

As Introduced

**128th General Assembly
Regular Session
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H. B. No. 236

Representative Newcomb

Cosponsors: Representatives Harwood, Yuko, Domenick, Boyd

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A B I L L

To amend sections 319.281, 3718.02, 3718.03, 3718.04, 1
and 3718.05 and to enact sections 3718.011, 2
3718.041, and 3718.30 to 3718.38 of the Revised 3
Code to revise the Household Sewage and Small Flow 4
On-Site Sewage Treatment Systems Law, to establish 5
the Household Sewage Treatment System Revolving 6
Loan Program and the Household Sewage Treatment 7
System Grant Program in the Department of Health, 8
to amend Section 120.05 of Am. Sub. H.B. 119 of 9
the 127th General Assembly and to repeal Sections 10
120.01 and 120.02 of Am. Sub. H.B. 119 of the 11
127th General Assembly, to make appropriations, 12
and to declare an emergency. 13

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

Section 1. That sections 319.281, 3718.02, 3718.03, 3718.04, 14
and 3718.05 be amended and sections 3718.011, 3718.041, 3718.30, 15
3718.31, 3718.32, 3718.33, 3718.34, 3718.35, 3718.36, 3718.37, and 16
3718.38 of the Revised Code be enacted to read as follows: 17

Sec. 319.281. (A) The county auditor shall place on the 18
general tax list and duplicate compiled in accordance with section 19

319.28 of the Revised Code the amount certified by the health commissioner of a city or general health district pursuant to section 3709.091 of the Revised Code of any unpaid operation permit or inspection fee for a ~~household~~ sewage treatment system ~~or a small flow on-site sewage treatment system~~ or any other unpaid fee levied under Chapter 3718. of the Revised Code and any accrued late payment penalties, together with any fee charged by the county auditor for placing the amount on the general tax list and duplicate and for the expenses of its collection. The amount placed on the general tax list and duplicate shall be a lien on the real property on which the household sewage treatment system or small flow on-site sewage treatment system is located from the date the amount was placed on the tax list and duplicate, and shall be charged and collected in the same manner as taxes on the list.

(B) The county auditor shall place on the general tax list and duplicate compiled in accordance with section 319.28 of the Revised Code the amount certified by the director of health pursuant to rules adopted under section 3718.32 of the Revised Code of the repayment of a loan from the household sewage treatment system revolving loan fund created under section 3718.31 of the Revised Code that the person receiving the loan has chosen to have assessed as a part of the person's real property taxes. The amount placed on the general tax list and duplicate shall be charged and collected in the same manner as taxes on the list. After each settlement under divisions (A) and (C) of section 321.24 of the Revised Code, the county treasurer shall provide for payment from the undivided income fund to the household sewage treatment system revolving loan fund the amount of loan repayments collected.

Sec. 3718.011. For purposes of this chapter, a sewage treatment system is causing a public health nuisance if any of the

following situations occurs: 52

(A) An inspection of the property at which the system is 53
located reveals odor, color, or other visual manifestations of raw 54
or poorly treated sewage. 55

(B) Water samples taken at or near the property at which the 56
sewage treatment system is located exceed five thousand fecal 57
coliform counts per one hundred milliliters in two or more samples 58
when five or fewer samples are taken or in more than twenty per 59
cent of the samples when more than five samples are taken. 60

(C) Water samples taken at or near the property at which the 61
sewage treatment system is located exceed five hundred seventy-six 62
e. coli. counts per one hundred milliliters in two or more samples 63
when five or fewer samples are taken or in more than twenty per 64
cent of the samples when more than five samples are taken. 65

Sec. 3718.02. ~~(A) Not later than one year after the effective~~ 66
~~date of this section, the~~ The public health council, in accordance 67
with Chapter 119. of the Revised Code, shall adopt, and 68
subsequently may amend and rescind, rules of general application 69
throughout the state to administer this chapter. Rules adopted 70
under division (A) of this section shall do at least all of the 71
following: 72

(1) Require that the appropriate board of health approve or 73
disapprove the use of a sewage treatment system if it is not 74
connected to a sanitary sewerage system; 75

