

As Passed by the House

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Representative Brinkman

Cosponsors: Representatives Evans, McGregor, J., Bulp, Raussen, Blessing, Uecker, Batchelder, Adams, Hughes, Collier, Combs, Patton, Yuko, Stebelton, Hite, Gibbs, Stewart, J., Jones, Webster, Bacon, Schindel, Huffman, Daniels, Dolan, Hagan, J., McGregor, R., Wachtmann, Wagner, Skindell, Fessler, Book, Peterson, Stewart, D., Coley, Goodwin, Domenick, Bolon, Boyd, Brown, Celeste, Core, DeBose, Dodd, Dyer, Flowers, Garrison, Gerberry, Goyal, Hagan, R., Letson, Luckie, Lundy, Mallory, Mecklenborg, Newcomb, Oelslager, Schneider, Setzer, Wolpert, Zehringer

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To enact sections 126.51, 126.52, 126.53, 126.55, 1
126.57, 126.61, and 126.62 of the Revised Code to 2
promote transparency with respect to state 3
spending by requiring that certain information on 4
state awards and earmarks, state real property 5
management, state agency management, and state 6
program effectiveness be collected and made 7
available on-line. 8

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

Section 1. That sections 126.51, 126.52, 126.53, 126.55, 9
126.57, 126.61, and 126.62 of the Revised Code be enacted to read 10
as follows: 11

Sec. 126.51. (A) The director of each state agency or, in the 12

case of a state agency without a director, the equivalent officer 13
of that agency, shall, within thirty days after the effective date 14
of this section, designate a senior real property officer for that 15
agency. The officer shall have the education, training, and 16
experience required to administer the necessary functions of the 17
position, as set forth in this section. 18

(B) The senior real property officer shall develop and 19
implement an agency asset management plan that meets the form, 20
content, and other requirements established by the Ohio real 21
property council under section 126.52 of the Revised Code. In 22
developing this plan, the senior real property officer shall do 23
all of the following: 24

(1) Identify and categorize all real property owned, leased, 25
or otherwise managed by the agency; 26

(2) Prioritize actions to be taken to improve the operational 27
and financial management of the agency's real property inventory; 28

(3) Make life-cycle cost estimations associated with the 29
prioritized actions; 30

(4) Identify governmental authorities that are required to 31
address these priorities; 32

(5) Identify and pursue goals, with appropriate deadlines, 33
that are consistent with and supportive of the agency asset 34
management plan and measure progress against such goals; 35

(6) Incorporate planning and management requirements for 36
historic property and for environmental management; 37

(7) Identify any other information and pursue any other 38
action necessary to the appropriate development and implementation 39
of the agency asset management plan. 40

(C) The senior real property officer shall, on an ongoing 41
basis, monitor the real property assets of the agency to ensure 42

the assets are managed in a manner that is consistent with the 43
real property asset management principles developed by the Ohio 44
real property council and with the agency asset management plan. 45

(D) Each agency's initial asset management plan shall be 46
submitted to the office of budget and management not later than 47
January 1, 2009. 48

Sec. 126.52. (A) There is hereby established the Ohio real 49
property council, within the office of budget and management, to 50
develop guidance for, and facilitate the success of, each state 51
agency's asset management plan. The council shall be composed of 52
the senior real property officers designated under section 126.51 53
of the Revised Code, the director of budget and management, and 54
the director of administrative services. The director of budget 55
and management shall chair the council. The office of budget and 56
management shall provide administrative support for the council. 57

(B) The council shall assist the senior real property 58
officers in the development and implementation of the agency asset 59
management plans. The council shall establish appropriate 60
performance measures to determine the effectiveness of state real 61
property management and to allow for comparing the performance of 62
state agencies against industry and other governmental entities. 63
The performance measures shall include the following, as 64
appropriate: 65

(1) Life-cycle cost estimations associated with the agency's 66
prioritized actions; 67

(2) The costs relating to the acquisition of real property 68
assets by purchase, condemnation, exchange, lease, or otherwise; 69

(3) The cost and time required to dispose of state real 70
property assets and the financial recovery of the state investment 71
resulting from the disposal; 72

<u>(4) The operating, maintenance, and security costs of state properties, including the cost of utility services at unoccupied properties;</u>	73
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<u>(5) The environmental costs associated with ownership of property, including the cost of environmental restoration and compliance activities;</u>	76
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<u>(6) Changes in the amount of vacant state space;</u>	79
<u>(7) The realization of equity value in state real property assets;</u>	80
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<u>(8) Opportunities for cooperative arrangements with the commercial real estate community;</u>	82
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<u>(9) The enhancement of agency productivity through an improved working environment.</u>	84
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<u>(C) The council shall hold its first meeting not later than sixty days after the effective date of this section. Thereafter, meetings shall be held at least once each quarter of the fiscal year.</u>	86
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<u>Sec. 126.53.</u> <u>(A) The director of budget and management, in consultation with the Ohio real property council established in section 126.52 of the Revised Code, shall develop and maintain a comprehensive and descriptive database of all real property under the custody and control of the state, except when otherwise required for reasons of homeland security. For purposes of the database, each state agency shall provide information that adequately describes the nature, use, and extent of the agency's real property assets.</u>	90
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<u>(B) The director shall make the real property database available on the office of budget and management's web site not later than January 1, 2009.</u>	99
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Sec. 126.55. (A) The director of budget and management, in consultation with the governor, shall, not later than twelve months after the effective date of this section, develop management standards that are to be considered the best practices to which state agencies must adhere. In developing these standards, consideration shall be given to similar efforts in the public and private sectors. These standards shall, at a minimum, address all of the following areas:

