal	\$	52,698	\$ 53,086	92449
Assistance				
406 019-603 Training and	\$	16,000	\$ 16,000	92450
Publications				
407 019-604 County Representation	\$	255,789	\$ 259,139	92451
408 019-605 Client Payments	\$	285,533	\$ 285,533	92452
TOTAL GSF General Services				92453
Fund Group	\$	610,020	\$ 613,758	92454
Federal Special Revenue Fund Group				92455
3S8 019-608 Federal Representation	\$	351,428	\$ 355,950	92456
TOTAL FED Federal Special Revenue				92457
Fund Group	\$	351,428	\$ 355,950	92458
State Special Revenue Fund Group				92459
4C7 019-601 Multi-County: County	\$	1,923,780	\$ 1,991,506	92460
Share				
4X7 019-610 Trumbull County -	\$	624,841	\$ 658,764	92461
County Share				
574 019-606 Legal Services	\$	14,305,700	\$ 14,305,800	92462
Corporation				
TOTAL SSR State Special Revenue				92463
Fund Group	\$	16,854,321	\$ 16,956,070	92464
TOTAL ALL BUDGET FUND GROUPS	\$	57,731,383	\$ 59,849,581	92465
JUVENILE REPRESENTATION				92466
Of the foregoing appropriation item 019-401, State Legal				92467
Defense Services, at least \$250,000 in each fiscal year shall be				92468
used to provide legal services and assistance to juveniles.				92469
INDIGENT DEFENSE OFFICE				92470
The foregoing appropriation items 019-404, Trumbull County -				92471
State Share, and 019-610, Trumbull County - County Share, shall be				92472
used to support an indigent defense office for Trumbull County.				92473

MULTI-COUNTY OFFICE	92474
The foregoing appropriation items 019-403, Multi-County:	92475
State Share, and 019-601, Multi-County: County Share, shall be	92476
used to support the Office of the Ohio Public Defender's	92477
Multi-County Branch Office Program.	92478
TRAINING ACCOUNT	92479
The foregoing appropriation item 019-405, Training Account,	92480
shall be used by the Ohio Public Defender to provide legal	92481
training programs at no cost for private appointed counsel who	92482
represent at least one indigent defendant at no cost and for state	92483
and county public defenders and attorneys who contract with the	92484
Ohio Public Defender to provide indigent defense services.	92485
FEDERAL REPRESENTATION	92486
The foregoing appropriation item 019-608, Federal	92487
Representation, shall be used to receive reimbursements from the	92488
federal courts when the Ohio Public Defender provides	92489
representation in federal court cases and to support	92490
representation in such cases.	92491
APPOINTED COUNSEL REIMBURSEMENT RATE FREEZE	92492
In establishing maximum amounts that the state will reimburse	92493
counties for legal services pursuant to divisions (B) (8) and (9)	92494
of section 120.04 of the Revised Code for the period from July 1,	92495
2003, through June 30, 2005, the state public defender shall not	92496
establish maximum amounts that exceed the maximum amounts in	92497
effect on March 1, 2003.	92498
<b>Section 85. DHS DEPARTMENT OF PUBLIC SAFETY</b>	92499
General Revenue Fund	92500
GRF 763-403 Operating Expenses - \$ 4,058,188 \$ 4,058,188	92501

GRF 763-507 Individual and	\$	48,750	\$	48,750	92502
Households Grants					
GRF 769-321 Food Stamp Trafficking	\$	800,000	\$	800,000	92503
Enforcement Operations					
TOTAL GRF General Revenue Fund	\$	4,906,938	\$	4,906,938	92504
TOTAL ALL BUDGET FUND GROUPS	\$	4,906,938	\$	4,906,938	92505
OHIO TASK FORCE ONE - URBAN SEARCH AND RESCUE UNIT					92506
Of the foregoing appropriation item 763-403, Operating					92507
Expenses - EMA, \$200,000 in each fiscal year shall be used to fund					92508
the Ohio Task Force One - Urban Search and Rescue Unit and other					92509
urban search and rescue programs around the state to create a					92510
stronger search and rescue capability statewide.					92511
INDIVIDUAL AND HOUSEHOLDS GRANTS STATE MATCH					92512
The foregoing appropriation item 763-507, Individual and					92513
Households Grants, shall be used to fund the state share of costs					92514
to provide grants to individuals and households in cases of					92515
disaster.					92516
<b>Section 86. PUC PUBLIC UTILITIES COMMISSION OF OHIO</b>					92517
General Services Fund Group					92518
5F6 870-622 Utility and Railroad	\$	30,622,222	\$	30,622,222	92519
Regulation					
5F6 870-624 NARUC/NRRI Subsidy	\$	167,233	\$	167,233	92520
5F6 870-625 Motor Transportation	\$	5,361,239	\$	5,361,239	92521
Regulation					
558 870-602 Salvage and Exchange	\$	16,477	\$	4,000	92522
TOTAL GSF General Services					92523
Fund Group	\$	36,167,171	\$	36,154,694	92524
Federal Special Revenue Fund Group					92525
3V3 870-604 Commercial Vehicle	\$	870,000	\$	300,000	92526
Information					

Systems/Networks							
333	870-601	Gas Pipeline Safety	\$	597,957	\$	597,957	92527
350	870-608	Motor Carrier Safety	\$	7,027,712	\$	7,027,712	92528
TOTAL FED Federal Special Revenue							92529
Fund Group			\$	8,495,669	\$	7,925,669	92530
State Special Revenue Fund Group							92531
4A3	870-614	Grade Crossing	\$	1,349,757	\$	1,349,757	92532
Protection							
Devices-State							
4L8	870-617	Pipeline Safety-State	\$	187,621	\$	187,621	92533
4S6	870-618	Hazardous Material	\$	899,325	\$	614,325	92534
Registration							
4S6	870-621	Hazardous Materials	\$	373,346	\$	373,346	92535
Base State							
Registration							
4U8	870-620	Civil Forfeitures	\$	719,986	\$	434,986	92536
559	870-605	Public Utilities	\$	4,000	\$	4,000	92537
Territorial							
Administration							
560	870-607	Special Assessment	\$	100,000	\$	100,000	92538
561	870-606	Power Siting Board	\$	337,210	\$	337,210	92539
638	870-611	Biomass Energy Program	\$	40,000	\$	40,000	92540
661	870-612	Hazardous Materials	\$	900,000	\$	900,000	92541
Transportation							
TOTAL SSR State Special Revenue							92542
Fund Group			\$	4,911,245	\$	4,341,245	92543
Agency Fund Group							92544
4G4	870-616	Base State	\$	6,500,000	\$	6,500,000	92545
Registration Program							
TOTAL AGY Agency Fund Group			\$	6,500,000	\$	6,500,000	92546
TOTAL ALL BUDGET FUND GROUPS			\$	56,074,085	\$	54,921,608	92547
COMMERCIAL VEHICLE INFORMATION SYSTEMS AND NETWORKS PROJECT							92548



The Commercial Vehicle Information Systems and Networks Fund 92549  
 is hereby created in the state treasury. The Commercial Vehicle 92550  
 Information Systems and Networks Fund shall receive funding from 92551  
 the United States Department of Transportation's Commercial 92552  
 Vehicle Intelligent Transportation System Infrastructure 92553  
 Deployment Program and shall be used to deploy the Ohio Commercial 92554  
 Vehicle Information Systems and Networks Project and to expedite 92555  
 and improve the safety of motor carrier operations through 92556  
 electronic exchange of data by means of on-highway electronic 92557  
 systems. 92558

Notwithstanding section 4905.80 of the Revised Code, up to 92559  
 \$435,000 in fiscal year 2004 and \$150,000 in fiscal year 2005 of 92560  
 the foregoing appropriation item 870-618, Hazardous Material 92561  
 Registration, may be used to pay the state share of the 92562  
 implementation of the Ohio Commercial Vehicle Information Systems 92563  
 and Networks Project. 92564

Notwithstanding section 4923.12 of the Revised Code, up to 92565  
 \$435,000 in fiscal year 2004 and \$150,000 in fiscal year 2005 of 92566  
 the foregoing appropriation item 870-620, Civil Forfeitures, may 92567  
 be used to pay the state share of the implementation of the Ohio 92568  
 Commercial Vehicle Information Systems and Networks Project. 92569

**Section 87. PWC PUBLIC WORKS COMMISSION** 92570

General Revenue Fund				92571
GRF 150-904 Conservation General	\$	9,743,500	\$ 11,235,700	92572
Obligation Debt				
Service				
GRF 150-907 State Capital	\$	156,974,400	\$ 152,069,700	92573
Improvements				
General Obligation				92574
Debt Service				
TOTAL GRF General Revenue Fund	\$	166,717,900	\$ 163,305,400	92575

Clean Ohio Fund Group				92576
056 150-403 Clean Ohio Operating	\$	298,200	\$ 304,400	92577
Expenses				
TOTAL 056 Clean Ohio Fund Group	\$	298,200	\$ 304,400	92578
TOTAL ALL BUDGET FUND GROUPS	\$	167,016,100	\$ 163,609,800	92579
CONSERVATION GENERAL OBLIGATION DEBT SERVICE				92580
The foregoing appropriation item 150-904, Conservation				92581
General Obligation Debt Service, shall be used to pay all debt				92582
service and related financing costs at the times they are required				92583
to be made pursuant to sections 151.01 and 151.09 of the Revised				92584
Code during the period from July 1, 2003, to June 30, 2005. The				92585
Office of the Sinking Fund or the Director of Budget and				92586
Management shall effectuate the required payments by an intrastate				92587
transfer voucher.				92588
STATE CAPITAL IMPROVEMENTS GENERAL OBLIGATION DEBT SERVICE				92589
The foregoing appropriation item 150-907, State Capital				92590
Improvements General Obligation Debt Service, shall be used to pay				92591
all debt service and related financing costs at the times they are				92592
required to be made pursuant to sections 151.01 and 151.08 of the				92593
Revised Code during the period from July 1, 2003, to June 30,				92594
2005. The Office of the Sinking Fund or the Director of Budget and				92595
Management shall effectuate the required payments by an intrastate				92596
transfer voucher.				92597
CLEAN OHIO OPERATING EXPENSES				92598
The foregoing appropriation item 150-403, Clean Ohio				92599
Operating Expenses, shall be used by the Ohio Public Works				92600
Commission in administering sections 164.20 to 164.27 of the				92601
Revised Code.				92602
<b>Section 88. RAC STATE RACING COMMISSION</b>				92603
State Special Revenue Fund Group				92604

5C4	875-607	Simulcast Horse Racing	\$	19,730,799	\$	19,476,952	92605
		Purse					
562	875-601	Thoroughbred Race Fund	\$	4,642,378	\$	4,642,378	92606
563	875-602	Standardbred	\$	2,908,841	\$	3,161,675	92607
		Development Fund					
564	875-603	Quarterhorse	\$	1,000	\$	2,000	92608
		Development Fund					
565	875-604	Racing Commission	\$	4,485,777	\$	4,759,834	92609
		Operating					
TOTAL SSR State Special Revenue							92610
Fund Group			\$	31,768,795	\$	32,042,839	92611
Holding Account Redistribution Fund Group							92612
R21	875-605	Bond Reimbursements	\$	212,900	\$	212,900	92613
TOTAL 090 Holding Account							92614
Redistribution							
Fund Group			\$	212,900	\$	212,900	92615
TOTAL ALL BUDGET FUND GROUPS			\$	31,981,695	\$	32,255,739	92616
 <b>Section 89. BOR BOARD OF REGENTS</b>							92618
General Revenue Fund							92619
GRF	235-321	Operating Expenses	\$	3,336,284	\$	2,767,219	92620
GRF	235-401	Lease Rental Payments	\$	246,500,700	\$	216,836,400	92621
GRF	235-402	Sea Grants	\$	274,895	\$	274,895	92622
GRF	235-403	Math/Science Teaching	\$	1,757,614	\$	1,757,614	92623
		Improvement					
GRF	235-404	College Readiness	\$	3,152,603	\$	3,401,759	92624
		Initiatives					
GRF	235-406	Articulation and	\$	733,200	\$	733,200	92625
		Transfer					
GRF	235-408	Midwest Higher	\$	82,500	\$	82,500	92626
		Education Compact					
GRF	235-409	Information System	\$	1,185,879	\$	1,154,671	92627

GRF 235-414	State Grants and Scholarship Administration	\$ 1,219,719	\$ 1,211,373	92628
GRF 235-415	Jobs Challenge	\$ 9,348,300	\$ 9,348,300	92629
GRF 235-417	Ohio Learning Network	\$ 3,413,046	\$ 3,327,720	92630
GRF 235-418	Access Challenge	\$ 67,568,622	\$ 67,568,622	92631
GRF 235-420	Success Challenge	\$ 51,113,077	\$ 56,113,077	92632
GRF 235-428	Appalachian New Economy Partnership	\$ 1,179,893	\$ 1,147,895	92633
GRF 235-451	Eminent Scholars	\$ 0	\$ 1,462,500	92634
GRF 235-454	Research Challenge	\$ 18,330,000	\$ 18,330,000	92635
GRF 235-455	EnterpriseOhio Network	\$ 1,505,262	\$ 1,465,650	92636
GRF 235-474	Area Health Education Centers Program Support	\$ 1,722,226	\$ 1,676,670	92637
GRF 235-477	Access Improvement Projects	\$ 1,048,664	\$ 1,080,124	92638
GRF 235-501	State Share of Instruction	\$ 1,534,189,277	\$ 1,559,096,031	92639
GRF 235-502	Student Support Services	\$ 870,675	\$ 848,908	92640
GRF 235-503	Ohio Instructional Grants	\$ 111,966,343	\$ 115,325,333	92641
GRF 235-504	War Orphans Scholarships	\$ 4,672,321	\$ 4,672,321	92642
GRF 235-507	OhioLINK	\$ 7,028,392	\$ 7,028,392	92643
GRF 235-508	Air Force Institute of Technology	\$ 2,096,523	\$ 2,053,860	92644
GRF 235-509	Displaced Homemakers	\$ 204,865	\$ 199,743	92645
GRF 235-510	Ohio Supercomputer Center	\$ 4,208,472	\$ 4,103,260	92646
GRF 235-511	Cooperative Extension Service	\$ 25,644,863	\$ 25,644,863	92647

GRF 235-513	Ohio University Voinovich Center	\$	311,977	\$	305,178	92648
GRF 235-514	Central State Supplement	\$	11,039,203	\$	11,039,203	92649
GRF 235-515	Case Western Reserve University School of Medicine	\$	3,303,612	\$	3,212,271	92650
GRF 235-518	Capitol Scholarship Programs	\$	245,000	\$	245,000	92651
GRF 235-519	Family Practice	\$	5,529,432	\$	5,391,196	92652
GRF 235-520	Shawnee State Supplement	\$	2,082,289	\$	2,082,289	92653
GRF 235-521	The Ohio State University Glenn Institute	\$	311,977	\$	305,178	92654
GRF 235-524	Police and Fire Protection	\$	209,046	\$	203,819	92655
GRF 235-525	Geriatric Medicine	\$	820,696	\$	800,179	92656
GRF 235-526	Primary Care Residencies	\$	2,730,013	\$	2,661,762	92657
GRF 235-527	Ohio Aerospace Institute	\$	1,933,607	\$	1,882,767	92658
GRF 235-530	Academic Scholarships	\$	7,800,000	\$	7,800,000	92659
GRF 235-531	Student Choice Grants	\$	52,139,646	\$	52,139,646	92660
GRF 235-534	Student Workforce Development Grants	\$	2,437,500	\$	2,437,500	92661
GRF 235-535	Ohio Agricultural Research and Development Center	\$	35,830,188	\$	35,830,188	92662
GRF 235-536	The Ohio State University Clinical Teaching	\$	13,565,885	\$	13,565,885	92663
GRF 235-537	University of	\$	11,157,756	\$	11,157,756	92664

	Cincinnati Clinical Teaching					
GRF 235-538	Medical College of Ohio at Toledo Clinical Teaching	\$	8,696,866	\$	8,696,866	92665
GRF 235-539	Wright State University Clinical Teaching	\$	4,225,107	\$	4,225,107	92666
GRF 235-540	Ohio University Clinical Teaching	\$	4,084,540	\$	4,084,540	92667
GRF 235-541	Northeastern Ohio Universities College of Medicine Clinical Teaching	\$	4,200,945	\$	4,200,945	92668
GRF 235-543	Ohio College of Podiatric Medicine Clinical Subsidy	\$	424,033	\$	424,033	92669
GRF 235-547	School of International Business	\$	1,264,611	\$	1,232,996	92670
GRF 235-549	Part-time Student Instructional Grants	\$	14,036,622	\$	14,457,721	92671
GRF 235-552	Capital Component	\$	18,711,936	\$	18,711,936	92672
GRF 235-553	Dayton Area Graduate Studies Institute	\$	3,074,550	\$	2,993,937	92673
GRF 235-554	Computer Science Graduate Education	\$	2,577,209	\$	2,512,779	92674
GRF 235-555	Library Depositories	\$	1,775,467	\$	1,731,080	92675
GRF 235-556	Ohio Academic Resources Network	\$	3,657,009	\$	3,803,289	92676
GRF 235-558	Long-term Care Research	\$	230,906	\$	225,134	92677
GRF 235-561	Bowling Green State University Canadian	\$	121,586	\$	118,546	92678

	Studies Center				
GRF 235-572	The Ohio State University Clinic Support	\$	1,400,394	\$	1,362,259 92679
GRF 235-583	Urban University Programs	\$	5,692,236	\$	5,553,506 92680
GRF 235-585	Ohio University Innovation Center	\$	41,596	\$	40,556 92681
GRF 235-587	Rural University Projects	\$	1,224,510	\$	1,224,510 92682
GRF 235-588	Ohio Resource Center for Mathematics, Science, and Reading	\$	853,262	\$	853,262 92683
GRF 235-595	International Center for Water Resources Development	\$	137,352	\$	133,918 92684
GRF 235-596	Hazardous Materials Program	\$	339,647	\$	331,156 92685
GRF 235-599	National Guard Scholarship Program	\$	13,252,916	\$	14,578,208 92686
GRF 235-909	Higher Education General Obligation Debt Service	\$	97,668,000	\$	130,967,600 92687
TOTAL GRF	General Revenue Fund	\$	2,443,493,342	\$	2,482,236,601 92688
	General Services Fund Group				92689
220 235-614	Program Approval and Reauthorization	\$	400,000	\$	400,000 92690
456 235-603	Sales and Services	\$	500,002	\$	500,003 92691
TOTAL GSF	General Services Fund Group	\$	900,002	\$	900,003 92693
	Federal Special Revenue Fund Group				92694
3H2 235-608	Human Services Project	\$	1,500,000	\$	1,500,000 92695

3N6	235-605	State Student Incentive Grants	\$	2,196,680	\$	2,196,680	92696
3T0	235-610	National Health Service Corps - Ohio Loan Repayment	\$	150,001	\$	150,001	92697
312	235-609	Tech Prep	\$	183,850	\$	183,850	92698
312	235-611	Gear-up Grant	\$	1,478,245	\$	1,370,691	92699
312	235-612	Carl D. Perkins Grant/Plan Administration	\$	112,960	\$	112,960	92700
312	235-615	Professional Development	\$	523,129	\$	523,129	92701
312	235-616	Workforce Investment Act Administration	\$	850,000	\$	850,000	92702
312	235-631	Federal Grants	\$	3,444,949	\$	3,150,590	92703
TOTAL FED Federal Special Revenue							92704
Fund Group			\$	10,439,814	\$	10,037,901	92705
State Special Revenue Fund Group							92706
4E8	235-602	Higher Educational Facility Commission Administration	\$	20,000	\$	20,000	92707
4P4	235-604	Physician Loan Repayment	\$	476,870	\$	476,870	92708
649	235-607	The Ohio State University Highway/Transportation Research	\$	760,000	\$	760,000	92709
682	235-606	Nursing Loan Program	\$	893,000	\$	893,000	92710
TOTAL SSR State Special Revenue							92711
Fund Group			\$	2,149,870	\$	2,149,870	92712
TOTAL ALL BUDGET FUND GROUPS			\$	2,456,983,028	\$	2,495,324,375	92713
<b>Section 89.01. OPERATING EXPENSES</b>							92715



Of the foregoing appropriation item 235-321, Operating 92716  
Expenses, up to \$500,000 shall be used in fiscal year 2004 to 92717  
support the activities of the Commission on Higher Education and 92718  
the Economy. The Commission shall recommend a strategy to improve 92719  
the quality and efficiency of Ohio's higher education system to 92720  
increase effectiveness, eliminate unnecessary duplication, broaden 92721  
the use of technology, and determine how higher education can most 92722  
effectively support the state's economy, best prepare Ohio 92723  
students for Third Frontier jobs, and add to the quality of life 92724  
for Ohio's citizens. The Commission shall also study the ten year 92725  
plan for higher education in the context of curricula, the number 92726  
of higher education institutions, and the number and types of 92727  
higher education degrees in relation to the needs created through 92728  
the Third Frontier and other high technology economic initiatives. 92729  
The Director of Budget and Management may transfer any 92730  
unencumbered fiscal year 2004 balance to fiscal year 2005 to 92731  
support the activities of the Commission. 92732

Of the foregoing appropriation item 235-321, Operating 92733  
Expenses, \$50,000 in each fiscal year shall be distributed to the 92734  
Don't Laugh at Me Program, which shall use the funds to 92735  
disseminate educational resources designed to establish a climate 92736  
that reduces the emotional and physical harm caused by ridicule, 92737  
bullying, and violence. 92738

LEASE RENTAL PAYMENTS 92739

The foregoing appropriation item 235-401, Lease Rental 92740  
Payments, shall be used to meet all payments at the times they are 92741  
required to be made during the period from July 1, 2003, to June 92742  
30, 2005, by the Board of Regents pursuant to leases and 92743  
agreements made under section 154.21 of the Revised Code, but 92744  
limited to the aggregate amount of \$463,377,100. Nothing in this 92745  
act shall be deemed to contravene the obligation of the state to 92746  
pay, without necessity for further appropriation, from the sources 92747

pledged thereto, the bond service charges on obligations issued	92748
pursuant to section 154.21 of the Revised Code.	92749
SEA GRANTS	92750
The foregoing appropriation item 235-402, Sea Grants, shall	92751
be disbursed to the Ohio State University and shall be used to	92752
conduct research on fish in Lake Erie.	92753
MATHEMATICS AND SCIENCE TEACHING IMPROVEMENT	92754
Appropriation item 235-403, Math/Science Teaching	92755
Improvement, shall be used by the Board of Regents to support	92756
programs such as OSI - Discovery designed to raise the quality of	92757
mathematics and science teaching in primary and secondary	92758
education.	92759
Of the foregoing appropriation item 235-403, Math/Science	92760
Teaching Improvement, \$217,669 in each fiscal year shall be	92761
distributed to the Mathematics and Science Center in Lake County.	92762
Of the foregoing appropriation item 235-403, Math/Science	92763
Teaching Improvement, \$87,068 in fiscal year 2004 and \$87,067 in	92764
fiscal year 2005 shall be distributed to the Ohio Mathematics and	92765
Science Coalition.	92766
COLLEGE READINESS INITIATIVES	92767
Appropriation item 235-404, College Readiness Initiatives,	92768
shall be used by the Board of Regents to support programs designed	92769
to improve the academic preparation and increase the number of	92770
students that enroll and succeed in higher education.	92771
MIDWEST HIGHER EDUCATION COMPACT	92772
The foregoing appropriation item 235-408, Midwest Higher	92773
Education Compact, shall be distributed by the Board of Regents	92774
pursuant to section 3333.40 of the Revised Code.	92775
INFORMATION SYSTEM	92776

The foregoing appropriation item 235-409, Information System, 92777  
shall be used by the Board of Regents to operate the higher 92778  
education information data system known as the Higher Education 92779  
Information System. 92780

**Section 89.02. JOBS CHALLENGE** 92781

Funds appropriated to appropriation item 235-415, Jobs 92782  
Challenge, shall be distributed to state-assisted community and 92783  
technical colleges, regional campuses of state-assisted 92784  
universities, and other organizationally distinct and identifiable 92785  
member campuses of the EnterpriseOhio Network in support of 92786  
noncredit job-related training. In each fiscal year, \$2,770,773 92787  
shall be distributed as performance grants to EnterpriseOhio 92788  
Network campuses based upon each campus's documented performance 92789  
according to criteria established by the Board of Regents for 92790  
increasing training and related services to businesses, 92791  
industries, and public sector organizations. 92792

Of the foregoing appropriation item 235-415, Jobs Challenge, 92793  
\$2,819,345 in each fiscal year shall be allocated to the Targeted 92794  
Industries Training Grant Program to attract, develop, and retain 92795  
business and industry strategically important to the state's 92796  
economy. 92797

Also, in each fiscal year, \$3,758,182 shall be allocated to 92798  
the Higher Skills Incentives Program to promote and deliver 92799  
coordinated, comprehensive training to local employers and to 92800  
reward EnterpriseOhio Network campuses for increasing the amount 92801  
of non-credit skill upgrading services provided to Ohio employers 92802  
and employees. The funds shall be distributed to campuses in 92803  
proportion to each campus's share of noncredit job-related 92804  
training revenues received by all campuses for the previous fiscal 92805  
year. It is the intent of the General Assembly that this Higher 92806  
Skills Incentives component of the Jobs Challenge Program reward 92807

campus noncredit job-related training efforts in the same manner 92808  
that the Research Challenge Program rewards campuses for their 92809  
ability to obtain sponsored research revenues. 92810

OHIO LEARNING NETWORK 92811

Appropriation item 235-417, Ohio Learning Network, shall be 92812  
used by the Board of Regents to support the continued 92813  
implementation of the Ohio Learning Network, a statewide 92814  
electronic collaborative effort designed to promote degree 92815  
completion of students, workforce training of employees, and 92816  
professional development through the use of advanced 92817  
telecommunications and distance education initiatives. 92818

ACCESS CHALLENGE 92819

In each fiscal year, the foregoing appropriation item 92820  
235-418, Access Challenge, shall be distributed to Ohio's 92821  
state-assisted access colleges and universities. For the purposes 92822  
of this allocation, "access campuses" includes state-assisted 92823  
community colleges, state community colleges, technical colleges, 92824  
Shawnee State University, Central State University, Cleveland 92825  
State University, the regional campuses of state-assisted 92826  
universities, and, where they are organizationally distinct and 92827  
identifiable, the community-technical colleges located at the 92828  
University of Cincinnati, Youngstown State University, and the 92829  
University of Akron. 92830

The purpose of Access Challenge is to reduce the student 92831  
share of costs for resident undergraduates enrolled in lower 92832  
division undergraduate courses at Ohio's access campuses. The 92833  
long-term goal is to make the student share of costs for these 92834  
students equivalent to the student share of costs for resident 92835  
undergraduate students enrolled throughout Ohio's public colleges 92836  
and universities. Access Challenge appropriations shall be used in 92837  
both years of the biennium to sustain, as much as possible, the 92838

tuition restraint or tuition reduction that was achieved with 92839  
Access Challenge allocations in prior years. 92840

In fiscal year 2004, Access Challenge subsidies shall be 92841  
distributed by the Board of Regents to eligible access campuses on 92842  
the basis of the average of each campus's share of fiscal year 92843  
2001 and 2002 all-terms subsidy-eligible General Studies FTEs. In 92844  
fiscal year 2005, Access Challenge subsidies shall be distributed 92845  
by the Board of Regents to eligible access campuses on the basis 92846  
of the average of each campus's share of fiscal year 2002 and 2003 92847  
all-terms subsidy-eligible General Studies FTEs. 92848

For the purposes of this calculation, Cleveland State 92849  
University's enrollments shall be adjusted by the ratio of the sum 92850  
of subsidy-eligible lower-division FTE student enrollments 92851  
eligible for access funding to the sum of subsidy-eligible General 92852  
Studies FTE student enrollments at Central State University and 92853  
Shawnee State University, and for the following universities and 92854  
their regional campuses: the Ohio State University, Ohio 92855  
University, Kent State University, Bowling Green State University, 92856  
Miami University, the University of Cincinnati, the University of 92857  
Akron, and Wright State University. 92858

SUCCESS CHALLENGE 92859

The foregoing appropriation item 235-420, Success Challenge, 92860  
shall be used by the Board of Regents to promote degree completion 92861  
by students enrolled at a main campus of a state-assisted 92862  
university. 92863

Of the foregoing appropriation item 235-420, Success 92864  
Challenge, 71.77 per cent of the appropriation in fiscal year 2004 92865  
and 74.29 per cent of the appropriation in fiscal year 2005 shall 92866  
be distributed to state-assisted university main campuses in 92867  
proportion to each campus's share of the total statewide 92868  
bachelor's degrees granted by university main campuses to 92869

"at-risk" students. In fiscal years 2004 and 2005, an "at-risk" 92870  
student means any undergraduate student who was eligible to 92871  
receive an Ohio Instructional Grant during the past ten years. An 92872  
eligible institution shall not receive its share of this 92873  
distribution until it has submitted a plan that addresses how the 92874  
subsidy will be used to better serve at-risk students and increase 92875  
their likelihood of successful completion of a bachelor's degree 92876  
program. The Board of Regents shall disseminate to all 92877  
state-supported institutions of higher education all such plans 92878  
submitted by institutions that received Success Challenge funds. 92879

Of the foregoing appropriation item 235-420, Success 92880  
Challenge, 28.23 per cent of the appropriation in fiscal year 92881  
2004, and 25.71 per cent of the appropriation in fiscal year 2005 92882  
shall be distributed to university main campuses in proportion to 92883  
each campus's share of the total bachelor's degrees granted by 92884  
university main campuses to undergraduate students who completed 92885  
their bachelor's degrees in a "timely manner" in the previous 92886  
fiscal year. For the purposes of this section, "timely manner" 92887  
means the normal time it would take for a full-time degree-seeking 92888  
undergraduate student to complete the student's degree. Generally, 92889  
for such students pursuing a bachelor's degree, "timely manner" 92890  
means four years. Exceptions to this general rule shall be 92891  
permitted for students enrolled in programs specifically designed 92892  
to be completed in a longer time period. The Board of Regents 92893  
shall collect data to assess the timely completion statistics by 92894  
university main campuses. 92895

APPALACHIAN NEW ECONOMY PARTNERSHIP 92896

The foregoing appropriation item 235-428, Appalachian New 92897  
Economy Partnership, shall be distributed to Ohio University to 92898  
continue a multi-campus and multi-agency coordinated effort to 92899  
link Appalachia to the new economy. Ohio University shall use 92900  
these funds to provide leadership in the development and 92901

implementation of initiatives in the areas of entrepreneurship, 92902  
management, education, and technology. 92903

EMINENT SCHOLARS 92904

The foregoing appropriation item 235-451, Eminent Scholars, 92905  
shall be used by the Ohio Board of Regents to establish an Ohio 92906  
Eminent Scholars Program, the purpose of which is to invest 92907  
educational resources to address problems that are of vital 92908  
statewide significance while fostering the growth in eminence of 92909  
Ohio's academic programs. Ohio Eminent Scholars endowed chairs 92910  
will allow Ohio universities to recruit senior faculty members 92911  
from outside Ohio who are nationally and internationally 92912  
recognized scholars in areas of science and technology that 92913  
provide the basic research platforms on which our technology and 92914  
commercialization efforts are built. Endowment grants of 92915  
approximately \$750,000 to state colleges and universities and 92916  
nonprofit Ohio institutions of higher education holding 92917  
certificates of authorization issued under section 1713.02 of the 92918  
Revised Code to match endowment gifts from nonstate sources may be 92919  
made in accordance with a plan established by the Ohio Board of 92920  
Regents. Matching nonstate gifts in science and technology 92921  
programs shall be \$750,000. The grants shall have as their purpose 92922  
attracting and sustaining in Ohio scholar-leaders of national or 92923  
international prominence; each will assist in accelerating state 92924  
economic growth through research that provides an essential basic 92925  
science platform for commercialization efforts. Such 92926  
scholar-leaders shall, among their duties, share broadly the 92927  
benefits and knowledge unique to their fields of scholarship to 92928  
the betterment of Ohio and its people and collaborate with other 92929  
state technology programs and program recipients. 92930

RESEARCH CHALLENGE 92931

The foregoing appropriation item 235-454, Research Challenge, 92932  
shall be used to enhance the basic research capabilities of public 92933

colleges and universities and accredited Ohio institutions of 92934  
higher education holding certificates of authorization issued 92935  
pursuant to section 1713.02 of the Revised Code, in order to 92936  
strengthen academic research for pursuing Ohio's economic 92937  
development goals. The Board of Regents, in consultation with the 92938  
colleges and universities, shall administer the Research Challenge 92939  
Program and utilize a means of matching, on a fractional basis, 92940  
external funds attracted in the previous year by institutions for 92941  
basic research. The program may include incentives for increasing 92942  
the amount of external research funds coming to eligible 92943  
institutions and for focusing research efforts upon critical state 92944  
needs. Colleges and universities shall submit for review and 92945  
approval to the Board of Regents plans for the institutional 92946  
allocation of state dollars received through the program. The 92947  
institutional plans shall provide the rationale for the allocation 92948  
in terms of the strategic targeting of funds for academic and 92949  
state purposes, for strengthening research programs, for 92950  
increasing the amount of external research funds, and shall 92951  
include an evaluation process to provide results of the increased 92952  
support. Each institutional plan for the investment of Research 92953  
Challenge moneys shall report on existing, planned, and/or 92954  
possible relationships with other State of Ohio science and 92955  
technology programs and funding recipients in order to further 92956  
ongoing statewide science and technology collaboration objectives. 92957  
The Board of Regents shall submit a biennial report of progress to 92958  
the General Assembly. 92959

ENTERPRISEOHIO NETWORK 92960

The foregoing appropriation item 235-455, EnterpriseOhio 92961  
Network, shall be allocated by the Board of Regents to continue 92962  
increasing the capabilities of the EnterpriseOhio Network to meet 92963  
the ongoing training needs of Ohio employers. Funds shall support 92964  
multicampus collaboration, best practice dissemination, and 92965



capacity building projects. The Regents Advisory Committee for 92966  
Workforce Development, in its advisory role, shall advise in the 92967  
development of plans and activities. 92968

Of the foregoing appropriation item 235-455, EnterpriseOhio 92969  
Network, \$181,101 in fiscal year 2004 and \$176,334 in fiscal year 92970  
2005 shall be used by the Dayton Business/Sinclair College Jobs 92971  
Profiling Program. 92972

**Section 89.03. AREA HEALTH EDUCATION CENTERS** 92973

The foregoing appropriation item 235-474, Area Health 92974  
Education Centers Program Support, shall be used by the Board of 92975  
Regents to support the medical school regional area health 92976  
education centers' educational programs for the continued support 92977  
of medical and other health professions education and for support 92978  
of the Area Health Education Center Program. 92979

Of the foregoing appropriation item 235-474, Area Health 92980  
Education Centers Program Support, \$174,135 in fiscal year 2004 92981  
and \$169,782 in fiscal year 2005 shall be disbursed to the Ohio 92982  
University College of Osteopathic Medicine to operate a mobile 92983  
health care unit to serve the southeastern area of the state. Of 92984  
the foregoing appropriation item 235-474, Area Health Education 92985  
Centers Program Support, \$130,601 in fiscal year 2004 and \$127,337 92986  
in fiscal year 2005 shall be used to support the Ohio Valley 92987  
Community Health Information Network (OVCHIN) project. 92988

**ACCESS IMPROVEMENT PROJECTS** 92989

The foregoing appropriation item 235-477, Access Improvement 92990  
Projects, shall be used by the Board of Regents to support 92991  
innovative statewide strategies to increase student access and 92992  
retention for specialized populations, and to provide for pilot 92993  
projects that will contribute to improving access to higher 92994  
education by specialized populations. The funds may be used for 92995

projects that improve access for nonpublic secondary students.	92996
Of the foregoing appropriation item 235-477, Access	92997
Improvement Projects, \$798,684 in fiscal year 2004 and \$822,645 in	92998
fiscal year 2005 shall be distributed to the Ohio Appalachian	92999
Center for Higher Education at Shawnee State University. The board	93000
of directors of the center shall consist of the presidents of	93001
Shawnee State University, Ohio University, Belmont Technical	93002
College, Hocking Technical College, Jefferson Community College,	93003
Muskingum Area Technical College, Rio Grande Community College,	93004
Southern State Community College, and Washington State Community	93005
College; the dean of one of the Salem, Tuscarawas, and East	93006
Liverpool regional campuses of Kent State University, as	93007
designated by the president of Kent State University; and a	93008
representative of the Board of Regents designated by the	93009
Chancellor.	93010
Of the foregoing appropriation item 235-477, Access	93011
Improvement Projects, \$169,553 in fiscal year 2004 and \$174,640 in	93012
fiscal year 2005 shall be distributed to Miami University for the	93013
Student Achievement in Research and Scholarship (STARS) Program.	93014
<b>Section 89.04. STATE SHARE OF INSTRUCTION</b>	93015
As soon as practicable during each fiscal year of the	93016
2003-2005 biennium in accordance with instructions of the Board of	93017
Regents, each state-assisted institution of higher education shall	93018
report its actual enrollment to the Board of Regents.	93019
The Board of Regents shall establish procedures required by	93020
the system of formulas set out below and for the assignment of	93021
individual institutions to categories described in the formulas.	93022
The system of formulas establishes the manner in which aggregate	93023
expenditure requirements shall be determined for each of the three	93024
components of institutional operations. In addition to other	93025
adjustments and calculations described below, the subsidy	93026

entitlement of an institution shall be determined by subtracting 93027  
from the institution's aggregate expenditure requirements income 93028  
to be derived from the local contributions assumed in calculating 93029  
the subsidy entitlements. The local contributions for purposes of 93030  
determining subsidy support shall not limit the authority of the 93031  
individual boards of trustees to establish fee levels. 93032

The General Studies and Technical models shall be adjusted by 93033  
the Board of Regents so that the share of state subsidy earned by 93034  
those models is not altered by changes in the overall local share. 93035  
A lower-division fee differential shall be used to maintain the 93036  
relationship that would have occurred between these models and the 93037  
baccalaureate models had an assumed share of 37 per cent been 93038  
funded. 93039

In defining the number of full-time equivalent (FTE) students 93040  
for state subsidy purposes, the Board of Regents shall exclude all 93041  
undergraduate students who are not residents of Ohio, except those 93042  
charged in-state fees in accordance with reciprocity agreements 93043  
made pursuant to section 3333.17 of the Revised Code or employer 93044  
contracts entered into pursuant to section 3333.32 of the Revised 93045  
Code. 93046

(A) AGGREGATE EXPENDITURE PER FULL-TIME EQUIVALENT STUDENT 93047

(1) INSTRUCTION AND SUPPORT SERVICES 93048

MODEL	FY 2004	FY 2005	
General Studies I	\$ 4,947	\$ 4,983	93049
General Studies II	\$ 5,323	\$ 5,336	93050
General Studies III	\$ 6,883	\$ 7,120	93051
Technical I	\$ 5,913	\$ 6,137	93052
Technical III	\$ 9,522	\$ 10,026	93053
Baccalaureate I	\$ 7,623	\$ 7,721	93054
Baccalaureate II	\$ 8,584	\$ 8,864	93055
Baccalaureate III	\$ 12,559	\$ 12,932	93056
Masters and Professional I	\$ 15,867	\$ 18,000	93057

Masters and Professional II	\$ 20,861	\$ 22,141	93059
Masters and Professional III	\$ 27,376	\$ 28,190	93060
Medical I	\$ 30,867	\$ 31,819	93061
Medical II	\$ 41,495	\$ 41,960	93062
MPD I	\$ 14,938	\$ 14,966	93063

(2) STUDENT SERVICES 93064

For this purpose, FTE counts shall be weighted to reflect 93065  
differences among institutions in the numbers of students enrolled 93066  
on a part-time basis. The student services subsidy per FTE shall 93067  
be \$822 in fiscal year 2004 and \$903 in fiscal year 2005 for all 93068  
models. 93069

(B) PLANT OPERATION AND MAINTENANCE (POM) 93070

(1) DETERMINATION OF THE SQUARE-FOOT-BASED POM SUBSIDY 93071

Space undergoing renovation shall be funded at the rate 93072  
allowed for storage space. 93073

In the calculation of square footage for each campus, square 93074  
footage shall be weighted to reflect differences in space 93075  
utilization. 93076

The space inventories for each campus shall be those 93077  
determined in the fiscal year 2003 state share of instruction 93078  
calculation, adjusted for changes attributable to the construction 93079  
or renovation of facilities for which state appropriations were 93080  
made or local commitments were made prior to January 1, 1995. 93081

Only 50 per cent of the space permanently taken out of 93082  
operation in fiscal year 2004 or fiscal year 2005 that is not 93083  
otherwise replaced by a campus shall be deleted from the plant 93084  
operation and maintenance space inventory. 93085

The square-foot-based plant operation and maintenance subsidy 93086  
for each campus shall be determined as follows: 93087

(a) For each standard room type category shown below, the 93088

subsidy-eligible net assignable square feet (NASF) for each campus 93089  
 shall be multiplied by the following rates, and the amounts summed 93090  
 for each campus to determine the total gross square-foot-based POM 93091  
 expenditure requirement: 93092

	FY 2004	FY 2005	
Classrooms	\$5.80	\$6.04	93094
Laboratories	\$7.22	\$7.53	93095
Offices	\$5.80	\$6.04	93096
Audio Visual Data Processing	\$7.22	\$7.53	93097
Storage	\$2.57	\$2.68	93098
Circulation	\$7.31	\$7.62	93099
Other	\$5.80	\$6.04	93100

(b) The total gross square-foot POM expenditure requirement 93101  
 shall be allocated to models in proportion to FTE enrollments as 93102  
 reported in enrollment data for all models except Doctoral I and 93103  
 Doctoral II. 93104

(c) The amounts allocated to models in division (B)(1)(b) of 93105  
 this section shall be multiplied by the ratio of subsidy-eligible 93106  
 FTE students to total FTE students reported in each model, and the 93107  
 amounts summed for all models. To this total amount shall be added 93108  
 an amount to support roads and grounds expenditures to produce the 93109  
 total square-foot-based POM subsidy. 93110

(2) DETERMINATION OF THE ACTIVITY-BASED POM SUBSIDY 93111

(a) The number of subsidy-eligible FTE students in each model 93112  
 shall be multiplied by the following rates for each campus for 93113  
 each fiscal year. 93114

	FY 2004	FY 2005	
General Studies I	\$ 552	\$ 560	93116
General Studies II	\$ 696	\$ 705	93117
General Studies III	\$1,608	\$1,651	93118
Technical I	\$ 777	\$ 806	93119
Technical III	\$1,501	\$1,570	93120

Baccalaureate I	\$ 700	\$ 706	93121
Baccalaureate II	\$1,250	\$1,232	93122
Baccalaureate III	\$1,520	\$1,458	93123
Masters and Professional I	\$1,258	\$1,301	93124
Masters and Professional II	\$2,817	\$2,688	93125
Masters and Professional III	\$3,832	\$3,712	93126
Medical I	\$2,663	\$2,669	93127
Medical II	\$3,837	\$4,110	93128
MPD I	\$1,213	\$1,233	93129

(b) The sum of the products for each campus determined in 93130  
division (B)(2)(a) of this section for all models except Doctoral 93131  
I and Doctoral II for each fiscal year shall be weighted by a 93132  
factor to reflect sponsored research activity and job 93133  
training-related public services expenditures to determine the 93134  
total activity-based POM subsidy. 93135

(C) CALCULATION OF CORE SUBSIDY ENTITLEMENTS AND ADJUSTMENTS 93136

(1) CALCULATION OF CORE SUBSIDY ENTITLEMENTS 93137

The calculation of the core subsidy entitlement shall consist 93138  
of the following components: 93139

(a) For each campus and for each fiscal year, the core 93140  
subsidy entitlement shall be determined by multiplying the amounts 93141  
listed above in divisions (A)(1) and (2) and (B)(2) of this 93142  
section less assumed local contributions, by (i) average 93143  
subsidy-eligible FTEs for the two-year period ending in the prior 93144  
year for all models except Doctoral I and Doctoral II; and (ii) 93145  
average subsidy-eligible FTEs for the five-year period ending in 93146  
the prior year for all models except Doctoral I and Doctoral II. 93147

(b) In calculating the core subsidy entitlements for Medical 93148  
II models only, the Board of Regents shall use the following count 93149  
of FTE students: 93150

(i) For those medical schools whose current year enrollment, 93151

including students repeating terms, is below the base enrollment, 93152  
the Medical II FTE enrollment shall equal: 65 per cent of the base 93153  
enrollment plus 35 per cent of the current year enrollment 93154  
including students repeating terms, where the base enrollment is: 93155

The Ohio State University	1010	93156
University of Cincinnati	833	93157
Medical College of Ohio at Toledo	650	93158
Wright State University	433	93159
Ohio University	433	93160
Northeastern Ohio Universities College of Medicine	433	93161

(ii) For those medical schools whose current year enrollment, 93162  
excluding students repeating terms, is equal to or greater than 93163  
the base enrollment, the Medical II FTE enrollment shall equal the 93164  
base enrollment plus the FTE for repeating students. 93165

(iii) Students repeating terms may be no more than five per 93166  
cent of current year enrollment. 93167

(c) The Board of Regents shall compute the sum of the two 93168  
calculations listed in division (C)(1)(a) of this section and use 93169  
the greater sum as the core subsidy entitlement. 93170