(2) Require that a board of health conduct a site evaluation 76
for any proposed installation of a sewage treatment system; 77

(3) Prescribe standards for the siting, design, installation, 78
operation, monitoring, maintenance, and abandonment of household 79
sewage treatment systems that may be used in this state. The 80
standards shall include at a minimum all of the following: 81

(a) Soil absorption specifications;	82
(b) Specifications for discharging systems that do not conflict with provisions related to the national pollutant discharge elimination system permit program established in section 6111.03 of the Revised Code and rules adopted under it;	83 84 85 86
(e) (b) Requirements for the maintenance of a system according to the manufacturer's instructions, if available;	87 88
(d) (c) Requirements and procedures under which a person may demonstrate the required maintenance of a system in lieu of having an inspection conducted when an inspection otherwise is required.	89 90 91
The rules also shall require that a system that has been or is sited or installed prior to or on the effective date of the rules and that is operating on that date shall be deemed approved unless the system is declared to be a public health nuisance by a board of health.	92 93 94 95 96
<u>In addition, the rules shall not apply to a system on a parcel for which a plat is submitted for approval under section 711.05, 711.09, or 711.10 of the Revised Code or for which a division without a plat is submitted for approval under section 711.131 of the Revised Code on or before the effective date of the rules if the approval of the plat or division of the parcel without a plat is pending on or after that date. For purposes of such a system, the public health council shall adopt rules that are identical to the rules that governed such a system and that were in effect on January 1, 2009.</u>	97 98 99 100 101 102 103 104 105 106
(4) Prescribe procedures for notification to boards of health of the approval of a sewage treatment system or components of a system by the director of health under section 3718.04 of the Revised Code;	107 108 109 110
(5) Prescribe criteria and procedures under which boards of health shall issue installation and operation permits for sewage	111 112

treatment systems. The rules shall require as a condition of an 113
installation permit that the installer of a system must warrant 114
that the system was installed in accordance with all applicable 115
rules and design requirements. In addition, the rules shall 116
require a board of health, not later than sixty days after the 117
issuance of an installation permit, to certify to the director on 118
a form provided by the director that the permit was issued. 119

(6) ~~Require~~ Authorize a board of health to inspect a sewage 120
treatment system not later than eighteen months after its 121
installation to ensure that the system is operating properly. The 122
rules shall require a board of health, not later than sixty days 123
after ~~the~~ an inspection, to certify to the director on a form 124
provided by the director that the inspection was performed. 125

(7) Require a board of health to register installers, service 126
providers, and septage haulers that perform work within the health 127
district; prescribe criteria and procedures for the registration; 128
and prescribe criteria for a demonstration of competency as a part 129
of the registration. The rules shall establish uniform statewide 130
bonding requirements or other financial security requirements for 131
installers, service providers, and septage haulers as a condition 132
of registration within any health district. The rules shall 133
preclude a board of health from requiring an additional or 134
different bond or security requirement as a condition of 135
registration beyond the bonding and security requirements 136
established in rules adopted under division (A)(7) of this 137
section. 138

(8) Prescribe requirements for the collection, 139
transportation, disposal, and land application of domestic septage 140
in this state from a sewage treatment system; 141

(9) Require boards of health to maintain records that are 142
determined necessary to ascertain compliance with this chapter and 143
the rules adopted under it; 144

(10) Require a board of health and the manufacturer of a sewage treatment system, when possible, to provide instructions for the operation and maintenance of the system. The rules shall authorize the instructions to be posted on the department of health's web site and the manufacturer's web site. In addition, the rules shall require a board of health and a manufacturer to provide a copy of the operation and maintenance instructions, if available, when a board of health or a manufacturer receives a written request for instructions.

(11) Prescribe criteria for the provision of written evidence of compliance with rules pertaining to household sewage treatment for purposes of sections 711.05 and 711.10 of the Revised Code;

(12) Prescribe minimum criteria and procedures under which boards of health may establish household sewage treatment district management programs for the purpose of providing a responsive approach toward preventing or solving sewage treatment problems resulting from household sewage treatment systems within the districts established under the program. For purposes of division (A)(12) of this section, a board of health may enter into a contract with any entity to administer a household sewage treatment district management program.

