

**As Reported by the House State Government and Elections
Committee**

**127th General Assembly
Regular Session
2007-2008**

H. B. No. 420

Representative Brinkman

**Cosponsors: Representatives Evans, McGregor, J., Bupp, 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**

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A B I L L

To enact sections 126.45, 126.46, 126.51, 126.52,	1
126.53, 126.55, and 126.57 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 126.45, 126.46, 126.51, 126.52,	9
126.53, 126.55, and 126.57 of the Revised Code be enacted to read	10
as follows:	11

Sec. 126.45. (A) As used in this section: 12

(1) "Entity" means, whether for profit or nonprofit, a 13
corporation, association, partnership, limited liability company, 14

sole proprietorship, or other business entity. "Entity" does not 15
include an individual who receives state assistance that is not 16
related to the individual's business. 17

(2)(a) "State award" means state financial assistance and 18
expenditures in any of the following forms: 19

(i) Grants, subgrants, loans, awards, cooperative agreements, 20
or other similar form of financial assistance; 21

(ii) Contracts, subcontracts, purchase orders, task orders, 22
delivery orders, or other similar type of transaction. 23

(b) "State award" does not include compensation received as 24
an employee of the state. 25

(B) The office of budget and management shall establish and 26
maintain a single searchable web site, accessible by the public at 27
no cost, that includes all of the following information for each 28
state award: 29

(1) The name of the entity receiving the award; 30

(2) The amount of the award; 31

(3) Information on the award, including the type of 32
transaction being funded, the purpose of the award, and the agency 33
or other instrumentality of the state that is providing the award; 34

(4) The location of the entity receiving the award and the 35
primary location of performance under the award, which information 36
shall include both the political subdivision of the state and the 37
state house of representatives and senate districts; 38

(5) The parent entity of the entity receiving the award, if 39
the recipient is owned by another entity; 40

(6) Any other relevant information determined by the office 41
of budget and management. 42

(C) The office of budget and management may consult with 43

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. 44
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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. 49
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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. 54
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(F) Nothing in this section shall be construed as requiring the disclosure of confidential information. 60
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Sec. 126.46. (A) As used in this section, "earmark" means funds appropriated by the general assembly for projects or programs, if any of the following applies: 62
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(1) The appropriation is made outside a merit-based or competitive allocation process. 65
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(2) The recipient of the funds is specified. 67

(3) The use or purpose of the funds is specified. 68

(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. 69
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(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.

Sec. 126.51. (A) The director of each state agency or, in the case of a state agency without a director, the equivalent officer of that agency, shall, within thirty days after the effective date of this section, designate a senior real property officer for that agency. The officer shall have the education, training, and experience required to administer the necessary functions of the position, as set forth in this section.

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

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

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

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

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

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

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

(7) Identify any other information and pursue any other 104
action necessary to the appropriate development and implementation 105
of the agency asset management plan. 106

(C) The senior real property officer shall, on an ongoing 107
basis, monitor the real property assets of the agency to ensure 108
the assets are managed in a manner that is consistent with the 109
real property asset management principles developed by the Ohio 110
real property council and with the agency asset management plan. 111

(D) Each agency's initial asset management plan shall be 112
submitted to the office of budget and management not later than 113
January 1, 2009. 114

Sec. 126.52. (A) There is hereby established the Ohio real 115
property council, within the office of budget and management, to 116
develop guidance for, and facilitate the success of, each state 117
agency's asset management plan. The council shall be composed of 118
the senior real property officers designated under section 126.51 119
of the Revised Code, the director of budget and management, and 120
the director of administrative services. The director of budget 121
and management shall chair the council. The office of budget and 122
management shall provide administrative support for the council. 123

(B) The council shall assist the senior real property 124
officers in the development and implementation of the agency asset 125
management plans. The council shall establish appropriate 126
performance measures to determine the effectiveness of state real 127
property management and to allow for comparing the performance of 128
state agencies against industry and other governmental entities. 129
The performance measures shall include the following, as 130
appropriate: 131

(1) Life-cycle cost estimations associated with the agency's 132
prioritized actions; 133