The POM subsidy for each campus shall equal the greater of 93171  
the square-foot-based subsidy or the activity-based POM subsidy 93172  
component of the core subsidy entitlement. 93173

(d) The state share of instruction provided for doctoral 93174  
students shall be based on a fixed percentage of the total 93175  
appropriation. In each fiscal year of the biennium not more than 93176  
10.34 per cent of the total state share of instruction shall be 93177  
reserved to implement the recommendations of the Graduate Funding 93178  
Commission. It is the intent of the General Assembly that the 93179  
doctoral reserve not exceed 10.34 per cent of the total state 93180  
share of instruction to implement the recommendations of the 93181

Graduate Funding Commission. The Board of Regents may reallocate 93182  
up to two per cent in each fiscal year of the reserve among the 93183  
state-assisted universities on the basis of a quality review as 93184  
specified in the recommendations of the Graduate Funding 93185  
Commission. No such reallocation shall occur unless the Board of 93186  
Regents, in consultation with representatives of state-assisted 93187  
universities, determines that sufficient funds are available for 93188  
this purpose. 93189

The amount so reserved shall be allocated to universities in 93190  
proportion to their share of the total number of Doctoral I 93191  
equivalent FTEs as calculated on an institutional basis using the 93192  
greater of the two-year or five-year FTEs for the period fiscal 93193  
year 1994 through fiscal year 1998 with annualized FTEs for fiscal 93194  
years 1994 through 1997 and all-term FTEs for fiscal year 1998 as 93195  
adjusted to reflect the effects of doctoral review and subsequent 93196  
changes in Doctoral I equivalent enrollments. For the purposes of 93197  
this calculation, Doctoral I equivalent FTEs shall equal the sum 93198  
of Doctoral I FTEs plus 1.5 times the sum of Doctoral II FTEs. 93199

(2) ANNUAL STATE SHARE OF INSTRUCTION FUNDING GUARANTEE 93200

In addition to and after the other adjustment noted above, in 93201  
fiscal year 2004, no campus shall receive a state share of 93202  
instruction allocation that is less than 100 per cent of the prior 93203  
year's state share of instruction amount. In fiscal year 2005, no 93204  
campus shall receive a state share of instruction allocation that 93205  
is less than 99 per cent of what that campus' state share of 93206  
instruction would have been had the allocation in fiscal year 2004 93207  
been not less than 99 per cent, rather than 100 per cent, of the 93208  
prior year's state share of instruction amount. 93209

(3) CAPITAL COMPONENT DEDUCTION 93210

After all other adjustments have been made, state share of 93211  
instruction earnings shall be reduced for each campus by the 93212



amount, if any, by which debt service charged in Am. H.B. No. 748 93213  
of the 121st General Assembly, Am. Sub. H.B. No. 850 of the 122nd 93214  
General Assembly, Am. H.B. No. 640 of the 123rd General Assembly, 93215  
and H.B. No. 675 of the 124th General Assembly for that campus 93216  
exceeds that campus's capital component earnings. The sum of the 93217  
amounts deducted shall be transferred to appropriation item 93218  
235-552, Capital Component, in each fiscal year. 93219

(D) REDUCTIONS IN EARNINGS 93220

If the total state share of instruction earnings in any 93221  
fiscal year exceed the total appropriations available for such 93222  
purposes, the Board of Regents shall proportionately reduce the 93223  
state share of instruction earnings for all campuses by a uniform 93224  
percentage so that the system wide sum equals available 93225  
appropriations. 93226

(E) EXCEPTIONAL CIRCUMSTANCES 93227

Adjustments may be made to the state share of instruction 93228  
payments and other subsidies distributed by the Board of Regents 93229  
to state-assisted colleges and universities for exceptional 93230  
circumstances. No adjustments for exceptional circumstances may be 93231  
made without the recommendation of the Chancellor and the approval 93232  
of the Controlling Board. 93233

(F) MID-YEAR APPROPRIATION REDUCTIONS TO THE STATE SHARE OF 93234  
INSTRUCTION 93235

The standard provisions of the state share of instruction 93236  
calculation as described in the preceding sections of temporary 93237  
law shall apply to any reductions made to appropriation line item 93238  
235-501, State Share of Instruction, before the Board of Regents 93239  
has formally approved the final allocation of the state share of 93240  
instruction funds for any fiscal year. 93241

Any reductions made to appropriation line item 235-501, State 93242  
Share of Instruction, after the Board of Regents has formally 93243

approved the final allocation of the state share of instruction 93244  
funds for any fiscal year, shall be uniformly applied to each 93245  
campus in proportion to its share of the final allocation. 93246

(G) DISTRIBUTION OF STATE SHARE OF INSTRUCTION 93247

The state share of instruction payments to the institutions 93248  
shall be in substantially equal monthly amounts during the fiscal 93249  
year, unless otherwise determined by the Director of Budget and 93250  
Management pursuant to section 126.09 of the Revised Code. 93251  
Payments during the first six months of the fiscal year shall be 93252  
based upon the state share of instruction appropriation estimates 93253  
made for the various institutions of higher education according to 93254  
Board of Regents enrollment estimates. Payments during the last 93255  
six months of the fiscal year shall be distributed after approval 93256  
of the Controlling Board upon the request of the Board of Regents. 93257

(H) LAW SCHOOL SUBSIDY 93258

The state share of instruction to state-supported 93259  
universities for students enrolled in law schools in fiscal year 93260  
2004 and fiscal year 2005 shall be calculated by using the number 93261  
of subsidy-eligible FTE law school students funded by state 93262  
subsidy in fiscal year 1995 or the actual number of 93263  
subsidy-eligible FTE law school students at the institution in the 93264  
fiscal year, whichever is less. 93265

**Section 89.05.** HIGHER EDUCATION - BOARD OF TRUSTEES 93266

Funds appropriated for instructional subsidies at colleges 93267  
and universities may be used to provide such branch or other 93268  
off-campus undergraduate courses of study and such master's degree 93269  
courses of study as may be approved by the Board of Regents. 93270

In providing instructional and other services to students, 93271  
boards of trustees of state-assisted institutions of higher 93272  
education shall supplement state subsidies by income from charges 93273

to students. Each board shall establish the fees to be charged to 93274  
all students, including an instructional fee for educational and 93275  
associated operational support of the institution and a general 93276  
fee for noninstructional services, including locally financed 93277  
student services facilities used for the benefit of enrolled 93278  
students. The instructional fee and the general fee shall 93279  
encompass all charges for services assessed uniformly to all 93280  
enrolled students. Each board may also establish special purpose 93281  
fees, service charges, and fines as required; such special purpose 93282  
fees and service charges shall be for services or benefits 93283  
furnished individual students or specific categories of students 93284  
and shall not be applied uniformly to all enrolled students. 93285  
Except for the board of trustees of Miami University, in 93286  
implementing the pilot tuition restructuring plan recognized by 93287  
this act, a tuition surcharge shall be paid by all students who 93288  
are not residents of Ohio. 93289

The boards of trustees of individual state-assisted 93290  
universities, university branch campuses, community colleges, 93291  
state community colleges, and technical colleges shall limit 93292  
in-state undergraduate instructional and general fee increases for 93293  
an academic year over the amounts charged in the prior academic 93294  
year to no more than six per cent. In addition to the six per cent 93295  
main campus in-state undergraduate instructional and general fee 93296  
increase limit established in this section, the Board of Trustees 93297  
of The Ohio State University may authorize an additional 93298  
university main campus in-state undergraduate instructional and 93299  
general fee increase of three per cent for academic years 93300  
2003-2004 and 2004-2005. Except for the board of trustees of the 93301  
Ohio State University, the boards of trustees of individual 93302  
state-assisted universities, university branch campuses, community 93303  
colleges, state community colleges, and technical colleges shall 93304  
not authorize combined instructional and general fee increases of 93305  
more than six per cent in a single vote. The board of trustees of 93306

The Ohio State University shall not authorize combined 93307  
instructional and general fee increases of more than nine per cent 93308  
in a single vote. The boards of trustees of individual 93309  
state-assisted universities, university branch campuses, community 93310  
colleges, state community colleges, and technical colleges may 93311  
authorize an additional 3.9 per cent increase in in-state 93312  
undergraduate instructional and general fees in a separate vote. 93313  
The additional increase shall only be used for providing 93314  
scholarships to low-income students, to be known as Access 93315  
Scholarship Grants, to provide additional or improved technology 93316  
services to students. These fee increase limitations apply even if 93317  
an institutional board of trustees has, prior to the effective 93318  
date of this section, voted to assess a higher fee for the 93319  
2003-2004 academic year. These limitations shall not apply to 93320  
increases required to comply with institutional covenants related 93321  
to their obligations or to meet unfunded legal mandates or legally 93322  
binding obligations incurred or commitments made prior to the 93323  
effective date of this act with respect to which the institution 93324  
had identified such fee increases as the source of funds. Any 93325  
increase required by such covenants and any such mandates, 93326  
obligations, or commitments shall be reported by the Board of 93327  
Regents to the Controlling Board. These limitations may also be 93328  
modified by the Board of Regents, with the approval of the 93329  
Controlling Board, to respond to exceptional circumstances as 93330  
identified by the Board of Regents. 93331

The board of trustees of a state-assisted institution of 93332  
higher education shall not authorize a waiver or nonpayment of 93333  
instructional fees or general fees for any particular student or 93334  
any class of students other than waivers specifically authorized 93335  
by law or approved by the Chancellor. This prohibition is not 93336  
intended to limit the authority of boards of trustees to provide 93337  
for payments to students for services rendered the institution, 93338  
nor to prohibit the budgeting of income for staff benefits or for 93339

student assistance in the form of payment of such instructional 93340  
and general fees. This prohibition is not intended to limit the 93341  
authority of the board of trustees of Miami University in 93342  
providing financial assistance to students in implementing the 93343  
pilot tuition restructuring plan recognized by this act. 93344

Except for Miami University, in implementing the pilot 93345  
tuition restructuring plan recognized by this act, each 93346  
state-assisted institution of higher education in its statement of 93347  
charges to students shall separately identify the instructional 93348  
fee, the general fee, the tuition charge, and the tuition 93349  
surcharge. Fee charges to students for instruction shall not be 93350  
considered to be a price of service but shall be considered to be 93351  
an integral part of the state government financing program in 93352  
support of higher educational opportunity for students. 93353

In providing the appropriations in support of instructional 93354  
services at state-assisted institutions of higher education and 93355  
the appropriations for other instruction it is the intent of the 93356  
General Assembly that faculty members shall devote a proper and 93357  
judicious part of their work week to the actual instruction of 93358  
students. Total class credit hours of production per quarter per 93359  
full-time faculty member is expected to meet the standards set 93360  
forth in the budget data submitted by the Board of Regents. 93361

The authority of government vested by law in the boards of 93362  
trustees of state-assisted institutions of higher education shall 93363  
in fact be exercised by those boards. Boards of trustees may 93364  
consult extensively with appropriate student and faculty groups. 93365  
Administrative decisions about the utilization of available 93366  
resources, about organizational structure, about disciplinary 93367  
procedure, about the operation and staffing of all auxiliary 93368  
facilities, and about administrative personnel shall be the 93369  
exclusive prerogative of boards of trustees. Any delegation of 93370  
authority by a board of trustees in other areas of responsibility 93371

shall be accompanied by appropriate standards of guidance 93372  
concerning expected objectives in the exercise of such delegated 93373  
authority and shall be accompanied by periodic review of the 93374  
exercise of this delegated authority to the end that the public 93375  
interest, in contrast to any institutional or special interest, 93376  
shall be served. 93377

The General Assembly recognizes the pilot tuition 93378  
restructuring plan of the board of trustees of Miami University 93379  
for undergraduate students enrolled at the Oxford campus. The 93380  
purpose of this plan is to make higher education more affordable 93381  
for moderate income Ohioans, encourage high-achieving Ohio 93382  
students to stay in Ohio rather than attending colleges in other 93383  
states, and provide incentives for Ohio students to major in areas 93384  
crucial to Ohio's priorities and future economic development. 93385

Notwithstanding any limit on in-state undergraduate 93386  
instructional and general fees imposed by this act, the General 93387  
Assembly recognizes that the plan will provide that all 93388  
undergraduate students enrolled at the Oxford campus will be 93389  
charged combined instructional and general fees in an amount equal 93390  
to the nonresident instructional and general fees and tuition 93391  
surcharge. For both resident student first enrolling on or after 93392  
the summer term of 2003 and resident students who enrolled prior 93393  
to this date, any increases in fees approved thereafter by the 93394  
board of trustees are subject to any instructional and general fee 93395  
caps imposed by the General Assembly. 93396

The General Assembly recognizes that the plan provides that 93397  
all students who are residents of Ohio will receive student 93398  
financial assistance in an amount to be determined by the 93399  
University. 93400

The General Assembly recognizes that the plan provides that, 93401  
for any resident student who enrolls at the Miami University 93402  
Oxford campus prior to August 2004, the plan will have no direct 93403

financial impact except for paper changes on invoices so that such 93404  
a student would only pay instructional and general fees in an 93405  
amount equivalent to what the student was charged in the preceding 93406  
year in addition to any increases in fees approved by the board of 93407  
trustees. 93408

**Section 89.06.** STUDENT SUPPORT SERVICES 93409

The foregoing appropriation item 235-502, Student Support 93410  
Services, shall be distributed by the Board of Regents to Ohio's 93411  
state-assisted colleges and universities that incur 93412  
disproportionate costs in the provision of support services to 93413  
disabled students. 93414

OHIO INSTRUCTIONAL GRANTS 93415

Notwithstanding section 3333.12 of the Revised Code, in lieu 93416  
of the tables in that section, instructional grants for all 93417  
full-time students shall be made for fiscal year 2004 using the 93418  
tables under this heading. 93419

The tables under this heading prescribe the maximum grant 93420  
amounts covering two semesters, three quarters, or a comparable 93421  
portion of one academic year. The grant amount for a full-time 93422  
student enrolled in an eligible institution for a semester or 93423  
quarter in addition to the portion of the academic year covered by 93424  
a grant determined under these tables shall be a percentage of the 93425  
maximum prescribed in the applicable table. The maximum grant for 93426  
a fourth quarter shall be one-third of the maximum amount 93427  
prescribed under the table. The maximum grant for a third semester 93428  
shall be one-half of the maximum amount prescribed under the 93429  
table. 93430

For a full-time student who is a dependent and enrolled in a 93431  
nonprofit educational institution that is not a state-assisted 93432  
institution and that has a certificate of authorization issued 93433

pursuant to Chapter 1713. of the Revised Code, the amount of the 93434  
 instructional grant for two semesters, three quarters, or a 93435  
 comparable portion of the academic year shall be determined in 93436  
 accordance with the following table: 93437

Private Institution 93438

Table of Grants 93439

Maximum Grant \$5,466 93440

Gross Income

Number of Dependents 93441

1 2 3 4 5 or 93442  
 more

\$0 - \$15,000	\$5,466	\$5,466	\$5,466	\$5,466	\$5,466	93443
\$15,001 - \$16,000	4,920	5,466	5,466	5,466	5,466	93444
\$16,001 - \$17,000	4,362	4,920	5,466	5,466	5,466	93445
\$17,001 - \$18,000	3,828	4,362	4,920	5,466	5,466	93446
\$18,001 - \$19,000	3,288	3,828	4,362	4,920	5,466	93447
\$19,001 - \$22,000	2,736	3,288	3,828	4,362	4,920	93448
\$22,001 - \$25,000	2,178	2,736	3,288	3,828	4,362	93449
\$25,001 - \$28,000	1,626	2,178	2,736	3,288	3,828	93450
\$28,001 - \$31,000	1,344	1,626	2,178	2,736	3,288	93451
\$31,001 - \$32,000	1,080	1,344	1,626	2,178	2,736	93452
\$32,001 - \$33,000	984	1,080	1,344	1,626	2,178	93453
\$33,001 - \$34,000	888	984	1,080	1,344	1,626	93454
\$34,001 - \$35,000	444	888	984	1,080	1,344	93455
\$35,001 - \$36,000	--	444	888	984	1,080	93456
\$36,001 - \$37,000	--	--	444	888	984	93457
\$37,001 - \$38,000	--	--	--	444	888	93458
\$38,001 - \$39,000	--	--	--	--	444	93459

For a full-time student who is financially independent and 93460  
 enrolled in a nonprofit educational institution that is not a 93461  
 state-assisted institution and that has a certificate of 93462  
 authorization issued pursuant to Chapter 1713. of the Revised 93463  
 Code, the amount of the instructional grant for two semesters, 93464  
 three quarters, or a comparable portion of the academic year shall 93465



be determined in accordance with the following table:								93466	
		Private Institution							93467
		Table of Grants							93468
				Maximum Grant \$5,466					93469
Gross Income		Number of Dependents							93470
		0	1	2	3	4	5 or	93471	
							more		
Under \$4,800	\$5,466	\$5,466	\$5,466	\$5,466	\$5,466	\$5,466	\$5,466	93472	
\$4,801 - \$5,300	4,920	5,466	5,466	5,466	5,466	5,466	5,466	93473	
\$5,301 - \$5,800	4,362	5,028	5,466	5,466	5,466	5,466	5,466	93474	
\$5,801 - \$6,300	3,828	4,584	5,028	5,466	5,466	5,466	5,466	93475	
\$6,301 - \$6,800	3,288	4,158	4,584	5,028	5,466	5,466	5,466	93476	
\$6,801 - \$7,300	2,736	3,726	4,158	4,584	5,028	5,466	5,466	93477	
\$7,301 - \$8,300	2,178	3,282	3,726	4,158	4,584	5,028	5,028	93478	
\$8,301 - \$9,300	1,626	2,838	3,282	3,726	4,158	4,584	4,584	93479	
\$9,301 - \$10,300	1,344	2,394	2,838	3,282	3,726	4,158	4,158	93480	
\$10,301 - \$11,800	1,080	2,166	2,394	2,838	3,282	3,726	3,726	93481	
\$11,801 - \$13,300	984	1,956	2,166	2,394	2,838	3,282	3,282	93482	
\$13,301 - \$14,800	888	1,878	1,956	2,166	2,394	2,838	2,838	93483	
\$14,801 - \$16,300	444	1,692	1,878	1,956	2,166	2,394	2,394	93484	
\$16,301 - \$19,300	--	1,122	1,584	1,770	1,956	2,166	2,166	93485	
\$19,301 - \$22,300	--	546	1,014	1,476	1,662	1,848	1,848	93486	
\$22,301 - \$25,300	--	438	546	1,014	1,476	1,662	1,662	93487	
\$25,301 - \$30,300	--	324	438	546	1,014	1,476	1,476	93488	
\$30,301 - \$35,300	--	198	216	270	324	792	792	93489	

For a full-time student who is a dependent and enrolled in an educational institution that holds a certificate of registration from the state board of career colleges and schools or a private institution exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code, the amount of the instructional grant for two semesters, three quarters, or a comparable portion of the academic year shall be determined in accordance with the following table:

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93492  
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93496  
93497

	Career Institution					93498
	Table of Grants					93499
	Maximum Grant \$4,632					93500
Gross Income	Number of Dependents					93501
	1	2	3	4	5 or more	93502
\$0 - \$15,000	\$4,632	\$4,632	\$4,632	\$4,632	\$4,632	93503
\$15,001 - \$16,000	4,182	4,632	4,632	4,632	4,632	93504
\$16,001 - \$17,000	3,684	4,182	4,632	4,632	4,632	93505
\$17,001 - \$18,000	3,222	3,684	4,182	4,632	4,632	93506
\$18,001 - \$19,000	2,790	3,222	3,684	4,182	4,632	93507
\$19,001 - \$22,000	2,292	2,790	3,222	3,684	4,182	93508
\$22,001 - \$25,000	1,854	2,292	2,790	3,222	3,684	93509
\$25,001 - \$28,000	1,416	1,854	2,292	2,790	3,222	93510
\$28,001 - \$31,000	1,134	1,416	1,854	2,292	2,790	93511
\$31,001 - \$32,000	906	1,134	1,416	1,854	2,292	93512
\$32,001 - \$33,000	852	906	1,134	1,416	1,854	93513
\$33,001 - \$34,000	750	852	906	1,134	1,416	93514
\$34,001 - \$35,000	372	750	852	906	1,134	93515
\$35,001 - \$36,000	--	372	750	852	906	93516
\$36,001 - \$37,000	--	--	372	750	852	93517
\$37,001 - \$38,000	--	--	--	372	750	93518
\$38,001 - \$39,000	--	--	--	--	372	93519

For a full-time student who is financially independent and 93520  
enrolled in an educational institution that holds a certificate of 93521  
registration from the state board of career colleges and schools 93522  
or a private institution exempt from regulation under Chapter 93523  
3332. of the Revised Code as prescribed in section 3333.046 of the 93524  
Revised Code, the amount of the instructional grant for two 93525  
semesters, three quarters, or a comparable portion of the academic 93526  
year shall be determined in accordance with the following table: 93527

Career Institution	93528
Table of Grants	93529

	Maximum Grant \$4,632						93530
Gross Income	Number of Dependents						93531
	0	1	2	3	4	5 or more	93532
Under \$4,800	\$4,632	\$4,632	\$4,632	\$4,632	\$4,632	\$4,632	93533
\$4,801 - \$5,300	4,182	4,632	4,632	4,632	4,632	4,632	93534
\$5,301 - \$5,800	3,684	4,272	4,632	4,632	4,632	4,632	93535
\$5,801 - \$6,300	3,222	3,876	4,272	4,632	4,632	4,632	93536
\$6,301 - \$6,800	2,790	3,504	3,876	4,272	4,632	4,632	93537
\$6,801 - \$7,300	2,292	3,156	3,504	3,876	4,272	4,632	93538
\$7,301 - \$8,300	1,854	2,760	3,156	3,504	3,876	4,272	93539
\$8,301 - \$9,300	1,416	2,412	2,760	3,156	3,504	3,876	93540
\$9,301 - \$10,300	1,134	2,058	2,412	2,760	3,156	3,504	93541
\$10,301 - \$11,800	906	1,836	2,058	2,412	2,760	3,156	93542
\$11,801 - \$13,300	852	1,650	1,836	2,058	2,412	2,760	93543
\$13,301 - \$14,800	750	1,608	1,650	1,836	2,058	2,412	93544
\$14,801 - \$16,300	372	1,434	1,608	1,650	1,836	2,058	93545
\$16,301 - \$19,300	--	942	1,338	1,518	1,650	1,836	93546
\$19,301 - \$22,300	--	456	858	1,242	1,416	1,560	93547
\$22,301 - \$25,300	--	372	456	858	1,242	1,416	93548
\$25,301 - \$30,300	--	282	372	456	858	1,242	93549
\$30,301 - \$35,300	--	168	180	228	282	666	93550

For a full-time student who is a dependent and enrolled in a state-assisted educational institution, the amount of the instructional grant for two semesters, three quarters, or a comparable portion of the academic year shall be determined in accordance with the following table:

	Public Institution					93556
	Table of Grants					93557
	Maximum Grant \$2,190					93558
Gross Income	Number of Dependents					93559
	1	2	3	4	5 or more	93560

\$0 - \$15,000	\$2,190	\$2,190	\$2,190	\$2,190	\$2,190	93561
\$15,001 - \$16,000	1,974	2,190	2,190	2,190	2,190	93562
\$16,001 - \$17,000	1,740	1,974	2,190	2,190	2,190	93563
\$17,001 - \$18,000	1,542	1,740	1,974	2,190	2,190	93564
\$18,001 - \$19,000	1,320	1,542	1,740	1,974	2,190	93565
\$19,001 - \$22,000	1,080	1,320	1,542	1,740	1,974	93566
\$22,001 - \$25,000	864	1,080	1,320	1,542	1,740	93567
\$25,001 - \$28,000	648	864	1,080	1,320	1,542	93568
\$28,001 - \$31,000	522	648	864	1,080	1,320	93569
\$31,001 - \$32,000	420	522	648	864	1,080	93570
\$32,001 - \$33,000	384	420	522	648	864	93571
\$33,001 - \$34,000	354	384	420	522	648	93572
\$34,001 - \$35,000	174	354	384	420	522	93573
\$35,001 - \$36,000	--	174	354	384	420	93574
\$36,001 - \$37,000	--	--	174	354	384	93575
\$37,001 - \$38,000	--	--	--	174	354	93576
\$38,001 - \$39,000	--	--	--	--	174	93577

For a full-time student who is financially independent and enrolled in a state-assisted educational institution, the amount of the instructional grant for two semesters, three quarters, or a comparable portion of the academic year shall be determined in accordance with the following table:

Public Institution							93578
Table of Grants							93579
Maximum Grant \$2,190							93580
Gross Income	Number of Dependents						93581
	0	1	2	3	4	5 or more	93582
Under \$4,800	\$2,190	\$2,190	\$2,190	\$2,190	\$2,190	\$2,190	93583
\$4,801 - \$5,300	1,974	2,190	2,190	2,190	2,190	2,190	93584
\$5,301 - \$5,800	1,740	2,016	2,190	2,190	2,190	2,190	93585
\$5,801 - \$6,300	1,542	1,830	2,016	2,190	2,190	2,190	93586
\$6,301 - \$6,800	1,320	1,674	1,830	2,016	2,190	2,190	93587

\$6,801 - \$7,300	1,080	1,494	1,674	1,830	2,016	2,190	93593
\$7,301 - \$8,300	864	1,302	1,494	1,674	1,830	2,016	93594
\$8,301 - \$9,300	648	1,128	1,302	1,494	1,674	1,830	93595
\$9,301 - \$10,300	522	954	1,128	1,302	1,494	1,674	93596
\$10,301 - \$11,800	420	858	954	1,128	1,302	1,494	93597
\$11,801 - \$13,300	384	774	858	954	1,128	1,302	93598
\$13,301 - \$14,800	354	744	774	858	954	1,128	93599
\$14,801 - \$16,300	174	678	744	774	858	954	93600
\$16,301 - \$19,300	--	450	630	702	774	858	93601
\$19,301 - \$22,300	--	216	402	594	654	732	93602
\$22,301 - \$25,300	--	174	216	402	594	654	93603
\$25,301 - \$30,300	--	132	174	216	402	594	93604
\$30,301 - \$35,300	--	78	84	102	132	312	93605

The foregoing appropriation item 235-503, Ohio Instructional Grants, shall be used to make the payments authorized by division (C) of section 3333.26 of the Revised Code to the institutions described in that division. In addition, this appropriation shall be used to reimburse the institutions described in division (B) of section 3333.26 of the Revised Code for the cost of the waivers required by that division.

The unencumbered balance of appropriation item 235-503, Ohio Instructional Grants, at the end of fiscal year 2004 shall be transferred to fiscal year 2005 for use under the same appropriation item. The amounts transferred are hereby appropriated.

**WAR ORPHANS SCHOLARSHIPS**

The foregoing appropriation item 235-504, War Orphans Scholarships, shall be used to reimburse state-assisted institutions of higher education for waivers of instructional fees and general fees provided by them, to provide grants to institutions that have received a certificate of authorization from the Ohio Board of Regents under Chapter 1713. of the Revised

Code, in accordance with the provisions of section 5910.04 of the 93625  
Revised Code, and to fund additional scholarship benefits provided 93626  
by section 5910.032 of the Revised Code. 93627

**Section 89.07. AIR FORCE INSTITUTE OF TECHNOLOGY** 93628

The foregoing appropriation item 235-508, Air Force Institute 93629  
of Technology, shall be used to strengthen the research and 93630  
educational linkages between the Wright Patterson Air Force Base 93631  
and institutions of higher education in Ohio. Of the foregoing 93632  
appropriation item 235-508, Air Force Institute of Technology, 93633  
\$1,317,173 in fiscal year 2004 and \$1,315,929 in fiscal year 2005 93634  
shall be used for research projects that connect the Air Force 93635  
Research Laboratories with university partners. The institute 93636  
shall provide annual reports to the Third Frontier Commission, 93637  
that discuss existing, planned, or possible collaborations between 93638  
programs and funding recipients related to technology, research 93639  
development, commercialization, and support for Ohio's economic 93640  
development. 93641

Of the foregoing appropriation item 235-508, Air Force 93642  
Institute of Technology, \$477,237 in fiscal year 2004 and \$476,786 93643  
in fiscal year 2005 shall be used to match federal dollars to 93644  
support the Wright Brothers Institute. Funds shall be used by the 93645  
Wright Brothers Institute to create or expand Ohio-based 93646  
technology and commercial development collaborations between 93647  
industry, academia, and government in areas which include carbon 93648  
nano-tube materials technology, genome-based biotechnology, 93649  
knowledge-creation information technology, cognitive systems 93650  
modeling and engineering, or other related projects as deemed 93651  
appropriate by the institute. 93652

Of the foregoing appropriation item 235-508, Air Force 93653  
Institute of Technology, \$302,113 in fiscal year 2004 and \$261,145 93654  
in fiscal year 2005 shall be used to directly support 93655

collaborative research between academia, industry, and the Air 93656  
Force for Wright Brothers Institute Nanomaterials and Advanced 93657  
Data Management and Analysis. 93658

OHIO SUPERCOMPUTER CENTER 93659

The foregoing appropriation item 235-510, Ohio Supercomputer 93660  
Center, shall be used by the Board of Regents to support the 93661  
operation of the center, located at The Ohio State University, as 93662  
a statewide resource available to Ohio research universities both 93663  
public and private. It is also intended that the center be made 93664  
accessible to private industry as appropriate. Policies of the 93665  
center shall be established by a governance committee, 93666  
representative of Ohio's research universities and private 93667  
industry, to be appointed by the Chancellor of the Board of 93668  
Regents and established for this purpose. 93669

The Ohio Supercomputer Center shall report on expanding 93670  
solutions-oriented, computational science services to industrial 93671  
and other customers, including alignment programs and recipients, 93672  
and develop a plan for a computational science initiative in 93673  
collaboration with the Wright Centers of Innovation program and 93674  
the Computer Science Graduate Studies Program. 93675

COOPERATIVE EXTENSION SERVICE 93676

The foregoing appropriation item 235-511, Cooperative 93677  
Extension Service, shall be disbursed through the Board of Regents 93678  
to The Ohio State University in monthly payments, unless otherwise 93679  
determined by the Director of Budget and Management pursuant to 93680  
section 126.09 of the Revised Code. 93681

Of the foregoing appropriation item 235-511, Cooperative 93682  
Extension Service, \$182,842 in fiscal year 2004 and \$178,271 in 93683  
fiscal year 2005 shall be used for additional staffing for county 93684  
agents for expanded 4-H activities. Of the foregoing appropriation 93685  
item 235-511, Cooperative Extension Service, \$182,842 in fiscal 93686

year 2004 and \$178,271 in fiscal year 2005 shall be used by the 93687  
Cooperative Extension Service, through the Enterprise Center for 93688  
Economic Development in cooperation with other agencies, for a 93689  
public-private effort to create and operate a small business 93690  
economic development program to enhance the development of 93691  
alternatives to the growing of tobacco, and implement, through 93692  
applied research and demonstration, the production and marketing 93693  
of other high-value crops and value-added products. Of the 93694  
foregoing appropriation item 235-511, Cooperative Extension 93695  
Service, \$56,594 in fiscal year 2004 and \$55,179 in fiscal year 93696  
2005 shall be used for farm labor mediation and education 93697  
programs. Of the foregoing appropriation item 235-511, Cooperative 93698  
Extension Service, \$187,195 in fiscal year 2004 and \$182,515 in 93699  
fiscal year 2005 shall be used to support the Ohio State 93700  
University Marion Enterprise Center. 93701

Of the foregoing appropriation item 235-511, Cooperative 93702  
Extension Service, \$792,750 in fiscal year 2004 and \$772,931 in 93703  
fiscal year 2005 shall be used to support the Ohio Watersheds 93704  
Initiative. 93705

CENTRAL STATE SUPPLEMENT 93706

The foregoing appropriation item 235-514, Central State 93707  
Supplement, shall be used by Central State University to keep 93708  
undergraduate fees below the statewide average, consistent with 93709  
its mission of service to many first-generation college students 93710  
from groups historically underrepresented in higher education and 93711  
from families with limited incomes. 93712

PERFORMANCE STANDARDS FOR MEDICAL EDUCATION 93713

The Board of Regents, in consultation with the state-assisted 93714  
medical colleges, shall develop performance standards for medical 93715  
education. Special emphasis in the standards shall be placed on 93716  
attempting to ensure that at least 50 per cent of the aggregate 93717



number of students enrolled in state-assisted medical colleges 93718  
continue to enter residency as primary care physicians. Primary 93719  
care physicians are general family practice physicians, general 93720  
internal medicine practitioners, and general pediatric care 93721  
physicians. The Board of Regents shall monitor medical school 93722  
performance in relation to their plans for reaching the 50 per 93723  
cent systemwide standard for primary care physicians. 93724

**Section 89.08. CASE WESTERN RESERVE UNIVERSITY SCHOOL OF 93725**  
**MEDICINE 93726**

The foregoing appropriation item 235-515, Case Western 93727  
Reserve University School of Medicine, shall be disbursed to Case 93728  
Western Reserve University through the Board of Regents in 93729  
accordance with agreements entered into as provided for by section 93730  
3333.10 of the Revised Code, provided that the state support per 93731  
full-time medical student shall not exceed that provided to 93732  
full-time medical students at state universities. 93733

**FAMILY PRACTICE, GERIATRIC MEDICINE, AND PRIMARY CARE 93734**  
**RESIDENCIES 93735**

The Board of Regents shall develop plans consistent with 93736  
existing criteria and guidelines as may be required for the 93737  
distribution of appropriation items 235-519, Family Practice, 93738  
235-525, Geriatric Medicine, and 235-526, Primary Care 93739  
Residencies. 93740

**SHAWNEE STATE SUPPLEMENT 93741**

The foregoing appropriation item 235-520, Shawnee State 93742  
Supplement, shall be used by Shawnee State University as detailed 93743  
by both of the following: 93744

(A) To allow Shawnee State University to keep its 93745  
undergraduate fees below the statewide average, consistent with 93746  
its mission of service to an economically depressed Appalachian 93747

region;	93748
(B) To allow Shawnee State University to employ new faculty	93749
to develop and teach in new degree programs that meet the needs of	93750
Appalachians.	93751
POLICE AND FIRE PROTECTION	93752
The foregoing appropriation item 235-524, Police and Fire	93753
Protection, shall be used for police and fire services in the	93754
municipalities of Kent, Athens, Oxford, Fairborn, Bowling Green,	93755
Portsmouth, Xenia Township (Greene County), Rootstown Township,	93756
and the City of Nelsonville that may be used to assist these local	93757
governments in providing police and fire protection for the	93758
central campus of the state-affiliated university located therein.	93759
Each participating municipality and township shall receive at	93760
least \$5,000 each year. Funds shall be distributed according to	93761
the methodology employed by the Board of Regents in the previous	93762
biennium.	93763
PRIMARY CARE RESIDENCIES	93764
The foregoing appropriation item 235-526, Primary Care	93765
Residencies, shall be distributed in each fiscal year of the	93766
biennium, based on whether or not the institution has submitted	93767
and gained approval for a plan. If the institution does not have	93768
an approved plan, it shall receive five per cent less funding per	93769
student than it would have received from its annual allocation.	93770
The remaining funding shall be distributed among those	93771
institutions that meet or exceed their targets.	93772
OHIO AEROSPACE INSTITUTE	93773
The foregoing appropriation item 235-527, Ohio Aerospace	93774
Institute, shall be distributed by the Board of Regents under	93775
section 3333.042 of the Revised Code.	93776
ACADEMIC SCHOLARSHIPS	93777

The foregoing appropriation item 235-530, Academic Scholarships, shall be used to provide academic scholarships to students under section 3333.22 of the Revised Code.

STUDENT CHOICE GRANTS

The foregoing appropriation item 235-531, Student Choice Grants, shall be used to support the Student Choice Grant Program created by section 3333.27 of the Revised Code. The unencumbered balance of appropriation item 235-531, Student Choice Grants, at the end of fiscal year 2004 shall be transferred to fiscal year 2005 for use under the same appropriation item to maintain grant award amounts in fiscal year 2005 equal to the awards provided in fiscal year 2004. The amounts transferred are hereby appropriated.

STUDENT WORKFORCE DEVELOPMENT GRANTS

The foregoing appropriation item 235-534, Student Workforce Development Grants, shall be used to support the Student Workforce Development Grant Program. Of the appropriated funds available, the Board of Regents shall distribute grants to each eligible student in an academic year. The size of each grant award shall be determined by the Board of Regents based on the amount of funds available for the program.

OHIO AGRICULTURAL RESEARCH AND DEVELOPMENT CENTER

The foregoing appropriation item 235-535, Ohio Agricultural Research and Development Center, shall be disbursed through the Board of Regents to The Ohio State University in monthly payments, unless otherwise determined by the Director of Budget and Management pursuant to section 126.09 of the Revised Code. The Ohio Agricultural Research and Development Center shall not be required to remit payment to The Ohio State University during the 2003-2005 biennium for cost reallocation assessments. The cost reallocation assessments include, but are not limited to, any assessment on state appropriations to the center. The Ohio

Agricultural Research and Development Center, in conjunction with 93809  
the Third Frontier Commission, shall provide for an independently 93810  
evaluated self-study of research excellence and commercial 93811  
relevance in a manner to be prescribed by the Third Frontier 93812  
Commission. 93813

Of the foregoing appropriation item 235-535, Ohio 93814  
Agricultural Research and Development Center, \$470,164 in fiscal 93815  
year 2004 and \$458,410 in fiscal year 2005 shall be used to 93816  
purchase equipment. 93817

Of the foregoing appropriation item 235-535, Ohio 93818  
Agricultural Research and Development Center, \$827,141 in fiscal 93819  
year 2004 and \$806,463 in fiscal year 2005 shall be distributed to 93820  
the Piketon Agricultural Research and Extension Center. 93821

Of the foregoing appropriation item 235-535, Ohio 93822  
Agricultural Research and Development Center, \$217,669 in fiscal 93823  
year 2004 and \$212,227 in fiscal year 2005 shall be distributed to 93824  
the Raspberry/Strawberry-Ellagic Acid Research program at the Ohio 93825  
State University Medical College in cooperation with the Ohio 93826  
State University College of Agriculture. 93827

Of the foregoing appropriation item 235-535, Ohio 93828  
Agricultural Research and Development Center, \$43,534 in fiscal 93829  
year 2004 and \$42,445 in fiscal year 2005 shall be used to support 93830  
the Ohio Berry Administrator. 93831

Of the foregoing appropriation item 235-535, Ohio 93832  
Agricultural Research and Development Center, \$87,067 in fiscal 93833  
year 2004 and \$84,890 in fiscal year 2005 shall be used for the 93834  
development of agricultural crops and products not currently in 93835  
widespread production in Ohio, in order to increase the income and 93836  
viability of family farmers. 93837

STATE UNIVERSITY CLINICAL TEACHING 93838

The foregoing appropriation items 235-536, The Ohio State 93839

University Clinical Teaching; 235-537, University of Cincinnati 93840  
Clinical Teaching; 235-538, Medical College of Ohio at Toledo 93841  
Clinical Teaching; 235-539, Wright State University Clinical 93842  
Teaching; 235-540, Ohio University Clinical Teaching; and 235-541, 93843  
Northeastern Ohio Universities College of Medicine Clinical 93844  
Teaching, shall be distributed through the Board of Regents. 93845

Of the foregoing appropriation item 235-539, Wright State 93846  
University Clinical Teaching, \$124,644 in each fiscal year of the 93847  
biennium shall be for the use of Wright State University's Ellis 93848  
Institute for Clinical Teaching Studies to operate the clinical 93849  
facility to serve the Greater Dayton area. 93850

SCHOOL OF INTERNATIONAL BUSINESS 93851

Of the foregoing appropriation item 235-547, School of 93852  
International Business, \$901,975 in fiscal year 2004 and \$879,426 93853  
in fiscal year 2005 shall be used for the continued development 93854  
and support of the School of International Business of the state 93855  
universities of northeast Ohio. The money shall go to the 93856  
University of Akron. These funds shall be used by the university 93857  
to establish a School of International Business located at the 93858  
University of Akron. It may confer with Kent State University, 93859  
Youngstown State University, and Cleveland State University as to 93860  
the curriculum and other matters regarding the school. 93861

Of the foregoing appropriation item 235-547, School of 93862  
International Business, \$181,318 in fiscal year 2004 and \$176,785 93863  
in fiscal year 2005 shall be used by the University of Toledo 93864  
College of Business for expansion of its international business 93865  
programs. 93866

Of the foregoing appropriation item 235-547, School of 93867  
International Business, \$181,318 in fiscal year 2004 and \$176,785 93868  
in fiscal year 2005 shall be used to support the Ohio State 93869  
University BioMEMS program. 93870

PART-TIME STUDENT INSTRUCTIONAL GRANTS 93871

The foregoing appropriation item 235-549, Part-time Student 93872  
Instructional Grants, shall be used to support a grant program for 93873  
part-time undergraduate students who are Ohio residents and who 93874  
are enrolled in degree granting programs. 93875

Eligibility for participation in the program shall include 93876  
degree granting educational institutions that hold a certificate 93877  
of registration from the State Board of Career Colleges and 93878  
Schools, and nonprofit institutions that have a certificate of 93879  
authorization issued pursuant to Chapter 1713. of the Revised 93880  
Code, as well as state-assisted colleges and universities. Grants 93881  
shall be given to students on the basis of need, as determined by 93882  
the college, which, in making these determinations, shall give 93883  
special consideration to single-parent heads-of-household and 93884  
displaced homemakers who enroll in an educational degree program 93885  
that prepares the individual for a career. In determining need, 93886  
the college also shall consider the availability of educational 93887  
assistance from a student's employer. It is the intent of the 93888  
General Assembly that these grants not supplant such assistance. 93889

**Section 89.09.** CAPITAL COMPONENT 93890

The foregoing appropriation item 235-552, Capital Component, 93891  
shall be used by the Board of Regents to implement the capital 93892  
funding policy for state-assisted colleges and universities 93893  
established in Am. H.B. No. 748 of the 121st General Assembly. 93894  
Appropriations from this item shall be distributed to all campuses 93895  
for which the estimated campus debt service attributable to new 93896  
qualifying capital projects is less than the campus's 93897  
formula-determined capital component allocation. Campus 93898  
allocations shall be determined by subtracting the estimated 93899  
campus debt service attributable to new qualifying capital 93900  
projects from the campus's formula-determined capital component 93901

allocation. Moneys distributed from this appropriation item shall 93902  
be restricted to capital-related purposes. 93903

Any campus for which the estimated campus debt service 93904  
attributable to qualifying capital projects is greater than the 93905  
campus's formula-determined capital component allocation shall 93906  
have the difference subtracted from its State Share of Instruction 93907  
allocation in each fiscal year. The sum of all such amounts shall 93908  
be transferred from appropriation item 235-501, State Share of 93909  
Instruction, to appropriation item 235-552, Capital Component. 93910

DAYTON AREA GRADUATE STUDIES INSTITUTE 93911

The foregoing appropriation item 235-553, Dayton Area 93912  
Graduate Studies Institute, shall be used by the Board of Regents 93913  
to support the Dayton Area Graduate Studies Institute, an 93914  
engineering graduate consortium of three universities in the 93915  
Dayton area: Wright State University, the University of Dayton, 93916  
and the Air Force Institute of Technology, with the participation 93917  
of the University of Cincinnati and The Ohio State University. 93918

Of the foregoing appropriation item 235-553, Dayton Area 93919  
Graduate Studies Institute, \$497,666 in fiscal year 2004 and 93920  
\$417,053 in fiscal year 2005 shall be used by the Miami Valley 93921  
Economic Development Research Corporation to support collaborative 93922  
research between academia, industry, and the Air Force for the 93923  
Wright Brothers Institute and related initiatives in nanomaterials 93924  
and advanced data management and analysis. 93925

COMPUTER SCIENCE GRADUATE EDUCATION 93926

The foregoing appropriation item 235-554, Computer Science 93927  
Graduate Education, shall be used by the Board of Regents to 93928  
support improvements in graduate programs in computer science at 93929  
state-assisted universities. Up to \$174,135 in fiscal year 2004, 93930  
and up to \$169,782 in fiscal year 2005, may be used to support 93931  
collaborative efforts in graduate education in this program area. 93932

The collaborative program shall be coordinated by the Ohio Supercomputer Center. 93933  
93934

OHIO ACADEMIC RESOURCES NETWORK (OARNET) 93935

The foregoing appropriation item 235-556, Ohio Academic Resources Network, shall be used to support the operations of the Ohio Academic Resources Network, which shall include support for Ohio's state-assisted colleges and universities in maintaining and enhancing network connections. The network shall give priority to supporting the Third Frontier Network and allocating bandwidth to programs directly supporting Ohio's economic development. 93936  
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LONG-TERM CARE RESEARCH 93943

The foregoing appropriation item 235-558, Long-term Care Research, shall be disbursed to Miami University for long-term care research. 93944  
93945  
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BOWLING GREEN STATE UNIVERSITY CANADIAN STUDIES CENTER 93947

The foregoing appropriation item 235-561, Bowling Green State University Canadian Studies Center, shall be used by the Canadian Studies Center at Bowling Green State University to study opportunities for Ohio and Ohio businesses to benefit from the Free Trade Agreement between the United States and Canada. 93948  
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THE OHIO STATE UNIVERSITY CLINIC SUPPORT 93953

The foregoing appropriation item 235-572, The Ohio State University Clinic Support, shall be distributed through the Board of Regents to The Ohio State University for support of dental and veterinary medicine clinics. 93954  
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**Section 89.10.** URBAN UNIVERSITY PROGRAMS 93958

Of the foregoing appropriation item 235-583, Urban University Programs, universities receiving funds that are used to support an ongoing university unit shall certify periodically in a manner 93959  
93960  
93961



approved by the Board of Regents that program funds are being 93962  
matched on a one-to-one basis with equivalent resources. Overhead 93963  
support may not be used to meet this requirement. Where Urban 93964  
University Program funds are being used to support an ongoing 93965  
university unit, matching funds shall come from continuing rather 93966  
than one-time sources. At each participating state-assisted 93967  
institution of higher education, matching funds shall be within 93968  
the substantial control of the individual designated by the 93969  
institution's president as the Urban University Program 93970  
representative. 93971

Of the foregoing appropriation item 235-583, Urban University 93972  
Programs, \$301,218 in fiscal year 2004 and \$293,300 in fiscal year 93973  
2005 shall be used to support a public communication outreach 93974  
program (WCPN). The primary purpose of the program shall be to 93975  
develop a relationship between Cleveland State University and 93976  
nonprofit communications entities. 93977

Of the foregoing appropriation item 235-583, Urban University 93978  
Programs, \$142,682 in fiscal year 2004 and \$138,932 in fiscal year 93979  
2005 shall be used to support the Center for the Interdisciplinary 93980  
Study of Education and the Urban Child at Cleveland State 93981  
University. These funds shall be distributed according to rules 93982  
adopted by the Board of Regents and shall be used by the center 93983  
for interdisciplinary activities targeted toward increasing the 93984  
chance of lifetime success of the urban child, including 93985  
interventions beginning with the prenatal period. The primary 93986  
purpose of the center is to study issues in urban education and to 93987  
systematically map directions for new approaches and new solutions 93988  
by bringing together a cadre of researchers, scholars, and 93989  
professionals representing the social, behavioral, education, and 93990  
health disciplines. 93991

Of the foregoing appropriation item 235-583, Urban University 93992  
Programs, \$206,097 in fiscal year 2004 and \$200,679 in fiscal year 93993

2005 shall be used to support the Kent State University Learning 93994  
and Technology Project. This project is a kindergarten through 93995  
university collaboration between schools surrounding Kent's eight 93996  
campuses in northeast Ohio, and corporate partners who will assist 93997  
in development and delivery. 93998

The Kent State University Project shall provide a faculty 93999  
member who has a full-time role in the development of 94000  
collaborative activities and teacher instructional programming 94001  
between Kent and the K-12th grade schools that surround its eight 94002  
campuses; appropriate student support staff to facilitate these 94003  
programs and joint activities; and hardware and software to 94004  
schools that will make possible the delivery of instruction to 94005  
pre-service and in-service teachers, and their students, in their 94006  
own classrooms or school buildings. This shall involve the 94007  
delivery of low-bandwidth streaming video and web-based 94008  
technologies in a distributed instructional model. 94009

Of the foregoing appropriation item 235-583, Urban University 94010  
Programs, \$79,267 in fiscal year 2004 and \$77,184 in fiscal year 94011  
2005 shall be used to support the Ameritech Classroom/Center 94012  
for Research at Kent State University. 94013

Of the foregoing appropriation item 235-583, Urban University 94014  
Programs, \$792,682 in fiscal year 2004 and \$771,843 in fiscal year 94015  
2005 shall be used to support the Polymer Distance Learning 94016  
Project at the University of Akron. 94017

Of the foregoing appropriation item 235-583, Urban University 94018  
Programs, \$39,634 in fiscal year 2004 and \$38,592 in fiscal year 94019  
2005 shall be distributed to the Kent State University/Cleveland 94020  
Design Center program. 94021

Of the foregoing appropriation item 235-583, Urban University 94022  
Programs, \$ 198,170 in fiscal year 2004 and \$192,960 in fiscal 94023  
year 2005 shall be used to support the Bliss Institute of Applied 94024

Politics at the University of Akron. 94025

Of the foregoing appropriation item 235-583, Urban University 94026  
Programs, \$11,892 in fiscal year 2004 and \$11,576 in fiscal year 94027  
2005 shall be used for the Advancing-Up Program at the University 94028  
of Akron. 94029

Of the foregoing appropriation item 235-583, Urban University 94030  
Programs, \$1,744,404 in fiscal year 2004 and \$1,698,546 in fiscal 94031  
year 2005 shall be distributed by the Board of Regents to 94032  
Cleveland State University in support of the Maxine Goodman Levin 94033  
College of Urban Affairs. 94034

Of the foregoing appropriation item 235-583, Urban University 94035  
Programs, \$1,744,404 in fiscal year 2004 and \$1,698,546 in fiscal 94036  
year 2005 shall be distributed to the Northeast Ohio Research 94037  
Consortium, the Urban Linkages Program, and the Urban Research 94038  
Technical Assistance Grant Program. The distribution among the 94039  
three programs shall be determined by the chair of the Urban 94040  
University Program. 94041

Of the foregoing appropriation item 235-583, Urban University 94042  
Programs, \$165,893 in fiscal year 2004 and \$165,674 in fiscal year 94043  
2005 shall be used to support the Strategic Economic Research 94044  
Collaborative at the University of Toledo Urban Affairs Center. 94045

Of the foregoing appropriation item 235-583, Urban University 94046  
Programs, \$165,893 in fiscal year 2004 and \$165,674 in fiscal year 94047  
2005 shall be used to support the Institute for Collaborative 94048  
Research and Public Humanities at The Ohio State University. 94049

Notwithstanding the other earmarks in this section, of the 94050  
foregoing appropriation item 235-583, Urban University Programs, 94051  
\$100,000 in each fiscal year shall be used to support the Medina 94052  
County University Center. The other earmarks of appropriation item 94053  
235-583, Urban University Programs, shall be proportionately 94054  
reduced. 94055

Of the foregoing appropriation item 235-583, Urban University Programs, \$100,000 in each fiscal year shall be used to support the Medina Learning Center.