(13) Prescribe standards for the siting, design, installation, operation, monitoring, maintenance, and abandonment of small flow on-site sewage treatment systems that may be used in this state;

(14) Require a board of health to develop a program for the maintenance of sewage treatment systems that are operated within the health district governed by the board. The rules shall require the submission of maintenance reports by persons operating sewage treatment systems at least every five years.

(15) Specify conditions and circumstances under which a

property owner is required to connect to an available central sewer system. The rules shall provide that after a property owner is required to connect to a central sewer system, the property owner is prohibited from installing, replacing, or continuing to operate a sewage treatment system at the property. In specifying the conditions and circumstances, the rules shall establish a minimum distance from a central sewer system within which a property owner must be located in order to be subject to the requirement to connect to a central sewer system. The minimum distance shall measure not more than two hundred feet across the property to be serviced by the central sewer system from the foundation of the structure owned by the property owner to the right-of-way where the central sewer system is located.

The council may adopt other rules under division (A) of this section that it determines are necessary to implement this chapter and to protect the public health and welfare.

At least sixty days prior to adopting a rule under division (A) of this section, the council shall provide boards of health and any other interested parties an opportunity to comment on the rule.

(B) In accordance with section 3709.20 or 3709.21 of the Revised Code, as applicable, and subject to review by and approval of the director under division (C) of section 3718.05 of the Revised Code, a board of health may adopt rules necessary for the public health providing for ~~more stringent~~ standards governing the use of household sewage treatment systems, and providing for more stringent standards governing installers, service providers, or septage haulers than those established in rules of the public health council adopted under division (A) of this section. A board that intends to adopt such rules shall notify the department of health of the rules at least ninety days prior to the proposed date of adoption. The director shall approve or disapprove any

such proposed rule within ninety days after receiving notice of it 208
under this division. If the director fails to approve or 209
disapprove a proposed rule within ninety days after receiving 210
notice of it, the proposed rule shall be deemed approved. 211

(C) Not later than thirty days prior to the submission of a 212
proposed rule under this section to the joint committee on agency 213
rule review, the public health council and the director of health 214
jointly shall prepare a written report and provide a copy of the 215
report to every member of the general assembly. The report shall 216
contain all of the following: 217

(1) A determination of the potential benefit that the 218
adoption and implementation of the rule will have on the health, 219
safety, and welfare of the public; 220

(2) A determination of the economic reasonableness of the 221
rule; 222

(3) A determination of the technical feasibility of the rule; 223

(4) A determination of the financial impact that the rule may 224
have on the public's ability to purchase housing; 225

(5) A list of all systems that satisfy the requirements of 226
this chapter and the estimated cost of each system. In addition, 227
if more than one system satisfies the requirements of this chapter 228
and the rule requires a system for which the estimated cost is 229
more than other systems that satisfy the requirements of this 230
chapter, the report shall contain an explanation of the reasons 231
why the system is required. 232

(D) If a rule adopted under this section has a substantial 233
negative financial impact on the public's ability to purchase 234
housing, the rule shall have no force or effect. 235

Sec. 3718.03. (A) There is hereby created the sewage 236
treatment system technical advisory committee consisting of the 237

director of health or the director's designee and ten members who 238
are knowledgeable about sewage treatment systems and technologies. 239
Of the ten members, four shall be appointed by the governor, three 240
shall be appointed by the president of the senate, and three shall 241
be appointed by the speaker of the house of representatives. 242
243

(1) Of the members appointed by the governor, one shall 244
represent academia, one shall be a representative of the public 245
who is not employed by the state or any of its political 246
subdivisions and who does not have a pecuniary interest in 247
household sewage treatment systems, one shall be an engineer from 248
the environmental protection agency, and one shall be selected 249
from among soil scientists in the division of soil and water 250
conservation in the department of natural resources. 251

(2) Of the members appointed by the president of the senate, 252
one shall be a health commissioner who is a member of and 253
recommended by the association of Ohio health commissioners, one 254
shall represent the interests of manufacturers of household sewage 255
treatment systems, and one shall represent installers and service 256
providers. 257