<u>(2) The costs relating to the acquisition of real property</u>	134
<u>assets by purchase, condemnation, exchange, lease, or otherwise;</u>	135
<u>(3) The cost and time required to dispose of state real</u>	136
<u>property assets and the financial recovery of the state investment</u>	137
<u>resulting from the disposal;</u>	138
<u>(4) The operating, maintenance, and security costs of state</u>	139
<u>properties, including the cost of utility services at unoccupied</u>	140
<u>properties;</u>	141
<u>(5) The environmental costs associated with ownership of</u>	142
<u>property, including the cost of environmental restoration and</u>	143
<u>compliance activities;</u>	144
<u>(6) Changes in the amount of vacant state space;</u>	145
<u>(7) The realization of equity value in state real property</u>	146
<u>assets;</u>	147
<u>(8) Opportunities for cooperative arrangements with the</u>	148
<u>commercial real estate community;</u>	149
<u>(9) The enhancement of agency productivity through an</u>	150
<u>improved working environment.</u>	151
<u>(C) The council shall hold its first meeting not later than</u>	152
<u>sixty days after the effective date of this section. Thereafter,</u>	153
<u>meetings shall be held at least once each quarter of the fiscal</u>	154
<u>year.</u>	155
Sec. 126.53. <u>(A) The director of budget and management, in</u>	156
<u>consultation with the Ohio real property council established in</u>	157
<u>section 126.52 of the Revised Code, shall develop and maintain a</u>	158
<u>comprehensive and descriptive database of all real property under</u>	159
<u>the custody and control of the state, except when otherwise</u>	160
<u>required for reasons of homeland security. For purposes of the</u>	161
<u>database, each state agency shall provide information that</u>	162
<u>adequately describes the nature, use, and extent of the agency's</u>	163

real property assets. 164

(B) The director shall make the real property database 165
available on the office of budget and management's web site not 166
later than January 1, 2009. 167

Sec. 126.55. (A) The director of budget and management, in 168
consultation with the governor, shall, not later than twelve 169
months after the effective date of this section, develop 170
management standards that are to be considered the best practices 171
to which state agencies must adhere. In developing these 172
standards, consideration shall be given to similar efforts in the 173
public and private sectors. These standards shall, at a minimum, 174
address all of the following areas: 175

(1) Budget and performance integration; 176

(2) Competitive sourcing; 177

(3) E-government; 178

(4) Human capital; 179

(5) Financial performance improvement. 180

(B) The director shall also establish performance measures to 181
increase transparency and to ensure citizens and agencies have a 182
better understanding of what is being accomplished. The office of 183
budget and management shall apply these measures to periodically 184
assess agency progress on a case-by-case basis. 185

(C) An agency's successful implementation of the best 186
practices in each of the areas described in division (A) of this 187
section shall be tracked using the following grading system: 188

(1) Green: Implementation is proceeding according to plans 189
agreed upon with the agency. 190

(2) Yellow: Issues have arisen requiring adjustment by the 191

agency in order to achieve the objectives in a timely manner. 192

(3) Red: Agency is unlikely to realize objectives absent 193
significant management intervention. 194

(D) The office of budget and management shall post on its web 195
site each assessment made pursuant to this section. 196

Sec. 126.57. (A) The office of budget and management shall, 197
at least once every twenty-four-month cycle, assess each state 198
program with respect to its purpose, design, planning, management, 199
results, and accountability, to determine the overall 200
effectiveness of the program and, based on that assessment, make 201
recommendations on ways to improve program results. 202

(B) To implement division (A) of this section, the office of 203
budget and management shall design a questionnaire and rating 204
system that indicates a program's overall performance. The 205
questionnaire shall focus on a program's purpose and management, 206
strategic planning with respect to the program, and program 207
results. It shall be customized depending on the type of program 208
to be assessed. The results of each assessment shall be posted on 209
the office of budget and management's web site. 210

(C) The office of budget and management shall begin 211
conducting the assessments required by this section not later than 212
twelve months after the effective date of this section. 213