RURAL UNIVERSITY PROJECTS

Of the foregoing appropriation item 235-587, Rural University Projects, Bowling Green State University shall receive \$281,391 in fiscal year 2004 and \$281,391 in fiscal year 2005, Miami University shall receive \$261,694 in fiscal year 2004 and \$261,694 in fiscal year 2005, and Ohio University shall receive \$613,397 in fiscal year 2004 and \$613,397 in fiscal year 2005. These funds shall be used to support the Institute for Local Government Administration and Rural Development at Ohio University, the Center for Public Management and Regional Affairs at Miami University, and the Center for Policy Analysis and Public Service at Bowling Green State University.

A small portion of the funds provided to Ohio University shall also be used for the Institute for Local Government Administration and Rural Development State and Rural Policy Partnership with the Governor's Office of Appalachia and the Appalachian delegation of the General Assembly.

Of the foregoing appropriation item 235-587, Rural University Projects, \$17,007 in fiscal year 2004 and \$17,007 in fiscal year 2005 shall be used to support the Washington State Community College day care center.

Of the foregoing appropriation item 235-587, Rural University Projects, \$51,021 in fiscal year 2004 and \$51,021 in fiscal year 2005 shall be used to support the COAD/ILGARD/GOA Appalachian Leadership Initiative.

**Section 89.11. OHIO RESOURCE CENTER FOR MATHEMATICS, SCIENCE, AND READING**

The foregoing appropriation item 235-588, Ohio Resource Center for Mathematics, Science, and Reading, shall be used to support a resource center for mathematics, science, and reading to be located at a state-assisted university for the purpose of identifying best educational practices in primary and secondary schools and establishing methods for communicating them to colleges of education and school districts. The Ohio Resource Center for Mathematics, Science, and Reading shall not make available resources that are inconsistent with the K-12 science standards and policies as adopted by the State Board of Education.

INTERNATIONAL CENTER FOR WATER RESOURCES DEVELOPMENT

The foregoing appropriation item 235-595, International Center for Water Resources Development, shall be used to support the International Center for Water Resources Development at Central State University. The center shall develop methods to improve the management of water resources for Ohio and for emerging nations.

HAZARDOUS MATERIALS PROGRAM

The foregoing appropriation item 235-596, Hazardous Materials Program, shall be disbursed to Cleveland State University for the operation of a program to certify firefighters for the handling of hazardous materials. Training shall be available to all Ohio firefighters.

Of the foregoing appropriation item 235-596, Hazardous Materials Program, \$130,601 in fiscal year 2004 and \$127,337 in fiscal year 2005 shall be used to support the Center for the Interdisciplinary Study of Education and Leadership in Public Service at Cleveland State University. These funds shall be distributed by the Board of Regents and shall be used by the center targeted toward increasing the role of special populations in public service and not-for-profit organizations. The primary

purpose of the center is to study issues in public service and to 94117  
guide strategies for attracting new communities into public 94118  
service occupations by bringing together a cadre of researchers, 94119  
scholars and professionals representing the public administration, 94120  
social behavioral, and education disciplines. 94121

NATIONAL GUARD SCHOLARSHIP PROGRAM 94122

The Board of Regents shall disburse funds from appropriation 94123  
item 235-599, National Guard Scholarship Program, at the direction 94124  
of the Adjutant General. 94125

\* PLEDGE OF FEES 94126

Any new pledge of fees, or new agreement for adjustment of 94127  
fees, made in the 2003-2005 biennium to secure bonds or notes of a 94128  
state-assisted institution of higher education for a project for 94129  
which bonds or notes were not outstanding on the effective date of 94130  
this section shall be effective only after approval by the Board 94131  
of Regents, unless approved in a previous biennium. 94132

HIGHER EDUCATION GENERAL OBLIGATION DEBT SERVICE 94133

The foregoing appropriation item 235-909, Higher Education 94134  
General Obligation Debt Service, shall be used to pay all debt 94135  
service and related financing costs at the times they are required 94136  
to be made pursuant to sections 151.01 and 151.04 of the Revised 94137  
Code during the period from July 1, 2003, to June 30, 2005. The 94138  
Office of the Sinking Fund or the Director of Budget and 94139  
Management shall effectuate the required payments by an intrastate 94140  
transfer voucher. 94141

**Section 89.12.** SALES AND SERVICES 94142

The Board of Regents is authorized to charge and accept 94143  
payment for the provision of goods and services generated by the 94144  
Higher Education Information System. Such charges shall be 94145  
reasonably related to the cost of producing the goods and 94146

services. No charges may be levied for goods or services that are 94147  
produced as part of the routine responsibilities or duties of the 94148  
Board. All revenues received by the Board of Regents shall be 94149  
deposited into Fund 456, and may be used by the Board of Regents 94150  
to pay for the costs of producing the goods and services. 94151

OHIO HIGHER EDUCATIONAL FACILITY COMMISSION SUPPORT 94152

The foregoing appropriation item 235-602, Higher Educational 94153  
Facility Commission Administration, shall be used by the Board of 94154  
Regents for operating expenses related to the Board of Regents' 94155  
support of the activities of the Ohio Higher Educational Facility 94156  
Commission. Upon the request of the chancellor, the Director of 94157  
Budget and Management shall transfer up to \$20,000 cash from Fund 94158  
461 to Fund 4E8 in each fiscal year of the biennium. 94159

PHYSICIAN LOAN REPAYMENT 94160

The foregoing appropriation item 235-604, Physician Loan 94161  
Repayment, shall be used in accordance with sections 3702.71 to 94162  
3702.81 of the Revised Code. 94163

NURSING LOAN PROGRAM 94164

The foregoing appropriation item 235-606, Nursing Loan 94165  
Program, shall be used to administer the nurse education 94166  
assistance program. Up to \$159,600 in fiscal year 2004 and 94167  
\$167,580 in fiscal year 2005 may be used for operating expenses 94168  
associated with the program. Any additional funds needed for the 94169  
administration of the program are subject to Controlling Board 94170  
approval. 94171

**Section 89.13.** SCIENCE AND TECHNOLOGY COLLABORATION 94172

The Board of Regents shall work in close collaboration with 94173  
the Department of Development, the Air Quality Development 94174  
Authority, and the Third Frontier Commission in relation to 94175  
appropriation items and programs listed in the following 94176

paragraph, and other technology-related appropriations and 94177  
programs in the Department of Development, Air quality Development 94178  
Authority, and the Board of Regents as these agencies may 94179  
designate, to ensure implementation of a coherent state strategy 94180  
with respect to science and technology. 94181

Each of the following appropriations and programs: 195-401, 94182  
Thomas Edison Program; 898-402, Coal Development Office; 195-422, 94183  
Third Frontier Action Fund; 898-604, Coal Research and Development 94184  
Fund; 235-454, Research Challenge; 235-508, Air Force Institute of 94185  
Technology; 235-510, Ohio Supercomputer Center; 235-527, Ohio 94186  
Aerospace Institute; 235-535, Ohio Agricultural Research and 94187  
Development Center; 235-553, Dayton Area Graduate Studies 94188  
Institute; 235-554, Computer Science Graduate Education; 235-556, 94189  
Ohio Academic Resources Network; and 195-435, Biomedical Research 94190  
and Technology Transfer Trust, shall be reviewed annually by the 94191  
Third Frontier Commission with respect to its development of 94192  
complementary relationships within a combined state science and 94193  
technology investment portfolio and its overall contribution to 94194  
the state's science and technology strategy, including the 94195  
adoption of appropriately consistent criteria for: (1) the 94196  
scientific merit of activities supported by the program; (2) the 94197  
relevance of the program's activities to commercial opportunities 94198  
in the private sector; (3) the private sector's involvement in a 94199  
process that continually evaluates commercial opportunities to use 94200  
the work supported by the program; and (4) the ability of the 94201  
program and recipients of grant funding from the program to engage 94202  
in activities that are collaborative, complementary, and efficient 94203  
with respect to the expenditure of state funds. All programs 94204  
listed above shall provide annual reports to the Third Frontier 94205  
Commission discussing existing, planned, or possible 94206  
collaborations between programs and recipients of grant funding 94207  
related to technology, development, commercialization, and 94208  
supporting Ohio's economic development. The annual review by the 94209



Third Frontier Commission shall be a comprehensive review of the 94210  
entire state science and technology program portfolio rather than 94211  
a review of individual programs. 94212

REPAYMENT OF RESEARCH FACILITY INVESTMENT FUND MONEYS 94213

Notwithstanding any provision of law to the contrary, all 94214  
repayments of Research Facility Investment Fund loans shall be 94215  
made to the Bond Service Trust Fund. All Research Facility 94216  
Investment Fund loan repayments made prior to the effective date 94217  
of this section shall be transferred by the Director of Budget and 94218  
Management to the Bond Service Trust Fund within sixty days of the 94219  
effective date of this section. 94220

Campuses shall make timely repayments of Research Facility 94221  
Investment Fund loans, according to the schedule established by 94222  
the Board of Regents. In the case of late payments, the Board of 94223  
Regents may deduct from an institution's periodic subsidy 94224  
distribution an amount equal to the amount of the overdue payment 94225  
for that institution, transfer such amount to the Bond Service 94226  
Trust Fund, and credit the appropriate institution for the 94227  
repayment. 94228

VETERANS' PREFERENCES 94229

The Board of Regents shall work with the Governor's Office of 94230  
Veterans' Affairs to develop specific veterans' preference 94231  
guidelines for higher education institutions. These guidelines 94232  
shall ensure that the institutions' hiring practices are in 94233  
accordance with the intent of Ohio's veterans' preference laws. 94234

**Section 89.14.** STUDY OF CO-LOCATED INSTITUTIONS 94235

The Board of Regents shall review the operation and 94236  
effectiveness of co-located university branch campuses and 94237  
technical colleges, with particular attention to improved 94238  
responsiveness to community needs and improved transfer of 94239

coursework. The Board of Regents shall report its findings and 94240  
recommendations to the General Assembly not later than May 15, 94241  
2004. 94242

**Section 89.15.** On the effective date of this section, the 94243  
Board of Regents shall recognize the conversion of Belmont 94244  
Technical College from a technical college under Chapter 3358. of 94245  
the Revised Code to a community college under Chapter 3354. of the 94246  
Revised Code, and on and after the effective date of this section 94247  
Belmont Technical College shall be known as Belmont Community 94248  
College. 94249

**Section 89.16.** The Ohio Board of Regents shall approve the 94250  
creation of a new joint vocational-community college-university 94251  
pilot partnership at the Warren County Career Center on a pilot 94252  
basis in fiscal years 2004 and 2005. 94253

(A) Before the pilot program may be implemented the following 94254  
conditions shall be met: 94255

(1) The Warren County Career Center's joint vocational school 94256  
district board of education approves, by resolution, the 94257  
establishment of a joint vocational-community college-university 94258  
pilot partnership program within the Career Center. 94259

(2) The Career Center's joint vocational school district 94260  
board and the local workforce policy board submit to the Ohio 94261  
Board of Regents a plan for the pilot partnership program similar 94262  
to the Lorain County Community College's University Center. 94263

(B) The Career Center's joint vocational school district 94264  
board shall do all of the following in implementing the pilot 94265  
program: 94266

(1) Act as the host for programs offered by institutions of 94267  
higher education; 94268

(2) Select programs from existing programs offered by	94269
institutions of higher education that may be provided at the	94270
Career Center;	94271
(3) Contract with institutions of higher education whereby	94272
the institutions may provide course offerings and programs at the	94273
Career Center. Under the contracts, the Career Center's joint	94274
vocational school district board shall do all of the following:	94275
(a) Provide facilities at the Career Center for classrooms,	94276
laboratories, a library, and any other necessary facilities;	94277
(b) Advertise the availability of classes and class schedules	94278
to the community;	94279
(c) Coordinate any other administrative functions necessary	94280
for the efficient operations of the pilot program.	94281
(C) Any institution of higher education that contracts with	94282
the Warren County Career Center shall compensate the Career Center	94283
at a reasonable rate for services provided by the Career Center.	94284
(D) The pilot program is ineligible to receive state	94285
financial assistance for capital improvements or any other state	94286
financial assistance available to institutions of higher	94287
education.	94288
<b>Section 89.17.</b> Notwithstanding section 3333.05 of the Revised	94289
Code, the Ohio Board of Regents shall issue a charter for a new	94290
community college, as defined in division (C) of section 3354.01	94291
of the Revised Code, to be operated jointly with the Warren County	94292
Career Center. However, the new community college shall not offer	94293
courses or request approval of appropriate associate degree	94294
programs from the Ohio Board of Regents until after July 1, 2005.	94295
Until July 1, 2005, the board of trustees of the new community	94296
college is authorized only to carry out activities for the	94297
organization of the new community college.	94298

(A) Before the Board of Regents issues a charter to the new community college the following conditions shall be met: 94299  
94300

(1) The Warren County Career Center's joint vocational school district board of education approves, by resolution, the establishment of a new community college within the Career Center. 94301  
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(2) The Warren County Career Center's joint vocational school district board and the local workforce policy board submit to the Ohio Board of Regents a community college plan that conforms to the requirements of section 3354.07 of the Revised Code and the plan is approved by the Board of Rengents pursuant to that section. 94304  
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(B) To administer the new community college, a board of trustees shall be appointed in accordance with section 3354.05 of the Revised Code. 94310  
94311  
94312

(C) After July 1, 2005, the joint vocational-community college established under this section shall function as: 94313  
94314

(1) A provider of career-technical education to secondary school students, subject to all laws applicable to joint vocational school districts under Title XXXIII of the Revised Code; 94315  
94316  
94317  
94318

(2) A provider of arts and sciences and technical instructional programs, not exceeding two years' duration, for postsecondary school students, subject to all laws applicable to community colleges under Chapters 3345. and 3354. of the Revised Code, unless this section provides otherwise; and 94319  
94320  
94321  
94322  
94323

(3) A provider of arts and sciences and technical instructional programs for secondary school students participating in the postsecondary enrollment options program under Chapter 3365. of the Revised Code. 94324  
94325  
94326  
94327

(D) The community college district of the new community 94328

college is comprised of the territory included within the 94329  
boundaries of Warren County. 94330

(E) All funds received by the joint vocational-community 94331  
college to carry out its duties under division (C)(1) of this 94332  
section shall be kept separate from all funds received by the 94333  
joint vocational-community college to carry out its duties under 94334  
divisions (C)(2) and (3) of this section. All revenues from taxes 94335  
levied by the joint vocational school district shall be kept 94336  
separate from all revenues of any taxes levied by the community 94337  
college district. 94338

(F) The joint vocational-community college established under 94339  
this section is ineligible to receive state financial assistance 94340  
for capital improvements otherwise available to community colleges 94341  
under Chapter 3345. or 3354. of the Revised Code. The joint 94342  
vocational-community college is eligible to receive only classroom 94343  
facilities assistance under sections 3318.40 to 3318.46 of the 94344  
Revised Code, but only if the assistance would provide funds for a 94345  
project to carry out the responsibilities of the Warren County 94346  
Career Center specified in division (C)(1) of this section. The 94347  
joint vocational-community college is ineligible for classroom 94348  
facilities under sections 3318.40 to 3318.46 of the Revised Code 94349  
for projects that when complete would be used exclusively for 94350  
community college purposes, as prohibited by division (C) of 94351  
section 3318.40 of the Revised Code. 94352

(G) By June 30, 2005, the board of education of the joint 94353  
vocational school district and the board of trustees of the new 94354  
community college shall submit a report to the Board of Regents on 94355  
the status of the joint vocational-community college-university 94356  
pilot partnership authorized by this act and the development of 94357  
the new community college authorized by this section. 94358

**Section 89.18.** The General Assembly recognizes the pilot 94359

tuition restructuring plan of the board of trustees of Miami University for undergraduate students enrolled at the Oxford campus. The purpose of this plan is to make higher education more affordable for moderate income Ohioans, encourage high-achieving Ohio students to stay in Ohio rather than attending colleges in other states, and provide incentives for Ohio students to major in areas crucial to Ohio's priorities and future economic development.

Notwithstanding any limit on in-state undergraduate instructional and general fees imposed by this act, the General Assembly recognizes that the plan provides that all undergraduate students enrolled at the Oxford campus will be charged combined instructional and general fees in an amount equal to the nonresident instructional and general fees and tuition surcharge. For both resident students first enrolling on or after the summer term of 2003 and resident students who enrolled prior to this date, any increases in fees approved thereafter by the board of trustees are subject to any instructional and general fee caps imposed by the General Assembly.

In implementing the plan, all undergraduate students who are residents of Ohio shall receive student financial assistance in the form of an Ohio Resident Scholarship and an Ohio Leader Scholarship.

Miami University established the Ohio Resident Scholarship in recognition of the support provided by this state to Miami University. Each enrolled student who is a resident of Ohio shall receive an Ohio Resident Scholarship. The Ohio Resident Scholarship shall be an award that is equal to, or in excess of, the per capita core funding, which is funding through the state share of instruction and success challenges, the University receives from this state. For fiscal year 2004, the board of trustees established the amount of an Ohio Resident Scholarship at

\$5,000. Each year, thereafter, the board of trustees of Miami University shall establish the amount of an Ohio Resident Scholarship for the entering class based upon increases or decreases in state core funding the University receives from this state and shall award such a scholarship to each undergraduate Ohio resident. The University shall guarantee the award will be renewed each year at not less than the initial amount until graduation or for six academic years, whichever occurs first.

Miami University established the Ohio Leader Scholarship to make Miami University more affordable for low- and middle-income Ohio families, to encourage high-achieving students to attend college in Ohio, and to provide incentives for Ohio students to major in areas crucial to Ohio's economic development. To determine which families qualify as low- and middle-income, the University shall use federal financial aid guidelines but assume that generally families earning less than \$110,000 annually qualify. Each enrolled student who is a resident of Ohio shall receive an Ohio Leader Scholarship. The board of trustees established the amount of an Ohio Leader Scholarship at \$4,750 in fiscal year 2004. Each year thereafter, the board of trustees shall award an Ohio Leader Scholarship to each undergraduate Ohio resident student in an amount based on financial need, academic qualifications, or state priorities criteria. The amount of an award may vary from student to student. The initial award amount shall be guaranteed by the University to be renewed each year, assuming satisfactory academic progress, at an amount that is not less than the initial amount until graduation or six academic years, whichever occurs first. All Ohio Leader Scholarship awards shall use financial need as the first criteria in determining the award amount. For fiscal year 2005, the University shall offer one-third of accepted high-need Ohio residents above average Ohio Leader Scholarship awards, one-third of accepted low-need Ohio residents shall be offered below average Ohio Leader Scholarship

awards, and one-third of accepted average-need Ohio residents 94425  
shall be offered average Ohio Leader Scholarship awards. 94426

For fiscal year 2004, at the Oxford campus of Miami 94427  
University where current instructional and general fee charges 94428  
equal \$18,103, the combined Ohio Resident Scholarship and Ohio 94429  
Leader Scholarship amount totals \$9,750. Based on instructional 94430  
and general fee charges of \$19,732 at the Oxford campus of Miami 94431  
University in fiscal year 2005, Miami University projects the 94432  
combined scholarship award will range from a minimum of \$10,000 94433  
for those with the least need who will receive the lowest Ohio 94434  
Leader Scholarship award to a maximum of \$11,256 for those 94435  
students with the greatest need who will receive the highest Ohio 94436  
Leader Scholarship award. These scholarship awards shall augment 94437  
other University financial assistance. During fiscal years 2004 94438  
and 2005, all funds generated by above average Ohio Leader 94439  
Scholarship awards shall be utilized for the support of Ohio 94440  
students. 94441

For any resident student who enrolls at the Miami University 94442  
Oxford campus prior to August 2004, the plan shall have no direct 94443  
financial impact except for paper changes on invoices so that such 94444  
a student shall only pay instructional and general fees in an 94445  
amount equivalent to what the student was charged in the preceding 94446  
year in addition to any increases in fees approved by the board of 94447  
trustees. 94448

**Section 89.19. OIG RECONCILIATION** 94449

By the first day of August in each fiscal year, or as soon 94450  
thereafter as possible, the Ohio Board of Regents shall certify to 94451  
the Director of Budget and Management the amount necessary to pay 94452  
any outstanding prior year obligations to higher education 94453  
institutions for the Ohio Instructional Grant Program. The amounts 94454  
certified are hereby appropriated to appropriation item 235-618, 94455



OIG Reconciliation, from revenues received in the Instructional Grant Reconciliation Fund (Fund 5Y5). 94456  
94457

**Section 89.20.** BELMONT TECHNICAL COLLEGE 94458

Not later than one year after the effective date of this section, the Board of Regents shall consider a proposal from Belmont Technical College to convert to a community college. 94459  
94460  
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The Board shall consider the demonstrated need for such an institution, the most effective use of state resources to fund such a conversion, and the regional benefit of such a conversion. 94462  
94463  
94464

**Section 90.** DRC DEPARTMENT OF REHABILITATION AND CORRECTION 94465

General Revenue Fund 94466

GRF 501-321 Institutional \$ 848,631,155 \$ 861,557,899 94467

Operations

GRF 501-403 Prisoner Compensation \$ 8,455,052 \$ 8,705,052 94468

GRF 501-405 Halfway House \$ 36,890,139 \$ 35,579,419 94469

GRF 501-406 Lease Rental Payments \$ 141,997,000 \$ 146,307,900 94470

GRF 501-407 Community \$ 15,161,353 \$ 15,352,814 94471

Nonresidential

Programs

GRF 501-408 Community Misdemeanor \$ 7,942,211 \$ 8,041,489 94472

Programs

GRF 501-501 Community Residential \$ 53,970,123 \$ 52,872,875 94473

Programs - CBCF

GRF 502-321 Mental Health Services \$ 66,802,290 \$ 68,265,662 94474

GRF 503-321 Parole and Community \$ 77,195,938 \$ 78,845,845 94475

Operations

GRF 504-321 Administrative \$ 26,533,707 \$ 27,420,848 94476

Operations

GRF 505-321 Institution Medical \$ 118,406,940 \$ 120,014,320 94477

Services

GRF 506-321	Institution Education Services	\$ 24,335,287	\$ 24,747,574	94478
GRF 507-321	Institution Recovery Services	\$ 7,018,500	\$ 7,124,516	94479
TOTAL GRF	General Revenue Fund	\$ 1,433,339,695	\$ 1,454,836,213	94480
	General Services Fund Group			94481
4B0 501-601	Penitentiary Sewer Treatment Facility Services	\$ 1,693,129	\$ 1,758,177	94482
4D4 501-603	Prisoner Programs	\$ 20,537,291	\$ 20,967,703	94483
4L4 501-604	Transitional Control	\$ 1,348,740	\$ 1,593,794	94484
4S5 501-608	Education Services	\$ 4,452,754	\$ 4,564,072	94485
483 501-605	Property Receipts	\$ 383,894	\$ 393,491	94486
5H8 501-617	Offender Financial Responsibility	\$ 1,335,000	\$ 1,374,020	94487
5L6 501-611	Information Technology Services	\$ 3,650,712	\$ 3,741,980	94488
571 501-606	Training Academy Receipts	\$ 73,356	\$ 75,190	94489
593 501-618	Laboratory Services	\$ 4,707,730	\$ 4,825,423	94490
TOTAL GSF	General Services Fund Group	\$ 38,182,606	\$ 39,293,850	94491
	Federal Special Revenue Fund Group			94492
3S1 501-615	Truth-In-Sentencing Grants	\$ 24,604,435	\$ 25,517,173	94493
323 501-619	Federal Grants	\$ 10,759,329	\$ 11,300,335	94494
TOTAL FED	Federal Special Revenue Fund Group	\$ 35,363,764	\$ 36,817,508	94495
	Intragovernmental Service Fund Group			94497
148 501-602	Services and Agricultural	\$ 95,207,653	\$ 95,207,653	94498
200 501-607	Ohio Penal Industries	\$ 29,748,175	\$ 31,491,879	94499

TOTAL ISF Intragovernmental			94500
Service Fund Group	\$ 124,955,828	\$ 126,699,532	94501
TOTAL ALL BUDGET FUND GROUPS	\$ 1,631,841,893	\$ 1,657,647,103	94502
COMMUNITY CORRECTIONS TRANSFERS			94503
The Department of Rehabilitation and Correction shall seek			94504
the approval of the Controlling Board to transfer in FY 2005 from			94505
the unexpended, unobligated GRF appropriations made to the			94506
Department for fiscal years 2004 and 2005 at least \$3,250,000 in			94507
appropriation authority to appropriation item 501-405, Halfway			94508
House, and at least \$3,250,000 in appropriation authority to			94509
appropriation item 501-501, Community Residential Programs - CBCF.			94510
ZERO-BASED BUDGETING			94511
The Director of Budget and Management shall prepare a full			94512
zero-based budget for the biennium ending June 30, 2007, for the			94513
Department of Rehabilitation and Correction. The Director shall			94514
offer the Department substantial technical assistance throughout			94515
the process of preparing its zero-based budget. The Department			94516
shall prepare a full zero-based budget in such manner and			94517
according to such schedule as the Director of Budget and			94518
Management requires. The zero-based budget shall, as the Director			94519
of Budget and Management determines, be in addition to or in place			94520
of the estimates of revenue and proposed expenditures that the			94521
Department otherwise would be required to prepare under section			94522
126.02 of the Revised Code.			94523
OHIO BUILDING AUTHORITY LEASE PAYMENTS			94524
The foregoing appropriation item 501-406, Lease Rental			94525
Payments, shall be used for payments to the Ohio Building			94526
Authority for the period July 1, 2003, to June 30, 2005, pursuant			94527
to the primary leases and agreements for those buildings made			94528
under Chapter 152. of the Revised Code but limited to the			94529
aggregate amount of \$288,304,900. This appropriation amount is the			94530

source of funds pledged for bond service charges on related				94531	
obligations issued pursuant to Chapter 152. of the Revised Code.				94532	
PRISONER COMPENSATION				94533	
Money from the foregoing appropriation item 501-403, Prisoner				94534	
Compensation, shall be transferred on a quarterly basis by				94535	
intrastate transfer voucher to the Services and Agricultural Fund				94536	
(Fund 148) for the purposes of paying prisoner compensation.				94537	
CASH TRANSFER TO THE OFFENDER FINANCIAL RESPONSIBILITY FUND				94538	
On July 1, 2003, or as soon thereafter as possible, the				94539	
Director of Budget and Management shall transfer the cash balance				94540	
in the Adult Parole Authority Probation Services Fund (Fund 5A3)				94541	
to the Offender Financial Responsibility Fund (Fund 5H8).				94542	
<b>Section 91. RSC REHABILITATION SERVICES COMMISSION</b>				94543	
General Revenue Fund				94544	
GRF 415-100 Personal Services	\$	8,677,911	\$	8,851,468	94545
GRF 415-402 Independent Living	\$	12,040	\$	12,280	94546
Council					
GRF 415-403 Mental Health Services	\$	717,221	\$	717,221	94547
GRF 415-404 MR/DD Services	\$	1,260,816	\$	1,260,816	94548
GRF 415-405 Vocational	\$	536,912	\$	536,912	94549
Rehabilitation/Job and					
Family Services					
GRF 415-406 Assistive Technology	\$	47,531	\$	47,531	94550
GRF 415-431 Office for People with	\$	222,364	\$	226,012	94551
Brain Injury					
GRF 415-506 Services for People	\$	11,830,306	\$	12,185,215	94552
with Disabilities					
GRF 415-508 Services for the Deaf	\$	50,000	\$	50,000	94553
GRF 415-509 Services for the	\$	359,377	\$	359,377	94554
Elderly					

GRF 415-520	Independent Living Services	\$	50,000	\$	50,000	94555
TOTAL GRF	General Revenue Fund	\$	23,764,478	\$	24,296,832	94556
	General Services Fund Group					94557
4W5 415-606	Administrative Expenses	\$	18,016,543	\$	18,557,040	94558
467 415-609	Business Enterprise Operating Expenses	\$	1,584,545	\$	1,632,082	94559
TOTAL GSF	General Services Fund Group	\$	19,601,088	\$	20,189,122	94560
	Federal Special Revenue Fund Group					94562
3L1 415-601	Social Security Personal Care Assistance	\$	3,984,486	\$	3,988,032	94563
3L1 415-605	Social Security Community Centers for the Deaf	\$	1,100,488	\$	1,100,488	94564
3L1 415-607	Social Security Administration Cost	\$	174,119	\$	175,860	94565
3L1 415-608	Social Security Special Programs/Assistance	\$	6,941,158	\$	6,941,158	94566
3L1 415-610	Social Security Vocational Rehabilitation	\$	1,338,324	\$	1,338,324	94567
3L1 415-614	Social Security Independent Living	\$	385,917	\$	385,917	94568
3L4 415-612	Federal-Independent Living Centers or Services	\$	663,687	\$	663,687	94569
3L4 415-615	Federal - Supported Employment	\$	1,714,546	\$	1,714,546	94570

3L4	415-617	Independent Living/Vocational Rehabilitation Programs	\$	1,582,484	\$	1,582,484	94571
317	415-620	Disability Determination	\$	73,120,329	\$	76,776,343	94572
379	415-616	Federal-Vocational Rehabilitation	\$	117,955,833	\$	125,520,457	94573
TOTAL FED Federal Special							94574
Revenue Fund Group			\$	208,961,371	\$	220,187,296	94575
State Special Revenue Fund Group							94576
4L1	415-619	Services for Rehabilitation	\$	3,623,845	\$	3,176,070	94577
468	415-618	Third Party Funding	\$	1,692,991	\$	2,392,991	94578
TOTAL SSR State Special							94579
Revenue Fund Group			\$	5,316,836	\$	5,569,061	94580
TOTAL ALL BUDGET FUND GROUPS			\$	257,643,773	\$	270,242,311	94581

MR/DD SERVICES 94582

The foregoing appropriation item 415-404, MR/DD Services, 94583  
shall be used as state matching funds to provide vocational 94584  
rehabilitation services to mutually eligible clients between the 94585  
Rehabilitation Services Commission and the Department of Mental 94586  
Retardation and Developmental Disabilities. The Rehabilitation 94587  
Services Commission shall report to the Department of Mental 94588  
Retardation and Developmental Disabilities, as outlined in an 94589  
interagency agreement, on the number and status of mutually 94590  
eligible clients and the status of the funds and expenditures for 94591  
these clients. 94592

VOCATIONAL REHABILITATION/JOB AND FAMILY SERVICES 94593

The foregoing appropriation item 415-405, Vocational 94594  
Rehabilitation/Job and Family Services, shall be used as state 94595

matching funds to provide vocational rehabilitation services to 94596  
mutually eligible clients between the Rehabilitation Services 94597  
Commission and the Department of Job and Family Services. The 94598  
Rehabilitation Services Commission shall report to the Department 94599  
of Job and Family Services, as outlined in an interagency 94600  
agreement, on the number and status of mutually eligible clients 94601  
and the status of the funds and expenditures for these clients. 94602

ASSISTIVE TECHNOLOGY 94603

The foregoing appropriation item 415-406, Assistive 94604  
Technology, shall be provided to Assistive Technology of Ohio and 94605  
shall be used only to provide grants under that program. No amount 94606  
of the appropriation may be used for administrative costs. 94607

OFFICE FOR PEOPLE WITH BRAIN INJURY 94608

Of the foregoing appropriation item 415-431, Office for 94609  
People with Brain Injury, \$50,000 in each fiscal year shall be 94610  
used for the state match for a federal grant awarded through the 94611  
Traumatic Brain Injury Act, Pub. L. No. 104-166, and up to \$50,000 94612  
in fiscal year 2004 and up to \$50,000 in fiscal year 2005 shall be 94613  
provided to the Brain Injury Trust Fund. The remaining 94614  
appropriation in this item shall be used to plan and coordinate 94615  
head-injury-related services provided by state agencies and other 94616  
government or private entities, to assess the needs for such 94617  
services, and to set priorities in this area. 94618

SERVICES FOR THE ELDERLY 94619

The foregoing appropriation item 415-509, Services for the 94620  
Elderly, shall be used as matching funds for vocational 94621  
rehabilitation services for eligible elderly citizens with a 94622  
disability. 94623

SOCIAL SECURITY REIMBURSEMENT FUNDS 94624

Reimbursement funds received from the Social Security 94625

Administration, United States Department of Health and Human 94626  
Services, for the costs of providing services and training to 94627  
return disability recipients to gainful employment, shall be used 94628  
in the Social Security Reimbursement Fund (Fund 3L1), as follows: 94629

(A) Appropriation item 415-601, Social Security Personal Care 94630  
Assistance, to provide personal care services in accordance with 94631  
section 3304.41 of the Revised Code; 94632

(B) Appropriation item 415-605, Social Security Community 94633  
Centers for the Deaf, to provide grants to community centers for 94634  
the deaf in Ohio for services to individuals with hearing 94635  
impairments; 94636

(C) Appropriation item 415-607, Social Security 94637  
Administration Cost, to provide administrative services needed to 94638  
administer the Social Security reimbursement program; 94639

(D) Appropriation item 415-608, Social Security Special 94640  
Programs/Assistance, to provide vocational rehabilitation services 94641  
to individuals with severe disabilities, who are Social Security 94642  
beneficiaries, to achieve competitive employment. This item also 94643  
includes funds to assist the Personal Care Assistance, Community 94644  
Centers for the Deaf, and Independent Living Programs to pay their 94645  
share of indirect costs as mandated by federal OMB Circular A-87. 94646

(E) Appropriation item 415-610, Social Security Vocational 94647  
Rehabilitation, to provide vocational rehabilitation services to 94648  
older blind individuals with severe disabilities to achieve a 94649  
noncompetitive employment goal. 94650

ADMINISTRATIVE EXPENSES 94651

The foregoing appropriation item 415-606, Administrative 94652  
Expenses, shall be used to support the administrative functions of 94653  
the commission related to the provision of vocational 94654  
rehabilitation, disability determination services, and ancillary 94655  
programs. 94656



INDEPENDENT LIVING COUNCIL	94657
The foregoing appropriation item 415-402, Independent Living Council, shall be used to fund the operations of the State Independent Living Council.	94658 94659 94660
MENTAL HEALTH SERVICES	94661
The foregoing appropriation item 415-403, Mental Health Services, shall be used for the provision of vocational rehabilitation services to mutually eligible consumers of the Rehabilitation Services Commission and the Department of Mental Health.	94662 94663 94664 94665 94666
The Department of Mental Health shall receive a quarterly report from the Rehabilitation Services Commission stating the numbers served, numbers placed in employment, average hourly wage, and average hours worked.	94667 94668 94669 94670
SERVICES FOR THE DEAF	94671
The foregoing appropriation item 415-508, Services for the Deaf, shall be used to supplement Social Security reimbursement funds used to provide grants to community centers for the deaf. These funds shall not be used in lieu of Social Security reimbursement funds.	94672 94673 94674 94675 94676
INDEPENDENT LIVING SERVICES	94677
The foregoing appropriation items 415-520, Independent Living Services, and 415-612, Federal-Independent Living Centers or Services, shall be used to support state independent living centers or independent living services pursuant to Title VII of the Independent Living Services and Centers for Independent Living of the Rehabilitation Act Amendments of 1992, 106 Stat. 4344, 29 U.S.C. 796d.	94678 94679 94680 94681 94682 94683 94684
INDEPENDENT LIVING/VOCATIONAL REHABILITATION PROGRAMS	94685
The foregoing appropriation item 415-617, Independent	94686

Living/Vocational Rehabilitation Programs, shall be used to 94687  
support vocational rehabilitation programs, including, but not 94688  
limited to, Projects with Industry, Training Grants, and Brain 94689  
Injury Grants. 94690

**PILOT PROGRAM FOR VOCATIONAL REHABILITATION** 94691

During fiscal years 2004 and 2005, the Rehabilitation 94692  
Services Commission may conduct a pilot program to provide 94693  
vocational rehabilitation and related services to entities, 94694  
employers, or individuals that are not eligible for state or 94695  
federally supported services through the commission. The 94696  
commission shall propose fees to be collected from the entities, 94697  
employers, or individuals served by the pilot program for the 94698  
approval of the Controlling Board to support the costs for 94699  
vocational rehabilitation and related services provided under the 94700  
pilot program. Fee revenues collected under the program shall be 94701  
credited to Fund 468 (Third Party Funding). Prior to the 94702  
commencement of services through the pilot program, the 94703  
Rehabilitation Services Commission shall develop a program plan to 94704  
be submitted to the Controlling Board. Any plan revisions or 94705  
updates shall be reported to the Controlling Board. During the 94706  
implementation of the pilot program, the Rehabilitation Services 94707  
Commission shall investigate and determine the possibility of 94708  
utilizing this source of revenue to match federal funds. The 94709  
Rehabilitation Services Commission shall evaluate the progress of 94710  
the pilot program and issue a report of its findings to the 94711  
Governor by December 15, 2005. The report shall include a 94712  
recommendation to either continue or discontinue the pilot program 94713  
in the next biennium. 94714

**Section 92. RCB RESPIRATORY CARE BOARD** 94715

General Services Fund Group 94716  
4K9 872-609 Operating Expenses \$ 318,499 \$ 315,481 94717

TOTAL GSF General Services				94718
Fund Group	\$	318,499	\$ 315,481	94719
TOTAL ALL BUDGET FUND GROUPS	\$	318,499	\$ 315,481	94720
<b>Section 93. REVENUE DISTRIBUTION FUNDS</b>				94722
Volunteer Firefighters' Dependents Fund				94723
085 800-900 Volunteer	\$	200,000	\$ 200,000	94724
Firefighters'				
Dependents Fund				
TOTAL 085 Volunteer Firefighters'				94725
Dependents Fund	\$	200,000	\$ 200,000	94726
Agency Fund Group				94727
062 110-900 Resort Area Excise Tax	\$	500,000	\$ 500,000	94728
063 110-900 Permissive Tax	\$	1,397,512,400	\$ 1,439,437,700	94729
Distribution				
067 110-900 School District Income	\$	154,836,700	\$ 161,030,200	94730
Tax Fund				
4P8 001-698 Cash Management	\$	2,500,000	\$ 2,500,000	94731
Improvement Fund				
608 001-699 Investment Earnings	\$	174,300,000	\$ 181,300,000	94732
TOTAL AGY Agency Fund Group	\$	1,729,649,100	\$ 1,784,767,900	94733
Holding Account Redistribution				94734
R45 110-617 International Fuel Tax	\$	36,400,000	\$ 37,200,000	94735
Distribution				
TOTAL R45 Holding Account	\$	36,400,000	\$ 37,200,000	94736
Redistribution Fund				
Revenue Distribution Fund Group				94737
049 038-900 Indigent Drivers	\$	1,850,000	\$ 1,850,000	94738
Alcohol Treatment				
050 762-900 International	\$	60,000,000	\$ 60,000,000	94739
Registration Plan				
Distribution				

051	762-901	Auto Registration Distribution	\$ 475,000,000	\$ 486,875,000	94740
054	110-900	Local Government Property Tax Replacement	\$ 75,000,000	\$ 75,000,000	94741
060	110-900	Gasoline Excise Tax Fund	\$ 113,344,700	\$ 115,611,600	94742
064	110-900	Local Government Revenue Assistance	\$ 98,500,000	\$ 98,500,000	94743
065	110-900	Library/Local Government Support Fund	\$ 475,000,000	\$ 475,000,000	94744
066	800-900	Undivided Liquor Permit Fund	\$ 13,500,000	\$ 13,500,000	94745
068	110-900	State/Local Government Highway Distribution Fund	\$ 227,607,000	\$ 232,159,100	94746
069	110-900	Local Government Fund	\$ 705,000,000	\$ 705,000,000	94747
082	110-900	Horse Racing Tax	\$ 130,000	\$ 130,000	94748
083	700-900	Ohio Fairs Fund	\$ 3,150,000	\$ 3,150,000	94749
TOTAL RDF Revenue Distribution					94750
Fund Group			\$ 2,248,081,700	\$ 2,266,775,700	94751
TOTAL ALL BUDGET FUND GROUPS			\$ 4,014,330,800	\$ 4,088,943,600	94752
ADDITIONAL APPROPRIATIONS					94753
Appropriation items in this section are to be used for the					94754
purpose of administering and distributing the designated revenue					94755
distributions fund according to the Revised Code. If it is					94756
determined that additional appropriations are necessary, such					94757
amounts are appropriated.					94758
<b>Section 94. SAN BOARD OF SANITARIAN REGISTRATION</b>					94759
General Services Fund Group					94760