(3) Of the members appointed by the speaker of the house of 258
representatives, one shall be a health commissioner who is a 259
member of and recommended by the association of Ohio health 260
commissioners, one shall represent the interests of manufacturers 261
of household sewage treatment systems, and one shall be a 262
sanitarian who is registered under Chapter 4736. of the Revised 263
Code and who is a member of the Ohio environmental health 264
association. 265

(B) Terms of members appointed to the committee shall be for 266
three years, with each term ending on the same day of the same 267
month as did the term that it succeeds. Each member shall serve 268
from the date of appointment until the end of the term for which 269

the member was appointed. 270

Members may be reappointed. Vacancies shall be filled in the 271
same manner as provided for original appointments. Any member 272
appointed to fill a vacancy occurring prior to the expiration date 273
of the term for which the member was appointed shall hold office 274
for the remainder of that term. A member shall continue to serve 275
after the expiration date of the member's term until the member's 276
successor is appointed or until a period of sixty days has 277
elapsed, whichever occurs first. The applicable appointing 278
authority may remove a member from the committee for failure to 279
attend two consecutive meetings without showing good cause for the 280
absences. 281

(C) The technical advisory committee annually shall select 282
from among its members a chairperson and a vice-chairperson and a 283
secretary to keep a record of its proceedings. A majority vote of 284
the members of the full committee is necessary to take action on 285
any matter. The committee may adopt bylaws governing its 286
operation, including bylaws that establish the frequency of 287
meetings. 288

(D) Serving as a member of the sewage treatment system 289
technical advisory committee does not constitute holding a public 290
office or position of employment under the laws of this state and 291
does not constitute grounds for removal of public officers or 292
employees from their offices or positions of employment. Members 293
of the committee shall serve without compensation for attending 294
committee meetings. 295

(E) A member of the committee shall not have a conflict of 296
interest with the position. For the purposes of this division, 297
"conflict of interest" means the taking of any action that 298
violates any provision of Chapter 102. or 2921. of the Revised 299
Code. 300

(F) The sewage treatment system technical advisory committee 301
shall do all of the following: 302

(1) Develop with the department of health rules that 303
establish standards and guidelines for approving or disapproving a 304
sewage treatment system or components of a system under section 305
3718.04 of the Revised Code~~+~~. The rules shall require the director 306
of health to approve sewage treatment systems representing a range 307
of available systems from low-cost systems to high-cost systems 308
that will not create a public health nuisance when operated and 309
maintained properly. In developing the rules, the committee shall 310
use scientific peer-reviewed papers concerning sewage treatment 311
systems or components of a system and third-party evaluations of 312
such systems or components using accepted protocols. 313

(2) Develop with the department an application form to be 315
submitted to the director by an applicant for approval or 316
disapproval of a sewage treatment system or components of a system 317
and specify the information that must be included with an 318
application form; 319

(3) Advise the director on the approval or disapproval of an 320
application sent to the director under section 3718.04 of the 321
Revised Code requesting approval of a sewage treatment system or 322
components of a system; 323

(4) Pursue and recruit in an active manner the research, 324
development, introduction, and timely approval of innovative and 325
cost-effective household sewage treatment systems and components 326
of a system for use in this state, which shall include conducting 327
pilot projects to assess the effectiveness of a system or 328
components of a system; 329

(5) By January 1, 2008, provide the household sewage and 330
small flow on-site sewage treatment system study commission 331

created by Am. Sub. H.B. 119 of the 127th general assembly with a 332
list of available alternative systems and the estimated cost of 333
each system. 334

(G) The chairperson of the committee shall prepare and submit 335
an annual report concerning the activities of the committee to the 336
general assembly not later than ninety days after the end of the 337
calendar year. The report shall discuss the number of applications 338
submitted under section 3718.04 of the Revised Code for the 339
approval of a new sewage treatment system or a component of a 340
system, the number of such systems and components that were 341
approved, any information that the committee considers beneficial 342
to the general assembly, and any other information that the 343
chairperson determines is beneficial to the general assembly. If 344
other members of the committee determine that certain information 345
should be included in the report, they shall submit the 346
information to the chairperson not later than thirty days after 347
the end of the calendar year. 348