- (1) Budget and performance integration;
- (2) Competitive sourcing;
- (3) E-government;
- (4) Human capital;
- (5) Financial performance improvement.

(B) The director shall also establish performance measures to increase transparency and to ensure citizens and agencies have a better understanding of what is being accomplished. The office of budget and management shall apply these measures to periodically assess agency progress on a case-by-case basis.

(C) An agency's successful implementation of the best practices in each of the areas described in division (A) of this section shall be tracked using the following grading system:

(1) Green: Implementation is proceeding according to plans agreed upon with the agency.

(2) Yellow: Issues have arisen requiring adjustment by the agency in order to achieve the objectives in a timely manner.

(3) Red: Agency is unlikely to realize objectives absent significant management intervention.

(D) The office of budget and management shall post on its web site each assessment made pursuant to this section.

Sec. 126.57. (A) The office of budget and management shall, 131
at least once every twenty-four-month cycle, assess each state 132
program with respect to its purpose, design, planning, management, 133
results, and accountability, to determine the overall 134
effectiveness of the program and, based on that assessment, make 135
recommendations on ways to improve program results. 136

(B) To implement division (A) of this section, the office of 137
budget and management shall design a questionnaire and rating 138
system that indicates a program's overall performance. The 139
questionnaire shall focus on a program's purpose and management, 140
strategic planning with respect to the program, and program 141
results. It shall be customized depending on the type of program 142
to be assessed. The results of each assessment shall be posted on 143
the office of budget and management's web site. 144

(C) The office of budget and management shall begin 145
conducting the assessments required by this section not later than 146
twelve months after the effective date of this section. 147

Sec. 126.61. (A) As used in this section: 148

(1) "Entity" means, whether for profit or nonprofit, a 149
corporation, association, partnership, limited liability company, 150
sole proprietorship, or other business entity. "Entity" does not 151
include an individual who receives state assistance that is not 152
related to the individual's business. 153

(2)(a) "State award" means state financial assistance and 154
expenditures in any of the following forms: 155

(i) Grants, subgrants, loans, awards, cooperative agreements, 156
or other similar form of financial assistance; 157

(ii) Contracts, subcontracts, purchase orders, task orders, 158
delivery orders, or other similar type of transaction. 159

(b) "State award" does not include compensation received as an employee of the state. 160
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(B) The office of budget and management shall establish and maintain a single searchable web site, accessible by the public at no cost, that includes all of the following information for each state award: 162
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(1) The name of the entity receiving the award; 166

(2) The amount of the award; 167

(3) Information on the award, including the type of transaction being funded, the purpose of the award, and the agency or other instrumentality of the state that is providing the award; 168
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(4) The location of the entity receiving the award and the primary location of performance under the award, which information shall include both the political subdivision of the state and the state house of representatives and senate districts; 171
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(5) The parent entity of the entity receiving the award, if the recipient is owned by another entity; 175
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(6) Any other relevant information determined by the office of budget and management. 177
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(C) The office of budget and management may consult with other state agencies in the development, establishment, operation, and support of the web site. State awards shall be posted on the web site within thirty days after being made. The office of budget and management shall provide an opportunity for public comment as to the utility of the web site and any suggested improvements. 179
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(D) The web site required by this section shall be fully operational not later than January 1, 2009, and shall include information on state awards made in fiscal year 2008 and thereafter. It shall also provide an electronic link to the daily journals of the senate and house of representatives. 185
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(E) The director of budget and management shall submit to the general assembly an annual report regarding the implementation of the web site. The report shall include data regarding the usage of the web site and any public comments on the utility of the site, including recommendations for improving data quality and collection. The director shall post each report on the web site.

(F) Nothing in this section shall be construed as requiring the disclosure of confidential information.

Sec. 126.62. (A) As used in this section, "earmark" means funds appropriated by the general assembly for projects or programs, if any of the following applies:

(1) The appropriation is made outside a merit-based or competitive allocation process.

(2) The recipient of the funds is specified.

(3) The use or purpose of the funds is specified.

(B) The office of budget and management shall establish and maintain a searchable web site, accessible by the public at no cost, that includes aggregate data on the number and cost of earmarks and displays that information by agency. The web site shall also provide detailed information on individual earmarks.

(C) The web site required by this section shall be fully operational not later than January 1, 2009, and shall include information on earmarks designated by the general assembly in fiscal year 2008 and thereafter.