4K9 893-609 Operating Expenses	\$	124,892	\$	125,612	94761
TOTAL GSF General Services					94762
Fund Group	\$	124,892	\$	125,612	94763
TOTAL ALL BUDGET FUND GROUPS	\$	124,892	\$	125,612	94764

**Section 95. OSB OHIO STATE SCHOOL FOR THE BLIND** 94766

General Revenue Fund					94767
GRF 226-100 Personal Services	\$	6,287,483	\$	6,456,616	94768
GRF 226-200 Maintenance	\$	685,256	\$	685,256	94769
GRF 226-300 Equipment	\$	121,355	\$	121,355	94770
TOTAL GRF General Revenue Fund	\$	7,094,094	\$	7,263,227	94771
General Services Fund Group					94772
4H8 226-602 Education Reform	\$	61,476	\$	61,476	94773
Grants					
TOTAL GSF General Services					94774
Fund Group	\$	61,476	\$	61,476	94775
Federal Special Revenue Fund Group					94776
3P5 226-643 Medicaid Professional	\$	143,600	\$	143,600	94777
Services Reimbursement					
310 226-626 Coordinating Unit	\$	1,390,000	\$	1,384,000	94778
TOTAL FED Federal Special					94779
Revenue Fund Group	\$	1,533,600	\$	1,527,600	94780
State Special Revenue Fund Group					94781
4M5 226-601 Work Study &	\$	42,919	\$	42,919	94782
Technology Investments					
TOTAL SSR State Special Revenue					94783
Fund Group	\$	42,919	\$	42,919	94784
TOTAL ALL BUDGET FUND GROUPS		8,732,089		8,895,222	94785

**Section 96. OSD OHIO STATE SCHOOL FOR THE DEAF** 94787

General Revenue Fund					94788
GRF 221-100 Personal Services	\$	8,071,660	\$	8,391,704	94789

GRF 221-200 Maintenance	\$	1,012,561	\$	1,032,813	94790
GRF 221-300 Equipment	\$	269,377	\$	269,377	94791
TOTAL GRF General Revenue Fund	\$	9,353,598	\$	9,693,894	94792
General Services Fund Group					94793
4M1 221-602 Education Reform	\$	70,701	\$	70,701	94794
Grants					
TOTAL GSF General Services					94795
Fund Group	\$	70,701	\$	70,701	94796
Federal Special Revenue Fund Group					94797
3R0 221-684 Medicaid Professional	\$	111,377	\$	111,377	94798
Services Reimbursement					94799
311 221-625 Coordinating Unit	\$	949,899	\$	974,649	94800
3Y1 221-686 Early Childhood Grant	\$	248,235	\$	262,275	94801
TOTAL FED Federal Special					94802
Revenue Fund Group	\$	1,309,511	\$	1,348,301	94803
State Special Revenue Fund Group					94804
4M0 221-601 Educational Program	\$	33,188	\$	33,188	94805
Expenses					94806
5H6 221-609 Even Start Fees &	\$	98,500	\$	98,500	94807
Gifts					
TOTAL SSR State Special Revenue					94808
Fund Group	\$	131,688	\$	131,688	94809
TOTAL ALL BUDGET FUND GROUPS		10,865,498		11,244,584	94810
<b>Section 97. SFC SCHOOL FACILITIES COMMISSION</b>					94812
General Revenue Fund					94813
GRF 230-428 Lease Rental Payments	\$	31,776,500	\$	31,704,700	94814
GRF 230-908 Common Schools General	\$	106,322,300	\$	145,989,300	94815
Obligation Debt					
Service					
TOTAL GRF General Revenue Fund	\$	138,098,800	\$	177,694,000	94816

Federal Special Revenue Fund Group				94817	
3X9 230-601 Federal School	\$	28,214,058	\$	28,214,058	94818
Facilities Grant					
TOTAL FED Federal Special Revenue	\$	28,214,058	\$	28,214,058	94819
Fund Group					
State Special Revenue Fund Group				94820	
5E3 230-644 Operating Expenses	\$	7,009,766	\$	7,009,766	94821
TOTAL SSR State Special Revenue				94822	
Fund Group	\$	7,009,766	\$	7,009,766	94823
TOTAL ALL BUDGET FUND GROUPS	\$	173,322,624	\$	212,917,824	94824

**Section 97.01. LEASE RENTAL PAYMENTS** 94826

The foregoing appropriation item 230-428, Lease Rental 94827  
Payments, shall be used to meet all payments at the times they are 94828  
required to be made during the period from July 1, 2003, to June 94829  
30, 2005, by the School Facilities Commission pursuant to leases 94830  
and agreements made under section 3318.26 of the Revised Code, but 94831  
limited to the aggregate amount of \$63,481,200. Nothing in this 94832  
act shall be deemed to contravene the obligation of the state to 94833  
pay, without necessity for further appropriation, from the sources 94834  
pledged thereto, the bond service charges on obligations issued 94835  
pursuant to Chapter 3318. of the Revised Code. 94836

**COMMON SCHOOLS GENERAL OBLIGATION DEBT SERVICE** 94837

The foregoing appropriation item 230-908, Common Schools 94838  
General Obligation Debt Service, shall be used to pay all debt 94839  
service and related financing costs at the times they are required 94840  
to be made pursuant to sections 151.01 and 151.03 of the Revised 94841  
Code during the period from July 1, 2003, to June 30, 2005. The 94842  
Office of the Sinking Fund or the Director of Budget and 94843  
Management shall effectuate the required payments by an intrastate 94844  
transfer voucher. 94845

OPERATING EXPENSES 94846

The foregoing appropriation item 230-644, Operating Expenses, 94847  
shall be used by the Ohio School Facilities Commission to carry 94848  
out its responsibilities pursuant to this section and Chapter 94849  
3318. of the Revised Code. 94850

Within ten days after the effective date of this section, or 94851  
as soon as possible thereafter, the Executive Director of the Ohio 94852  
School Facilities Commission shall certify to the Director of 94853  
Budget and Management the amount of cash from interest earnings to 94854  
be transferred from the School Building Assistance Fund (Fund 032) 94855  
or the Public School Building Fund (Fund 021) to the Ohio School 94856  
Facilities Commission Fund (Fund 5E3). 94857

By July 10, 2004, the Executive Director of the Ohio School 94858  
Facilities Commission shall certify to the Director of Budget and 94859  
Management the amount of cash from interest earnings to be 94860  
transferred from the School Building Assistance Fund (Fund 032) or 94861  
the Public School Building Fund (Fund 021) to the Ohio School 94862  
Facilities Commission Fund (Fund 5E3). The amount transferred may 94863  
not exceed investment earnings credited to the School Building 94864  
Assistance Fund (Fund 032) less any amount required to be paid for 94865  
federal arbitrage rebate purposes. 94866

SCHOOL FACILITIES ENCUMBRANCES AND REAPPROPRIATION 94867

At the request of the Executive Director of the Ohio School 94868  
Facilities Commission, the Director of Budget and Management may 94869  
cancel encumbrances for school district projects from a previous 94870  
biennium if the district has not raised its local share of project 94871  
costs within one year of receiving Controlling Board approval in 94872  
accordance with section 3318.05 of the Revised Code. The Executive 94873  
Director of the Ohio School Facilities Commission shall certify 94874  
the amounts of these canceled encumbrances to the Director of 94875  
Budget and Management on a quarterly basis. The amounts of the 94876



canceled encumbrances are appropriated. 94877

**Section 97.02. COMMUNITY SCHOOL CLASSROOM FACILITIES LOAN** 94878  
**GUARANTEE** 94879

The unencumbered and unallotted balances as of June 30, 2003, 94880  
in appropriation item 230-602, Community School Loan Guarantee, 94881  
are hereby reappropriated in fiscal year 2004 to support loan 94882  
guarantees to community schools under section 3318.50 of the 94883  
Revised Code. The unencumbered and unallotted balances of the 94884  
appropriation at the end of fiscal year 2004 are hereby 94885  
reappropriated in fiscal year 2005 to support loan guarantees to 94886  
community schools under section 3318.50 of the Revised Code. 94887

**Section 97.03. EXTREME ENVIRONMENTAL CONTAMINATION OF SCHOOL** 94888  
**FACILITIES** 94889

Notwithstanding any other provision of law to the contrary, 94890  
the School Facilities Commission may provide assistance under the 94891  
Exceptional Needs School Facilities Program established in section 94892  
3318.37 of the Revised Code to any school district, and not 94893  
exclusively to a school district in the lowest fifty per cent of 94894  
adjusted valuation per pupil on the current ranking of school 94895  
districts established pursuant to section 3317.02 of the Revised 94896  
Code, for the purpose of the relocation or replacement of school 94897  
facilities required as a result of extreme environmental 94898  
contamination. 94899

The School Facilities Commission shall contract with an 94900  
independent environmental consultant to conduct a study and to 94901  
report to the commission as to the seriousness of the 94902  
environmental contamination, whether the contamination violates 94903  
applicable state and federal standards, and whether the facilities 94904  
are no longer suitable for use as school facilities. The 94905  
commission then shall make a determination regarding funding for 94906

the relocation or replacement of the school facilities. If the 94907  
federal government or other public or private entity provides 94908  
funds for restitution of costs incurred by the state or school 94909  
district in the relocation or replacement of the school 94910  
facilities, the school district shall use such funds in excess of 94911  
the school district's share to refund the state for the state's 94912  
contribution to the environmental contamination portion of the 94913  
project. The school district may apply an amount of such 94914  
restitution funds up to an amount equal to the school district's 94915  
portion of the project, as defined by the commission, toward 94916  
paying its portion of that project to reduce the amount of bonds 94917  
the school district otherwise must issue to receive state 94918  
assistance under sections 3318.01 to 3318.20 of the Revised Code. 94919

**Section 97.04.** (A) The Ohio School Facilities Commission may 94920  
commit up to thirty-five million dollars to the Canton City School 94921  
District for construction of a facility described in this section, 94922  
in lieu of a high school that would otherwise be authorized under 94923  
Chapter 3318. of the Revised Code. The commission shall not commit 94924  
funds under this section unless all of the following conditions 94925  
are met: 94926

(1) The district has entered into a cooperative agreement 94927  
with a state-assisted technical college. 94928

(2) The district has received an irrevocable commitment of 94929  
additional funding from nonpublic sources. 94930

(3) The facility is intended to serve both secondary and 94931  
postsecondary instructional purposes. 94932

(B) The commission shall enter into an agreement with the 94933  
district for the construction of the facility authorized under 94934  
this section that is separate from and in addition to the 94935  
agreement required for the district's participation in the 94936  
Classroom Facilities Assistance Program under section 3318.08 of 94937

the Revised Code. Notwithstanding that section and sections 94938  
3318.03, 3318.04, and 3318.083 of the Revised Code, the additional 94939  
agreement shall provide, but not be limited to, the following: 94940

(1) The commission shall not have any oversight 94941  
responsibilities over the construction of the facility. 94942

(2) The facility need not comply with the specifications for 94943  
plans and materials for high schools adopted by the commission. 94944

(3) The commission may decrease the basic project cost that 94945  
would otherwise be calculated for a high school under Chapter 94946  
3318. of the Revised Code. 94947

(4) The state shall not share in any increases in the basic 94948  
project cost for the facility above the amount authorized under 94949  
this section. 94950

All other provisions of Chapter 3318. of the Revised Code 94951  
apply to the approval and construction of a facility authorized 94952  
under this section. 94953

The state funds committed to the facility authorized by this 94954  
section shall be part of the total amount the state commits to the 94955  
Canton City School District under Chapter 3318. of the Revised 94956  
Code. All additional state funds committed to the Canton City 94957  
School District for classroom facilities assistance shall be 94958  
subject to all provisions of Chapter 3318. of the Revised Code. 94959

**Section 98. NET OHIO SCHOOLNET COMMISSION** 94960

General Revenue Fund 94961

GRF 228-404 Operating Expenses \$ 5,961,208 \$ 5,961,208 94962

GRF 228-406 Technical and \$ 7,691,831 \$ 7,691,831 94963

Instructional

Professional

Development

GRF 228-539 Education Technology \$ 6,989,315 \$ 6,989,315 94964

Total GRF General Revenue Fund	\$	20,642,354	\$	20,642,354	94965
General Services Fund Group					94966
5D4 228-640 Conference/Special	\$	1,350,000	\$	1,350,000	94967
Purpose Expenses					
TOTAL GSF General Services					94968
Fund Group	\$	1,350,000	\$	1,350,000	94969
Federal Special Revenue Fund Group					94970
3X8 228-604 Individuals With	\$	1,500,000	\$	1,500,000	94971
Disabilities Education Act					
TOTAL FED Federal Special Revenue					94972
Fund Group	\$	1,500,000	\$	1,500,000	94973
State Special Revenue Fund Group					94974
4W9 228-630 Ohio SchoolNet	\$	400,000	\$	400,000	94975
Telecommunity Fund					
4X1 228-634 Distance Learning	\$	1,750,000	\$	1,750,000	94976
5T3 228-605 Gates Foundation	\$	1,194,908	\$	1,194,908	94977
Grants					
TOTAL SSR State Special Revenue					94978
Fund Group	\$	3,344,908	\$	3,344,908	94979
TOTAL ALL BUDGET FUND GROUPS		26,837,262		26,837,262	94980

**Section 98.01. TECHNICAL AND INSTRUCTIONAL PROFESSIONAL DEVELOPMENT** 94982  
DEVELOPMENT 94983

The foregoing appropriation item 228-406, Technical and 94984  
Instructional Professional Development, shall be used by the Ohio 94985  
SchoolNet Commission to make grants or provide services to 94986  
qualifying schools, including the State School for the Blind and 94987  
the Ohio School for the Deaf, for the provision of hardware, 94988  
software, telecommunications services, and staff development to 94989  
support educational uses of technology in the classroom. 94990

The Ohio SchoolNet Commission shall consider the professional 94991  
development needs associated with the OhioReads Program when 94992  
making funding allocations and program decisions. 94993

Of the foregoing appropriation item 228-406, Technical and 94994  
Instructional Professional Development, \$1,260,000 in each fiscal 94995  
year shall be allocated equally among the 12 Ohio Educational 94996  
Television Stations and, used with the advice of the Ohio 94997  
SchoolNet Commission, for the production of interactive 94998  
instructional programming series and teleconferences to support 94999  
the SchoolNet Commission. The programming shall be targeted to the 95000  
needs of the poorest two hundred school districts as determined by 95001  
the district's adjusted valuation per pupil as defined in section 95002  
3317.0213 of the Revised Code. 95003

Of the foregoing appropriation item 228-406, Technical and 95004  
Instructional Professional Development, \$818,322 in each fiscal 95005  
year shall be used by the INFOhio Network, with the advice of the 95006  
Ohio SchoolNet Commission, to support the provision of electronic 95007  
resources to all public schools with preference given to 95008  
elementary schools. Consideration shall be given by the Commission 95009  
to coordinating the allocation of these moneys with the efforts of 95010  
OhioLINK and the Ohio Public Information Network. 95011

Of the foregoing appropriation item 228-406, Technical and 95012  
Instructional Professional Development, \$300,000 in each fiscal 95013  
year shall be used by the JASON project, with the advice of the 95014  
Ohio SchoolNet Commission, to provide statewide access and a 75 95015  
per cent subsidy for statewide licensing of JASON content for 95016  
90,000 middle school students statewide, and professional 95017  
development for teachers participating in the program. 95018

The remaining appropriation allocated in appropriation item 95019  
228-406, Technical and Instructional Professional Development, 95020  
shall be used by the Ohio SchoolNet Commission for professional 95021

development for teachers and administrators for the use of 95022  
educational technology. The commission may make grants to provide 95023  
technical assistance and professional development on the use of 95024  
educational technology to school districts. 95025

Eligible recipients of grants include regional training 95026  
centers, county offices of education, data collection sites, 95027  
instructional technology centers, institutions of higher 95028  
education, public television stations, special education resource 95029  
centers, area media centers, or other nonprofit educational 95030  
organizations. Services provided through these grants may include 95031  
use of private entities subcontracting through the grant 95032  
recipient. 95033

Grants shall be made to entities on a contractual basis with 95034  
the Ohio SchoolNet Commission. Contracts shall include provisions 95035  
that demonstrate how services will benefit technology use in the 95036  
schools, and in particular will support Ohio SchoolNet efforts to 95037  
support technology in the schools. Contracts shall specify the 95038  
scope of assistance being offered and the potential number of 95039  
professionals who will be served. Contracting entities may be 95040  
awarded more than one grant at a time. 95041

Grants shall be awarded in a manner consistent with the goals 95042  
of Ohio SchoolNet. Special emphasis in the award of grants shall 95043  
be placed on collaborative efforts among service providers. 95044

Application for grants from this appropriation in 95045  
appropriation item 228-406, Technical and Instructional 95046  
Professional Development, shall be consistent with a school 95047  
district's technology plan that shall meet the minimum 95048  
specifications for school district technology plans as prescribed 95049  
by the Ohio SchoolNet Commission. Funds allocated through these 95050  
grants may be combined with funds received through other state or 95051  
federal grants for technology so long as the school district's 95052  
technology plan specifies the use of these funds. 95053

EDUCATION TECHNOLOGY 95054

The foregoing appropriation item 228-539, Education 95055  
Technology, shall be used to provide funding to suppliers of 95056  
information services to school districts for the provision of 95057  
hardware, software, and staff development in support of 95058  
educational uses of technology in the classroom as prescribed by 95059  
the State Plan for Technology pursuant to section 3301.07 of the 95060  
Revised Code, and to support assistive technology for children and 95061  
youth with disabilities. 95062

Of the foregoing appropriation item 228-539, Education 95063  
Technology, up to \$1,946,000 in each fiscal year shall be used by 95064  
the Ohio SchoolNet Commission to link all public K-12 classrooms 95065  
to each other and the Internet, and to provide access to voice, 95066  
video, and data educational resources for students and teachers 95067  
through the OneNet Ohio Program. 95068

Up to \$4,403,778 in each fiscal year shall be used by the 95069  
Ohio SchoolNet Commission to contract with instructional 95070  
television, and \$639,537 in each fiscal year shall be used by the 95071  
commission to contract with education media centers to provide 95072  
Ohio schools with instructional resources and services. 95073

Resources may include, but not be limited to, the following: 95074  
pre-recorded video materials (including videotape, laser discs, 95075  
and CD-ROM discs); computer software for student use or student 95076  
access to electronic communication, databases, spreadsheet, and 95077  
word processing capability; live student courses or courses 95078  
delivered electronically; automated media systems; and 95079  
instructional and professional development materials for teachers. 95080  
The commission shall cooperate with education technology agencies 95081  
in the acquisition, development, and delivery of such educational 95082  
resources to ensure high-quality and educational soundness at the 95083  
lowest possible cost. Delivery of such resources may utilize a 95084

variety of technologies, with preference given to a high-speed 95085  
integrated information network that can transport video, voice, 95086  
data, and graphics simultaneously. 95087

Services shall include presentations and technical assistance 95088  
that will help students and teachers integrate educational 95089  
materials that support curriculum objectives, match specific 95090  
learning styles, and are appropriate for individual interests and 95091  
ability levels. 95092

Such instructional resources and services shall be made 95093  
available for purchase by chartered nonpublic schools or by public 95094  
school districts for the benefit of pupils attending chartered 95095  
nonpublic schools. 95096

TELECOMMUNITY 95097

The foregoing appropriation item 228-630, Ohio SchoolNet 95098  
Telecommunity Fund, shall be distributed by the Ohio SchoolNet 95099  
Commission on a grant basis to eligible school districts to 95100  
establish "distance learning" through interactive video 95101  
technologies in the school district. Per agreements with eight 95102  
Ohio local telephone companies: ALLTEL Ohio, CENTURY Telephone of 95103  
Ohio, Chillicothe Telephone Company, Cincinnati Bell Telephone 95104  
Company, Orwell Telephone Company, Sprint North Central Telephone, 95105  
VERIZON, and Western Reserve Telephone Company, school districts 95106  
are eligible for funds if they are within one of the listed 95107  
telephone company service areas. Funds to administer the program 95108  
shall be expended by the commission up to the amount specified in 95109  
agreements with the listed telephone companies. 95110

Within 30 days after the effective date of this section, the 95111  
Director of Budget and Management shall transfer to Fund 4W9 in 95112  
the State Special Revenue Fund Group any investment earnings from 95113  
moneys paid to the Ohio SchoolNet Commission by any telephone 95114  
company as part of any settlement agreement between the listed 95115



companies and the Public Utilities Commission in fiscal years 1996 95116  
and beyond. 95117

DISTANCE LEARNING 95118

Appropriation item 228-634, Distance Learning, shall be 95119  
distributed by the Ohio SchoolNet Commission on a grant basis to 95120  
eligible school districts to establish "distance learning" in the 95121  
school district. Per the agreement with Ameritech, school 95122  
districts are eligible for funds if they are within an Ameritech 95123  
service area. Funds to administer the program shall be expended by 95124  
the commission up to the amount specified in the agreement with 95125  
Ameritech. 95126

Within thirty days after the effective date of this section, 95127  
the Director of Budget and Management shall transfer to fund 4X1 95128  
in the State Special Revenue Fund Group any investment earnings 95129  
from moneys paid to the office or to the SchoolNet Commission by 95130  
any telephone company as part of a settlement agreement between 95131  
the company and the Public Utilities Commission in fiscal year 95132  
1995. 95133

GATES FOUNDATION GRANTS 95134

The foregoing appropriation item 228-605, Gates Foundation 95135  
Grants, shall be used by the Ohio SchoolNet Commission to provide 95136  
professional development to school district principals, 95137  
superintendents, and other administrative staff for the use of 95138  
education technology. The appropriation is made possible through a 95139  
grant from the Bill and Melinda Gates foundation. 95140

**Section 99. SOS SECRETARY OF STATE** 95141

General Revenue Fund 95142

GRF 050-321 Operating Expenses	\$	2,750,000	\$	2,750,000	95143
GRF 050-403 Election Statistics	\$	110,570	\$	110,570	95144
GRF 050-407 Pollworkers Training	\$	295,742	\$	295,742	95145

GRF 050-409	Litigation	\$	4,949	\$	4,949	95146
	Expenditures					
TOTAL GRF	General Revenue Fund	\$	3,161,261	\$	3,161,261	95147
	General Services Fund Group					95148
4S8 050-610	Board of Voting	\$	7,200	\$	7,200	95149
	Machine Examiners					
412 050-609	Notary Commission	\$	178,124	\$	185,249	95150
413 050-601	Information Systems	\$	163,418	\$	169,955	95151
414 050-602	Citizen Education Fund	\$	72,800	\$	75,712	95152
TOTAL General Services	Fund Group	\$	421,542	\$	438,116	95153
	Federal Special Revenue Fund Group					95154
3X4 050-612	Ohio Cntr/Law Related	\$	41,000	\$	41,000	95155
	Educ Grant					
TOTAL FED	Federal Special Revenue					95156
Fund Group		\$	41,000	\$	41,000	95157
	State Special Revenue Fund Group					95158
5N9 050-607	Technology	\$	124,582	\$	129,565	95159
	Improvements					
599 050-603	Business Services	\$	13,889,462	\$	14,241,966	95160
	Operating Expenses					
TOTAL SSR	State Special Revenue					95161
Fund Group		\$	14,014,044	\$	14,371,531	95162
	Holding Account Redistribution Fund Group					95163
R01 050-605	Uniform Commercial	\$	65,000	\$	65,000	95164
	Code Refunds					
R02 050-606	Corporate/Business	\$	100,000	\$	100,000	95165
	Filing Refunds					
TOTAL 090	Holding Account					95166
Redistribution	Fund Group	\$	165,000	\$	165,000	95167
TOTAL ALL BUDGET	FUND GROUPS	\$	17,802,847	\$	18,176,908	95168
	BOARD OF VOTING MACHINE EXAMINERS					95169

The foregoing appropriation item 050-610, Board of Voting Machine Examiners, shall be used to pay for the services and expenses of the members of the Board of Voting Machine Examiners, and for other expenses that are authorized to be paid from the Board of Voting Machine Examiners Fund, which is created in section 3506.05 of the Revised Code. Moneys not used shall be returned to the person or entity submitting the equipment for examination. If it is determined that additional appropriations are necessary, such amounts are appropriated.

**HOLDING ACCOUNT REDISTRIBUTION GROUP**

The foregoing appropriation items 050-605 and 050-606, Holding Account Redistribution Fund Group, shall be used to hold revenues until they are directed to the appropriate accounts or until they are refunded. If it is determined that additional appropriations are necessary, such amounts are appropriated.

**Section 100. SEN THE OHIO SENATE**

General Revenue Fund				95186	
GRF 020-321 Operating Expenses	\$	10,887,655	\$	11,432,037	95187
TOTAL GRF General Revenue Fund	\$	10,887,655	\$	11,432,037	95188
General Services Fund Group				95189	
102 020-602 Senate Reimbursement	\$	422,881	\$	444,025	95190
409 020-601 Miscellaneous Sales	\$	32,529	\$	34,155	95191
TOTAL GSF General Services Fund Group	\$	455,410	\$	478,180	95193
TOTAL ALL BUDGET FUND GROUPS	\$	11,343,065	\$	11,910,217	95194

**Section 101. CSF COMMISSIONERS OF THE SINKING FUND**

Debt Service Fund Group				95197	
071 155-901 Highway Obligations	\$	35,536,300	\$	10,450,000	95198
Bond Retirement Fund					

072	155-902	Highway Capital Improvements Bond Retirement Fund	\$	153,559,600	\$	173,238,200	95199
073	155-903	Natural Resources Bond Retirement	\$	23,808,300	\$	26,914,300	95200
074	155-904	Conservation Projects Bond Service Fund	\$	9,743,500	\$	11,235,700	95201
076	155-906	Coal Research and Development Bond Retirement Fund	\$	7,231,200	\$	9,185,100	95202
077	155-907	State Capital Improvements Bond Retirement Fund	\$	156,974,400	\$	152,069,700	95203
078	155-908	Common Schools Bond Retirement Fund	\$	106,322,300	\$	145,989,300	95204
079	155-909	Higher Education Bond Retirement Fund	\$	97,668,000	\$	130,967,600	95205
TOTAL DSF Debt Service Fund Group			\$	590,843,600	\$	660,049,900	95206
TOTAL ALL BUDGET FUND GROUPS			\$	590,843,600	\$	660,049,900	95207
ADDITIONAL APPROPRIATIONS							95208
Appropriation items in this section are for the purpose of							95209
paying debt service and financing costs on bonds or notes of the							95210
state issued pursuant to the Ohio Constitution and acts of the							95211
General Assembly. If it is determined that additional							95212
appropriations are necessary, such amounts are appropriated.							95213
<b>Section 102. SPE BOARD OF SPEECH-LANGUAGE PATHOLOGY &amp;</b>							95214
AUDIOLOGY							95215
General Services Fund Group							95216
4K9	886-609	Operating Expenses	\$	390,966	\$	403,554	95217
TOTAL GSF General Services							95218
Fund Group							95219
			\$	390,966	\$	403,554	95219

TOTAL ALL BUDGET FUND GROUPS	\$	390,966	\$	403,554	95220
<b>Section 103.</b> BTA BOARD OF TAX APPEALS					95222
General Revenue Fund					95223
GRF 116-321 Operating Expenses	\$	2,171,760	\$	2,171,760	95224
TOTAL GRF General Revenue Fund	\$	2,171,760	\$	2,171,760	95225
TOTAL ALL BUDGET FUND GROUPS	\$	2,171,760	\$	2,171,760	95226
<b>Section 104.</b> TAX DEPARTMENT OF TAXATION					95228
General Revenue Fund					95229
GRF 110-321 Operating Expenses	\$	92,501,007	\$	94,267,788	95230
GRF 110-412 Child Support	\$	74,215	\$	74,215	95231
Administration					
GRF 110-901 Property Tax	\$	434,650,000	\$	462,640,000	95232
Allocation - Taxation					
GRF 110-906 Tangible Tax Exemption	\$	26,590,000	\$	25,090,000	95233
- Taxation					
TOTAL GRF General Revenue Fund	\$	553,815,222	\$	582,072,003	95234
Agency Fund Group					95235
095 110-901 Municipal Income Tax	\$	12,000,000	\$	12,000,000	95236
425 110-635 Tax Refunds	\$	1,296,756,200	\$	1,337,119,600	95237
TOTAL AGY Agency Fund Group	\$	1,308,756,200	\$	1,349,119,600	95238
General Services Fund Group					95239
433 110-602 Tape File Account	\$	96,165	\$	96,165	95240
TOTAL GSF General Services					95241
Fund Group	\$	96,165	\$	96,165	95242
Federal Special Revenue Fund Group					95243
3J6 110-601 Motor Fuel Compliance	\$	33,300	\$	25,000	95244
TOTAL FED Federal Special Revenue					95245
Fund Group	\$	33,300	\$	25,000	95246
State Special Revenue Fund Group					95247

4C6	110-616	International Registration Plan	\$	706,855	\$	706,855	95248
4R6	110-610	Tire Tax Administration	\$	65,000	\$	65,000	95249
435	110-607	Local Tax Administration	\$	13,600,000	\$	13,700,000	95250
436	110-608	Motor Vehicle Audit	\$	1,350,000	\$	1,350,000	95251
437	110-606	Litter Tax and Natural Resource Tax Administration	\$	625,232	\$	625,232	95252
438	110-609	School District Income Tax	\$	2,599,999	\$	2,599,999	95253
5N5	110-605	Municipal Income Tax Administration	\$	650,000	\$	650,000	95254
5N6	110-618	Kilowatt Hour Tax Administration	\$	85,000	\$	85,000	95255
5V7	110-622	Motor Fuel Tax Administration	\$	3,734,036	\$	3,833,091	95256
5V8	110-623	Property Tax Administration	\$	11,569,719	\$	11,938,362	95257
5W4	110-625	Centralized Tax Filing and Payment	\$	3,000,000	\$	3,000,000	95258
639	110-614	Cigarette Tax Enforcement	\$	168,925	\$	168,925	95259
642	110-613	Ohio Political Party Distributions	\$	600,000	\$	600,000	95260
688	110-615	Local Excise Tax Administration	\$	300,000	\$	300,000	95261
TOTAL SSR State Special Revenue							95262
Fund Group			\$	39,054,766	\$	39,622,464	95263
Holding Account Redistribution Fund Group							95264
R10	110-611	Tax Distributions	\$	50,000	\$	50,000	95265
R11	110-612	Miscellaneous Income	\$	50,000	\$	50,000	95266

Tax Receipts

TOTAL 090 Holding Account				95267	
Redistribution Fund Group	\$	100,000	\$	100,000	95268
TOTAL ALL BUDGET FUND GROUPS	\$	1,901,855,653	\$	1,971,035,232	95269

TRAVEL EXPENSES FOR THE STREAMLINED SALES TAX PROJECT 95270

Of the foregoing appropriation item 110-607, Local Tax 95271  
Administration, the Tax Commissioner may disburse funds, if 95272  
available, for the purposes of paying travel expenses incurred by 95273  
members of Ohio's delegation to the Streamlined Sales Tax Project, 95274  
as appointed under section 5740.02 of the Revised Code. Any travel 95275  
expense reimbursement paid for by the Department of Taxation shall 95276  
be done in accordance with applicable state laws and guidelines. 95277

LITTER CONTROL TAX ADMINISTRATION FUND 95278

Notwithstanding section 5733.12 of the Revised Code, during 95279  
the period from July 1, 2003, to June 30, 2004, the amount of 95280  
\$625,232, and during the period from July 1, 2004, to June 30, 95281  
2005, the amount of \$625,232, received by the Tax Commissioner 95282  
under Chapter 5733. of the Revised Code, shall be credited to the 95283  
Litter Control Tax Administration Fund (Fund 437). 95284

CENTRALIZED TAX FILING AND PAYMENT FUND 95285

The Director of Budget and Management pursuant to a plan 95286  
submitted by the Tax Commissioner, or as otherwise determined by 95287  
the Director of Budget and Management, shall set a schedule to 95288  
transfer cash from the General Revenue Fund to the credit of the 95289  
Centralized Tax Filing and Payment Fund. Such transfers of cash 95290  
shall not exceed \$3,000,000 in any fiscal year. 95291

INTERNATIONAL REGISTRATION PLAN AUDIT 95292

The foregoing appropriation item 110-616, International 95293  
Registration Plan, shall be used pursuant to section 5703.12 of 95294  
the Revised Code for audits of persons with vehicles registered 95295

under the International Registration Plan.	95296
HOMESTEAD EXEMPTION, PROPERTY TAX ROLLBACK, AND TANGIBLE TAX	95297
EXEMPTION	95298
The foregoing appropriation item 110-901, Property Tax	95299
Allocation - Taxation, is appropriated to pay for the state's	95300
costs incurred due to the Homestead Exemption, the Manufactured	95301
Home Property Tax Rollback, and the Property Tax Rollback. The Tax	95302
Commissioner shall distribute these funds directly to the	95303
appropriate local taxing districts of the state, except for school	95304
districts, notwithstanding the provisions in sections 321.24 and	95305
323.156 of the Revised Code, which provide for payment of the	95306
Homestead Exemption, the Manufactured Home Property Tax Rollback,	95307
and Property Tax Rollback by the Tax Commissioner to the	95308
appropriate county treasurer and the subsequent redistribution of	95309
these funds to the appropriate local taxing districts by the	95310
county auditor.	95311
The foregoing appropriation item 110-906, Tangible Tax	95312
Exemption - Taxation, is appropriated to pay for the state's costs	95313
incurred due to the tangible personal property tax exemption	95314
required by division (C)(3) of section 5709.01 of the Revised	95315
Code. The Tax Commissioner shall distribute to each county	95316
treasurer the total amount appearing in the notification from the	95317
county treasurer pursuant to division (G) of section 321.24 of the	95318
Revised Code for all local taxing districts located in the county	95319
except for school districts, notwithstanding the provision in	95320
section 321.24 of the Revised Code which provides for payment of	95321
the \$10,000 tangible personal property tax exemption by the Tax	95322
Commissioner to the appropriate county treasurer for all local	95323
taxing districts located in the county including school districts.	95324
Pursuant to division (G) of section 321.24 of the Revised Code,	95325
the county auditor shall distribute the amount paid by the Tax	95326
Commissioner among the appropriate local taxing districts except	95327



for school districts.	95328
Upon receipt of these amounts, each local taxing district shall distribute the amount among the proper funds as if it had been paid as real or tangible personal property taxes. Payments for the costs of administration shall continue to be paid to the county treasurer and county auditor as provided for in sections 319.54, 321.26, and 323.156 of the Revised Code.	95329 95330 95331 95332 95333 95334
Any sums, in addition to the amounts specifically appropriated in appropriation items 110-901, Property Tax Allocation - Taxation, for the Homestead Exemption, the Manufactured Home Property Tax Rollback, and the Property Tax Rollback payments, and 110-906, Tangible Tax Exemption - Taxation, for the \$10,000 tangible personal property tax exemption payments, which are determined to be necessary for these purposes, are hereby appropriated.	95335 95336 95337 95338 95339 95340 95341 95342
MUNICIPAL INCOME TAX	95343
The foregoing appropriation item 110-901, Municipal Income Tax, shall be used to make payments to municipal corporations as provided in section 5745.05 of the Revised Code. If it is determined that additional appropriations are necessary to make such payments, such amounts are hereby appropriated.	95344 95345 95346 95347 95348
TAX REFUNDS	95349
The foregoing appropriation item 110-635, Tax Refunds, shall be used to pay refunds as provided in section 5703.052 of the Revised Code. If it is determined that additional appropriations are necessary, such amounts are appropriated.	95350 95351 95352 95353
<b>Section 105.</b> DOT DEPARTMENT OF TRANSPORTATION	95354
Transportation Modes	95355
General Revenue Fund	95356
GRF 775-451 Public Transportation   \$    18,875,595   \$    19,525,595	95357

	- State				
GRF 776-465	Ohio Rail Development Commission	\$ 3,116,889	\$ 2,936,056		95358
GRF 776-466	Railroad Crossing/Grade Separation	\$ 500,000	\$ 840,000		95359
GRF 777-471	Airport Improvements - State	\$ 1,908,495	\$ 1,908,495		95360
GRF 777-473	Rickenbacker Lease Payments - State	\$ 591,600	\$ 591,500		95361
TOTAL GRF	General Revenue Fund	\$ 24,992,579	\$ 25,801,646		95362
	Federal Special Revenue Fund Group				95363
3B9 776-662	Rail Transportation - Federal	\$ 50,000	\$ 50,000		95364
TOTAL FSR	Federal Special Revenue Fund Group	\$ 50,000	\$ 50,000		95365
	State Special Revenue Fund Group				95366
4N4 776-663	Panhandle Lease Reserve Payments	\$ 770,000	\$ 770,000		95367
4N4 776-664	Rail Transportation - Other	\$ 1,919,500	\$ 2,111,500		95368
5W8 773-605	Roadside Rest Area Improvement	250,000	250,000		95369
5W9 777-615	County Airport Maintenance Assistance	570,000	570,000		95370
TOTAL SSR	State Special Revenue Fund Group	\$ 3,509,500	\$ 3,701,500		95371
TOTAL ALL BUDGET FUND GROUPS		\$ 28,552,079	\$ 29,553,146		95372
	ELDERLY AND DISABLED FARE ASSISTANCE				95373
	Of the foregoing appropriation item 775-451, Public Transportation - State, up to \$4,012,780 in fiscal year 2004 and \$5,015,975 in fiscal year 2005 may be used to make grants to				95374
					95375
					95376
					95377
					95378

county transit boards, regional transit authorities, regional 95379  
transit commissions, counties, municipal corporations, and private 95380  
nonprofit organizations that operate or will operate public 95381  
transportation systems, for the purpose of reducing the transit 95382  
fares of elderly or disabled persons. Pursuant to division (B) of 95383  
section 5501.07 of the Revised Code, the Director of 95384  
Transportation shall establish criteria for the distribution of 95385  
these grants. 95386

**AVIATION LEASE PAYMENTS** 95387

The foregoing appropriation item 777-473, Rickenbacker Lease 95388  
Payments - State, shall be used to meet scheduled payments for the 95389  
Rickenbacker Port Authority. The Director of Transportation shall 95390  
certify to the Director of Budget and Management any 95391  
appropriations in appropriation item 777-473, Rickenbacker Lease 95392  
Payments - State, that are not needed to make lease payments for 95393  
the Rickenbacker Port Authority. Notwithstanding section 127.14 of 95394  
the Revised Code, the amount certified may be transferred by the 95395  
Director of Budget and Management to appropriation item 777-471, 95396  
Airport Improvements - State. 95397

**Section 106. TOS TREASURER OF STATE** 95398

General Revenue Fund 95399  
GRF 090-321 Operating Expenses \$ 9,329,082 \$ 9,619,082 95400  
GRF 090-401 Office of the Sinking \$ 554,868 \$ 554,868 95401  
Fund 95402  
GRF 090-402 Continuing Education \$ 463,585 \$ 463,585 95403  
GRF 090-524 Police and Fire \$ 35,000 \$ 30,000 95404  
Disability Pension 95405  
Fund  
GRF 090-534 Police & Fire Ad Hoc \$ 225,000 \$ 230,000 95406  
Cost  
of Living 95407

GRF 090-544	Police and Fire State	\$	1,200,000	\$	1,200,000	95408
	Contribution					95409
GRF 090-554	Police and Fire	\$	1,320,000	\$	1,260,000	95410
	Survivor					
	Benefits					95411
GRF 090-575	Police and Fire Death	\$	24,000,000	\$	25,000,000	95412
	Benefits					95413
TOTAL GRF	General Revenue Fund	\$	37,127,535	\$	38,357,535	95414
	Agency Fund Group					95415
425 090-635	Tax Refunds	\$	31,000,000	\$	31,000,000	95416
TOTAL Agency	Fund Group	\$	31,000,000	\$	31,000,000	95417
	General Services Fund Group					95418
4E9 090-603	Securities Lending	\$	2,400,000	\$	2,100,000	95419
	Income					
577 090-605	Investment Pool	\$	600,000	\$	550,000	95420
	Reimbursement					95421
605 090-609	Treasurer of State	\$	600,000	\$	700,000	95422
	Administrative Fund					95423
TOTAL GSF	General Services					95424
	Fund Group	\$	3,600,000	\$	3,350,000	95425
	State Special Revenue Fund Group					95426
5C5 090-602	County Treasurer	\$	175,000	\$	135,000	95427
	Education					
TOTAL SSR	State Special Revenue					95428
	Fund Group	\$	175,000	\$	135,000	95429
TOTAL ALL BUDGET	FUND GROUPS	\$	71,902,535	\$	72,842,535	95430

**Section 106.01. OFFICE OF THE SINKING FUND** 95432

The foregoing appropriation item 090-401, Office of the 95433  
Sinking Fund, shall be used for financing and other costs incurred 95434  
by or on behalf of the Commissioners of the Sinking Fund, the Ohio 95435  
Public Facilities Commission or its secretary, or the Treasurer of 95436

State, with respect to State of Ohio general obligation bonds or 95437  
notes, including, but not limited to, printing, advertising, 95438  
delivery, rating fees and the procurement of ratings, professional 95439  
publications, membership in professional organizations, and 95440  
services referred to in division (D) of section 151.01 of the 95441  
Revised Code. The General Revenue Fund shall be reimbursed for 95442  
such costs by intrastate transfer voucher pursuant to a 95443  
certification by the Office of the Sinking Fund of the actual 95444  
amounts used. The amounts necessary to make such reimbursements 95445  
are appropriated from the general obligation bond retirement funds 95446  
created by the Constitution and laws to the extent such costs are 95447  
incurred. 95448

**POLICE AND FIRE DEATH BENEFIT FUND** 95449

The foregoing appropriation item 090-575, Police and Fire 95450  
Death Benefits, shall be disbursed annually by the Treasurer of 95451  
State at the beginning of each fiscal year to the Board of 95452  
Trustees of the Ohio Police and Fire Pension Fund. By the 95453  
twentieth day of June of each year, the Board of Trustees of the 95454  
Ohio Police and Fire Pension Fund shall certify to the Treasurer 95455  
of State the amount disbursed in the current fiscal year to make 95456  
the payments required by section 742.63 of the Revised Code and 95457  
shall return to the Treasurer of State moneys received from this 95458  
item but not disbursed. 95459

The foregoing appropriation item 090-635, Tax Refunds, shall 95460  
be used to pay refunds as provided in section 5703.052 of the 95461  
Revised Code. If it is determined by the Director of Budget and 95462  
Management that additional amounts are necessary, such amounts are 95463  
appropriated. 95464

**Section 107. UST PETROLEUM UNDERGROUND STORAGE TANK RELEASE** 95465  
**COMPENSATION BOARD** 95466  
State Special Revenue Fund Group 95467

691 810-632 PUSTRCB Staff	\$	1,075,158	\$	1,075,158	95468
TOTAL SSR State Special Revenue					95469
Fund Group	\$	1,075,158	\$	1,075,158	95470
TOTAL ALL BUDGET FUND GROUPS	\$	1,075,158	\$	1,075,158	95471
<b>Section 108.</b> TTA OHIO TUITION TRUST AUTHORITY					95473
State Special Revenue Fund Group					95474
5P3 095-602 Variable Savings Plan	\$	1,639,747	\$	1,690,213	95475
645 095-601 Operating Expenses	\$	3,570,614	\$	3,689,101	95476
TOTAL SSR State Special Revenue					95477
Fund Group	\$	5,210,361	\$	5,379,314	95478
TOTAL ALL BUDGET FUND GROUPS	\$	5,210,361	\$	5,379,314	95479
<b>Section 109.</b> OVH OHIO VETERANS' HOME					95481
General Revenue Fund					95482
GRF 430-100 Personal Services	\$	20,664,311	\$	18,877,112	95483
GRF 430-200 Maintenance	\$	6,912,553	\$	6,546,928	95484
TOTAL GRF General Revenue Fund	\$	27,576,864	\$	25,424,040	95485
General Services Fund Group					95486
484 430-603 Rental and Service	\$	709,737	\$	709,737	95487
Revenue					
TOTAL GSF General Services Fund	\$	709,737	\$	709,737	95488
Group					
Federal Special Revenue Fund Group					95489
3L2 430-601 Federal Grants	\$	12,220,340	\$	14,696,578	95490
TOTAL FED Federal Special Revenue					95491
Fund Group	\$	12,220,340	\$	14,696,578	95492
State Special Revenue Fund Group					95493
4E2 430-602 Veterans Home	\$	6,719,938	\$	7,769,277	95494
Operating					
604 430-604 Veterans Home	\$	770,096	\$	770,096	95495
Improvement					