(H) The department shall provide meeting space for the 349
committee. The committee shall be assisted in its duties by the 350
staff of the department. 351

(I) Sections 101.82 to 101.87 of the Revised Code do not 352
apply to the sewage treatment system technical advisory committee. 353

Sec. 3718.04. (A) A manufacturer seeking approval for the use 354
of a sewage treatment system or a component of a system in this 355
state that differs in design or function from systems or 356
components of systems the use of which is authorized in rules 357
adopted under section 3718.02 of the Revised Code shall request an 358
application form from the department of health. The applicant 359
shall complete the form and include with it all of the information 360
that is required by the department and the sewage treatment system 361
technical advisory committee. The applicant shall submit a 362

completed application and all required information to the director 363
of health. 364

(B) Upon receipt of an application, the director shall 365
examine the application and all accompanying information to 366
determine if the application is complete. If the director 367
determines that the application is not complete, the director 368
shall notify the applicant not later than fourteen days after 369
determining that the application is not complete, provide a 370
description of the information that is missing from the 371
application, and return the application and all accompanying 372
information to the applicant. The applicant may resubmit the 373
application to the director. Not later than fourteen days after 374
receipt of a complete application, the director shall notify the 375
committee of the complete application and send a copy of the 376
complete application and all accompanying information to the 377
committee together with a request that the committee advise the 378
director on the approval or disapproval of the system. 379

(C) In approving or disapproving an application, the director 380
shall use the standards and guidelines established in rules 381
adopted under section 3718.05 of the Revised Code that the 382
committee developed with the department for that purpose. The 383
director shall not approve an application that fails to comply 384
with those standards and guidelines. If the committee advises the 385
director concerning the application, the director shall consider 386
the advice before approving or disapproving the application. 387
However, if the committee fails to provide advice or if the 388
committee fails to provide advice within a reasonable period of 389
time before the director is required to approve or disapprove the 390
application, the director may approve or disapprove the 391
application without considering the advice of the committee. Not 392
later than ninety days after receipt of a complete application, 393
the director shall approve or disapprove the application in 394

writing. If the director fails to approve or disapprove the 395
application within that ninety-day period, the application shall 396
be deemed approved. 397

(D) If the director approves an application under this 398
section, the director shall notify the applicant in writing. The 399
director also shall notify boards of health in accordance with the 400
procedures established in rules adopted under section 3718.02 of 401
the Revised Code. If the director disapproves an application under 402
this section, the director shall notify the applicant in writing 403
and provide a brief explanation for the disapproval. 404

Sec. 3718.041. (A) A board of health has sole authority to 405
approve sewage treatment systems or components of systems for use 406
within the health district that is governed by the board. A board 407
of health shall approve the use of sewage treatment systems or 408
components of systems based on applicable local conditions and in 409
accordance with rules adopted under division (B) of section 410
3718.02 of the Revised Code. The board shall select sewage 411
treatment systems or components of systems for approved use in the 412
applicable health district from those sewage treatment systems or 413
components of systems, the use of which has been authorized in 414
rules adopted under section 3718.02 of the Revised Code or that 415
have been approved by the director of health for use in the state 416
under section 3718.04 of the Revised Code. 417

A board of health, in approving sewage treatment systems, 418
shall ensure that the approved sewage treatment systems represent 419
a range of available systems from low-cost systems to high-cost 420
systems that will not create a public health nuisance when 421
operated and maintained properly. A board of health, when 422
approving the use of a sewage treatment system or component of a 423
system, shall establish soil absorption specifications and 424
vertical separation distances applicable to that sewage treatment 425

system or component or component of that system taking into 426
consideration applicable local conditions. 427

(B) The public health council, the sewage treatment system 428
technical advisory committee, and the director of health shall not 429
or components of systems, the use of which has been authorized in 430
rules adopted under sections 3718.02 of the Revised Code or 431
establish soil absorption specifications and vertical separation 432
distances for sewage treatment systems or components of such 433
systems. Such specifications and distances shall be established by 434
boards of health in accordance with division (A) of this section. 435
436