TOTAL SSR State Special Revenue				95496
Fund Group	\$	7,490,034	\$	8,539,373
TOTAL ALL BUDGET FUND GROUPS	\$	47,996,975	\$	49,369,728
<b>Section 110. VET VETERANS' ORGANIZATIONS</b>				95500
General Revenue Fund				95501
VAP AMERICAN EX-PRISONERS OF WAR				95502
GRF 743-501 State Support	\$	25,030	\$	25,030
VAN ARMY AND NAVY UNION, USA, INC.				95504
GRF 746-501 State Support	\$	55,012	\$	55,012
VKW KOREAN WAR VETERANS				95506
GRF 747-501 State Support	\$	53,953	\$	49,453
VJW JEWISH WAR VETERANS				95508
GRF 748-501 State Support	\$	29,715	\$	29,715
VCW CATHOLIC WAR VETERANS				95510
GRF 749-501 State Support	\$	57,990	\$	57,990
VPH MILITARY ORDER OF THE PURPLE HEART				95512
GRF 750-501 State Support	\$	56,377	\$	56,377
VVV VIETNAM VETERANS OF AMERICA				95514
GRF 751-501 State Support	\$	185,954	\$	185,954
VAL AMERICAN LEGION OF OHIO				95516
GRF 752-501 State Support	\$	252,328	\$	252,328
VII AMVETS				95518
GRF 753-501 State Support	\$	237,919	\$	237,919
VAV DISABLED AMERICAN VETERANS				95520
GRF 754-501 State Support	\$	166,308	\$	166,308
VMC MARINE CORPS LEAGUE				95522
GRF 756-501 State Support	\$	85,972	\$	85,972
V37 37TH DIVISION AEF VETERANS' ASSOCIATION				95524
GRF 757-501 State Support	\$	5,946	\$	5,946
VFW VETERANS OF FOREIGN WARS				95526
GRF 758-501 State Support	\$	196,615	\$	196,615
TOTAL GRF General Revenue Fund	\$	1,409,119	\$	1,404,619

TOTAL ALL BUDGET FUND GROUPS	\$	1,409,119	\$	1,404,619	95529
RELEASE OF FUNDS					95530
The foregoing appropriation items 743-501, 746-501, 747-501,					95531
748-501, 749-501, 750-501, 751-501, 752-501, 753-501, 754-501,					95532
756-501, 757-501, and 758-501, State Support, shall be released					95533
upon approval by the Director of Budget and Management.					95534
50th ANNIVERSARY COMMEMORATION OF THE KOREAN WAR					95535
Of the foregoing appropriation item 747-501, State Support,					95536
Korean War Veterans, up to \$4,500 in fiscal year 2004 shall be					95537
used for activities to commemorate the 50th anniversary of the					95538
Korean War. Commemorative activities shall be carried out by the					95539
Korean War Veterans Organization with input from the Governor's					95540
Office of Veterans Affairs and the other veterans organizations					95541
representing Korean War veterans.					95542
AMERICAN EX-PRISONERS OF WAR					95543
The American Ex-Prisoners of War shall be permitted to share					95544
an office with the Veterans of World War I.					95545
CENTRAL OHIO UNITED SERVICES ORGANIZATION					95546
Of the foregoing appropriation item 751-501, State Support,					95547
Vietnam Veterans of America, \$50,000 in each fiscal year shall be					95548
used to support the activities of the Central Ohio USO.					95549
VETERANS SERVICE COMMISSION EDUCATION					95550
Of the foregoing appropriation item 753-501, State Support,					95551
AMVETS, up to \$20,000 in each fiscal year may be used to provide					95552
moneys to the Association of County Veterans Service Commissioners					95553
to reimburse its member county veterans service commissions for					95554
costs incurred in carrying out educational and outreach duties					95555
required under divisions (E) and (F) of section 5901.03 of the					95556
Revised Code. The Director of Budget and Management shall release					95557
these funds upon the presentation of an itemized receipt from the					95558



association for reasonable and appropriate expenses incurred while 95559  
performing these duties. The association shall establish uniform 95560  
procedures for reimbursing member commissions. 95561

**Section 111. DVM STATE VETERINARY MEDICAL BOARD 95562**

General Services Fund Group 95563  
4K9 888-609 Operating Expenses \$ 444,208 \$ 453,043 95564  
TOTAL GSF General Services 95565  
Fund Group \$ 444,208 \$ 453,043 95566  
TOTAL ALL BUDGET FUND GROUPS \$ 444,208 \$ 453,043 95567

**Section 112. DYS DEPARTMENT OF YOUTH SERVICES 95569**

General Revenue Fund 95570  
GRF 470-401 RECLAIM Ohio \$ 164,637,416 \$ 167,697,792 95571  
GRF 470-412 Lease Rental Payments \$ 21,110,100 \$ 21,110,000 95572  
GRF 470-510 Youth Services \$ 18,608,587 \$ 18,608,587 95573  
GRF 472-321 Parole Operations \$ 15,347,154 \$ 14,841,872 95574  
GRF 477-321 Administrative \$ 14,427,323 \$ 14,166,008 95575  
Operations  
TOTAL GRF General Revenue Fund \$ 234,130,580 \$ 236,424,259 95576  
General Services Fund Group 95577  
175 470-613 Education \$ 8,817,598 \$ 8,817,598 95578  
Reimbursement  
4A2 470-602 Child Support \$ 311,302 \$ 320,641 95579  
4G6 470-605 General Operational \$ 10,000 \$ 10,000 95580  
Funds  
479 470-609 Employee Food Service \$ 118,454 \$ 122,008 95581  
523 470-621 Wellness Program \$ 197,778 \$ 197,778 95582  
TOTAL GSF General Services 95583  
Fund Group \$ 9,455,132 \$ 9,468,025 95584  
Federal Special Revenue Fund Group 95585  
3V5 470-604 Juvenile \$ 4,091,100 \$ 4,254,744 95586

		Justice/Delinquency Prevention					
3W0	470-611	Federal Juvenile Programs FFY 02	\$	4,500,000	\$	0	95587
3Z8	470-625	Federal Juvenile Programs FFY 04	\$	7,828,899	\$	4,500,000	95588
3Z9	470-626	Federal Juvenile Programs FFY 05	\$	0	\$	7,828,899	95589
321	470-601	Education	\$	1,491,587	\$	1,555,147	95590
321	470-603	Juvenile Justice Prevention	\$	1,558,138	\$	1,558,138	95591
321	470-606	Nutrition	\$	2,389,587	\$	2,485,170	95592
321	470-610	Rehabilitation Programs	\$	585,000	\$	585,000	95593
321	470-614	Title IV-E Reimbursements	\$	4,776,002	\$	4,919,282	95594
321	470-617	Americorps Programs	\$	460,000	\$	460,000	95595
TOTAL FED		Federal Special Revenue					95596
Fund Group			\$	27,680,313	\$	28,146,380	95597
State Special Revenue		Fund Group					95598
147	470-612	Vocational Education	\$	2,523,653	\$	2,630,612	95599
4W3	470-618	Help Me Grow	\$	11,587	\$	11,587	95600
5J7	470-623	Residential Treatment Services	\$	500,000	\$	500,000	95601
TOTAL SSR		State Special Revenue					95602
Fund Group			\$	3,035,240	\$	3,142,199	95603
TOTAL ALL BUDGET		FUND GROUPS	\$	274,301,265	\$	277,180,863	95604
ZERO-BASED BUDGETING							95605
The Director of Budget and Management shall prepare a full							95606
zero-based budget for the biennium beginning July 1, 2005, for the							95607
Department of Youth Services. The Director shall offer the							95608
Department substantial technical assistance throughout the process							95609

of preparing their zero-based budget. The Department shall prepare 95610  
a full zero-based budget in such manner and according to such 95611  
schedule as the Director of Budget and Management requires. The 95612  
zero-based budget shall, as the Director of Budget and Management 95613  
determines, be in addition to or in place of the estimates of 95614  
revenue and proposed expenditures that the Department otherwise 95615  
would be required to prepare under section 126.02 of the Revised 95616  
Code. 95617

OHIO BUILDING AUTHORITY LEASE PAYMENTS 95618

The foregoing appropriation item 470-412, Lease Rental 95619  
Payments, in the Department of Youth Services, shall be used for 95620  
payments to the Ohio Building Authority for the period from July 95621  
1, 2003, to June 30, 2005, pursuant to the primary leases and 95622  
agreements for facilities made under Chapter 152. of the Revised 95623  
Code, but limited to the aggregate amount of \$42,220,100. This 95624  
appropriation is the source of funds pledged for bond service 95625  
charges on related obligations issued pursuant to Chapter 152. of 95626  
the Revised Code. 95627

YOUTH SERVICES BLOCK GRANT 95628

Of the foregoing appropriation item 470-510, Youth Services, 95629  
\$50,000 in each fiscal year shall be distributed directly to 95630  
Lighthouse Youth Services. 95631

EMPLOYEE FOOD SERVICE AND EQUIPMENT 95632

Notwithstanding section 125.14 of the Revised Code, the 95633  
foregoing appropriation item 470-609, Employee Food Service, may 95634  
be used to purchase any food operational items with funds received 95635  
into the fund from reimbursement for state surplus property. 95636

EDUCATION REIMBURSEMENT 95637

The foregoing appropriation item 470-613, Education 95638  
Reimbursement, shall be used to fund the operating expenses of 95639

providing educational services to youth supervised by the 95640  
Department of Youth Services. Operating expenses include, but are 95641  
not limited to, teachers' salaries, maintenance costs, and 95642  
educational equipment. This appropriation item shall not be used 95643  
for capital expenses. 95644

FEDERAL JUVENILE JUSTICE PROGRAM TRANSFER FROM THE OFFICE OF 95645  
CRIMINAL JUSTICE SERVICES TO THE DEPARTMENT OF YOUTH SERVICES 95646

Any business relating to the funds associated with the Office 95647  
of Criminal Justice Services' appropriation item 196-602, Criminal 95648  
Justice Federal Programs, commenced but not completed by the 95649  
Office of Criminal Justice Services or its director shall be 95650  
completed by the Department of Youth Services or its director in 95651  
the same manner, and with the same effect, as if completed by the 95652  
Office of Criminal Justice Services or its director. No 95653  
validation, cure, right, privilege, remedy, obligation, or 95654  
liability is lost or impaired by reason of the transfer and shall 95655  
be administered by the Department of Youth Services. 95656

Any action or proceeding against the Office of Criminal 95657  
Justice Services pending on the effective date of this section 95658  
shall not be affected by the transfer of responsibility to the 95659  
Department of Youth Services, and shall be prosecuted or defended 95660  
in the name of the Department of Youth Services or its director. 95661  
In all such actions and proceedings, the Department of Youth 95662  
Services or its director upon application of the court shall be 95663  
substituted as party. 95664

**Section 113.** EXPENDITURES AND APPROPRIATION INCREASES 95665  
APPROVED BY THE CONTROLLING BOARD 95666

Any money that the Controlling Board approves for expenditure 95667  
or any increase in appropriation authority that the Controlling 95668  
Board approves pursuant to the provisions of sections 127.14, 95669  
131.35, and 131.39 of the Revised Code or any other provision of 95670

law is appropriated for the period ending June 30, 2005. 95671

**Section 114. PERSONAL SERVICE EXPENSES** 95672

Unless otherwise prohibited by law, any appropriation from 95673  
which personal service expenses are paid shall bear the employer's 95674  
share of public employees' retirement, workers' compensation, 95675  
disabled workers' relief, and all group insurance programs; the 95676  
costs of centralized accounting, centralized payroll processing, 95677  
and related personnel reports and services; the cost of the Office 95678  
of Collective Bargaining; the cost of the Personnel Board of 95679  
Review; the cost of the Employee Assistance Program; the cost of 95680  
the affirmative action and equal employment opportunity programs 95681  
administered by the Department of Administrative Services; the 95682  
costs of interagency information management infrastructure; and 95683  
the cost of administering the state employee merit system as 95684  
required by section 124.07 of the Revised Code. These costs shall 95685  
be determined in conformity with appropriate sections of law and 95686  
paid in accordance with procedures specified by the Office of 95687  
Budget and Management. Expenditures from appropriation item 95688  
070-601, Public Audit Expense - Local Government, in Fund 422 may 95689  
be exempted from the requirements of this section. 95690

**Section 115. REISSUANCE OF VOIDED WARRANTS** 95691

In order to provide funds for the reissuance of voided 95692  
warrants pursuant to section 117.47 of the Revised Code, there is 95693  
appropriated, out of moneys in the state treasury from the fund 95694  
credited as provided in section 117.47 of the Revised Code, that 95695  
amount sufficient to pay such warrants when approved by the Office 95696  
of Budget and Management. 95697

**Section 116. \* CAPITAL PROJECT SETTLEMENTS** 95698

This section specifies an additional and supplemental 95699

procedure to provide for payments of judgments and settlements if 95700  
the Director of Budget and Management determines, pursuant to 95701  
division (C)(4) of section 2743.19 of the Revised Code, that 95702  
sufficient unencumbered moneys do not exist in the particular 95703  
appropriation to pay the amount of a final judgment rendered 95704  
against the state or a state agency, including the settlement of a 95705  
claim approved by a court, in an action upon and arising out of a 95706  
contractual obligation for the construction or improvement of a 95707  
capital facility if the costs under the contract were payable in 95708  
whole or in part from a state capital projects appropriation. In 95709  
such a case, the director may either proceed pursuant to division 95710  
(C)(4) of section 2743.19 of the Revised Code, or apply to the 95711  
Controlling Board to increase an appropriation or create an 95712  
appropriation out of any unencumbered moneys in the state treasury 95713  
to the credit of the capital projects fund from which the initial 95714  
state appropriation was made. The Controlling Board may approve or 95715  
disapprove the application as submitted or modified. The amount of 95716  
an increase in appropriation or new appropriation specified in an 95717  
application approved by the Controlling Board is hereby 95718  
appropriated from the applicable capital projects fund and made 95719  
available for the payment of the judgment or settlement. 95720

If the director does not make the application authorized by 95721  
this section or the Controlling Board disapproves the application, 95722  
and the director does not make application pursuant to division 95723  
(C)(4) of section 2743.19 of the Revised Code, the director shall 95724  
for the purpose of making that payment make a request to the 95725  
General Assembly as provided for in division (C)(5) of that 95726  
section. 95727

**Section 117. INCOME TAX DISTRIBUTION TO COUNTIES** 95728

There are hereby appropriated out of any moneys in the state 95729  
treasury to the credit of the General Revenue Fund, which are not 95730

otherwise appropriated, funds sufficient to make any payment 95731  
required by division (B)(2) of section 5747.03 of the Revised 95732  
Code. 95733

**Section 118. SATISFACTION OF JUDGMENTS AND SETTLEMENTS 95734**  
**AGAINST THE STATE 95735**

Any appropriation may be used for the purpose of satisfying 95736  
judgments or settlements in connection with civil actions against 95737  
the state in federal court not barred by sovereign immunity or the 95738  
Eleventh Amendment to the Constitution of the United States, or 95739  
for the purpose of satisfying judgments, settlements, or 95740  
administrative awards ordered or approved by the Court of Claims 95741  
in connection with civil actions against the state, pursuant to 95742  
section 2743.15, 2743.19, or 2743.191 of the Revised Code. This 95743  
authorization does not apply to appropriations to be applied to or 95744  
used for payment of guarantees by or on behalf of the state, for 95745  
or relating to lease payments or debt service on bonds, notes, or 95746  
similar obligations and those from the Sports Facilities Building 95747  
Fund (Fund 024), the Highway Safety Building Fund (Fund 025), the 95748  
Administrative Building Fund (Fund 026), the Adult Correctional 95749  
Building Fund (Fund 027), the Juvenile Correctional Building Fund 95750  
(Fund 028), the Transportation Building Fund (Fund 029), the Arts 95751  
Facilities Building Fund (Fund 030), the Natural Resources 95752  
Projects Fund (Fund 031), the School Building Program Assistance 95753  
Fund (Fund 032), the Mental Health Facilities Improvement Fund 95754  
(Fund 033), the Higher Education Improvement Fund (Fund 034), the 95755  
Parks and Recreation Improvement Fund (Fund 035), the State 95756  
Capital Improvements Fund (Fund 038), the Highway Obligation Fund 95757  
(Fund 041), the Coal Research/Development Fund (Fund 046), and any 95758  
other fund into which proceeds of obligations are deposited. 95759  
Nothing contained in this section is intended to subject the state 95760  
to suit in any forum in which it is not otherwise subject to suit, 95761  
nor is it intended to waive or compromise any defense or right 95762

available to the state in any suit against it. 95763

**Section 119.** \* UTILITY RADIOLOGICAL SAFETY BOARD ASSESSMENTS 95764

The maximum amounts that may be assessed against nuclear 95765  
electric utilities in accordance with division (B)(2) of section 95766  
4937.05 of the Revised Code are as follows: 95767

	FY 2004	FY 2005	
Department of Agriculture			95769
Fund 4E4 Utility Radiological Safety	\$73,059	\$73,059	95770
Department of Health			95771
Fund 610 Radiation Emergency Response	\$923,315	\$923,315	95772
Environmental Protection Agency			95773
Fund 644 ER Radiological Safety	\$281,424	\$286,114	95774
Emergency Management Agency			95775
Fund 657 Utility Radiological Safety	\$1,200,000	\$1,260,000	95776

**Section 120.** UNCLAIMED FUNDS TRANSFER 95777

Notwithstanding division (A) of section 169.05 of the Revised 95778  
Code, prior to June 30, 2004, upon the request of the Director of 95779  
Budget and Management, the Director of Commerce shall transfer to 95780  
the General Revenue Fund up to \$25,000,000 of the unclaimed funds 95781  
that have been reported by the holder of unclaimed funds as 95782  
provided by section 169.05 of the Revised Code, irrespective of 95783  
the allocation of the unclaimed funds under that section. 95784

**Section 121.** GRF TRANSFER TO FUND 5N4, OAKS PROJECT 95785  
IMPLEMENTATION 95786

On July 1, 2003, or as soon thereafter as possible, the 95787  
Director of Budget and Management shall transfer up to \$1,250,000 95788  
in cash from the General Revenue Fund to Fund 5N4, OAKS Project 95789  
Implementation. On July 1, 2004, or as soon thereafter as 95790  
possible, the Director of Budget and Management shall transfer up 95791



to \$1,250,000 in cash from the General Revenue Fund to Fund 5N4, 95792  
OAKS Project Implementation. 95793

**Section 122.** FUND 4K9 TRANSFER TO GRF 95794

On July 31, 2003, or as soon thereafter as possible, the 95795  
Director of Budget and Management shall transfer \$2,000,000 in 95796  
cash from Fund 4K9, Occupational Licensing and Regulatory Fund, to 95797  
the General Revenue Fund. 95798

**Section 123.** CORPORATE AND UCC FILING FUND TRANSFER TO GRF 95799

Not later than the first day of June in each year of the 95800  
biennium, the Director of Budget and Management shall transfer 95801  
\$1,000,000 from the Corporate and Uniform Commercial Code Filing 95802  
Fund to the General Revenue Fund. 95803

**Section 124.** GENERAL OBLIGATION DEBT SERVICE PAYMENTS 95804

Certain appropriations are in this act for the purpose of 95805  
paying debt service and financing costs on general obligation 95806  
bonds or notes of the state issued pursuant to the Ohio 95807  
Constitution and acts of the General Assembly. If it is determined 95808  
that additional appropriations are necessary for this purpose, 95809  
such amounts are appropriated. 95810

**Section 125.** LEASE PAYMENTS TO OPFC, OBA, AND TREASURER OF 95811  
STATE 95812

Certain appropriations are in this act for the purpose of 95813  
making lease payments pursuant to leases and agreements relating 95814  
to bonds or notes issued by the Ohio Building Authority or the 95815  
Treasurer of State or, previously, by the Ohio Public Facilities 95816  
Commission, pursuant to the Ohio Constitution and acts of the 95817  
General Assembly. If it is determined that additional 95818  
appropriations are necessary for this purpose, such amounts are 95819

appropriated. 95820

**Section 126.** AUTHORIZATION FOR TREASURER OF STATE AND OBM TO 95821  
EFFECTUATE CERTAIN DEBT SERVICE PAYMENTS 95822

The Office of Budget and Management shall initiate and 95823  
process disbursements from general obligation and lease rental 95824  
payment appropriation items during the period from July 1, 2003, 95825  
to June 30, 2005, relating to bonds or notes issued under Sections 95826  
2i, 2k, 2l, 2m, 2n, 2o, and 15 of Article VIII, Ohio Constitution, 95827  
and Chapters 151., 154., and 3318. of the Revised Code. 95828  
Disbursements shall be made upon certification by the Treasurer of 95829  
State of the dates and amounts due on those dates. 95830

**Section 127.** STATE AND LOCAL REBATE AUTHORIZATION 95831

There is hereby appropriated, from those funds designated by 95832  
or pursuant to the applicable proceedings authorizing the issuance 95833  
of state obligations, amounts computed at the time to represent 95834  
the portion of investment income to be rebated or amounts in lieu 95835  
of or in addition to any rebate amount to be paid to the federal 95836  
government in order to maintain the exclusion from gross income 95837  
for federal income tax purposes of interest on those state 95838  
obligations pursuant to section 148(f) of the Internal Revenue 95839  
Code. 95840

Rebate payments shall be approved and vouchered by the Office 95841  
of Budget and Management. 95842

**Section 128.** APPROPRIATIONS RELATED TO CASH TRANSFERS AND 95843  
REESTABLISHMENT OF ENCUMBRANCES 95844

Any cash transferred by the Director of Budget and Management 95845  
as provided by section 126.15 of the Revised Code is appropriated. 95846  
Any amounts necessary to reestablish appropriations or 95847  
encumbrances as provided in section 126.15 of the Revised Code are 95848

appropriated.	95849
<b>Section 129.</b> FEDERAL CASH MANAGEMENT IMPROVEMENT ACT	95850
Pursuant to the plan for compliance with the Federal Cash	95851
Management Improvement Act required by section 131.36 of the	95852
Revised Code, the Director of Budget and Management is authorized	95853
to cancel and reestablish all or parts of encumbrances in like	95854
amounts within the funds identified by the plan. The amounts	95855
necessary to reestablish all or parts of encumbrances are	95856
appropriated.	95857
<b>Section 130.</b> STATEWIDE INDIRECT COST RECOVERY	95858
Whenever the Director of Budget and Management determines	95859
that an appropriation made to a state agency from a fund of the	95860
state is insufficient to provide for the recovery of statewide	95861
indirect costs pursuant to section 126.12 of the Revised Code, the	95862
amount required for such purpose is appropriated from the	95863
available receipts of such fund.	95864
<b>Section 131.</b> GRF TRANSFERS ON BEHALF OF THE STATEWIDE	95865
INDIRECT COST ALLOCATION PLAN	95866
The total transfers made from the General Revenue Fund by the	95867
Director of Budget and Management pursuant to this section shall	95868
not exceed the amounts transferred into the General Revenue Fund	95869
pursuant to division (B) of section 126.12 of the Revised Code.	95870
A director of an agency may certify to the Director of Budget	95871
and Management the amount of expenses not allowed to be included	95872
in the Statewide Indirect Cost Allocation plan pursuant to federal	95873
regulations, from any fund included in the Statewide Indirect Cost	95874
Allocation plan, prepared as required by section 126.12 of the	95875
Revised Code.	95876
Upon determining that no alternative source of funding is	95877

available to pay for such expenses, the Director of Budget and 95878  
Management may transfer from the General Revenue Fund into the 95879  
fund for which the certification is made, up to the amount of the 95880  
certification. The director of the agency receiving such funds 95881  
shall include, as part of the next budget submission prepared 95882  
pursuant to section 126.02 of the Revised Code, a request for 95883  
funding for such activities from an alternative source such that 95884  
further federal disallowances would not be required. 95885

**Section 132.** REAPPROPRIATION OF UNEXPENDED ENCUMBERED 95886  
BALANCES OF OPERATING APPROPRIATIONS 95887

An unexpended balance of an operating appropriation or 95888  
reappropriation that a state agency lawfully encumbered prior to 95889  
the close of a fiscal year is reappropriated on the first day of 95890  
July of the following fiscal year from the fund from which it was 95891  
originally appropriated or reappropriated for the following period 95892  
and shall remain available only for the purpose of discharging the 95893  
encumbrance: 95894

(A) For an encumbrance for personal services, maintenance, 95895  
equipment, or items for resale, other than an encumbrance for an 95896  
item of special order manufacture not available on term contract 95897  
or in the open market or for reclamation of land or oil and gas 95898  
wells for a period of not more than five months from the end of 95899  
the fiscal year; 95900

(B) For an encumbrance for an item of special order 95901  
manufacture not available on term contract or in the open market, 95902  
for a period of not more than five months from the end of the 95903  
fiscal year or, with the written approval of the Director of 95904  
Budget and Management, for a period of not more than twelve months 95905  
from the end of the fiscal year; 95906

(C) For an encumbrance for reclamation of land or oil and gas 95907  
wells, for a period ending when the encumbered appropriation is 95908

expended or for a period of two years, whichever is less; 95909

(D) For an encumbrance for any other expense, for such period 95910  
as the director approves, provided such period does not exceed two 95911  
years. 95912

Any operating appropriations for which unexpended balances 95913  
are reappropriated beyond a five-month period from the end of the 95914  
fiscal year, pursuant to division (B) of this section, shall be 95915  
reported to the Controlling Board by the Director of Budget and 95916  
Management by the thirty-first day of December of each year. The 95917  
report on each such item shall include the item, the cost of the 95918  
item, and the name of the vendor. This report to the board shall 95919  
be updated on a quarterly basis for encumbrances remaining open. 95920

Upon the expiration of the reappropriation period set out in 95921  
divisions (A), (B), (C), or (D) of this section, a reappropriation 95922  
made pursuant to this section lapses, and the Director of Budget 95923  
and Management shall cancel the encumbrance of the unexpended 95924  
reappropriation not later than the end of the weekend following 95925  
the expiration of the reappropriation period. 95926

Notwithstanding the preceding paragraph, with the approval of 95927  
the Director of Budget and Management, an unexpended balance of an 95928  
encumbrance that was reappropriated on the first day of July 95929  
pursuant to this section for a period specified in division (C) or 95930  
(D) of this section and that remains encumbered at the close of 95931  
the fiscal biennium is hereby reappropriated pursuant to this 95932  
section on the first day of July of the following fiscal biennium 95933  
from the fund from which it was originally appropriated or 95934  
reappropriated for the applicable period specified in division (C) 95935  
or (D) of this section and shall remain available only for the 95936  
purpose of discharging the encumbrance. 95937

If the Controlling Board approved a purchase, that approval 95938  
remains in effect as long as the appropriation used to make that 95939

purchase remains encumbered. 95940

**Section 133. FEDERAL GOVERNMENT INTEREST REQUIREMENTS** 95941

Notwithstanding any provision of law to the contrary, on or 95942  
before the first day of September of each fiscal year, the 95943  
Director of Budget and Management, in order to reduce the payment 95944  
of adjustments to the federal government, as determined by the 95945  
plan prepared pursuant to division (A) of section 126.12 of the 95946  
Revised Code, may designate such funds as the director considers 95947  
necessary to retain their own interest earnings. 95948

**Section 134.01.** That Sections 11 and 11.04 of Am. Sub. H.B. 95949  
87 of the 125th General Assembly be amended to read as follows: 95950

**Sec. 11. DOT DEPARTMENT OF TRANSPORTATION** 95951

FUND	TITLE	FY 2004	FY 2005	
	Transportation Planning and Research			95952
	Highway Operating Fund Group			95953
002 771-411	Planning and Research	\$ 14,548,950	\$ 15,070,100	95954
	- State			95955
002 771-412	Planning and Research	\$ 35,193,300	\$ 35,644,900	95956
	- Federal			95957
TOTAL HOF	Highway Operating			95958
Fund Group		\$ 49,742,250	\$ 50,715,000	95959
TOTAL ALL BUDGET FUND GROUPS -				95960
Transportation Planning				95961
and Research		\$ 49,742,250	\$ 50,715,000	95962
	Highway Construction			95963
Highway Operating Fund Group				95964
002 772-421	Highway Construction -	\$ 485,577,430	\$ 442,367,300	95965
	State			
002 772-422	Highway Construction -	\$ 762,964,700	\$ 766,001,700	95966

		Federal					
002	772-424	Highway Construction -	\$	70,000,000	\$	51,000,000	95966
		Other					
212	770-005	Infrastructure Debt	\$	72,064,200	\$	78,696,100	95967
		Service - Federal					
212	772-423	Infrastructure Lease	\$	12,537,800	\$	12,537,300	95968
		Payments - Federal					
212	772-426	Highway Infrastructure	\$	2,740,000	\$	2,620,000	95969
		Bank - Federal					
212	772-427	Highway Infrastructure	\$	11,000,000	\$	11,000,000	95970
		Bank - State					
		TOTAL HOF Highway Operating					95971
		Fund Group		\$ 1,416,884,130	\$ 1,364,222,400		95972
		Highway Capital Improvement Fund Group					95973
042	772-723	Highway Construction -	\$	220,000,000	\$	220,000,000	95974
		Bonds					
		TOTAL 042 Highway Capital					95975
		Improvement Fund Group	\$	220,000,000	\$	220,000,000	95976
		Infrastructure Bank Obligations					95977
		Fund Group					
045	772-428	Highway Infrastructure	\$	40,000,000	\$	40,000,000	95978
		Bank - Bonds					
		TOTAL 045 Infrastructure Bank					95979
		Obligations Fund Group	\$	40,000,000	\$	40,000,000	95980
		TOTAL ALL BUDGET FUND GROUPS -					95981
		Highway Construction		\$ 1,678,384,130	\$ 1,627,222,400		95982
		Highway Maintenance					95983
		Highway Operating Fund Group					95984
002	773-431	Highway Maintenance -	\$	394,605,100	\$	413,082,600	95985
		State					
		TOTAL HOF Highway Operating					95986
		Fund Group	\$	394,605,100	\$	413,082,600	95987

TOTAL ALL BUDGET FUND GROUPS -				95988	
Highway Maintenance	\$	394,605,100	\$	413,082,600	95989
Public Transportation					95990
Highway Operating Fund Group					95991
002 775-452 Public Transportation	\$	27,000,000	\$	27,000,000	95992
- Federal					
002 775-454 Public Transportation	\$	1,500,000	\$	1,500,000	95993
- Other					
002 775-459 Elderly and Disabled	\$	4,230,000	\$	4,230,000	95994
Special Equipment -					
Federal					
TOTAL HOF Highway Operating					95995
Fund Group	\$	32,730,000	\$	32,730,000	95996
TOTAL ALL BUDGET FUND GROUPS -					95997
Public Transportation	\$	32,730,000	\$	32,730,000	95998
Rail Transportation					95999
Highway Operating Fund Group					96000
002 776-462 Grade Crossings -	\$	15,000,000	\$	15,000,000	96001
Federal					
TOTAL HOF Highway Operating					96002
Fund Group	\$	15,000,000	\$	15,000,000	96003
<del>State Special Revenue Fund Group</del>					96004
<del>4A3 776-665 Railroad Crossing</del>	<del>\$</del>	<del>1,000,000</del>	<del>\$</del>	<del>0</del>	96005
<del>Safety Devices</del>					
<del>TOTAL SSR State Special Revenue</del>	<del>\$</del>	<del>1,000,000</del>	<del>\$</del>	<del>0</del>	96006
<del>Fund Group</del>					
TOTAL ALL BUDGET FUND GROUPS -					96007
Rail Transportation	\$	<del>16,000,000</del>	\$	15,000,000	96008
		<u>15,000,000</u>			96009
Aviation					96010
Highway Operating Fund Group					96011
002 777-472 Airport Improvements -	\$	405,000	\$	405,000	96012



	Federal				
002 777-475	Aviation	\$	4,064,700	\$	4,139,000 96013
	Administration				
TOTAL HOF	Highway Operating				96014
Fund Group		\$	4,469,700	\$	4,544,000 96015
TOTAL ALL BUDGET FUND GROUPS -					96016
Aviation		\$	4,469,700	\$	4,544,000 96017
	Administration				96018
State Special Revenue Fund Group					96019
4T5 770-609	Administration	\$	5,000	\$	5,000 96020
	Memorial Fund				
TOTAL SSR	State Special Revenue				96021
Fund Group		\$	5,000	\$	5,000 96022
Highway Operating Fund Group					96023
002 779-491	Administration - State	\$	116,449,900	\$	121,986,500 96024
TOTAL HOF	Highway Operating				96025
Fund Group		\$	116,449,900	\$	121,986,500 96026
TOTAL ALL BUDGET FUND GROUPS -					96027
Administration		\$	116,454,900	\$	121,991,500 96028
	Debt Service				96029
Highway Operating Fund Group					96030
002 770-003	Administration - State	\$	13,802,600	\$	13,395,900 96031
	- Debt Service				
TOTAL HOF	Highway Operating				96032
Fund Group		\$	13,802,600	\$	13,395,900 96033
TOTAL ALL BUDGET FUND GROUPS -					96034
Debt Service		\$	13,802,600	\$	13,395,900 96035
	TOTAL Department of Transportation				96036
TOTAL HOF	Highway Operating				96037
Fund Group		\$	2,043,683,680	\$	2,015,676,400 96038
TOTAL 042	Highway Capital				96039
Improvement Fund Group		\$	220,000,000	\$	220,000,000 96040

TOTAL 045 Infrastructure Bank				96041
Obligations Fund Group	\$	40,000,000	\$ 40,000,000	96042
TOTAL SSR State Special Revenue				96043
Fund Group	\$	<del>1,005,000</del>	\$ 5,000	96044
		5,000		96045
TOTAL ALL BUDGET FUND GROUPS	\$	<del>2,304,688,680</del>	\$ 2,275,681,400	96046
		<u>2,303,688,680</u>		96047

**Sec. 11.04. PUBLIC ACCESS ROADS FOR STATE FACILITIES** 96049

Of the foregoing appropriation item 772-421, Highway 96050  
Construction - State, \$3,145,500 is to be used each fiscal year 96051  
during the 2003-2005 biennium by the Department of Transportation 96052  
for the construction, reconstruction, or maintenance of public 96053  
access roads, including support features, to and within state 96054  
facilities owned or operated by the Department of Natural 96055  
Resources, as requested by the Director of Natural Resources. 96056

Notwithstanding section 5511.06 of the Revised Code, of the 96057  
foregoing appropriation item 772-421, Highway Construction - 96058  
State, \$2,228,000 in each fiscal year of the 2003-2005 biennium 96059  
shall be used by the Department of Transportation for the 96060  
construction, reconstruction, or maintenance of park drives or 96061  
park roads within the boundaries of metropolitan parks. 96062

Included in the foregoing appropriation item 772-421, Highway 96063  
Construction - State, the department may perform related road work 96064  
on behalf of the Ohio Expositions Commission at the state 96065  
fairgrounds, including reconstruction or maintenance of public 96066  
access roads, including support features, to and within the 96067  
facilities as requested by the commission and approved by the 96068  
Director of Transportation. 96069

**LIQUIDATION OF UNFORESEEN LIABILITIES** 96070

Any appropriation made to the Department of Transportation, 96071

Highway Operating Fund, not otherwise restricted by law, is 96072  
available to liquidate unforeseen liabilities arising from 96073  
contractual agreements of prior years when the prior year 96074  
encumbrance is insufficient. 96075

~~RUMBLE STRIPS AT RAILROAD CROSSINGS~~ 96076

~~Of the foregoing appropriation item 776-665, Railroad 96077  
Crossing Safety Devices, \$1,000,000 in fiscal year 2004 shall be 96078  
used by the Department of Transportation to fund competitive 96079  
grants to political subdivisions for the cost of putting rumble 96080  
strips at active railroad crossings without gates or lights. The 96081  
maximum amount of a competitive grant is \$50,000 for any single 96082  
crossing. Each political subdivision with jurisdiction over a 96083  
crossing may apply to the Department for a competitive grant for 96084  
the costs of putting rumble strips at crossings. Those political 96085  
subdivisions awarded grants shall install the rumble strips by 96086  
December 1, 2004. Those political subdivisions awarded such grants 96087  
shall not use the moneys as matching funds for any other state 96088  
rail safety programs. 96089~~

~~If rumble strips are not appropriate for a crossing, the 96090  
Department may allow the political subdivision which is awarded 96091  
the grant to use the funding for a safety device or technology 96092  
more appropriate for the crossing. 96093~~

~~The Department shall notify each political subdivision with 96094  
jurisdiction over a crossing of the requirements of this section 96095  
that funding is available for rumble strips at crossings and for 96096  
other rail crossing safety improvements. The Department also shall 96097  
notify associations representing political subdivisions of the 96098  
availability of the funding. 96099~~

~~The Department shall spend no more than five per cent of the 96100  
appropriation item on Department administrative expenses. 96101~~

~~The Department shall issue a report on or before June 30, 96102~~

~~2005, describing the activities carried out by the Department to 96103  
 comply with the provisions of this section. The report shall 96104  
 include the number of crossings at which rumble strip installation 96105  
 was completed, the cost of each installation to date, the number 96106  
 of active crossings without gates or lights that still do not have 96107  
 rumble strips, and a geographic breakdown of where the crossings 96108  
 are that have and have not yet received rumble strips. 96109~~

~~All appropriations in Fund 4A3, appropriation item 776-665, 96110  
 Railroad Crossing Safety Devices, remaining unencumbered on June 96111  
 30, 2004, are hereby reappropriated for the same purpose in fiscal 96112  
 year 2005. The Department shall report all such appropriations to 96113  
 the Controlling Board. 96114~~

**Section 134.02.** That existing Sections 11 and 11.04 of Am. 96115  
 Sub. H.B. 87 of the 125th General Assembly are hereby repealed. 96116

**Section 134.03.** That Section 13.05 of Am. Sub. H.B. 87 of the 96117  
 125th General Assembly be amended to read as follows: 96118

**Sec. 13.05. EMERGENCY MANAGEMENT** 96119

Federal Special Revenue Fund Group				96120
3N5	763-644	U.S. DOE Agreement	\$ 266,000 \$ 275,000	96121
329	763-645	Individual/Family	\$ 303,504 \$ 303,504	96122
		Grant - Fed		
337	763-609	Federal Disaster	\$ <del>5,000,000</del> \$ 3,000,000	96123
		Relief		
			<u>23,000,000</u>	96124
339	763-647	Emergency Management	\$ <del>129,622,000</del> \$ <del>129,622,000</del>	96125
		Assistance and		
		Training		
			<u>111,622,000</u> <u>111,622,000</u>	96126
TOTAL FED Federal Special				96127
Revenue Fund Group				
			\$ 135,191,504 \$ <del>133,200,504</del>	96128

				<u>115,200,504</u>	96129
General Services Fund Group					96130
4V3 763-662 EMA Service and	\$	696,446	\$	696,446	96131
Reimbursement					
533 763-601 State Disaster Relief	\$	7,500,000	\$	7,500,000	96132
TOTAL GSF General Services					96133
Fund Group	\$	8,196,446	\$	8,196,446	96134
State Special Revenue Fund Group					96135
657 763-652 Utility Radiological	\$	1,200,000	\$	1,260,000	96136
Safety					
681 763-653 SARA Title III HAZMAT	\$	264,510	\$	271,510	96137
Planning					
TOTAL SSR State Special Revenue					96138
Fund Group	\$	1,464,510	\$	1,531,510	96139
TOTAL ALL BUDGET FUND GROUPS -					96140
Emergency Management	\$	144,852,460	\$	<del>142,928,460</del>	96141
				<u>124,928,460</u>	96142
SARA TITLE III HAZMAT PLANNING					96143
The SARA Title III HAZMAT Planning Fund (Fund 681) shall					96144
receive grant funds from the Emergency Response Commission to					96145
implement the Emergency Management Agency's responsibilities under					96146
Chapter 3750. of the Revised Code.					96147
STATE DISASTER RELIEF					96148
The foregoing appropriation item 763-601, State Disaster					96149
Relief, may accept transfers of cash and appropriations from					96150
Controlling Board appropriation items to reimburse eligible local					96151
governments and private nonprofit organizations for costs related					96152
to disasters that have been declared by local governments or the					96153
Governor. The Ohio Emergency Management Agency shall publish and					96154
make available an application packet outlining eligible items and					96155
application procedures for entities requesting state disaster					96156

relief. 96157

Individuals may be eligible for reimbursement of costs 96158  
related to disasters that have been declared by the Governor and 96159  
the Small Business Administration. The funding in appropriation 96160  
item 763-601, State Disaster Relief, shall be used in accordance 96161  
with the principles of the federal Individual and Family Grant 96162  
Program, which provides grants to households that have been 96163  
affected by a disaster to replace basic living items. The Ohio 96164  
Emergency Management Agency shall publish and make available an 96165  
application procedure for individuals requesting assistance under 96166  
the state Individual Assistance Program. 96167

EMA SERVICE AND REIMBURSEMENT FUND 96168

On July 1, 2003, or as soon as possible thereafter, the 96169  
Director of Budget and Management shall transfer the cash balances 96170  
in the EMA Utility Payment Fund (Fund 4Y0) and the Salvage and 96171  
Exchange-EMA Fund (Fund 4Y1) to the EMA Service and Reimbursement 96172  
Fund (Fund 4V3), created in section 5502.39 of the Revised Code. 96173  
Upon the completion of the transfer, notwithstanding any other 96174  
provision of law to the contrary, the EMA Utility Payment Fund 96175  
(Fund 4Y0) and the Salvage and Exchange-EMA Fund (Fund 4Y1) are 96176  
abolished. The director shall cancel any existing encumbrances 96177  
against appropriation items 763-654, EMA Utility Payment, and 96178  
763-655, Salvage and Exchange-EMA, and reestablish them against 96179  
appropriation item 763-662, EMA Service and Reimbursement. The 96180  
amounts of the reestablished encumbrances are hereby appropriated. 96181

**Section 134.04.** That existing Section 13.05 of Am. Sub. H.B. 96182  
87 of the 125th General Assembly is hereby repealed. 96183

**Section 134.05.** That section 7 of Am. Sub. H.B. 512 of the 96184  
124th General Assembly be amended to read as follows: 96185

**Sec. 7.** Division (A) (4) of section 2915.08 of the Revised 96186

Code shall not be applied until ~~one year after the effective date~~ 96187  
~~of this act~~ January 31, 2004. 96188

**Section 134.06.** That existing Section 7 of Am. Sub. H.B. 512 96189  
of the 124th General Assembly is hereby repealed. 96190

**Section 134.07.** That Sections 1.09 and 35.03 of H.B. 675 of 96191  
the 124th General Assembly be amended to read as follows: 96192

**Sec. 1.09.** Sections 1.07 and 1.08 of ~~this act~~ H.B. 675 of the 96193  
124th General Assembly take effect ~~July~~ January 1, 2003 2004. 96194

**Sec. 35.03.** Section 5739.031 of the Revised Code takes effect 96195  
~~July 1, 2003~~ January 1, 2004. 96196

**Section 134.08.** That existing Sections 1.09 and 35.03 of H.B. 96197  
675 of the 124th General Assembly are hereby repealed. 96198

**Section 134.09.** The amendment by this act of Sections 1.09 96199  
and 35.03 of H.B. 675 of the 124th General Assembly provides for 96200  
or is essential to the implementation of a tax levy. Therefore, 96201  
under Ohio Constitution, Article II, Section 1d, the amendment is 96202  
not subject to the referendum and goes into immediate effect when 96203  
this act becomes law. 96204

**Section 134.10.** That Sections 18.03, 18.04, 19.39, and 19.52 96205  
of H.B. 675 of the 124th General Assembly be amended to read as 96206  
follows: 96207

Appropriations

**Sec. 18.03.** DMH DEPARTMENT OF MENTAL HEALTH 96208

CAP-479	Community Assistance Projects	\$	<del>3,912,500</del>	96209
			<u>3,662,500</u>	
CAP-906	Campus Consolidation/Automation	\$	12,040,000	96210

CAP-978	Infrastructure Improvements	\$	3,460,000	96211
	Total Department of Mental Health	\$	<del>19,412,500</del>	96212
			<u>19,162,500</u>	

COMMUNITY ASSISTANCE PROJECTS 96213

Of the foregoing appropriation item CAP-479, Community 96214  
 Assistance Projects, ~~\$500,000 shall be used for the Achievement~~ 96215  
~~Centers for Children in Cuyahoga County~~ \$250,000 shall be used for 96216  
the Berea Children's Home. 96217

**Sec. 18.04.** DMR DEPARTMENT OF MENTAL RETARDATION AND 96218  
 DEVELOPMENTAL DISABILITIES 96219

Appropriations

STATEWIDE AND CENTRAL OFFICE PROJECTS 96220

CAP-480	Community Assistance Projects	\$	<del>9,441,000</del>	96221
			<u>9,691,000</u>	
CAP-955	Statewide Development Centers	\$	3,959,000	96222
	Total Statewide and Central Office Projects	\$	<del>13,400,000</del>	96223
			<u>13,650,000</u>	

TOTAL Department of Mental Retardation and				96224
Developmental Disabilities	\$	<del>13,400,000</del>		96225
			<u>13,650,000</u>	

TOTAL MENTAL HEALTH FACILITIES IMPROVEMENT FUND	\$	33,079,012		96226
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COMMUNITY ASSISTANCE PROJECTS 96227

The foregoing appropriation item CAP-480, Community 96228  
 Assistance Projects, may be used to provide community assistance 96229  
 funds for the development, purchase, construction, or renovation 96230  
 of facilities for day programs or residential programs that 96231  
 provide services to persons eligible for services from the 96232  
 Department of Mental Retardation and Developmental Disabilities or 96233  
 county boards of mental retardation and developmental 96234  
 disabilities. Any funds provided to nonprofit agencies for the 96235  
 construction or renovation of facilities for persons eligible for 96236



services from the Department of Mental Retardation and 96237  
Developmental Disabilities and county boards of mental retardation 96238  
and developmental disabilities shall be governed by the prevailing 96239  
wage provisions in section 176.05 of the Revised Code. 96240

Of the foregoing appropriation item CAP-480, Community 96241  
Assistance Projects, \$150,000 shall be used for the Fostoria Area 96242  
Community Childhood and Family Center; ~~\$250,000 shall be used for~~ 96243  
~~the Berea Children's Home;~~ and \$1,000,000 shall be used for the 96244  
Bellefaire Jewish Children's Bureau; and \$500,000 shall be used 96245  
for the Achievement Centers for Children in Cuyahoga County. 96246

Appropriations

<b>Sec. 19.39.</b> BTC BELMONT <del>TECHNICAL</del> <u>COMMUNITY</u> COLLEGE			96247
CAP-008 Basic Renovations	\$	214,638	96248
Total Belmont <del>Technical</del> <u>Community</u> College	\$	214,638	96249

**Sec. 19.52.** The requirements of Chapters 123. and 153. of the 96251  
Revised Code, with respect to the powers and duties of the 96252  
Director of Administrative Services, and the requirements of 96253  
section 127.16 of the Revised Code, with respect to the 96254  
Controlling Board, shall not apply to projects of community 96255  
college districts, which include Belmont Community College, 96256  
Cuyahoga Community College, Jefferson Community College, Lakeland 96257  
Community College, Lorain County Community College, Rio Grande 96258  
Community College, and Sinclair Community College; and technical 96259  
college districts which include ~~Belmont Technical College,~~ Central 96260  
Ohio Technical College, Hocking Technical College, Lima Technical 96261  
College, Marion Technical College, Muskingum Area Technical 96262  
College, North Central Technical College, and Stark Technical 96263  
College. 96264

**Section 134.11.** That existing Sections 18.03, 18.04, 19.39, 96265  
and 19.52 of H.B. 675 of the 124th General Assembly are hereby 96266

repealed. 96267

**Section 134.12.** That Section 63.37 of Am. Sub. H.B. 94 of the 96268  
124th General Assembly, as most recently amended by Am. Sub. S.B. 96269  
261 of the 124th General Assembly, be amended to read as follows: 96270  
96271

**Sec. 63.37. NURSING FACILITY STABILIZATION FUND** 96272

(A) As used in this section: 96273

(1) "~~Inpatient~~ Franchise permit fee" means the fee imposed by 96274  
sections 3721.50 to 3721.58 of the Revised Code. 96275

(2) "Inpatient days" and "nursing facility" have the same 96276  
meanings as in section 5111.20 of the Revised Code. 96277

~~(2)~~(3) "Medicaid day" means all days during which a resident 96278  
who is a Medicaid recipient occupies a bed in a nursing facility 96279  
that is included in the facility's certified capacity under Title 96280  
XIX of the "Social Security Act," 79 Stat. 286 (1965), 42 U.S.C.A. 96281  
1396, as amended. Therapeutic or hospital leave days for which 96282  
payment is made under section 5111.33 of the Revised Code are 96283  
considered Medicaid days proportionate to the percentage of the 96284  
nursing facility's per resident per day rate paid for those days. 96285

(B) The Department of Job and Family Services shall use money 96286  
in the Nursing Facility Stabilization Fund created under section 96287  
3721.56 of the Revised Code to do all of the following: 96288

(1) Make payments to nursing facilities under ~~sections~~ 96289  
~~5111.20 to 5111.32~~ Chapter 5111. of the Revised Code; 96290

(2) Beginning with payments made to nursing facilities in 96291  
August 2001, make payments to each nursing facility for each 96292  
Medicaid day in fiscal year 2002 in an amount equal to sixty-nine 96293  
and seven-tenths per cent of the franchise permit fee the nursing 96294  
facility pays ~~under section 3721.53 of the Revised Code~~ for the 96295

fiscal year the department makes the payment divided by the 96296  
nursing facility's inpatient days for the calendar year preceding 96297  
the calendar year in which that fiscal year begins; 96298

(3) Beginning with payments made to nursing facilities in 96299  
August 2002, make payments to each nursing facility for each 96300  
Medicaid day in fiscal years 2003, 2004, and 2005 in an amount 96301  
equal to seventy-six and seventy-four-hundredths per cent of the 96302  
franchise permit fee the nursing facility pays ~~under section~~ 96303  
~~3721.53 of the Revised Code~~ for the fiscal year the department 96304  
makes the payment divided by the nursing facility's inpatient days 96305  
for the calendar year preceding the calendar year in which that 96306  
fiscal year begins; 96307

(4) Beginning with payments made to nursing facilities in 96308  
August 2001, make payments to each nursing facility for fiscal 96309  
year 2002 in an amount equal to one dollar and fifty cents per 96310  
Medicaid day for the purpose of enhancing quality of care; 96311

(5) Beginning with payments made to nursing facilities in 96312  
August 2002, make payments to each nursing facility for fiscal 96313  
years 2003, 2004, and 2005 in an amount equal to two dollars and 96314  
twenty-five cents per Medicaid day for the purpose of enhancing 96315  
quality of care. 96316

(C) Any money remaining in the Nursing Facility Stabilization 96317  
Fund after payments specified in division (B) of this section are 96318  
made for fiscal years 2002, 2003, 2004, and 2005 shall be retained 96319  
in the fund. Any interest or other investment proceeds earned on 96320  
money in the fund shall be credited to the fund and used to make 96321  
payments in accordance with division (B) of this section. 96322

(D) Notwithstanding ~~division (N) of section 5111.20 of the~~ 96323  
~~Revised Code, the Department of Job and Family Services, in making~~ 96324  
~~Medicaid payments to a nursing facility under sections 5111.20 to~~ 96325  
~~5111.32 Chapter 5111. of the Revised Code, shall do both of the~~ 96326

<del>following:</del>	96327
<del>(1) Exclude from a nursing facility's other protected costs</del>	96328
<del>the cost of sixty nine and seven tenths per cent of the franchise</del>	96329
<del>permit fee that the nursing facility pays under section 3721.53 of</del>	96330
<del>the Revised Code for fiscal year 2002 if the nursing facility</del>	96331
<del>receives payments under division (B)(2) of this section for</del>	96332
<del>sixty nine and seven tenths per cent of those franchise permit</del>	96333
<del>fees:</del>	96334
<del>(2) Exclude from a nursing facility's other protected costs</del>	96335
<del>the cost of seventy six and seventy four hundredths per cent of</del>	96336
<del>the franchise permit fee that the nursing facility pays under</del>	96337
<del>section 3721.53 of the Revised Code for fiscal years 2003, 2004,</del>	96338
<del>and 2005 if the nursing facility receives payments under division</del>	96339
<del>(B)(2) of this section for seventy six and seventy four hundredths</del>	96340
<del>per cent of those franchise permit fees <u>A nursing facility filing</u></del>	96341
<del><u>its cost report with the Department of Job and Family Services</u></del>	96342
<del><u>under section 5111.26 of the Revised Code shall do all of the</u></del>	96343
<del><u>following:</u></del>	96344
<del><u>(1) For the nursing facility's cost report covering calendar</u></del>	96345
<del><u>year 2003, report as a non-reimbursable expense the cost of</u></del>	96346
<del><u>seventy-six and seventy-four hundredths per cent of the franchise</u></del>	96347
<del><u>permit fee that the nursing facility pays for the second half of</u></del>	96348
<del><u>fiscal year 2003 and the first half of fiscal year 2004.</u></del>	96349
<del><u>(2) For the nursing facility's cost report covering calendar</u></del>	96350
<del><u>year 2004, report as a non-reimbursable expense the cost of</u></del>	96351
<del><u>seventy-six and seventy-four hundredths per cent of the franchise</u></del>	96352
<del><u>permit fee that the nursing facility pays for the second half of</u></del>	96353
<del><u>fiscal year 2004 and the first half of fiscal year 2005.</u></del>	96354
<del><u>(3) For the nursing facility's cost report covering calendar</u></del>	96355
<del><u>year 2005, report, for the first half of the calendar year, as a</u></del>	96356
<del><u>non-reimbursable expense the cost of seventy-six and seventy-four</u></del>	96357

hundredths per cent of the franchise permit fee that the nursing facility pays for the second half of fiscal year 2005. 96358  
96359

(E) The limitation of Section 230 of Am. Sub. H.B. 94 of the 124th General Assembly is not applicable to the amendments made by this act to this section. 96360  
96361  
96362

**Section 134.13.** That existing Section 63.37 of Am. Sub. H.B. 94 of the 124th General Assembly, as most recently amended by Am. Sub. S.B. 261 of the 124th General Assembly, is hereby repealed. 96363  
96364  
96365

**Section 134.14.** That Section 3 of Am. Sub. S.B. 143 of the 124th General Assembly be amended to read as follows: 96366  
96367

**Sec. 3.** Sections ~~5739.021, 5739.023, 5739.026,~~ 5739.03, ~~5739.031, 5739.033,~~ 5739.12, 5741.02, and 5741.12, and division (I)(7) of section 5741.01 of the Revised Code, as amended by ~~this act~~ Am. Sub. S.B. 143 of the 124th General Assembly, and sections 306.73, 5703.65, 5739.04, 5739.06, 5741.05, and 5741.08 of the Revised Code, as enacted by ~~this act~~ Am. Sub. S.B. 143 of the 124th General Assembly, shall take effect July 1, 2003. Sections 5739.021, 5739.023, 5739.026, 5739.031, and 5739.033 of the Revised Code, as amended by Am. Sub. S.B. 143 of the 124th General Assembly, shall take effect January 1, 2004. 96368  
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**Section 134.15.** That existing Section 3 of Am. Sub. S.B. 143 of the 124th General Assembly is hereby repealed. 96378  
96379

**Section 134.16.** The amendment by this act of Section 3 of Am. Sub. S.B. 143 of the 124th General Assembly provides for or is essential to the implementation of a tax levy. Therefore, under Ohio Constitution, Article II, Section 1d, the amendment is not subject to the referendum and goes into immediate effect when this act becomes law. 96380  
96381  
96382  
96383  
96384  
96385

**Section 135.** The amendments to sections 5739.021, 5739.023, 96386  
and 5739.026 of the Revised Code by Am. Sub. S.B. 143 of the 124th 96387  
General Assembly apply to levies proposed by a resolution adopted 96388  
on or after January 1, 2004, and do not apply to levies proposed 96389  
by a resolution adopted before that date. 96390

**Section 136.** Sections 131G, 131H, 131I, and 131J of this act 96391  
intend to delay the scheduled July 1, 2003, effective date of 96392  
sections 5739.021, 5739.023, 5739.026, 5739.031, and 5739.033 of 96393  
the Revised Code until January 1, 2004. 96394

**Section 137.01.** That Sections 10 and 14 of Am. Sub. S.B. 242 96395  
of the 124th General Assembly be amended to read as follows: 96396

**Sec. 10. NET SCHOOLNET COMMISSION** 96397

Tobacco Master Settlement Agreement Fund Group 96398

S87 228-602 Education Technology \$ 16,500,000 \$ 16,500,000 96399

Trust Fund

TOTAL TSF Tobacco Master 96400  
Settlement Agreement Fund 96401

Group \$ 16,500,000 \$ 16,500,000 96402

TOTAL ALL BUDGET FUND GROUPS \$ 16,500,000 \$ 16,500,000 96403

**EDUCATION TECHNOLOGY TRUST FUND** 96404

The foregoing appropriation item 228-602, Education 96405  
Technology Trust Fund, shall be used by the SchoolNet Commission 96406  
for grants to school districts and other entities and for the 96407  
costs of administering these grants. Of the total amount for 96408  
grants, \$1,917,293 in fiscal year 2003 shall be used for the Ohio 96409  
ONEnet project, \$909,247 in fiscal year 2003 shall be used for the 96410  
INFOhio Network, \$298,750 in fiscal year 2003 shall be used for 96411  
the JASON Project, \$1,000,000 in fiscal year 2003 shall be used 96412

for RISE Learning Solutions, and \$200,000 in fiscal year 2003 96413  
shall be used for the Stark County School Teacher Technical 96414  
Training Center. The remaining amount for grants shall be made to 96415  
school districts. 96416

The JASON Project shall provide funding for statewide access 96417  
and a seventy-five per cent subsidy for statewide licensing of 96418  
JASON content for 90,000 middle school students statewide, and 96419  
professional development for teachers participating in the JASON 96420  
Project. 96421

It is the intent of the General Assembly that the SchoolNet 96422  
Commission, in conjunction with RISE Learning Solutions, shall 96423  
develop a program that may be conducted in conjunction with 96424  
state-supported technology programs, including, but not limited 96425  
to, SchoolNet Commission appropriation item 228-406, Technical and 96426  
Instructional Professional Development, and appropriation item 96427  
228-539, Education Technology, and that shall be designed to 96428  
educate preschool staff members and providers on developmentally 96429  
appropriate teaching methods, behavior guidance, and literacy and 96430  
to involve parents more closely in the education and development 96431  
of their children. The program shall include an interactive 96432  
instructional component, delivered using satellite television, 96433  
Internet, and with facilitation, and shall be distributed to 96434  
program participants using the established satellite receiver 96435  
dishes on public schools, Head Start centers, and childcare 96436  
centers at up to 100 locations throughout the state. The 96437  
interactive instructional component of the program shall be 96438  
developed to enhance the professional development, training, and 96439  
performance of preschool staff members, the education and 96440  
care-giving skills of the parents of preschool children, and the 96441  
preparation of preschool-age children for learning. 96442

The program shall utilize the grant to continue a 96443  
direct-service component that shall include at least three 96444

teleconferences that may be distributed by Ohio-based public 96445  
television utilizing satellite or microwave technology in a manner 96446  
designed to promote interactive communications between the program 96447  
participants located at subsites within the Ohio Educational 96448  
Broadcast Network or as determined by the commission. Program 96449  
participants shall communicate with trainers and participants at 96450  
other program sites through telecommunications and facsimile and 96451  
on-line computer technology. As much as possible, the 96452  
direct-service component shall utilize systems currently available 96453  
in state-supported technology programs and conduct the component 96454  
in a manner that promotes innovative, interactive communications 96455  
between program participants at all the sites. Parent support 96456  
groups and teacher training sessions shall supplement the 96457  
teleconferences and shall occur on a local basis. 96458

RISE Learning Solutions may subcontract components of the 96459  
program. 96460

Individuals eligible to participate in the program include 96461  
those children, their parents, custodians, or guardians, and 96462  
preschool staff members who are eligible to participate in a 96463  
preschool program as defined in division (A) of section 3301.52 96464  
and section 5104.02 of the Revised Code. 96465

The components of the program, including two that shall be 96466  
developed in support of teacher proficiency in teaching reading to 96467  
prekindergarten and kindergarten to third grade students, at the 96468  
direction of the Department of Education, may include: two 96469  
three-hour broadcast seminars from a central up-link station, 96470  
distributed in up to 88 counties; high production-value video 96471  
sought in various locations; and direct interactive adult learning 96472  
activities. These two components shall include development of 96473  
workbooks and involve at least three small, group-facilitated 96474  
follow-up discussion workshops and development and distribution of 96475  
at least two home videos. The program shall also provide Internet 96476



access, interactive lines, bulletin board, and CD-ROM. 96477

Upon completion of each of the school years for which the 96478  
grant was made, RISE Learning Solutions shall issue a report to 96479  
the commission and members of the General Assembly explaining the 96480  
goals and objectives determined, the activities implemented, the 96481  
progress made toward the achievement of the goals and objectives, 96482  
and the outcome of the program. 96483

The commission shall use the remaining appropriation 96484  
authority in fiscal year 2003 and appropriation authority granted 96485  
in fiscal year 2004 to establish and equip, through the SchoolNet 96486  
Plus Program, at least one interactive computer station for each 96487  
five children enrolled in the sixth grade as determined by a 96488  
three-year average adjusted per pupil property valuation pursuant 96489  
to division (A) of section 3317.03 of the Revised Code. Districts 96490  
in the first two quartiles of wealth shall receive up to \$380 per 96491  
pupil for students in grade six to purchase classroom computers 96492  
for the sixth grade. Districts in the third and fourth quartile 96493  
shall receive ~~approximately~~ up to \$188 per sixth grade pupil. If a 96494  
district has met the state's goal of one computer to every five 96495  
students, the district may use funds provided through the 96496  
SchoolNet Plus Program to purchase computers for grade seven or to 96497  
fulfill educational technology needs on other grades as specified 96498  
in the district's technology plan. When there is at least one 96499  
computer for each five children enrolled in the sixth grade, 96500  
SchoolNet shall use any remaining funds appropriated to establish 96501  
and equip at least one interactive computer workstation for each 96502  
five children enrolled in the seventh grade as determined by the 96503  
previously defined formula. 96504

**Sec. 14.** All items set forth in this section are hereby 96505  
appropriated out of any moneys in the state treasury to the credit 96506  
of the Education Facilities Trust Fund (Fund N87) that are not 96507

otherwise appropriated.			96508
		Appropriations	
	SFC SCHOOL FACILITIES COMMISSION		96509
CAP-780 Classroom Facilities Assistance Program	\$	<del>148,400,000</del>	96510
		<u>25,600,000</u>	
Total School Facilities Commission	\$	<del>148,400,000</del>	96511
		<u>25,600,000</u>	
TOTAL Education Facilities Trust Fund	\$	<del>148,400,000</del>	96512
		<u>25,600,000</u>	

**Section 137.02.** That existing Sections 10 and 14 of Am. Sub. 96514  
S.B. 242 of the 124th General Assembly is hereby repealed. 96515

**Section 137.03.** That Section 24.43 of Am. Sub. H.B. 524 of 96516  
the 124th General Assembly be amended to read as follows: 96517

		Reappropriations	
<b>Sec. 24.43.</b> BTC BELMONT <del>TECHNICAL</del> <u>COMMUNITY</u> COLLEGE			96518
CAP-008 Basic Renovations	\$	653,372	96519
CAP-014 Main Building Renovation - Phase 3	\$	49,137	96520
CAP-019 ADA Modifications	\$	45,915	96521
Total Belmont <del>Technical</del> <u>Community</u> College	\$	748,424	96522

**Section 137.04.** That existing Section 24.43 of Am. Sub. H.B. 96524  
524 of the 124th General Assembly is hereby repealed. 96525

**Section 137.05.** That Section 3 of Am. Sub. H.B. 215 of the 96526  
122nd General Assembly, as most recently amended by Am. Sub. H.B. 96527  
94 of the 124th General Assembly, be amended to read as follows: 96528

**Sec. 3.** Section 1751.68 of the Revised Code is hereby 96529  
repealed, effective October 16, ~~2003~~ 2005. 96530

**Section 137.06.** That existing Section 3 of Am. Sub. H.B. 215 96531

of the 122nd General Assembly, as most recently amended by Am. 96532  
Sub. H.B. 94 of the 124th General Assembly, is hereby repealed. 96533

**Section 137.07.** \* That Section 3 of Am. Sub. H.B. 621 of the 96534  
122nd General Assembly, as most recently amended by Am. Sub. H.B. 96535  
94 of the 124th General Assembly, be amended to read as follows: 96536

**Sec. 3.** That sections 166.031, 901.80, 901.81, 901.82, and 96537  
901.83 of the Revised Code are hereby repealed, effective ~~July 1,~~ 96538  
~~2003~~ October 15, 2005. 96539

**Section 137.08.** \* That existing Section 3 of Am. Sub. H.B. 96540  
621 of the 122nd General Assembly, as most recently amended by Am. 96541  
Sub. H.B. 94 of the 124th General Assembly, is hereby repealed. 96542

**Section 137.09.** That Section 153 of Am. Sub. H.B. 117 of the 96543  
121st General Assembly, as most recently amended by Am. Sub. H.B. 96544  
94 of the 124th General Assembly, be amended to read as follows: 96545

**Sec. 153.** (A) Sections 5112.01, 5112.03, 5112.04, 5112.05, 96546  
5112.06, 5112.07, 5112.08, 5112.09, 5112.10, 5112.11, 5112.18, 96547  
5112.19, 5112.21, and 5112.99 of the Revised Code are hereby 96548  
repealed, effective October 16, ~~2003~~ 2005. 96549

(B) Any money remaining in the Legislative Budget Services 96550  
Fund on October 16, ~~2003~~ 2005, the date that section 5112.19 of 96551  
the Revised Code is repealed by division (A) of this section, 96552  
shall be used solely for the purposes stated in then former 96553  
section 5112.19 of the Revised Code. When all money in the 96554  
Legislative Budget Services Fund has been spent after then former 96555  
section 5112.19 of the Revised Code is repealed under division (A) 96556  
of this section, the fund shall cease to exist. 96557

**Section 137.10.** That existing Section 153 of Am. Sub. H.B. 96558

117 of the 121st General Assembly, as most recently amended by Am. 96559  
 Sub. H.B. 94 of the 124th General Assembly, is hereby repealed. 96560

**Section 137.11.** \* That Section 27 of Sub. H.B. 670 of the 96561  
 121st General Assembly, as amended by Sub. H.B. 548 of the 123rd 96562  
 General Assembly, be amended to read as follows: 96563

**Sec. 27.** The following agencies shall be retained pursuant to 96564  
 division (D) of section 101.83 of the Revised Code and shall 96565  
 expire on December 31, 2004: 96566

REVISED CODE 96567

OR

~~UNCODIFIED~~ 96568

UNCODIFIED

AGENCY NAME	SECTION	96569
Advisory Council on Amusement Ride Safety	1711.51	96570
Advisory Board of Directors for Prison Labor	5145.162	96571
Appalachian Public Facilities Council	Sec. 3, H.B. 280, 121st GA	96572
Apprenticeship Council	4111.26	96573
Armory Board of Control	5911.09	96574
Banking Commission	1123.01	96575
Board of Voting Machine Examiners	3506.05(B)	96576
Board of Governors, Medical Malpractice Joint Underwriting Association	3929.77	96577
Board of Tax Appeals	5703.02	96578
Brain Injury Advisory Committee <del>Committee</del>	3304.231 <del>3304.231</del>	96579
Capitol Square Review and Advisory Board	105.41	96580
Child Support Guideline Advisory Council	3113.215(G)	96581
Children's Trust Fund Board	3109.15	96582
Citizen's Advisory Council (Dept. of Mental Retardation and Developmental Disabilities)	5123.092	96583

**Am. Sub. H. B. No. 95, Part II**  
**As Reported by the Committee of Conference**

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Citizen's Advisory Council (Dept. of Mental Health)	5119.81	96584
<del>Civilian Conservation Advisory Committee</del>	<del>1553.10</del>	96585
Coastal Resources Advisory Council	1506.12	96586
Commission on African-American Males	4112.12	96587
Commission on Hispanic-Latino Affairs	121.31	96588
Commodity Advisory Commission	926.32	96589
Community Mental Retardation and Developmental Disabilities Trust Fund Advisory Council	5123.353	96590
Continuing Education Committee (for sheriffs)	109.80	96591
Controlling Board	127.12	96592
Council on Alcohol and Drug Addiction Services	3793.09	96593
Council on Unreclaimed Strip Mine Lands	1513.29	96594
County Sheriffs' Standard Car Marking and Uniform Commission	311.25	96595
Criminal Sentencing Advisory Committee	181.22	96596
Day-Care Advisory Council	5104.08	96597
Development Financing Advisory Council	122.40	96598
Electrical Safety Inspector Advisory Committee	3783.08	96599
Engineering Experiment Station Advisory Committee	3335.27	96600
Environmental Review Appeals Commission	3745.02	96601
Environmental Education Council	3745.21	96602
Forestry Advisory Council	1503.40	96603
Governor's Community Service Council	121.40	96604
Governor's Council on People with Disabilities	3303.41	96605
<del>Hazardous Waste Facility Board</del>	<del>3734.05</del>	96606
Health Care Quality Advisory Council	4121.442	96607
Health Data Advisory Committee	3729.61	96608
Hemophilia Advisory Council	3701.145	96609
Historic Site Preservation Advisory Board	149.301	96610
Hospital Advisory Committee and the Medical Advisory Committee of the Joint Underwriting Association Board of Governors	3929.76	96611

Industrial Commission	4121.02	96612
Industrial Commission Nominating Council	4121.04	96613
Industrial Technology and Enterprise Advisory Council	122.29	96614
Insurance Agent Education Advisory Council	3905.483	96615
Interagency Recycling Market Development Workgroup	1502.10	96616
Joint Select Committee on Volume Cap	133.021	96617
Labor-Management Government Advisory Council	4121.70	96618
Legal Rights Service Commission	5123.60	96619
Martha Kinney Cooper Ohioana Library Association Board of Trustees	3375.62	96620
Maternal and Child Health Council	3701.025	96621
<del>Medicaid Long Term Care Reimbursement Study Council</del>	<del>5111.34</del>	96622
Medically Handicapped Children's Medical Advisory Council	3701.025	96623
Milk Sanitation Board	917.03	96624
Mine Subsidence Insurance Governing Board	3929.51	96625
Multi-Agency Radio Communication Systems Steering Committee	Sec. 21, H.B. 790, 120th GA	96626
Multidisciplinary Council	3746.03	96627
National Museum of Afro-American History and Culture Planning Committee	149.303	96628
<u>Nursing Facility Reimbursement Study Council</u>	<u>5111.34</u>	96629
Ohio Advisory Council for the Aging	173.03	96630
Ohio Arts Council	3379.02	96631
Ohio Arts and Sports Facilities Commission	3383.02	96632
Ohio Benefit Systems Data Linkage Committee	125.24	96633
Ohio Bicentennial Commission	149.32	96634
Ohio Cemetery Dispute Resolution Commission	4767.05	96635
Ohio Commission on Dispute Resolution and Conflict Management	179.02	96636
Ohio Educational Telecommunications Network	3353.02	96637

Commission		
Ohio Ethics Commission	102.05	96638
Ohio Expositions Commission	991.02	96639
Ohio Family and Children First Cabinet Council	121.37	96640
Ohio Geology Advisory Council	1505.11	96641
Ohio Grape Industries Committee	924.51	96642
Ohio Historical Society Board of Trustees	149.30	96643
Ohio Lake Erie Commission	1506.21	96644
Ohio Medical Quality Foundation	3701.89	96645
Ohio Natural Areas Council	1517.03	96646
Ohio Parks and Recreation Council	1541.40	96647
Ohio Peace Officer Training Commission	109.71	96648
Ohio Public Defender Commission	120.01	96649
Ohio Quarter Horse Development Commission	3769.086	96650
Ohio Scenic Rivers Advisory Councils	1517.18	96651
Ohio Small Government Capital Improvements Commission	164.02	96652
Ohio Soil and Water Conservation Commission	1515.02	96653
Ohio Standardbred Development Commission	3769.085	96654
Ohio Steel Industry Advisory Council	122.97	96655
Ohio Teacher Education and Licensure Advisory Council	3319.28(D)	96656
Ohio Thoroughbred Racing Advisory Committee	3769.084	96657
Ohio Tuition Trust Authority	3334.03	96658
Ohio University College of Osteopathic Medicine Advisory Committee	3337.10	96659
Ohio Vendors Representative Committee	3304.34	96660
Ohio Veterans' Home Board of Trustees	5907.02	96661
Ohio War Orphans Scholarship Board	5910.02	96662
Ohio Water Advisory Council	1521.031	96663
Oil and Gas Commission	1509.35	96664
Organized Crime Investigations Commission	177.01	96665
Parole Board	5149.10	96666

Pharmacy and Therapeutics Committee of the Dept. of Human Services	5111.81	96667
Physical Fitness and Sports Advisory Board	3701.77	96668
Power Siting Board	4906.02	96669
Private Water Systems Advisory Council	3701.346	96670
Public Employment Risk Reduction Advisory Commission	4167.02	96671
Public Utilities Commission Nominating Council	4901.021	96672
Reclamation Commission	1513.05	96673
Recreation and Resources Commission	1501.04	96674
Recycling and Litter Prevention Advisory Council	1502.04	96675
Rehabilitation Services Commission Consumer Advisory Committee	3304.24	96676
Select Commission on Pyrotechnics	Sec. 3, H.B. 508, 119th GA	96677
Services Committee of the Workers' Compensation System	4121.06	96678
Set Aside Review Board	123.151(C)(4)	96679
Small Business Stationary Source Technical and Environmental Compliance Assistance Council	3704.19	96680
Solid Waste Management Advisory Council	3734.51	96681
State Board of Deposit	135.02	96682
State Board of Library Examiners	3375.47	96683
State Council of Uniform State Laws	105.21	96684
State Committee for the Purchase of Products and Services of Persons with Severe Disabilities	4115.32	96685
State Criminal Sentencing Commission	181.21	96686
State Fire Commission	3737.81	96687
State and Local Government Commission of Ohio	105.45	96688
State Victims Assistance Advisory Committee	109.91	96689
Student Tuition Recovery Authority	3332.081	96690
Subcommittee of the State Board of Emergency Medical Services for Firefighter and Fire Safety	4765.55	96691



Inspector Training		
Submerged Lands Advisory Council	1506.37	96692
Tax Credit Authority	122.17	96693
Technical Advisory Committee to assist the Director of the Ohio Coal Development Office	1551.35	96694
Technical Advisory Council on Oil and Gas	1509.38	96695
Technology Advisory Committee (for Education)	Sec. 45.01, H.B. 117, 121st GA	96696
Unemployment Compensation Review Commission	4141.06	96697
Unemployment Compensation Advisory Council	4141.08	96698
Utility Radiological Safety Board	4937.02	96699
Veterans Advisory Committee	5902.02(K)	96700
Water and Sewer Commission	1525.11(C)	96701
Waterways Safety Council	1547.73	96702
Welfare Oversight Council	5101.93	96703
Wildlife Council	1531.03	96704
Workers' Compensation System Oversight Committee	Sec. 10, H.B. 222, 118th GA	96705
Wright-Dunbar State Heritage Commission	149.321	96706

**Section 137.12.** \* That existing Section 27 of Sub. H.B. 670 96707  
of the 121st General Assembly, as amended by Sub. H.B. 548 of the 96708  
123rd General Assembly, is hereby repealed. 96709

**Section 137.13.** That Section 5 of Am. Sub. S.B. 50 of the 96710  
121st General Assembly, as most recently amended by Am. Sub. H.B. 96711  
94 of the 124th General Assembly, be amended to read as follows: 96712

**Sec. 5.** Sections 3 and 4 of Am. Sub. S.B. 50 of the 121st 96713  
General Assembly shall take effect July 1, ~~2003~~ 2005. 96714

**Section 137.14.** That existing Section 5 of Am. Sub. S.B. 50 96715

of the 121st General Assembly, as most recently amended by Am. 96716  
Sub. H.B. 94 of the 124th General Assembly, is hereby repealed. 96717

**Section 137.15.** That Section 2 of Am. Sub. H.B. 71 of the 96718  
120th General Assembly be amended to read as follows: 96719

**Sec. 2.** Sections ~~1742.42~~, 3901.49, and 3901.50 of the Revised 96720  
Code are hereby repealed, effective ~~ten years after the effective~~ 96721  
~~date of this act~~ February 9, 2014. The repeal of these sections 96722  
shall apply only to contracts and policies that are delivered, 96723  
issued for delivery, or renewed in this state on or after that 96724  
date, and to plans of self-insurance that are established or 96725  
modified in this state on or after that date. 96726

**Section 137.16.** That existing Section 2 of Am. Sub. H.B. 71 96727  
of the 120th General Assembly is hereby repealed. 96728

**Section 137.17.** That Section 6 of Am. Sub. S.B. 67 of the 96729  
122nd General Assembly be amended to read as follows: 96730

**Sec. 6.** Section 1751.64 of the Revised Code is hereby 96731  
repealed, effective February 9, ~~2004~~ 2014. The repeal of that 96732  
section shall apply only to contracts that are delivered, issued 96733  
for delivery, or renewed in this state on or after that date. 96734

**Section 137.18.** That existing Section 6 of Am. Sub. S.B. 67 96735  
of the 122nd General Assembly is hereby repealed. 96736

**Section 137.19.** Section 129 of Am. Sub. H.B. 283 of the 123rd 96737  
General Assembly as amended by Am. Sub. H.B. 94 of the 124th 96738  
General Assembly is hereby repealed. 96739

**Section 137.20.** Section 3 of Sub. H.B. 403 of the 123rd 96740  
General Assembly is hereby repealed. 96741

**Section 137.21.** Section 16 of Am. Sub. H.B. 87 of the 125th 96742  
General Assembly is hereby repealed. 96743

**Section 137.22.** \* (A) Section 3 of Am. Sub. S.B. 272 of the 96744  
123rd General Assembly, as amended by Am. Sub. H.B. 768 of the 96745  
123rd General Assembly, is hereby repealed. 96746

(B) Notwithstanding the repeal of Section 3 of Am. Sub. S.B. 96747  
272 of the 123rd General Assembly, as subsequently amended, 96748  
prescribed in division (A) of this section, a school district that 96749  
is participating in the School Building Assistance Expedited Local 96750  
Partnership Program under section 3318.36 of the Revised Code may 96751  
apply as local resources under that program those expenditures 96752  
described in Section 3 of Am. Sub. S.B. 272 of the 123rd General 96753  
Assembly, as subsequently amended, if, and only if, all the 96754  
following conditions are satisfied: 96755

(1) The school district's project was conditionally approved 96756  
by the Ohio School Facilities Commission and subsequently approved 96757  
by the Controlling Board under division (D)(1) of section 3318.36 96758  
of the Revised Code not later than one hundred eighty days after 96759  
the effective date of this section. 96760

(2) The school district board of education and the Commission 96761  
entered into an agreement under section 3318.36 of the Revised 96762  
Code, not later than one hundred eighty days after the effective 96763  
date of this section, for the district to acquire the discrete 96764  
part of the project under the Expedited Local Partnership Program, 96765  
as identified by the school district board under division (D)(1) 96766  
of section 3318.36 of the Revised Code. 96767

**Section 137.23.** That Section 11 of Am. Sub. S.B. 50 of the 96768  
121st General Assembly, as amended by Am. Sub. H.B. 405 of the 96769  
124th General Assembly, is hereby repealed. 96770

**Section 137.24.** That Section 3 of Am. Sub. S.B. 238 of the 123rd General Assembly is hereby repealed. The intent of this repeal is to remove the limitation upon the continued existence of sections 4779.01 to 4779.13, 4779.15 to 4779.33, and 4779.99 of the Revised Code. This intent is not affected by the rule of statutory interpretation contained in section 1.57 of the Revised Code.

**Section 137.25.** That Section 72 of Am. Sub. H.B. 850 of the 122nd General Assembly is hereby repealed.

**Section 138.** TRANSFERS FROM THE TOBACCO MASTER SETTLEMENT AGREEMENT FUND TO THE GENERAL REVENUE FUND

Notwithstanding section 183.02 of the Revised Code, on or before June 30, 2004, the Director of Budget and Management may transfer up to \$242,800,000 to the General Revenue Fund from the Tobacco Master Settlement Agreement Fund (Fund 087), as provided in divisions (A) and (B) of this section:

(A) Up to \$120,000,000 of the revenue that otherwise would be transferred from the Tobacco Master Settlement Agreement Fund to the Tobacco Use Prevention and Cessation Trust Fund (Fund H87) shall instead be transferred to the General Revenue Fund. Of the tobacco revenue that is credited to the Tobacco Master Settlement Agreement Fund in fiscal year 2004, the share that is determined pursuant to section 183.02 of the Revised Code to be the amount to be transferred by the Director of Budget and Management from the Tobacco Master Settlement Agreement Fund to the Tobacco Use Prevention and Cessation Trust Fund shall be reduced by the amount that is transferred from the Tobacco Master Settlement Agreement Fund to the General Revenue Fund in accordance with this division.

(B) Up to \$122,800,000 of the revenue that otherwise would be

transferred from the Tobacco Master Settlement Agreement Fund to 96800  
the Education Facilities Trust Fund (Fund N87) shall instead be 96801  
transferred to the General Revenue Fund. Of the tobacco revenue 96802  
that is credited to the Tobacco Master Settlement Agreement Fund 96803  
in fiscal year 2004, the share that is determined pursuant to 96804  
section 183.02 of the Revised Code to be the amount to be 96805  
transferred by the Director of Budget and Management from the 96806  
Tobacco Master Settlement Agreement Fund to the Education 96807  
Facilities Trust Fund shall be reduced by the amount that is 96808  
transferred from the Tobacco Master Settlement Agreement Fund to 96809  
the General Revenue Fund in accordance with this division. 96810

**Section 139.** TEMPORARY ADJUSTMENT TO LOCAL GOVERNMENT 96811  
DISTRIBUTIONS 96812

(A) On or before the seventh day of each month of the period 96813  
July 2003 through June 2005, the Tax Commissioner shall determine 96814  
and certify to the Director of Budget and Management the amount to 96815  
be credited, by tax, during that month to the Local Government 96816  
Fund, to the Library and Local Government Support Fund, and to the 96817  
Local Government Revenue Assistance Fund, respectively, pursuant 96818  
to divisions (B), (C), and (D) of this section. 96819

(B) Notwithstanding section 5727.84 of the Revised Code to 96820  
the contrary, for the period July 1, 2003, through June 30, 2005, 96821  
no amounts shall be credited to the Local Government Fund or to 96822  
the Local Government Revenue Assistance Fund from the kilowatt 96823  
hour tax, and such amounts that would have otherwise been required 96824  
to be credited to such funds shall instead be credited to the 96825  
General Revenue Fund. Notwithstanding sections 5727.45, 5733.12, 96826  
5739.21, 5741.03, and 5747.03 of the Revised Code to the contrary, 96827  
for each month in the period July 1, 2003, through June 30, 2005, 96828  
from the public utility excise, corporate franchise, sales, use, 96829  
and personal income taxes collected; 96830

(1) An amount shall first be credited to the Local Government Fund that equals the amount credited to that fund from that tax according to the schedule in division (C) of this section. 96831  
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(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 (C) of this section. 96834  
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(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 (C) of this section. For purposes of determining the amount to be credited to the Library and Local Government Support Fund in each month of fiscal year 2004 pursuant to division (C) of this section, the amount credited in fiscal year 2003 shall be before the transfer made from the Library and Local Government Support Fund to the OPLIN Technology Fund under Section 70 of Am. Sub. H.B. 94 of the 124th General Assembly. For purposes of determining the amount to be credited to the Library and Local Government Support Fund in each month of fiscal year 2005 pursuant to division (C) of this section, the amount credited in fiscal year 2004 shall be before any transfer required to be made from the Library and Local Government Support Fund to the OPLIN Technology Fund. 96838  
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(C) The amounts shall be credited from each tax to each respective fund as follows: 96854  
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(1) In July 2003, one hundred per cent of the amount credited in July 2002; in July 2004, one hundred per cent of the amount credited in July 2003; 96856  
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(2) In August 2003, one hundred per cent of the amount credited in August 2002; in August 2004, one hundred per cent of the amount credited in August 2003; 96859  
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(3) In September 2003, one hundred per cent of the amount credited in September 2002; in September 2004, one hundred per cent of the amount credited in September 2003;	96862 96863 96864
(4) In October 2003, one hundred per cent of the amount credited in October 2002; in October 2004, one hundred per cent of the amount credited in October 2003;	96865 96866 96867
(5) In November 2003, one hundred per cent of the amount credited in November 2002; in November 2004, one hundred per cent of the amount credited in November 2003;	96868 96869 96870
(6) In December 2003, one hundred per cent of the amount credited in December 2002; in December 2004, one hundred per cent of the amount credited in December 2003;	96871 96872 96873
(7) In January 2004, one hundred per cent of the amount credited in January 2003; in January 2005, one hundred per cent of the amount credited in January 2004;	96874 96875 96876
(8) In February 2004, one hundred per cent of the amount credited in February 2003; in February 2005, one hundred per cent of the amount credited in February 2004;	96877 96878 96879
(9) In March 2004, one hundred per cent of the amount credited in March 2003; in March 2005, one hundred per cent of the amount credited in March 2004;	96880 96881 96882
(10) In April 2004, one hundred per cent of the amount credited in April 2003; in April 2005, one hundred per cent of the amount credited in April 2004;	96883 96884 96885
(11) In May 2004, one hundred per cent of the amount in division (C)(11)(a) of this section; in May 2005, one hundred per cent of the amount in division (C)(11)(b) of this section;	96886 96887 96888
(a) The amount credited in May 2003, less any amount reduced pursuant to division (D)(4) of Section 140 of Am. Sub. H.B. 94 of the 124th General Assembly, as amended by Am. Sub. H.B. 405 of the	96889 96890 96891

124th General Assembly and as amended by Am. Sub. H.B. 390 of the 124th General Assembly; 96892  
96893

(b) The amount credited in May 2004. 96894

(12) In June 2004, one hundred per cent of the amount in division (C)(12)(a) of this section, less any reduction required under division (D)(1) of this section; in June 2005, one hundred per cent of the amount in division (C)(12)(b) of this section, less any reduction required under division (D)(2) of this section; 96895  
96896  
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(a) The amount credited in June 2003 before any reduction made pursuant to division (D)(4) of Section 140 of Am. Sub. H.B. 94 of the 124th General Assembly, as amended by Am. Sub. H.B. 405 of the 124th General Assembly and as amended by Am. Sub. H.B. 390 of the 124th General Assembly; 96900  
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(b) The amount credited in June 2004. 96905

(D) The Tax Commissioner shall do each of the following: 96906

(1) By June 7, 2004, the commissioner shall subtract the amount calculated in division (D)(1)(b) of this section from the amount calculated in division (D)(1)(a) of this section. If the amount in division (D)(1)(a) of this section is greater than the amount in division (D)(1)(b) of this section, then such difference shall be subtracted from 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 in June 2004. An amount shall be subtracted from income tax revenue credited to the Local Government Fund, the Local Government Revenue Assistance Fund, or the Library and Local Government Support Fund only if, and according to the proportion by which, such fund contributed to the result that the amount in division (D)(1)(a) of this section exceeds the amount in division (D)(1)(b) of this section. 96907  
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(a) The sum of all money credited to the Local Government 96922



Fund, the Local Government Revenue Assistance Fund, and the 96923  
Library and Local Government Support Fund from July 2003 through 96924  
May 2004; 96925

(b) The sum of all money that would have been credited to the 96926  
Local Government Fund, the Local Government Revenue Assistance 96927  
Fund, and the Library and Local Government Support Fund from July 96928  
2003 through May 2004, if sections 5727.45, 5727.84, 5733.12, 96929  
5739.21, 5741.03, and 5747.03 of the Revised Code were in effect 96930  
during this period. 96931

(2) By June 7, 2005, the commissioner shall subtract the 96932  
amount calculated in division (D)(2)(b) of this section from the 96933  
amount calculated in division (D)(2)(a) of this section. If the 96934  
amount in division (D)(2)(a) of this section is greater than the 96935  
amount in division (D)(2)(b) of this section, then such difference 96936  
shall be subtracted from the total amount of income tax revenue 96937  
credited to the Local Government Fund, the Local Government 96938  
Revenue Assistance Fund, and the Library and Local Government 96939  
Support Fund in June 2005. An amount shall be subtracted from 96940  
income tax revenue credited to the Local Government Fund, the 96941  
Local Government Revenue Assistance Fund, or the Library and Local 96942  
Government Support Fund only if, and according to the proportion 96943  
by which, such fund contributed to the result that the amount in 96944  
division (D)(2)(a) of this section exceeds the amount in division 96945  
(D)(2)(b) of this section. 96946

(a) The sum of all money credited to the Local Government 96947  
Fund, the Local Government Revenue Assistance Fund, and the 96948  
Library and Local Government Support Fund from June 2004 through 96949  
May 2005; 96950

(b) The sum of all money that would have been credited to the 96951  
Local Government Fund, the Local Government Revenue Assistance 96952  
Fund, and the Library and Local Government Support Fund from June 96953  
2004 through May 2005, if sections 5727.45, 5727.84, 5733.12, 96954

5739.21, 5741.03, and 5747.03 of the Revised Code were in effect 96955  
during this period. 96956

(3) On the advice of the Tax Commissioner, during any month 96957  
other than June 2004 or June 2005 of the period July 1, 2003, 96958  
through July 31, 2005, the Director of Budget and Management may 96959  
reduce the amounts that are to be otherwise credited to the Local 96960  
Government Fund, Local Government Revenue Assistance Fund, or 96961  
Library and Local Government Support Fund in order to accomplish 96962  
more effectively the purposes of the adjustments in divisions 96963  
(D)(1) and (2) of this section. If the respective calculations 96964  
made in June 2004 and June 2005 pursuant to divisions (D)(1) and 96965  
(2) of this section indicate that excess reductions had been made 96966  
during the previous months, such excess amounts shall be credited, 96967  
as appropriate, to the Local Government Fund, Local Government 96968  
Revenue Assistance Fund, and Library and Local Government Support 96969  
Fund. 96970

(E) Notwithstanding any other provision of law to the 96971  
contrary, the total amount credited to each fund in each month 96972  
during the period July 2003 through June 2005 shall be distributed 96973  
by the tenth day of the immediately succeeding month in the 96974  
following manner: 96975

(1) Each county undivided local government fund shall receive 96976  
a distribution from the Local Government Fund based on its 96977  
proportionate share of the total amount received from the fund in 96978  
such respective month for the period July 1, 2002, through June 96979  
30, 2003. 96980

(2) Each municipality receiving a direct distribution from 96981  
the Local Government Fund shall receive a distribution based on 96982  
its proportionate share of the total amount received from the fund 96983  
in such respective month for the period July 1, 2002, through June 96984  
30, 2003. 96985

(3) Each county undivided local government revenue assistance fund shall receive a distribution from the Local Government Revenue Assistance Fund based on its proportionate share of the total amount received from the fund in such respective month for the period July 1, 2002, through June 30, 2003.

(4) Each county undivided library and local government support fund shall receive a distribution from the Library and Local Government Support Fund based on its proportionate share of the total amount received from the fund in such respective month for the period July 1, 2002, through June 30, 2003.

(F) For the 2003, 2004, and 2005 distribution years, the Tax Commissioner is not required to issue the certifications otherwise required by sections 5747.47, 5747.501, 5747.51, and 5747.61 of the Revised Code, but shall provide to each county auditor by the twentieth day of July 2003, July 2004, and July 2005 an estimate of the amounts to be received by the county in the ensuing year from the Local Government Fund, Local Government Revenue Assistance Fund, and Library and Local Government Support Fund pursuant to this section and any pertinent section of the Revised Code. The Tax Commissioner may choose to report to each county auditor a revised estimate of the 2003, 2004, or 2005 distributions at any time during the period July 1, 2003, through July 31, 2005.

(G) During the period July 1, 2003, through July 31, 2005, 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.

**Section 140.** \* CAPITAL APPROPRIATION TO SFC

All items set forth in this section are hereby appropriated 97016  
out of any moneys in the state treasury to the credit of the 97017  
School Building Program Assistance Fund (Fund 032), created under 97018  
section 3318.25 of the Revised Code, derived from the proceeds of 97019  
obligations heretofore and herein authorized to pay the cost of 97020  
facilities for a system of common schools throughout the state for 97021  
the period beginning July 1, 2002, and ending June 30, 2004. The 97022  
appropriation shall be in addition to any other appropriation for 97023  
this purpose. 97024

Appropriations

SFC SCHOOL FACILITIES COMMISSION 97025  
CAP-770 School Building Program Assistance \$ 122,800,000 97026  
Total School Facilities Commission \$ 122,800,000 97027  
TOTAL School Building Program Assistance Fund \$ 122,800,000 97028

\* SCHOOL BUILDING PROGRAM ASSISTANCE 97029

The foregoing appropriation item CAP-770, School Building 97030  
Program Assistance, shall be used by the School Facilities 97031  
Commission to provide funding to school districts that receive 97032  
conditional approval from the Commission pursuant to Chapter 3318. 97033  
of the Revised Code. Expenditures from appropriations contained in 97034  
this section may be accounted for as though made for the fiscal 97035  
year 2003-2004 biennium in H.B. 675 of the 124th General Assembly. 97036  
The School Facilities Commission shall not disburse any of the 97037  
appropriations made in this section until after April 1, 2004. 97038

\* BOND ISSUANCE AUTHORITY 97039

The Ohio Public Facilities Commission is hereby authorized to 97040  
issue and sell, in accordance with the provisions of Section 2n of 97041  
Article VIII, Ohio Constitution, and Chapter 151. and particularly 97042  
sections 151.01 and 151.03 of the Revised Code, original 97043  
obligations in an aggregate principal amount not to exceed 97044  
\$123,000,000, in addition to the original issuance of obligations 97045

heretofore authorized by prior acts of the General Assembly. The 97046  
authorized obligations shall be issued, subject to applicable 97047  
constitutional and statutory limitations, to pay the costs to the 97048  
state of previously authorized capital facilities and the capital 97049  
facilities authorized in this section for the School Building 97050  
Program Assistance Fund pursuant to Chapter 3318. of the Revised 97051  
Code. 97052

**Section 141.** (A) On the effective date of this section, the 97053  
following programs administered by the Ohio School Facilities 97054  
Commission are terminated: 97055

(1) The Short-Term Loan Program established by Section 10.01 97056  
of Am. Sub. H.B. 282 of the 123rd General Assembly; 97057

(2) The Emergency School Repair Program codified in section 97058  
3318.35 of the Revised Code. 97059

No new school district shall be served under any of these 97060  
programs. The Commission may continue serving school districts 97061  
that were receiving assistance under any of these programs before 97062  
the effective date of this section in accordance with terms and 97063  
agreements in effect on that date. 97064

(B) On March 31, 2004, the Disability Access Program 97065  
established by Section 50.15 of Am. Sub. H.B. 215 of the 122nd 97066  
General Assembly, Section 5 of Am. Sub. S.B. 102 of the 122nd 97067  
General Assembly, as subsequently amended, Section 10 of Am. Sub. 97068  
H.B. 282 of the 123rd General Assembly, as subsequently amended, 97069  
Section 102.01 of Am. Sub. H.B. 94 of the 124th General Assembly, 97070  
and Section 5 of Am. Sub. H.B. 524 of the 124th General Assembly 97071  
is terminated. 97072

No new school district shall be served under this program. 97073  
The Commission may continue serving school districts that were 97074  
receiving assistance under this program before the effective date 97075

of this section in accordance with terms and agreements in effect 97076  
on that date. 97077

On April 1, 2004, or as soon as possible thereafter, the 97078  
Director of Budget and Management shall transfer the unencumbered 97079  
and unallotted balance in appropriation item CAP-777, Disability 97080  
Access Projects, to appropriation item CAP-662, Public School 97081  
Buildings. The amount transferred from CAP-777, Disability Access 97082  
Projects, shall be used to fund classroom facilities projects in 97083  
accordance with Chapter 3318. of the Revised Code. 97084

**Section 142.** (A) As used in this section, "pharmacy provider" 97085  
has the same meaning as in rule 5101:3-9-01 of the Administrative 97086  
Code. 97087

(B) The Department of Job and Family Services shall establish 97088  
the Medication Management Incentive Payment Program for state 97089  
fiscal years 2004 and 2005 for pharmacy services provided Medicaid 97090  
recipients other than those who reside in a nursing facility or an 97091  
intermediate care facility for the mentally retarded. Any pharmacy 97092  
provider that serves Medicaid recipients may elect to participate 97093  
in the Program in one or both of the state fiscal years that it is 97094  
in effect. 97095

(C) The Department of Job and Family Services shall do the 97096  
following: 97097

(1) Determine the statewide monthly average cost of providing 97098  
pharmacy services to Medicaid recipients other than those who 97099  
reside in a nursing home or an intermediate care facility for the 97100  
mentally retarded during the last quarter of the biennium ending 97101  
June 30, 2003; 97102

(2) Establish a reimbursement rate for pharmacy services 97103  
provided under the Medication Management Incentive Payment Program 97104  
for the first quarter of the biennium ending June 30, 2005. 97105

(D) Under the Medication Management Incentive Payment	97106
Program:	97107
(1) If a participating pharmacy provider's average monthly	97108
cost of providing pharmacy services to a number of Medicaid	97109
recipients specified by the Department of Job and Family Services	97110
in a quarter after the first quarter of the biennium ending June	97111
30, 2005, is greater than or equal to the statewide monthly	97112
average cost of providing pharmacy services during the last	97113
quarter of the biennium ending June 30, 2003, the pharmacy	97114
provider shall be reimbursed at the rate established by the	97115
Department for the first quarter of the biennium ending June 30,	97116
2005.	97117
(2) If a participating pharmacy provider's average monthly	97118
cost of providing pharmacy services to the number of Medicaid	97119
recipients specified by the Department of Job and Family Services	97120
in a quarter after the first quarter of the biennium ending June	97121
30, 2005, is less than the statewide monthly average cost of	97122
providing pharmacy services during the last quarter of the	97123
biennium ending June 30, 2003, the pharmacy provider shall be	97124
reimbursed at an enhanced rate established by the Department.	97125
(E) A pharmacy provider that elects to participate in the	97126
program may achieve a reduction in its average monthly cost for	97127
providing pharmacy services to Medicaid recipients by providing	97128
consulting services to the physicians who prescribe drugs to the	97129
recipient. These consulting services may include recommendations	97130
for eliminating unnecessary and duplicative drug therapies,	97131
modifying inefficient drug regimens, and implementing safe and	97132
cost-effective drug therapies.	97133
(F) The Department of Job and Family Services shall adopt, in	97134
accordance with Chapter 119. of the Revised Code, any rule it	97135
considers necessary to develop and administer the Medication	97136

Management Incentive Payment Program. The rules may provide for 97137  
compensation for physicians who consult with pharmacy providers 97138  
that participate in the program. 97139

**Section 143. OFFICE OF QUALITY SERVICES FUND TRANSFERS** 97140

Notwithstanding any other provision of law to the contrary, 97141  
the Director of Budget and Management shall transfer any remaining 97142  
amounts of cash from the following specified obsolete fund to the 97143  
General Revenue Fund within thirty days after the effective date 97144  
of this section: Quality Services (General Services Fund 4C1). The 97145  
amount of such transfer to the General Revenue Fund is hereby 97146  
appropriated to General Revenue Fund appropriation item 042-409, 97147  
Commission Closures. 97148

**Section 144. TRANSFER FROM BOARD OF TAX APPEALS** 97149

Notwithstanding any other provision of law to the contrary, 97150  
on July 31, 2003, or as soon thereafter as possible, the Director 97151  
of Budget and Management shall transfer any remaining amounts of 97152  
cash from the following specified obsolete fund to the General 97153  
Revenue Fund: Reproduction of Decisions (General Services Fund 97154  
439). 97155

**Section 145. FEDERAL JOBS AND GROWTH TAX RELIEF** 97156  
**RECONCILIATION ACT OF 2003** 97157

(A) The enhanced federal medical assistance percentage (FMAP) 97158  
rate is authorized pursuant to the Federal Jobs and Growth Relief 97159  
Reconciliation Act of 2003 for the third and fourth calendar 97160  
quarters of federal fiscal year 2003 and the first, second, and 97161  
third calendar quarters of federal fiscal year 2004. During this 97162  
period, the reimbursement rate for all Medicaid service 97163  
expenditures paid by state or local entities shall be the 97164  
non-enhanced rate. 97165



(B) During the quarters that the enhanced FMAP rate is 97166  
authorized pursuant to the Federal Jobs and Growth Relief 97167  
Reconciliation Act of 2003, when drawing FMAP to the state 97168  
treasury for Medicaid services paid by the Department of Job and 97169  
Family Services or other state or local entities, the Department 97170  
of Job and Family Services shall deposit the amount of federal 97171  
revenue attributable to the enhanced FMAP that is being made 97172  
available to the Federal Fiscal Relief Fund, which is hereby 97173  
created in the state treasury. The disposition of cash from this 97174  
fund shall occur as follows: 97175

(1) On a schedule to be determined by the Office of Budget 97176  
and Management, the Director of Budget and Management shall make 97177  
cash transfers to the Medicaid Reserve Fund, which is hereby 97178  
created in the state treasury. The total amount transferred shall 97179  
be \$18,611,156 in state fiscal year 2004 and \$90,851,972 in state 97180  
fiscal year 2005. The Director of Job and Family Services shall 97181  
make requests to the Director of Budget and Management as 97182  
necessary to increase the appropriation in appropriation item 97183  
600-525, Health Care/Medicaid. The Director of Budget and 97184  
Management shall transfer the state share of such amounts from the 97185  
Medicaid Reserve Fund to the General Revenue Fund. The transferred 97186  
amount plus the federal share associated with this amount is 97187  
hereby appropriated. The Department of Job and Family Services 97188  
shall use this appropriation authority to pay claims for Medicaid 97189  
services. 97190

(2) After the amounts in division (B)(1) of this section have 97191  
been transferred, the Director of Budget and Management shall 97192  
transfer the remainder of cash in the Federal Fiscal Relief Fund 97193  
to the General Revenue Fund on a schedule to be determined by the 97194  
Office of Budget and Management. 97195

**Section 146.** (A) In September of 2003, each school district 97196

that has been declared to be under an academic watch or in a state 97197  
of academic emergency pursuant to section 3302.03 of the Revised 97198  
Code shall administer a half-length practice version of each Ohio 97199  
Graduation Test prescribed by division (B) of section 3301.0710 of 97200  
the Revised Code to all ninth grade students enrolled in the 97201  
district. Each district shall determine the dates, times, and 97202  
method of administering the tests to students and shall score the 97203  
tests. 97204

(B) Each district declared to be in a state of academic 97205  
emergency pursuant to section 3302.03 of the Revised Code shall 97206  
determine for each high school in the district whether the school 97207  
shall be required to provide intervention services in accordance 97208  
with this division to any students who took the tests. In 97209  
determining which high schools shall provide intervention services 97210  
based upon available funding, the district shall consider each 97211  
school's graduation rate and scores on the practice tests. 97212

Each high school selected to provide intervention services 97213  
under this division shall provide intervention services to 97214  
students whose practice test results indicate that they are 97215  
failing to make satisfactory progress toward being able to attain 97216  
scores at the proficient level on the Ohio Graduation Tests. 97217  
Intervention services shall be provided in any skill in which a 97218  
student demonstrates unsatisfactory progress and shall be 97219  
commensurate with the student's test performance. Schools shall 97220  
provide the intervention services prior to the end of the school 97221  
year, during the summer following the ninth grade, in the next 97222  
succeeding school year, or at any combination of those times. 97223

**Section 147.** (A) As used in this section, "nursing facility" 97224  
means a facility, or a distinct part of a facility, that is 97225  
certified as a nursing facility by the Director of Health for 97226  
purposes of the Medicaid Program and is not an intermediate care 97227

facility for the mentally retarded. "Nursing facility" includes a 97228  
facility, or a distinct part of a facility, that is certified as a 97229  
skilled nursing facility by the Director of Health for purposes of 97230  
the Medicare Program. 97231

(B) The Director of Health shall request from the Secretary 97232  
of the United States Department of Health and Human Services 97233  
approval to develop an alternative regulatory procedure for 97234  
nursing facilities subject to federal regulation. If the Secretary 97235  
gives approval, the Director shall convene the Nursing Facility 97236  
Regulatory Reform Task Force. 97237

(C) The Director of Health shall serve as chair of the Task 97238  
Force. The Director of Aging, the Director of Job and Family 97239  
Services, the State Long-Term Care Ombudsman, or persons they 97240  
designate and a member of the Governor's staff designated by the 97241  
Governor shall serve on the Task Force. The Director of Health 97242  
shall appoint the following individuals to serve on the Task 97243  
Force: 97244

(1) Two representatives of the Ohio Health Care Association; 97245

(2) Two representatives of the Association of Ohio 97246  
Philanthropic Homes and Housing for the Aging; 97247

(3) Two representatives of the Ohio Academy of Nursing Homes; 97248

(4) Two representatives of the American Association of 97249  
Retired Persons (AARP); 97250

(5) Two representatives of Families for Improved Care; 97251

(6) A representative from the Ohio Association of Regional 97252  
Long-Term Care Ombudsman Programs; 97253

(7) A representative of the 1199 League of Registered Nurses; 97254

(8) A representative of the American Federation of State, 97255  
County, and Municipal Employees. 97256

(D) Except to the extent that service on the task force is 97257

part of their employment, Task Force members shall serve without 97258  
compensation and shall not be reimbursed by the State for expenses 97259  
incurred in carrying out their duties on the Task Force. The 97260  
Scripps Gerontology Center at Miami University shall provide 97261  
technical and support services for the Task Force. 97262

(E) The Task Force shall do all of the following: 97263

(1) Review the effectiveness of current regulatory procedures 97264  
for nursing facilities regarding the quality of care and quality 97265  
of life of nursing facility residents; 97266

(2) Develop recommendations for improved regulatory 97267  
procedures for nursing facilities to improve the quality of care 97268  
and quality of life of nursing facility residents; 97269

(3) Evaluate potential effects on nursing facility residents 97270  
of elimination of components of the Certificate of Need program 97271  
pertaining to long-term care facilities; 97272

(4) Develop possible demonstration projects to present the 97273  
potential of proposed changes to the regulatory procedure to 97274  
increase the quality of care and the quality of life of nursing 97275  
facility residents. 97276

(F) The Task Force shall submit a report of its findings and 97277  
recommendations to the Speaker and Minority Leader of the House of 97278  
Representatives and to the President and Minority Leader of the 97279  
Senate. The report shall explain any changes to the Revised Code 97280  
required to implement the recommendations. On submission of the 97281  
recommendations, the Task Force shall cease to exist. 97282

(G) At the request of the General Assembly by adoption of a 97283  
joint resolution, the Director of Health shall apply to the 97284  
Secretary of the United States Department of Health and Human 97285  
Services for a waiver to implement the recommendations of the Task 97286  
Force. 97287

**Section 148.** In amending sections 121.084, 4104.41, 4104.44, 97288  
4104,45, and 4104.46 (4104.48), in enacting new section 4104.46 97289  
and section 4104.47, and in repealing and re-enacting sections 97290  
4104.42 and 4104.43 of the Revised Code, it is the intent of the 97291  
General Assembly that the provisions of this act are general laws 97292  
created in the exercise of the state's police power, arising out 97293  
of matters of statewide concern, and are designed for the health, 97294  
safety, and welfare of contractors, their employees, and the 97295  
public. 97296

**Section 149.** In amending sections 121.084, 4104.41, 4104.44, 97297  
4104,45, and 4104.46 (4104.48), in enacting new section 4104.46 97298  
and section 4104.47, and in repealing and re-enacting sections 97299  
4104.42 and 4104.43 of the Revised Code, it is the intent of the 97300  
General Assembly that power, refrigerating, hydraulic, heating and 97301  
liquefied petroleum gas, oxygen, and other gaseous piping systems 97302  
will continue to be inspected as part of the building permit 97303  
process, enforcement of plumbing and mechanical building codes, 97304  
and occupancy certification. The purpose of this legislative 97305  
action is solely to eliminate duplicative inspection personnel and 97306  
fees. 97307

**Section 150.** \* The Hemophilia Advisory Council established 97308  
under section 3701.145 of the Revised Code, renumbered as section 97309  
3701.0210 of the Revised Code by this act, is hereby abolished. 97310

**Section 151.** \* Upon the taking effect of this section, the 97311  
Hazardous Waste Facility Board is abolished. 97312

All of the rules adopted by the Hazardous Waste Facility 97313  
Board are abolished on that date. The Director of the Legislative 97314  
Service Commission shall remove the rules from the Administrative 97315  
Code as if they had been rescinded. 97316

On and after the effective date of this section and until the 97317  
Director of Environmental Protection adopts rules that eliminate 97318  
references to the Hazardous Waste Facility Board, whenever the 97319  
Hazardous Waste Facility Board or Board, when "Board" refers to 97320  
the Hazardous Waste Facility Board, is referred to in a rule, the 97321  
reference shall be deemed to refer to the Environmental Protection 97322  
Agency or the Director of Environmental Protection, whichever is 97323  
appropriate. As expeditiously as possible after the effective date 97324  
of this section, the Director of Environmental Protection shall 97325  
adopt rules eliminating references to the Hazardous Waste Facility 97326  
Board. 97327

Permits or modifications issued by the Hazardous Waste 97328  
Facility Board under section 3734.05 of the Revised Code as that 97329  
section existed prior to its amendment by this act shall continue 97330  
in effect as if the Director had issued the permits or 97331  
modifications under section 3734.05 of the Revised Code after the 97332  
effective date of its amendment by this act. Any application 97333  
pending before the Hazardous Waste Facility Board on the effective 97334  
date of this section shall be transferred to the Environmental 97335  
Protection Agency for approval or disapproval by the Director. All 97336  
records, files, and other documents of the Hazardous Waste 97337  
Facility Board shall be transferred to the Environmental 97338  
Protection Agency. 97339

**Section 152.** (A) There is hereby created the Ohio Autism Task 97340  
Force consisting of the following members: 97341

(1) All of the following persons to be appointed by the 97342  
Governor: 97343

(a) A person diagnosed with autism; 97344

(b) Four persons who are parents of children diagnosed with 97345  
autism; 97346

(c) A special education administrator of an Ohio school district;	97347 97348
(d) A representative of the Ohio Association of County Boards of Mental Retardation and Developmental Disabilities;	97349 97350
(e) A representative of the Ohio Developmental Disabilities Council;	97351 97352
(f) A representative of the Autism Society of Ohio;	97353
(g) A developmental pediatrician who is a member of the Ohio Association of Pediatricians;	97354 97355
(h) Two representatives from private schools in Ohio that provide special education services to children diagnosed with autism;	97356 97357 97358
(i) Two representatives from Ohio hospitals that provide services to children diagnosed with autism.	97359 97360
(2) Two members of the House of Representatives, one from the majority party and one from the minority party, appointed by the Speaker of the House of Representatives;	97361 97362 97363
(3) Two members of the Senate, one from the majority party and one from the minority party, appointed by the President of the Senate;	97364 97365 97366
(4) The Director of Mental Retardation and Developmental Disabilities or the Director's designee;	97367 97368
(5) The Director of Job and Family Services or the Director's designee;	97369 97370
(6) The Superintendent of Public Instruction or the Superintendent's designee;	97371 97372
(7) The Director of Health or the Director's designee.	97373
(B) All appointments and designations to the Task Force shall be made not later than thirty days after the effective date of	97374 97375

this section. Any vacancy that occurs on the Task Force shall be 97376  
filled in the same manner as the original appointment. The members 97377  
of the Task Force shall serve without compensation. 97378

(C) The initial meeting of the Task Force shall be held not 97379  
later than sixty days after the effective date of this section. At 97380  
its initial meeting, the Task Force shall elect from its 97381  
membership a chairperson and other officers it considers 97382  
necessary. Thereafter, the Task Force shall meet on the call of 97383  
the chairperson. 97384

(D) The Department of Mental Retardation and Developmental 97385  
Disabilities shall provide meeting facilities and other support as 97386  
necessary for the Task Force. 97387

(E) The Task Force shall study and make recommendations 97388  
regarding both of the following: 97389

(1)The growing incidence of autism in Ohio; 97390

(2)Ways to improve the delivery in this state of autism 97391  
services. 97392

(F) Not later than one year after the effective date of this 97393  
section, the Task Force shall submit a written report of its 97394  
recommendations to the Governor, the Speaker of the House of 97395  
Representatives, and the President of the Senate. 97396

(G) On submission of its report, the Task Force shall cease 97397  
to exist. 97398

**Section 153.** (A) There is hereby created the Task Force to 97399  
Eliminate Health Services Duplication. The Director of 97400  
Administrative Services shall serve as chairperson. The Directors 97401  
of Aging, Alcohol and Drug Addiction Services, Health, Mental 97402  
Health, Mental Retardation and Developmental Disabilities, and 97403  
Budget and Management, and the Executive Director of the 97404  
Commission on Minority Health, or persons they designate, shall 97405



serve on the Task Force. The Commission on Dispute Resolution and 97406  
Conflict Management shall provide technical and support services 97407  
for the Task Force. 97408

(B) Except to the extent that service on the Task Force is 97409  
part of their employment, Task Force members shall serve without 97410  
compensation and shall not be reimbursed by the state for expenses 97411  
incurred in carrying out their duties on the Task Force. 97412

(C) The Task Force shall do all of the following: 97413

(1) Evaluate the feasibility of combining all or parts of the 97414  
Department of Aging, the Department of Alcohol and Drug Addiction 97415  
Services, the Commission on Minority Health, the Department of 97416  
Health, the Department of Mental Health, and the Department of 97417  
Mental Retardation and Developmental Disabilities to eliminate 97418  
duplication of services; 97419

(2) Evaluate the feasibility of establishing a central 97420  
procurement point for basic operational services associated with 97421  
each department, including human resources, training, research, 97422  
legislative information, fiscal management, and public 97423  
information. 97424

(D) Not later than March 31, 2004, the Task Force shall 97425  
submit a report of its findings and recommendations to the Speaker 97426  
and Minority Leaders of the House of Representatives and to the 97427  
President and Minority Leader of the Senate. On submission of its 97428  
report, the Task Force shall cease to exist. 97429

**Section 154.** The Parole Board shall review the sentences of 97430  
prisoners who are confined in state correctional institutions and 97431  
who were sentenced under the Felony Sentencing Law that was in 97432  
effect prior to July 1, 1996, to determine the appropriateness of 97433  
those sentences and to determine whether the length of any of 97434  
those sentences should be adjusted. The Parole Board shall conduct 97435

this review in cooperation with the Department of Rehabilitation 97436  
and Correction. The Parole Board shall prepare a report that 97437  
contains its findings and makes recommendations regarding further 97438  
action. Not later than one year after the effective date of this 97439  
section, the Parole Board shall submit the report to the Speaker 97440  
and Minority Leader of the House of Representatives, the President 97441  
and Minority Leader of the Senate, the chair of the House Criminal 97442  
Justice Committee, and the chair of the Senate Judiciary Committee 97443  
on Criminal Justice. 97444

As used in this section, "state correctional institution" has 97445  
the same meaning as in section 2967.01 of the Revised Code. 97446

**Section 155.** As used in this section, "qualified property" 97447  
means real and tangible personal property that satisfies the 97448  
qualifications for tax exemption under the terms of section 97449  
3313.44, 5709.07, 5709.08, 5709.10, 5709.12, 5709.121, or 5709.14 97450  
of the Revised Code. 97451

Notwithstanding section 5713.081 of the Revised Code, when 97452  
qualified property has not received tax exemption due to a failure 97453  
to comply with Chapter 5713. or section 5715.27 of the Revised 97454  
Code, the owner of the property, at any time on or before twelve 97455  
months after the effective date of this section, may file with the 97456  
Tax Commissioner an application requesting that the property be 97457  
placed on the tax exempt list and that all unpaid taxes, 97458  
penalties, and interest on the property be abated. 97459

The application shall be made on the form prescribed by the 97460  
Tax Commissioner under section 5715.27 of the Revised Code and 97461  
shall list the name of the county in which the property is 97462  
located; the property's legal description; its taxable value; the 97463  
amount in dollars of the unpaid taxes, penalties, and interest; 97464  
the date of acquisition of title to the property; the use of the 97465  
property during any time that the unpaid taxes accrued; and any 97466

other information required by the Tax Commissioner. The county auditor shall supply the required information upon request of the applicant.

Upon request of the applicant, the county treasurer shall determine if all taxes, penalties, and interest that became a lien on the qualified property before it first was used for an exempt purpose and all special assessments charged against the property have been paid in full. If so, the county treasurer shall issue a certificate to the applicant stating that all such taxes, penalties, interest, and assessments have been paid in full. Prior to filing the application with the Tax Commissioner, the applicant shall attach the county treasurer's certificate to it. The Tax Commissioner shall not consider an application filed under this section unless such a certificate is attached to it.

Upon receipt of the application and after consideration of it, the Tax Commissioner shall determine if the applicant meets the qualifications set forth in this section, and if so shall issue an order directing that the property be placed on the tax exempt list of the county and that all unpaid taxes, penalties, and interest for every year the property met the qualifications for exemption described in section 3313.44, 5709.07, 5709.08, 5709.10, 5709.12, 5709.121, or 5709.14 of the Revised Code be abated. If the Tax Commissioner finds that the property is not now being so used or is being used for a purpose that would foreclose its right to tax exemption, the Tax Commissioner shall issue an order denying the application.

If the Tax Commissioner finds that the property is not entitled to tax exemption and to the abatement of unpaid taxes, penalties, and interest for any of the years for which the owner claims an exemption or abatement, the Tax Commissioner shall order the county treasurer of the county in which the property is located to collect all taxes, penalties, and interest due on the

property for those years in accordance with law. 97499

The Tax Commissioner may apply this section to any qualified 97500  
property that is the subject of an application for exemption 97501  
pending before the Tax Commissioner on the effective date of this 97502  
section, without requiring the property owner to file an 97503  
additional application. The Tax Commissioner also may apply this 97504  
section to any qualified property that is the subject of an 97505  
application for exemption filed on or after the effective date of 97506  
this section and on or before twelve months after that effective 97507  
date, even though the application does not expressly request 97508  
abatement of unpaid taxes. 97509

**Section 156.** (A) The amendment, repeal and reenactment, or 97510  
enactment by this act of sections 718.01, 718.02, 718.03, 718.05, 97511  
718.051, and 718.121 of the Revised Code apply to taxable years 97512  
beginning on or after January 1, 2004. 97513

(B) The amendment by this act of sections 718.11, 5717.011, 97514  
and 5717.03 of the Revised Code apply to matters relating to 97515  
taxable years beginning on or after January 1, 2004. 97516

(C) The credit allowed by section 718.021 of the Revised Code 97517  
applies to qualifying losses sustained in taxable years beginning 97518  
on or after January 1, 2004. 97519

**Section 157.** Not later than thirty days after the effective 97520  
date of this section, the Governor, with the advice and consent of 97521  
the Senate, shall make initial appointments to the Ohio Business 97522  
Gateway Steering Committee created in section 5703.56 of the 97523  
Revised Code. Terms of office shall be as prescribed in section 97524  
5703.56 of the Revised Code. 97525

**Section 158.** (A) The amendment by this act of sections 97526  
165.09, 902.11, 4981.20, 5703.052, 5739.01, 5739.011, 5739.012, 97527

5739.02, 5739.025, 5739.03, 5739.032, 5739.033 (in Section 1 of this act), 5739.12, 5739.121, 5739.122, 5739.17, 5739.21, 5741.01, 5741.02, and 5741.121 of the Revised Code apply on and after July 1, 2003.

(B) The amendment by this act of sections 5739.021, 5739.022, 5739.023, and 5739.026 of the Revised Code apply on and after January 1, 2004.

(C) The amendment by this act of sections 5741.021, 5741.022, and 5741.023 of the Revised Code apply on and after January 1, 2006.

(D) The amendment by this act of section 5739.10 of the Revised Code pertaining to the temporary 6% excise tax levied upon the privilege of engaging in the business of making retail sales applies on and after July 1, 2003. The amendment by this act of that section pertaining to the elimination of the exemption for retail sales under 16¢ applies on and after January 1, 2006.

(E) The repeal and re-enactment by this act of section 5739.034 of the Revised Code applies on and after July 1, 2003.

**Section 159.** Sections 107.32 and 107.33 of the Revised Code shall apply to all state institutional facilities, as defined in section 107.32 of the Revised Code, that were in operation on or after January 1, 2003.

**Section 160.** The Legislative Office of Education Oversight shall conduct a review of partnership agreements between a Head Start provider and a provider of child care or day care services. In conducting this review, the Office shall analyze the following:

(A) The impact on literacy-readiness for children receiving services as a result of such agreements;

(B) The costs and benefits of such agreements to both

participant children and the providers who are parties to the 97557  
agreements. In analyzing the costs and benefits of such 97558  
agreements, the Office shall examine the financial costs and 97559  
benefits to providers who are parties to the agreements and to 97560  
families of participant children. Additionally, the Office shall 97561  
examine intangible costs and benefits to participant children, 97562  
such as intellectual, emotional, and physical benefits or 97563  
detriments caused by service under such agreements. 97564

(C) The operation of the agreements. In analyzing the 97565  
operation of the agreements, the Office shall review how the 97566  
agreements work, how well the agreements work, what components are 97567  
included in the agreements, and whether the agreements are unique 97568  
to the providers who are parties to the agreements or standardized 97569  
across the state or within a local region. 97570

(D) Whether there is an administrative entity, such as a 97571  
county department of job and family services, that oversees the 97572  
implementation of a particular agreement. If there is such an 97573  
entity that oversees an agreement, the Office shall examine the 97574  
degree to which oversight is performed and what overhead costs the 97575  
administrative entity incurs in overseeing such agreements. 97576

The Office shall submit the final results of this study to 97577  
the General Assembly not later than December 31, 2004. 97578

**Section 161.** (A) Within one hundred twenty days after the 97579  
effective date of this section, the Director of Agriculture, the 97580  
Director of Rehabilitation and Correction, and the Director of 97581  
Youth Services shall develop a plan to optimize the quantity and 97582  
use of food grown and harvested in state correctional institutions 97583  
or secure facilities operated by the Department of Youth Services 97584  
in the most cost-effective manner. The plan shall include methods 97585  
to increase production at farms operated by either department and 97586  
shall include methods to ensure that the highest possible 97587

percentage of food consumed at state correctional institutions and 97588  
secure facilities operated by the Department of Youth Services is 97589  
food grown and harvested at a state correctional institution or 97590  
secure facility operated by the Department of Youth Services. 97591

(B) The plan shall consider possible amendments to the 97592  
Revised Code, amendments to the Administrative Code, 97593  
administrative changes, financial strategies, strategies to obtain 97594  
a reliable workforce, and any other means to optimize the quantity 97595  
and use of food of that nature in state correctional institutions 97596  
and secure facilities operated by the Department of Youth 97597  
Services. 97598

The plan and its findings, conclusions, and any 97599  
recommendations and proposed legislation shall be submitted to the 97600  
Speaker of the House of Representatives, the President of the 97601  
Senate, the Governor, the Director of Rehabilitation and 97602  
Correction, and the Director of Youth Services. 97603

(C) As used in this section, "state correctional institution" 97604  
has the same meaning as in section 2967.01 of the Revised Code. 97605

**Section 162.** The State Racing Commission shall conduct a 97606  
performance study of the Commission based upon its current level 97607  
of full-time employees. The Commission, not later than January 1, 97608  
2004, shall make recommendations to the Governor and the General 97609  
Assembly regarding possible staff reductions and ways to improve 97610  
the efficiency of the Commission's operations. 97611

**Section 163.** For any metropolitan housing authority that is 97612  
in existence when division (D) of section 3735.27 of the Revised 97613  
Code, as amended by this act, takes effect, and to which that 97614  
division applies, the board of county commissioners shall appoint 97615  
a member to fill the next vacancy that occurs due to the 97616  
expiration of the term of a member appointed by the chief 97617

executive officer of the most populous city in the metropolitan 97618  
housing authority district. Thereafter, any vacancy in that 97619  
position shall be filled by an appointee of the board of county 97620  
commissioners and all other vacancies shall be filled in the 97621  
manner provided for the original appointments. 97622

**Section 164.** The amendment by this act of section 5747.02 of 97623  
the Revised Code applies to taxable years ending on or after the 97624  
effective date of this section. 97625

**Section 165.** (A) If a court finds that any provisions within 97626  
sections 1346.04 to 1346.10 of the Revised Code conflict and 97627  
cannot be harmonized with those within sections 1346.01 to 1346.03 97628  
of the Revised Code, provisions of sections 1346.01 to 1346.03 of 97629  
the Revised Code shall control. 97630

(B) If any provision within sections 1346.04 to 1346.10 of 97631  
the Revised Code causes sections 1346.01 to 1346.03 of the Revised 97632  
Code to no longer constitute a qualifying or model statute, as 97633  
those terms are defined in the Master Settlement Agreement entered 97634  
into on November 23, 1998, by the state and leading United States 97635  
tobacco product manufacturers, the provision in question shall be 97636  
invalid. If any part of sections 1346.04 to 1346.10 of the Revised 97637  
Code is for any reason held to be invalid, unlawful, or 97638  
unconstitutional, the remaining portions of those sections shall 97639  
remain valid. 97640

**Section 166.** The first report of stamping agents required by 97641  
division (A) of section 1346.07 of the Revised Code shall be due 97642  
on the last day of the month following the month in which this act 97643  
becomes effective. The first certifications of a tobacco product 97644  
manufacturer under division (A) of section 1346.05 of the Revised 97645  
Code shall be due forty-five days after the effective date of this 97646  
act. The directory established in division (B) of section 1346.05 97647



of the Revised Code shall be published within ninety days after 97648  
the effective date of this act. 97649

**Section 167.** (A) For the purposes of section 321.24, as 97650  
amended by this act, and of section 5703.80 of the Revised Code, 97651  
as enacted by this act, the Tax Commissioner may determine the 97652  
property tax administrative fee for fiscal year 2004 at any time 97653  
after the day this act becomes law. One-half of the amount of the 97654  
fee for that year may be deducted from each of the payments made 97655  
in the fiscal year under division (F) of section 321.24 of the 97656  
Revised Code, or the full amount of the fee for the year may be 97657  
deducted from the second of those payments made in the fiscal 97658  
year. The Director of Budget and Management may transfer the fee 97659  
from the General Revenue Fund to the Property Tax Administration 97660  
Fund created under section 5703.80 of the Revised Code, as enacted 97661  
by this act, for fiscal year 2004 in three equal payments on 97662  
November 1, 2003, February 1, 2004, and May 1, 2004. 97663

(B) Within thirty days after the Tax Commissioner determines 97664  
the property tax administrative fee for fiscal year 2004 under 97665  
division (A) of this section, the Tax Commissioner shall notify 97666  
the Department of Education of the amount by which each school 97667  
district's reimbursement made under division (F) of section 321.24 97668  
of the Revised Code, as amended by this act, is to be reduced for 97669  
the Property Tax Administration Fund. 97670

**Section 168.** (A) As used in this section, "housing officer" 97671  
has the same meaning as in section 3735.65 of the Revised Code. 97672

(B) Any complaint filed with the tax commissioner on or after 97673  
the effective date of this section challenging the continued 97674  
exemption of property granted an exemption by a housing officer 97675  
under section 3735.67 of the Revised Code shall be certified by 97676  
the tax commissioner to the housing officer. The housing officer 97677

shall proceed to hear and determine such complaint in accordance 97678  
with division (E) of section 3735.67 of the Revised Code. The 97679  
commissioner may hear and determine any such complaint filed with 97680  
the commissioner before the effective date of this section or may 97681  
certify such complaint to the housing officer for hearing and 97682  
determination. 97683

(C) The filing date of any complaint certified to a housing 97684  
officer under this section shall be considered to be the date on 97685  
which the complaint was filed with the tax commissioner. 97686

**Section 169.** Notwithstanding the date by which determinations 97687  
must be made under divisions (D), (G), and (H) of section 5727.84 97688  
of the Revised Code, the Tax Commissioner, as soon as is 97689  
practicable after the effective date of that section as amended by 97690  
this act, shall redetermine electric company tax value loss, 97691  
fixed-rate levy loss, and fixed-sum levy loss for taxing districts 97692  
described in division (D)(3) of that section on the basis of such 97693  
amendments, and make the certification required by divisions (J) 97694  
and (K) of that section. On or before July 31, 2003, or as soon as 97695  
is practicable after the effective date of section 5727.84 of the 97696  
Revised Code as amended by this act, the Department of Education 97697  
shall make the computations required under section 5727.85 of the 97698  
Revised Code on the basis of such redeterminations. Such 97699  
redeterminations and computations apply for the purpose of 97700  
computing payments made to taxing districts under sections 5727.85 97701  
and 5727.86 of the Revised Code during state fiscal year 2004 and 97702  
subsequent fiscal years, as otherwise provided in those sections. 97703

**Section 170.** The amendment by this act of sections 5733.051, 97704  
5733.057, and 5733.06 of the Revised Code applies to tax year 2004 97705  
and to each tax year thereafter. 97706

**Section 171.** (A)(1) There is hereby created the Legislative 97707

Audit Commission Study Committee, to be composed of four members. 97708  
The committee shall study how other states provide for a 97709  
legislative auditing function within their respective legislative 97710  
branches of government and shall make recommendations on how Ohio 97711  
should address the legislative auditing function and on the 97712  
funding levels necessary to accomplish the objectives recommended. 97713  
The President of the Senate shall appoint to the committee two 97714  
members of the Senate, each of whom shall be a member of a 97715  
different political party. The Speaker of the House of 97716  
Representatives shall appoint to the committee two members of the 97717  
House of Representatives, each of whom shall be a member of a 97718  
different political party. 97719

(2) All vacancies in the membership of the committee shall be 97720  
filled in the same manner prescribed for original appointments to 97721  
the committee. 97722

(3) The members of the committee shall serve without 97723  
compensation, but shall be reimbursed for their actual and 97724  
necessary expenses incurred in the performance of their official 97725  
duties. 97726

(B) The members of the Legislative Audit Commission Study 97727  
Committee shall select a chairperson from among the appointed 97728  
members. 97729

(C) The Legislative Service Commission shall provide 97730  
necessary support to the Legislative Audit Commission Study 97731  
Committee. 97732

(D) The Legislative Audit Commission Study Committee shall 97733  
publish its findings and recommendations in a report to the 97734  
Governor, the Speaker and the Minority Leader of the House of 97735  
Representatives, and the President and Minority Leader of the 97736  
Senate not later than December 31, 2003. Upon submission of the 97737  
report, the committee shall cease to exist. 97738

**Section 172.** If the amendments made by this act to division 97739  
(B)(2)(b) of section 1346.02 of the Revised Code are found 97740  
unconstitutional or otherwise held invalid by a court of competent 97741  
jurisdiction, then to the extent that a tobacco product 97742  
manufacturer establishes that the amount it was required to place 97743  
into escrow in a particular year was greater than the state's 97744  
allocable share of the total payments that such manufacturer would 97745  
have been required to make in that year under the Master 97746  
Settlement Agreement (as determined pursuant to section IX(i)(2) 97747  
of the Master Settlement Agreement, and before any of the 97748  
adjustments or offsets described in section IX(i)(3) of that 97749  
Agreement other than the inflation adjustment) had it been a 97750  
participating manufacturer, the excess shall be released from 97751  
escrow and revert back to such tobacco product manufacturer. 97752

The consequent of the preceding paragraph effectively 97753  
reinstates division (B)(2)(b) of section 1346.02 of the Revised 97754  
Code as it existed prior to its amendment by this act. 97755

**Section 173.** The amendment by this act to division (H) of 97756  
section 718.01 and to section 718.14 of the Revised Code apply to 97757  
taxable years beginning on or after January 1, 2003. 97758

**Section 174.** (A) Any person required to make accelerated tax 97759  
payments under section 5739.032, 5739.122, or 5741.121 of the 97760  
Revised Code that makes full payment of the taxes for the April 97761  
2003 reporting period on or before May 23, 2003; makes full 97762  
payment of the taxes for the May 2003 reporting period on or 97763  
before June 23, 2003; and makes all three of the required 97764  
accelerated tax payments for the June 2003 reporting period on or 97765  
before June 25, 2003, shall not be subject to the additional 97766  
charge imposed under division (D)(1) of section 5739.032, division 97767  
(D)(1) of section 5739.122, or division (D)(1) of section 5741.121 97768

of the Revised Code for the reporting periods of April 2003 and 97769  
May 2003. 97770

(B) Notwithstanding division (A) of this section, a person 97771  
required to make accelerated tax payments under section 5739.032, 97772  
5739.122, or 5741.121 of the Revised Code that has not been 97773  
notified by the Department of Taxation of the requirement to make 97774  
accelerated payments under one of those sections shall not be 97775  
subject to the additional charge imposed under division (D)(1) of 97776  
section 5739.032, division (D)(1) of section 5739.122, or division 97777  
(D)(1) of section 5741.121 of the Revised Code for any reporting 97778  
period prior to the receipt of the notice, or until the reporting 97779  
period of September 2003, whichever is earlier. 97780

**Section 175.** The Director of Administrative Services shall 97781  
inquire into entering into multistate purchasing contracts in 97782  
carrying out the Department's duties under Chapter 125. of the 97783  
Revised Code. Not later than December 31, 2003, the Director shall 97784  
file a report with the General Assembly detailing the Director's 97785  
findings. The report shall include recommendations on any 97786  
legislation necessary to authorize multistate purchasing 97787  
contracts. 97788

**Section 176.** On July 1, 2003, the Ohio Coal Development 97789  
Office of the Department of Development is abolished and all of 97790  
its functions, and assets and liabilities, are transferred to the 97791  
Ohio Coal Development Office of the Ohio Air Quality Development 97792  
Authority. The Ohio Coal Development Office of the Ohio Air 97793  
Quality Development Authority is thereupon and thereafter 97794  
successor to, assumes the obligations of, and otherwise 97795  
constitutes the continuation of the Ohio Coal Development Office 97796  
of the Department of Development. 97797

Any business commenced but not completed by the Ohio Coal 97798

Development Office of the Department of Development or the 97799  
Director of that office on the effective date of this section 97800  
shall be completed by the Ohio Coal Development Office of the Ohio 97801  
Air Quality Development Authority or the Director of that office 97802  
in the same manner, and with the same effect, as if completed by 97803  
the Ohio Coal Development Office of the Department of Development 97804  
or the Director of that office. Any validation, cure, right, 97805  
privilege, remedy, obligation, or liability is not lost or 97806  
impaired by reason of the transfer required by this section and 97807  
shall be administered by the Ohio Coal Development Office of the 97808  
Ohio Air Quality Development Authority. All of the rules, orders, 97809  
and determinations of the Ohio Coal Development Office of the 97810  
Department of Development or of the Director of Development in 97811  
relation to that office continue in effect as rules, orders, and 97812  
determinations of the Ohio Coal Development Office of the Ohio Air 97813  
Quality Development Authority, until modified or rescinded by that 97814  
office or by the Ohio Air Quality Development Authority in 97815  
relation to that office. If necessary to ensure the integrity of 97816  
the numbering of the Administrative Code, the Director of the 97817  
Legislative Service Commission shall renumber rules of the 97818  
Director of Development in relation to the Ohio Coal Development 97819  
Office of the Department of Development to reflect their transfer 97820  
to the Ohio Air Quality Development Authority. 97821

Subject to the lay-off provisions of sections 124.321 to 97822  
124.328 of the Revised Code, all of the employees of the Ohio Coal 97823  
Development Office of the Department of Development are 97824  
transferred to the Ohio Coal Development Office of the Ohio Air 97825  
Quality Development Authority and retain their positions and all 97826  
the benefits accruing thereto, except that they shall be in the 97827  
unclassified service and shall serve at the pleasure of the 97828  
Authority. 97829

Whenever the Ohio Coal Development Office in the Department 97830

of Development or the Director of Development in relation to that 97831  
office is referred to in any law, contract, or other document, the 97832  
reference shall be deemed to refer to the Ohio Coal Development 97833  
Office of the Ohio Air Quality Development Authority or the 97834  
Authority in relation to that office, whichever is appropriate. 97835

Any action or proceeding pending on the effective date of 97836  
this section is not affected by the transfer and shall be 97837  
prosecuted or defended in the name of the Ohio Air Quality 97838  
Development Authority or its Ohio Coal Development Office. In all 97839  
such actions and proceedings, the Ohio Air Quality Development 97840  
Authority or its Ohio Coal Development Office upon application to 97841  
the court shall be substituted as a party. 97842

**Section 177.** Sections 2743.51, 2743.60, 2743.65, and 3701.741 97843  
of the Revised Code, as amended by Section 1 of this act, apply to 97844  
claims filed under section 2743.56 of the Revised Code that are 97845  
based on criminally injurious conduct occurring on and after July 97846  
1, 2003. 97847

**Section 178.** The amendment by this act of section 5747.01 of 97848  
the Revised Code, by the addition of divisions (A)(20)(d) and 97849  
(A)(21)(c) to that section, is intended as a clarification of the 97850  
law as it exists before the effective date of that amendment. 97851

**Section 179.** Except as otherwise specifically provided in 97852  
this act, the codified sections of law amended or enacted in this 97853  
act, and the items of law of which the codified sections of law 97854  
amended or enacted in this act are composed, are subject to the 97855  
referendum. Therefore, under Ohio Constitution, Article II, 97856  
Section 1c and section 1.471 of the Revised Code, the codified 97857  
sections of law amended or enacted by this act, and the items of 97858  
law of which the codified sections of law as amended or enacted by 97859  
this act are composed, take effect on the ninety-first day after 97860

this act is filed with the Secretary of State. If, however, a 97861  
referendum petition is filed against any such codified section of 97862  
law as amended or enacted by this act, or against any item of law 97863  
of which any such codified section of law as amended or enacted by 97864  
this act is composed, the codified section of law as amended or 97865  
enacted, or item of law, unless rejected at the referendum, takes 97866  
effect at the earliest time permitted by law. 97867

**Section 180.** Except as otherwise specifically provided in 97868  
this act, the repeal by this act of a codified section of law is 97869  
subject to the referendum. Therefore, under Ohio Constitution, 97870  
Article II, Section 1c and section 1.471 of the Revised Code, the 97871  
repeal by this act of a codified section of law takes effect on 97872  
the ninety-first day after this act is filed with the Secretary of 97873  
State. If, however, a referendum petition is filed against any 97874  
such repeal, the repeal, unless rejected at the referendum, takes 97875  
effect at the earliest time permitted by law. 97876

**Section 181.** The repeal by this act of sections 122.12, 97877  
173.45, 173.46, 173.47, 173.48, 173.49, 173.50, 173.51, 173.52, 97878  
173.53, 173.54, 173.55, 173.56, 173.57, 173.58, 173.59, 1553.01, 97879  
1553.02, 1553.03, 1553.04, 1553.05, 1553.06, 1553.07, 1553.08, 97880  
1553.09, 1553.10, 1553.99, 3318.35, 3701.142, 3701.144, 4141.044, 97881  
5115.011, 5115.012, 5115.06, and 5115.061 of the Revised Code is 97882  
not subject to the referendum. Therefore, under Ohio Constitution, 97883  
Article II, Section 1d and section 1.471 of the Revised Code, the 97884  
repeals go into immediate effect when this act becomes law. 97885

**Section 182.** (A) Sections 117.45, 121.04, 122.658, 124.03, 97886  
124.15, 124.152, 124.181, 124.183, 127.16, 131.23, 173.08, 323.01, 97887  
329.03, 329.04, 329.051, 340.021, 340.03, 901.21, 901.63, 901.85, 97888  
1501.04, 1548.06. 1551.11, 1551.12, 1551.15, 1551.311, 1551.32, 97889  
1551.33, 1551.35, 1555.02, 1555.03, 1555.04, 1555.05, 1555.06, 97890



1555.08, 1555.17, 2101.16, 2151.3529, 2151.3530, 2305.234 (in 97891  
Section 1), 2329.66, 2715.041, 2715.045, 2716.13, 2743.191, 97892  
2743.51, 2743.60, 2743.65, 2921.13, 3111.04, 3119.01, 3123.952, 97893  
3311.05, 3311.059, 3313.975, 3313.976, 3313.977, 3313.978, 97894  
3313.979, 3313.981, 3314.08, 3314.083, 3316.031, 3316.08, 97895  
3317.012, 3317.013, 3317.014, 3317.02, 3317.022, 3317.023, 97896  
3317.024, 3317.029, 3317.0217, 3317.03, 3317.032, 3317.05, 97897  
3317.064, 3317.07, 3317.10, 3317.16, 3318.37, 3323.16, 3332.04 (in 97898  
Section 1), 3333.121, 3517.092, 3701.021, 3701.022, 3701.029, 97899  
3701.141, 3701.145 (3701.0210), 3701.741, 3702.31, 3702.63, 97900  
3702.68, 3702.74, 3705.24, 3709.09, 3711.021, 3721.02, 3733.43, 97901  
3733.45, 3734.28, 3734.57, 3745.40, 3748.07, 3748.13, 3769.087, 97902  
3773.43, 3781.19, 4104.01, 4104.02, 4104.04, 4104.06, 4104.07, 97903  
4104.08, 4104.15, 4104.18, 4104.19, 4104.20, 4105.17, 4112.15, 97904  
4117.14, 4123.27, 4141.09, 4301.43, 4501.06, 4505.06, 4519.55, 97905  
4723.06, 4723.08, 4723.082, 4723.17, 4729.01, 4729.41, 4731.65, 97906  
4731.71, 4736.12, 4747.05, 4747.06, 4747.07, 4747.10, 4771.22, 97907  
4903.24, 4905.91, 4919.79, 5101.11, 5101.14, 5101.141, 5101.142, 97908  
5101.144, 5101.145, 5101.146, 5101.1410, 5101.16, 5101.18, 97909  
5101.181, 5101.20, 5101.21, 5101.211, 5101.212, 5101.23, 5101.36, 97910  
5101.58, 5101.59, 5101.75, 5101.80, 5103.155, 5104.04, 5104.30, 97911  
5107.02, 5107.30, 5107.40, 5107.60, 5111.0113, 5111.02, 5111.025, 97912  
5111.03, 5111.06, 5111.08 (5111.071), new 5111.16, 5111.16 97913  
(5111.08), 5111.161, 5111.17, 5111.171, 5111.172, 5111.174, 97914  
5111.175, 5111.20, 5111.21, 5111.211, 5111.22, 5111.251, 5111.252 97915  
(5123.199), 5111.85, 5111.87, 5111.871, 5111.872, 5111.873, 97916  
5111.88, 5111.911, 5111.912, 5111.913, 5112.03, 5112.08, 5112.17, 97917  
5115.01, 5115.02 (5115.04), 5115.03, 5115.04 (5115.02), 5115.05, 97918  
5115.07 (5115.06), 5115.10, 5115.11, 5115.12, new 5115.13, 5115.13 97919  
(5115.07), 5115.14, 5115.15 (5115.23), 5115.20, 5115.22, 5119.61, 97920  
5123.01, 5123.19, 5123.196, 5123.198, 5123.1910, 5123.38, 5126.01, 97921  
5126.042, 5126.12, 5153.78, 5502.13, 5709.61, 5709.62, 5709.632, 97922  
5709.64, 5735.05, 5735.053, 5735.23, 5735.26, 5735.291, 5735.30, 97923

and 6109.21 of the Revised Code as amended, enacted, or renumbered 97924  
by this act, and the items of law of which such sections as 97925  
amended or enacted by this act are composed, are not subject to 97926  
the referendum. Therefore, under Ohio Constitution, Article II, 97927  
Section 1d and section 1.471 of the Revised Code, such sections as 97928  
amended, enacted, or renumbered by this act, and the items of law 97929  
of which such sections as amended or enacted by this act are 97930  
composed, go into immediate effect when this act becomes law. 97931

(B) Sections 3317.11 and 5111.173 of the Revised Code as 97932  
repealed and reenacted by this act, and the items of law of which 97933  
it is composed, is not subject to the referendum. Therefore, under 97934  
Ohio Constitution, Article II, Section 1d and section 1.471 of the 97935  
Revised Code, the section as repealed and reenacted by this act 97936  
goes into immediate effect when this act becomes law. 97937

(C) The amendment of sections 109.32, 2915.01, 2915.02, 97938  
2915.08, 2915.081, 2915.082, 2915.09, 2915.091, 2915.092, 97939  
2915.093, 2915.095, 2915.10, 2915.101, and 2915.13 of the Revised 97940  
Code is not subject to the referendum under Ohio Constitution, 97941  
Article II, Section 1d and section 1.471 of the Revised Code and 97942  
goes into effect on July 1, 2003. 97943

(D) The amendments of sections 4503.101 and 4503.103 of the 97944  
Revised Code are not subject to the referendum under Ohio 97945  
Constitution, Article II, Section 1d and section 1.471 of the 97946  
Revised Code and go into effect on June 30, 2003. 97947

**Section 183.** (A) The amendment, enactment, or repeal and 97948  
reenactment by this act of sections 122.17, 122.171, 307.676, 97949  
321.24, 323.13, 715.013, 718.01, 718.02, 718.021, 718.03, 718.05, 97950  
718.051, 718.11, 718.121, 718.14, 718.15, 718.151, 2923.35, 97951  
2925.44, 2933.43, 3735.66, 3735.67, 3735.671, 4503.06, 5703.56, 97952  
5703.57, 5703.80, 5709.20, 5709.201, 5709.21, 5709.211, 5709.212, 97953  
5709.22, 5709.23, 5709.24, 5709.25, 5709.26, 5709.27, 5711.02, 97954

5711.13, 5711.22, 5711.27, 5711.33, 5713.07, 5713.08, 5713.081, 97955  
5713.082, 5715.27, 5715.39, 5717.011, 5717.03, 5725.19, 5727.111, 97956  
5727.30, 5727.84, 5727.85, 5727.86, 5728.04, 5728.06, 5728.99, 97957  
5729.08, 5733.04, 5733.05, 5733.051, 5733.056, 5733.057, 97958  
5733.0511, 5733.059, 5733.06, 5733.0611, 5733.09, 5733.45, 97959  
5733.49, 5733.55, 5733.56, 5733.57, 5733.98, 5735.14, 5735.15, 97960  
5735.19, 5735.99, 5739.09, 5743.45 (in Section 1 of this act), 97961  
5745.01, 5745.02, 5745.04, 5747.01, 5747.02, 5747.026, 5747.31, 97962  
5747.80, and 6111.06 of the Revised Code provides for or is 97963  
essential to implementation of a tax levy. Therefore, under Ohio 97964  
Constitution, Article II, Section 1d, the amendments, enactments, 97965  
or repeals and reenactments and the items of which they are 97966  
composed, are not subject to the referendum and go into immediate 97967  
effect when this act becomes law. 97968

(B) The amendment or enactment by this act of sections 97969  
165.09, 902.11, 4981.20, 5703.052, 5739.01, 5739.011, 5739.02, 97970  
5739.025, 5739.03, 5739.032, 5739.033 (in Section 1 of this act), 97971  
5739.09, 5739.12, 5739.121, 5739.122, 5739.17, 5739.21, 5739.33, 97972  
5741.01, 5741.02, 5741.121, and 5741.25 of the Revised Code 97973  
provides for or is essential to implementation of a tax levy. 97974  
Therefore, under Ohio Constitution, Article II, Section 1d, the 97975  
amendments, and the items of which they are composed, are not 97976  
subject to the referendum and go into immediate effect when this 97977  
act becomes law. 97978

(C) The amendment by this act of sections 5739.021, 5739.022, 97979  
5739.023, and 5739.026 of the Revised Code provides for or is 97980  
essential to implementation of a tax levy. Therefore, under Ohio 97981  
Constitution, Article II, Section 1d, the amendments, and the 97982  
items of which they are composed, are not subject to the 97983  
referendum and go into effect January 1, 2004. 97984

(D) The amendment by this act of sections 5741.021, 5741.022, 97985  
and 5741.023 of the Revised Code provides for or is essential to 97986

implementation of a tax levy. Therefore, under Ohio Constitution, 97987  
Article II, Section 1d, the amendments, and the items of which 97988  
they are composed, are not subject to the referendum and, except 97989  
as provided in this section, go into effect January 1, 2006. 97990

(E) The amendment by this act of section 5739.10 of the 97991  
Revised Code provides for or is essential to implementation of a 97992  
tax levy. Therefore, under Ohio Constitution, Article II, Section 97993  
1d, the amendment, and the items of which it is composed, are not 97994  
subject to the referendum and, as they pertain to the temporary 6% 97995  
excise tax levied upon the privilege of engaging in the business 97996  
of making retail sales, go into effect July 1, 2003, and, as they 97997  
pertain to the elimination of the exemption for retail sales under 97998  
16¢, go into effect January 1, 2006. 97999

(F) The repeal and re-enactment by this act of section 98000  
5739.034 of the Revised Code provides for or is essential to 98001  
implementation of a tax levy. Therefore, under Ohio Constitution, 98002  
Article II, Section 1d, the repeal and re-enactment, and the items 98003  
of which they are composed, are not subject to the referendum and 98004  
go into effect July 1, 2003. 98005

(G) The amendment by this act of section 5735.142 of the 98006  
Revised Code provides for or is essential to implementation of a 98007  
tax levy. Therefore, under Ohio Constitution, Article II, Section 98008  
1d the amendment is not subject to the referendum and goes into 98009  
effect on June 30, 2003. 98010

**Section 184.** The repeal by this act of sections 319.311, 98011  
5733.111, 5739.012, 5741.011, and 5747.131 of the Revised Code 98012  
provides for or is essential to implementation of a tax levy. 98013  
Therefore, under Ohio Constitution, Article II, Section 1d, the 98014  
repeals, and the items of which they are composed, are not subject 98015  
to the referendum and go into immediate effect when this act 98016  
becomes law. 98017

**Section 185.** The repeal by this act of sections 5709.231, 98018  
5709.30, 5709.31, 5709.32, 5709.33, 5709.34, 5709.35, 5709.36, 98019  
5709.37, 5709.45, 5709.46, 5709.47, 5709.48, 5709.49, 5709.50, 98020  
5709.51, 5709.52, 6111.31, 6111.311, 6111.32, 6111.34, 6111.35, 98021  
6111.36, 6111.37, 6111.38, and 6111.39 of the Revised Code 98022  
provides for or is essential to implementation of a tax levy. 98023  
Therefore, under Ohio Constitution, Article II, Section 1d, the 98024  
repeals, and the items of which they are composed, are not subject 98025  
to the referendum and go into immediate effect when this act 98026  
becomes law. 98027

**Section 186.** (A) The amendment by this act of sections 98028  
4905.79, 4931.45, 4931.47, 4931.48, 5727.32, and 5727.33 of the 98029  
Revised Code provides for or is essential to implementation of a 98030  
tax levy. Therefore, under Ohio Constitution, Article II, Section 98031  
1d, the amendments, and the items of which they are composed, are 98032  
not subject to the referendum and go into effect December 31, 98033  
2004. 98034

(B) The repeal by this act of sections 5727.39 and 5727.44 of 98035  
the Revised Code provide for or is essential to implementation of 98036  
a tax levy. Therefore, under Ohio Constitution, Article II, 98037  
Section 1d, the repeals, and the items of which they are composed, 98038  
are not subject to the referendum and go into effect December 31, 98039  
2004. 98040

**Section 187.** Section 3301.31 of the Revised Code, as repealed 98041  
and reenacted by this act, and the items of law of which the 98042  
section as repealed and reenacted by this act is composed, is not 98043  
subject to the referendum. Therefore, under Ohio Constitution, 98044  
Article II, Section 1d and section 1.471 of the Revised Code, the 98045  
section as repealed and reenacted is entitled to go into immediate 98046  
effect when this act becomes law. However, that section as 98047

repealed and reenacted by this act, and the items of law of which 98048  
that section as repealed and reenacted by this act are composed, 98049  
takes effect July 1, 2004, or the day this act becomes law, 98050  
whichever is later. 98051

**Section 188.** New section 3301.33 and sections 3301.34, 98052  
3301.35, 3301.36, and 3301.38, as enacted by this act, and section 98053  
3301.33 (3301.40) of the Revised Code as renumbered by this act, 98054  
and the items of law of which those sections as enacted or 98055  
renumbered by this act are composed, are not subject to the 98056  
referendum. Therefore, under Ohio Constitution, Article II, 98057  
Section 1d and section 1.471 of the Revised Code, the sections as 98058  
enacted or renumbered are entitled to go into immediate effect 98059  
when this act becomes law. However, those sections as enacted or 98060  
renumbered by this act, and the items of law of which those 98061  
sections as enacted or renumbered by this act are composed, take 98062  
effect July 1, 2004, or the day this act becomes law, whichever is 98063  
later. 98064

**Section 189.** Sections 3301.37, 3301.52, 3301.53, 3301.54, 98065  
3301.55, 3301.57, and 3301.58 of the Revised Code, as amended or 98066  
enacted by this act, are not subject to the referendum. Therefore, 98067  
under Ohio Constitution, Article II, Section 1d and section 1.471 98068  
of the Revised Code the sections as amended or enacted by this 98069  
act, and the items of law of which the sections as amended or 98070  
enacted by this act are composed, are entitled to go into 98071  
immediate effect when this act becomes law. However, the sections 98072  
as amended or enacted by this act, and the items of law of which 98073  
the sections as amended or enacted by this act are composed, take 98074  
effect September 1, 2003, or the day this act becomes law, 98075  
whichever is later. 98076

**Section 190.** The repeal by this act of section 3301.581 of 98077  
the Revised Code is not subject to the referendum under Ohio 98078

Constitution, Article II, Section 1d and section 1.471 of the 98079  
Revised Code and goes into effect September 1, 2003, or the day 98080  
this act becomes law, whichever is later. 98081

**Section 191.** The version of section 3332.04 of the Revised 98082  
Code that is scheduled to take effect July 1, 2003, as amended by 98083  
this act, and the items of law of which that section as amended is 98084  
composed, are not subject to the referendum. Therefore, under Ohio 98085  
Constitution, Article II, Section 1d and section 1.471 of the 98086  
Revised Code, the section as amended by this act, and the items of 98087  
law of which that section as amended is composed, go into 98088  
immediate effect on July 1, 2003. 98089

**Section 192.** (A) Except as otherwise provided in division (B) 98090  
of this section, the amendments by this act to section 3745.11 of 98091  
the Revised Code are not subject to the referendum. Therefore, 98092  
under Ohio Constitution, Article II, Section 1d and section 1.471 98093  
of the Revised Code, the amendments, and the items of law they 98094  
contain, go into immediate effect when this act becomes law. 98095

(B)(1) The amendments by this act of division (P) of section 98096  
3745.11 of the Revised Code provides for or is essential to 98097  
implementation of a tax levy. Therefore, under Ohio Constitution, 98098  
Article II, Section 1d, the amendments, and the items of which 98099  
they are composed, are not subject to the referendum and go into 98100  
immediate effect when this act becomes law. 98101

(2) The seventh and last paragraph added to division (S)(1) 98102  
of section 3745.11 of the Revised Code by this act is subject to 98103  
the referendum. Therefore, under Ohio Constitution, Article II, 98104  
Section 1c and section 1.471 of the Revised Code, the paragraph 98105  
takes effect on the ninety-first day after this act is filed with 98106  
the Secretary of State. If, however, a referendum petition is 98107  
filed against the paragraph, or against any item of law it 98108

contains, the paragraph or item, unless rejected at the 98109  
referendum, takes effect at the earliest time permitted by law. 98110

**Section 193.** The amendment by this act of the version of 98111  
section 4511.75 of the Revised Code that is scheduled to take 98112  
effect January 1, 2004, and the items of law of which that 98113  
amendment is composed, are not subject to the referendum under 98114  
Ohio Constitution, Article II, Section 1d and section 1.471 of the 98115  
Revised Code and go into effect on July 1, 2004. 98116

**Section 194.** (A) Except as otherwise provided in division (B) 98117  
of this section, the amendments by this act to section 4743.05 of 98118  
the Revised Code are subject to the referendum. Therefore, under 98119  
Ohio Constitution, Article II, Section 1c and section 1.471 of the 98120  
Revised Code, the amendments take effect on the ninety-first day 98121  
after this act is filed with the Secretary of State. If, however, 98122  
a referendum petition is filed against the amendments, or against 98123  
any item of law they contain, the amendments or item, unless 98124  
rejected at the referendum, takes effect at the earliest time 98125  
permitted by law. 98126

(B) The amendment by this act adding a reference to "4771." 98127  
to section 4743.05 of the Revised Code is not subject to the 98128  
referendum. Therefore, under Ohio Constitution, Article II, 98129  
Section 1d and section 1.471 of the Revised Code, the amendment 98130  
goes into immediate effect when this act becomes law. 98131

**Section 195.** (A) The amendments by this act to section 98132  
5104.01 of the Revised Code are not subject to the referendum. 98133  
Therefore, under Ohio Constitution, Article II, Section 1d and 98134  
section 1.471 of the Revised Code, the amendments, and the items 98135  
of law they contain, go into immediate effect when this act 98136  
becomes law, except as provided in division (B) of this section. 98137

(B) The amendments by this act to division (T) of section 98138



5104.01 of the Revised Code shall take effect on July 1, 2004. 98139

**Section 196.** Section 5104.02 of the Revised Code, as amended 98140  
by this act, and the items of law of which the section as amended 98141  
by this act is composed, are not subject to the referendum. 98142  
Therefore, under Ohio Constitution, Article II, Section 1d and 98143  
section 1.471 of the Revised Code the section as amended by this 98144  
act, and the items of law of which the section as amended by this 98145  
act is composed, are entitled to go into immediate effect when 98146  
this act becomes law. However, the section as amended by this act, 98147  
and the items of law of which the section as amended by this act 98148  
are composed, take effect September 1, 2003, or the day this act 98149  
becomes law, whichever is later. 98150

**Section 197.** (A) The amendments by this act to section 98151  
5104.32 of the Revised Code are not subject to the referendum. 98152  
Therefore, under Ohio Constitution, Article II, Section 1d and 98153  
section 1.471 of the Revised Code, the amendments, and the items 98154  
of law they contain, go into immediate effect when this act 98155  
becomes law, except as provided in division (B) of this section. 98156

(B) The amendments by this act to division (B)(4) of section 98157  
5104.32 of the Revised Code shall take effect on September 1, 98158  
2003. 98159

**Section 198.** (A) Except as otherwise provided in division (B) 98160  
of this section, the amendments by this act to section 5111.022 of 98161  
the Revised Code are not subject to the referendum. Therefore, 98162  
under Ohio Constitution, Article II, Section 1d and section 1.471 98163  
of the Revised Code, the amendments, and the items of law they 98164  
contain, go into immediate effect when this act becomes law. 98165

(B) The amendments by this act adding divisions (B)(4), (E), 98166  
and (F) to section 5111.022 of the Revised Code are subject to the 98167  
98168

referendum. Therefore, under Ohio Constitution, Article II, 98169  
Section 1c and section 1.471 of the Revised Code, the amendments 98170  
take effect on the ninety-first day after this act is filed with 98171  
the Secretary of State. If, however, a referendum petition is 98172  
filed against the amendments, or against any item of law they 98173  
contain, the amendments or item, unless rejected at the 98174  
referendum, takes effect at the earliest time permitted by law. 98175

**Section 199.** Section 5112.31 of the Revised Code, as amended 98176  
by this act, and the items of law of which that section as amended 98177  
is composed, are not subject to the referendum. Therefore, under 98178  
Ohio Constitution, Article II, Section 1d and section 1.471 of the 98179  
Revised Code, that section as amended by this act, and the items 98180  
of law of which that section as amended is composed, are entitled 98181  
to go into immediate effect when this act becomes law. However, 98182  
that section as amended by this act, and the items of law which 98183  
that section as amended by this act are composed, take effect on 98184  
July 1, 2003, or the day this act becomes law, whichever is later. 98185

**Section 200.** Sections 175.21, 175.22, 317.32, 317.36, 319.63, 98186  
1563.42, 1702.59, 2505.13, 4141.23, 4509.60, 5111.021, 5310.15, 98187  
5719.07, 5727.56, 5733.18, 5733.22, 6101.09, and 6115.09 of the 98188  
Revised Code, as amended and enacted by this act, and the items of 98189  
law which those sections as amended and enacted are composed, are 98190  
not subject to the referendum. Therefore, under Ohio Constitution, 98191  
Article II, section 1d and section 1.471 of the Revised Code, 98192  
those sections as amended and enacted by this act, and the items 98193  
of law of which those sections as amended and enacted are 98194  
composed, are entitled to go into immediate effect when this act 98195  
becomes law. However, those sections as amended and enacted by 98196  
this act, and the items of law of which those sections as amended 98197  
and enacted by this act are composed, take effect on August 1, 98198  
2003, or the day this act becomes law, whichever is later. 98199

**Section 201.** \* Divisions (A) and (E) of section 9.24 of the Revised Code, as enacted by this act, shall take effect January 1, 2004.

**Section 202.** \* Section 102.02 of the Revised Code, as amended by this act, shall take effect January 1, 2004.

**Section 203.** \* Section 4759.08 of the Revised Code, as amended by this act, shall take effect July 1, 2004.

**Section 204.** \* Sections 5103.031, 5103.033, 5103.034, 5103.036, 5103.037, 5103.038, 5103.0312, 5103.0313, 5103.0314, 5103.0315, 5103.0316, 5153.60, 5153.69, and 5153.72 of the Revised Code, as amended by this act, shall take effect on January 1, 2004.

**Section 205.** \* Sections 5103.154 and 5153.163 of the Revised Code as amended by this act take effect July 1, 2004.

**Section 206.** Except as otherwise specifically provided in this act, the uncodified sections of law amended or enacted in this act, and the items of law of which the uncodified sections of law amended or enacted in this act are composed, are not subject to the referendum. Therefore, under Ohio Constitution, Article II, Section 1d and section 1.471 of the Revised Code, the uncodified sections of law amended or enacted in this act, and the items of law of which the uncodified sections of law amended or enacted in this act are composed, go into immediate effect when this act becomes law.

**Section 207.** Uncodified sections of law amended or enacted in this act, and items of law contained within the uncodified sections of law amended or enacted in this act, that are marked

with an asterisk are subject to the referendum. Therefore, under 98227  
Ohio Constitution, Article II, Section 1c and section 1.471 of the 98228  
Revised Code, the uncodified sections and items of law marked with 98229  
an asterisk take effect on the ninety-first day after this act is 98230  
filed with the Secretary of State. If, however, a referendum 98231  
petition is filed against an uncodified section or item of law 98232  
marked with an asterisk, the uncodified section or item of law 98233  
marked with an asterisk, unless rejected at the referendum, takes 98234  
effect at the earliest time permitted by law. 98235

If the amending and existing repeal clauses commanding the 98236  
amendment of an uncodified section of law are both marked with 98237  
asterisks, the uncodified section as amended is deemed also to 98238  
have been marked with an asterisk. 98239

An asterisk marking an uncodified section or item of law has 98240  
the form \*. 98241

This section defines the meaning and form of, but is not 98242  
itself to be considered marked with, an asterisk. 98243

**Section 208.** The repeal by this act of the following 98244  
uncodified sections of law is not subject to the referendum and 98245  
therefore, under Ohio Constitution, Article II, Section 1d and 98246  
section 1.471 of the Revised Code, goes into immediate effect when 98247  
this act becomes law: 98248

(A) Section 11 of Am. Sub. S.B. 50 of the 121st General 98249  
Assembly; 98250

(B) Section 72 of Am. Sub. H.B. 850 of the 122nd General 98251  
Assembly; 98252

(C) Section 129 of Am. Sub. H.B. 283 of the 123rd General 98253  
Assembly; 98254

(D) Section 3 of Am. Sub. S.B. 238 of the 123rd General 98255  
Assembly; 98256

(E) Section 63.37 of Am. Sub. H.B. 94 of the 124th General Assembly; 98257  
98258

(F) Section 16 of Am. Sub. H.B. 87 of the 125th General Assembly. 98259  
98260

**Section 209.** If the amendment or enactment in this act of a 98261  
codified or uncodified section of law is subject to the 98262  
referendum, the corresponding indications in the amending, 98263  
enacting, or existing repeal clauses commanding the amendment or 98264  
enactment also are subject to the referendum, along with the 98265  
amendment or enactment. If the amendment or enactment by this act 98266  
of a codified or uncodified section of law is not subject to the 98267  
referendum, the corresponding indications in the amending, 98268  
enacting, or existing repeal clauses commanding the amendment or 98269  
enactment also are not subject to the referendum, the same as the 98270  
amendment or enactment. 98271

**Section 210.** \* The amendment of section 122.25 of the Revised 98272  
Code by this act is not intended to supersede the earlier repeal, 98273  
with delayed effective date, of that section. 98274

**Section 211.** \* Section 921.151 was amended and renumbered as 98275  
section 921.22 of the Revised Code by Am. Sub. S.B. 217 of the 98276  
124th General Assembly, passed November 21, 2002, and effective 98277  
July 1, 2004. The amendment of section 921.151 of the Revised Code 98278  
in Section 1 of this act does not supersede that earlier amendment 98279  
and renumbering. This act therefore amends both sections to ensure 98280  
that its amendments continue on and after July 1, 2004. 98281

**Section 212.** The amendment by this act of sections 5112.03 98282  
and 5112.08 of the Revised Code is not intended to supersede the 98283  
earlier repeal, with delayed effective date, of those sections. 98284

**Section 213.** The amendment by this act of section 5112.99 of the Revised Code is not intended to supersede the earlier repeal, with delayed effective date, of that section.

**Section 214.** \* Section 109.572 of the Revised Code is presented in this act as a composite of the section as amended by both Sub. H.B. 448 and Sub. H.B. 538 of the 123rd General Assembly. The General Assembly, applying the principle stated in division (B) of section 1.52 of the Revised Code that amendments are to be harmonized if reasonably capable of simultaneous operation, finds that the composite is the resulting version of the section in effect prior to the effective date of the section as presented in this act.

**Section 215.** Section 121.04 of the Revised Code is presented in this act as a composite of the section as amended by both Sub. H.B. 601 and Am. Sub. H.B. 640 of the 123rd General Assembly. The General Assembly, applying the principle stated in division (B) of section 1.52 of the Revised Code that amendments are to be harmonized if reasonably capable of simultaneous operation, finds that the composite is the resulting version of the section in effect prior to the effective date of the section as presented in this act.

**Section 216.** Section 122.171 of the Revised Code is presented in this act as a composite of the section as amended by both H.B. 675 and Am. Sub. S.B. 180 of the 124th General Assembly. The General Assembly, applying the principle stated in division (B) of section 1.52 of the Revised Code that amendments are to be harmonized if reasonably capable of simultaneous operation, finds that the composite is the resulting version of the section in effect prior to the effective date of the section as presented in

this act. 98314

**Section 217.** Section 124.15 of the Revised Code is presented 98315  
in this act as a composite of the section as amended by both Am. 98316  
Sub. H.B. 640 and Sub. S.B. 245 of the 123rd General Assembly. The 98317  
General Assembly, applying the principle stated in division (B) of 98318  
section 1.52 of the Revised Code that amendments are to be 98319  
harmonized if reasonably capable of simultaneous operation, finds 98320  
that the composite is the resulting version of the section in 98321  
effect prior to the effective date of the section as presented in 98322  
this act. 98323

**Section 218.** The version of section 2152.19 of the Revised 98324  
Code that is scheduled to take effect January 1, 2004, is 98325  
presented in this act as a composite of the section as amended by 98326  
both Am. Sub. H.B. 400 and Am. Sub. H.B. 490 of the 124th General 98327  
Assembly. The General Assembly, applying the principle stated in 98328  
division (B) of section 1.52 of the Revised Code that amendments 98329  
are to be harmonized if reasonably capable of simultaneous 98330  
operation, finds that the composite is the resulting version of 98331  
the section in effect prior to the effective date of the section 98332  
as presented in this act. 98333

**Section 219.** The version of section 2301.03 of the Revised 98334  
Code that is scheduled to take effect January 1, 2004, is 98335  
presented in this act as a composite of the section as amended by 98336  
both Am. Sub. H.B. 490 and Am. Sub. H.B. 530 of the 124th General 98337  
Assembly. The General Assembly, applying the principle stated in 98338  
division (B) of section 1.52 of the Revised Code that amendments 98339  
are to be harmonized if reasonably capable of simultaneous 98340  
operation, finds that the composite is the resulting version of 98341  
the section in effect prior to the effective date of the section 98342  
as presented in this act. 98343

**Section 220.** \* The version of section 2305.234 of the Revised Code that is scheduled to take effect January 1, 2004, is presented in this act as a composite of the section as amended by both Am. Sub. H.B. 490 and Am. Sub. S.B. 281 of the 124th General Assembly. The General Assembly, applying the principle stated in division (B) of section 1.52 of the Revised Code that amendments are to be harmonized if reasonably capable of simultaneous operation, finds that the composite is the resulting version of the section in effect prior to the effective date of the section as presented in this act.

**Section 221.** Section 2743.02 of the Revised Code is presented in this act as a composite of the section as amended by both Am. Sub. S.B. 115 and Am. Sub. S.B. 281 of the 124th General Assembly. The General Assembly, applying the principle stated in division (B) of section 1.52 of the Revised Code that amendments are to be harmonized if reasonably capable of simultaneous operation, finds that the composite is the resulting version of the section in effect prior to the effective date of the section as presented in this act.

**Section 222.** The version of section 2743.191 of the Revised Code that is scheduled to take effect January 1, 2004, is presented in this act as a composite of the section as amended by both Sub. H.B. 427 and Am. Sub. S.B. 123 of the 124th General Assembly. The General Assembly, applying the principle stated in division (B) of section 1.52 of the Revised Code that amendments are to be harmonized if reasonably capable of simultaneous operation, finds that the composite is the resulting version of the section in effect prior to the effective date of the section as presented in this act.



**Section 223.** Section 2917.41 of the Revised Code is presented 98373  
in this act as a composite of the section as amended by both Am. 98374  
H.B. 61 and Am. Sub. S.B. 2 of the 121st General Assembly. The 98375  
General Assembly, applying the principle stated in division (B) of 98376  
section 1.52 of the Revised Code that amendments are to be 98377  
harmonized if reasonably capable of simultaneous operation, finds 98378  
that the composite is the resulting version of the section in 98379  
effect prior to the effective date of the section as presented in 98380  
this act. 98381

**Section 224.** Section 3309.341 of the Revised Code is 98382  
presented in this act as a composite of the section as amended by 98383  
both Sub. H.B. 535 and Sub. S.B. 270 of the 123rd General 98384  
Assembly. The General Assembly, applying the principle stated in 98385  
division (B) of section 1.52 of the Revised Code that amendments 98386  
are to be harmonized if reasonably capable of simultaneous 98387  
operation, finds that the composite is the resulting version of 98388  
the section in effect prior to the effective date of the section 98389  
as presented in this act. 98390

**Section 225.** Section 3314.03 of the Revised Code is presented 98391  
in this act as a composite of the section as amended by both Sub. 98392  
H.B. 248 and Sub. H.B. 364 of the 124th General Assembly. The 98393  
General Assembly, applying the principle stated in division (B) of 98394  
section 1.52 of the Revised Code that amendments are to be 98395  
harmonized if reasonably capable of simultaneous operation, finds 98396  
that the composite is the resulting version of the section in 98397  
effect prior to the effective date of the section as presented in 98398  
this act. 98399

**Section 226.** Section 3317.012 of the Revised Code is 98400  
presented in this act as a composite of the section as amended by 98401

both Am. Sub. H.B. 94 and Am. Sub. S.B. 1 of the 124th General 98402  
Assembly. The General Assembly, applying the principle stated in 98403  
division (B) of section 1.52 of the Revised Code that amendments 98404  
are to be harmonized if reasonably capable of simultaneous 98405  
operation, finds that the composite is the resulting version of 98406  
the section in effect prior to the effective date of the section 98407  
as presented in this act. 98408

**Section 227.** Section 3319.07 of the Revised Code is presented 98409  
in this act as a composite of the section as amended by both Am. 98410  
Sub. H.B. 117 and Am. Sub. H.B. 223 of the 121st General Assembly. 98411  
The General Assembly, applying the principle stated in division 98412  
(B) of section 1.52 of the Revised Code that amendments are to be 98413  
harmonized if reasonably capable of simultaneous operation, finds 98414  
that the composite is the resulting version of the section in 98415  
effect prior to the effective date of the section as presented in 98416  
this act. 98417

**Section 228.** Section 3319.36 of the Revised Code is presented 98418  
in this act as a composite of the section as amended by both Sub. 98419  
H.B. 81 and Am. Sub. S.B. 230 of the 121st General Assembly. The 98420  
General Assembly, applying the principle stated in division (B) of 98421  
section 1.52 of the Revised Code that amendments are to be 98422  
harmonized if reasonably capable of simultaneous operation, finds 98423  
that the composite is the resulting version of the section in 98424  
effect prior to the effective date of the section as presented in 98425  
this act. 98426

**Section 229.** Section 4303.181 of the Revised Code is 98427  
presented in this act as a composite of the section as amended by 98428  
both Sub. H.B. 330 and Sub. H.B. 371 of the 124th General 98429  
Assembly. The General Assembly, applying the principle stated in 98430  
division (B) of section 1.52 of the Revised Code that amendments 98431

are to be harmonized if reasonably capable of simultaneous 98432  
operation, finds that the composite is the resulting version of 98433  
the section in effect prior to the effective date of the section 98434  
as presented in this act. 98435

**Section 230.** Section 4723.07 of the Revised Code is presented 98436  
in this act as a composite of the section as amended by both Sub. 98437  
H.B. 511 and Am. Sub. S.B. 180 of the 123rd General Assembly. The 98438  
General Assembly, applying the principle stated in division (B) of 98439  
section 1.52 of the Revised Code that amendments are to be 98440  
harmonized if reasonably capable of simultaneous operation, finds 98441  
that the composite is the resulting version of the section in 98442  
effect prior to the effective date of the section as presented in 98443  
this act. 98444

**Section 231.** \* Section 4973.17 of the Revised Code is 98445  
presented in this act as a composite of the section as amended by 98446  
both Am. Sub. H.B. 566 and Sub. H.B. 670 of the 121st General 98447  
Assembly. The General Assembly, applying the principle stated in 98448  
division (B) of section 1.52 of the Revised Code that amendments 98449  
are to be harmonized if reasonably capable of simultaneous 98450  
operation, finds that the composite is the resulting version of 98451  
the section in effect prior to the effective date of the section 98452  
as presented in this act. 98453

**Section 232.** Section 5111.20 of the Revised Code is presented 98454  
in this act as a composite of the section as amended by both Sub. 98455  
H.B. 403 and Sub. H.B. 448 of the 123rd General Assembly. The 98456  
General Assembly, applying the principle stated in division (B) of 98457  
section 1.52 of the Revised Code that amendments are to be 98458  
harmonized if reasonably capable of simultaneous operation, finds 98459  
that the composite is the resulting version of the section in 98460  
effect prior to the effective date of the section as presented in 98461

this act. 98462

**Section 233.** Section 5115.01 of the Revised Code is presented 98463  
in this act as a composite of the section as amended by both Am. 98464  
Sub. H.B. 283 and H.B. 471 of the 123rd General Assembly. The 98465  
General Assembly, applying the principle stated in division (B) of 98466  
section 1.52 of the Revised Code that amendments are to be 98467  
harmonized if reasonably capable of simultaneous operation, finds 98468  
that the composite is the resulting version of the section in 98469  
effect prior to the effective date of the section as presented in 98470  
this act. 98471

**Section 234.** \* Section 5709.62 of the Revised Code is 98472  
presented in this act as a composite of the section as amended by 98473  
both Am. Sub. H.B. 283 and Sub. H.B. 27 of the 123rd General 98474  
Assembly. The General Assembly, applying the principle stated in 98475  
division (B) of section 1.52 of the Revised Code that amendments 98476  
are to be harmonized if reasonably capable of simultaneous 98477  
operation, finds that the composite is the resulting version of 98478  
the section in effect prior to the effective date of the section 98479  
as presented in this act. 98480

**Section 235.** \* Section 5709.63 of the Revised Code is 98481  
presented in this act as a composite of the section as amended by 98482  
both Am. Sub. H.B. 283 and Sub. H.B. 27 of the 123rd General 98483  
Assembly. The General Assembly, applying the principle stated in 98484  
division (B) of section 1.52 of the Revised Code that amendments 98485  
are to be harmonized if reasonably capable of simultaneous 98486  
operation, finds that the composite is the resulting version of 98487  
the section in effect prior to the effective date of the section 98488  
as presented in this act. 98489

**Section 236.** Section 5733.04 of the Revised Code is presented 98490

in this act as a composite of the section as amended by both Sub. 98491  
S.B. 200 and Am. Sub. S.B. 261 of the 124th General Assembly. The 98492  
General Assembly, applying the principle stated in division (B) of 98493  
section 1.52 of the Revised Code that amendments are to be 98494  
harmonized if reasonably capable of simultaneous operation, finds 98495  
that the composite is the resulting version of the section in 98496  
effect prior to the effective date of the section as presented in 98497  
this act. 98498

**Section 237.** Section 5735.05 of the Revised Code is presented 98499  
in this act as a composite of the section as amended by both H.B. 98500  
612 and Am. Sub. H.B. 640 of the 123rd General Assembly. The 98501  
General Assembly, applying the principle stated in division (B) of 98502  
section 1.52 of the Revised Code that amendments are to be 98503  
harmonized if reasonably capable of simultaneous operation, finds 98504  
that the composite is the resulting version of the section in 98505  
effect prior to the effective date of the section as presented in 98506  
this act. 98507

**Section 238.** Section 5739.01 of the Revised Code was amended 98508  
by Am. Sub. H.B. 524, Am. Sub. S.B. 143, and Sub. S.B. 200, all of 98509  
the 124th General Assembly. Comparison of these amendments in 98510  
pursuance of section 1.52 of the Revised Code discloses that while 98511  
certain of the amendments of these acts are reconcilable, certain 98512  
other of the amendments are substantively irreconcilable. Am. Sub. 98513  
H.B. 524 was passed on March 21, 2002; Am. Sub. S.B. 143 was 98514  
passed on January 30, 2002; Sub. S.B. 200 was passed on March 13, 98515  
2002. Section 5739.01 of the Revised Code is therefore presented 98516  
in this act as it results from Am. Sub. H.B. 524 and Sub. S.B. 200 98517  
and such of the amendments of Am. Sub. S.B. 143 as are not in 98518  
conflict with the amendments of Sub. S.B. 200. The General 98519  
Assembly, applying the principle stated in division (B) of section 98520  
1.52 of the Revised Code that amendments are to be harmonized if 98521

reasonably capable of simultaneous operation, finds that the 98522  
composite is the resulting version of the section in effect prior 98523  
to the effective date of the section as presented in this act. 98524

**Section 239.** Section 5741.01 of the Revised Code is presented 98525  
in this act as a composite of the section as amended by Am. Sub. 98526  
H.B. 524, Am. Sub. S.B. 143, and Sub. S.B. 200, all of the 124th 98527  
General Assembly. The General Assembly, applying the principle 98528  
stated in division (B) of section 1.52 of the Revised Code that 98529  
amendments are to be harmonized if reasonably capable of 98530  
simultaneous operation, finds that the composite is the resulting 98531  
version of the section in effect prior to the effective date of 98532  
the section as presented in this act. 98533

**Section 240.** Section 5743.45 of the Revised Code is presented 98534  
Section 1 of in this act as a composite of the section as amended 98535  
by both Am. Sub. H.B. 566 and Sub. H.B. 670 of the 121st General 98536  
Assembly. The General Assembly, applying the principle stated in 98537  
division (B) of section 1.52 of the Revised Code that amendments 98538  
are to be harmonized if reasonably capable of simultaneous 98539  
operation, finds that the composite is the resulting version of 98540  
the section in effect prior to the effective date of the section 98541  
as presented in this act. 98542

**Section 241.** Section 5747.01 of the Revised Code is presented 98543  
in this act as a composite of the section as amended by both H.B. 98544  
675 and Am. Sub. S.B. 266 of the 124th General Assembly. The 98545  
General Assembly, applying the principle stated in division (B) of 98546  
section 1.52 of the Revised Code that amendments are to be 98547  
harmonized if reasonably capable of simultaneous operation, finds 98548  
that the composite is the resulting version of the section in 98549  
effect prior to the effective date of the section as presented in 98550  
this act. 98551

**Section 242.** If any item of law that constitutes the whole or 98552  
part of a codified or uncodified section of law contained in this 98553  
act, or if any application of any item of law that constitutes the 98554  
whole or part of a codified or uncodified section of law contained 98555  
in this act, is held invalid, the invalidity does not affect other 98556  
items of law or applications of items of law that can be given 98557  
effect without the invalid item of law or application. To this 98558  
end, the items of law of which the codified and uncodified 98559  
sections contained in this act are composed, and their 98560  
applications, are independent and severable. 98561