Sec. 3718.05. The director of health shall do all of the 437
following: 438

(A) Administer and enforce this chapter and the rules of the 439
public health council adopted under it; 440

(B) Examine records of boards of health, in accordance with 441
rules adopted by the council, that are determined necessary to 442
ascertain compliance with this chapter and rules adopted under it; 443

(C) Review and approve or disapprove rules proposed by boards 444
of health under division (B) of section 3718.02 of the Revised 445
Code. The director shall not disapprove a proposed rule unless the 446
director determines that the proposed rule conflicts with this 447
chapter or rules adopted under section 3718.02 of the Revised Code 448
by the public health council or fails to promote public health or 449
environmental protection. If the director disapproves a proposed 450
rule, the director shall provide a written explanation of the 451
director's disapproval to the board of health that proposed the 452
rule. 453

(D) Survey boards of health as required by section 3718.07 of 454
the Revised Code; 455

(E) ~~Develop~~ Adopt rules in accordance with Chapter 119. of 456
the Revised Code that are developed with the sewage treatment 457
system technical advisory committee to establish standards and 458
guidelines for use by the director in approving or disapproving a 459
sewage treatment system under section 3718.04 of the Revised Code, 460
and develop with the committee an application form for use by 461
applicants for that approval, including identification of the 462
information that must be included with the form; 463

(F) Provide instructions on the operation and maintenance of 464
a sewage treatment system. The director shall provide the 465
operation and maintenance instructions on the department of 466
health's web site. In addition, the director shall provide a copy 467
of the operation and maintenance instructions when the director 468
receives a written request for the instructions. 469

Sec. 3718.30. As used in sections 3718.30 to 3718.38 of the 470
Revised Code: 471

(A) "Eligible person" means a person who qualifies as a 472
person with a failing household sewage treatment system pursuant 473
to guidelines that the director of health establishes in rules 474
adopted under section 3718.32 of the Revised Code for purposes of 475
the revolving loan program and under section 3718.36 of the 476
Revised Code for purposes of the grant program. 477

(B) "Eligible project" means the rehabilitation, renovation, 478
improvement, or replacement of a household sewage treatment 479
system. 480

(C) "Grant program" means the grant program established in 481
sections 3718.30 and 3718.35 to 3718.37 of the Revised Code and 482
rules adopted under section 3718.36 of the Revised Code. 483

(D) "Revolving loan program" means the loan program 484
established in sections 3718.30 to 3718.34 of the Revised Code and 485

rules adopted under section 3718.32 of the Revised Code. 486

Sec. 3718.31. There is hereby created in the state treasury 487
the household sewage treatment system revolving loan fund 488
consisting of money appropriated or transferred to it and any 489
grants, gifts, or contributions of money received for deposit to 490
the credit of the fund. 491

The director of health shall use money in the fund for the 492
purpose of making loans under section 3718.33 of the Revised Code. 493
Interest income and income from the investment of money in the 494
fund shall be credited to the fund. 495

Sec. 3718.32. The director of health shall adopt rules in 496
accordance with Chapter 119. of the Revised Code that the director 497
determines are necessary for the implementation of the revolving 498
loan program. The rules, at a minimum, shall establish all of the 499
following: 500

(A) Guidelines for determining if a person qualifies as a 501
person with a failing household sewage treatment system; 502

(B) Interest rates of only three and five per cent for loans 503
that are made under the revolving loan program. In addition, the 504
rules shall require that an eligible person who has an annual 505
income equal to or less than two hundred per cent of the federal 506
poverty level receive a loan with an interest rate of three per 507
cent and an eligible person who has an annual income greater than 508
two hundred per cent of the federal poverty level receive a loan 509
with an interest rate of five per cent. 510

(C) Procedures and requirements in accordance with which an 511
eligible person who receives a loan may choose to have the 512
repayment of the loan assessed as a part of the person's real 513
property taxes. In addition, the rules shall require the director 514
to certify to the applicable county auditor the amount of the 515

repayment of a loan that is to be so assessed for purposes of 516
placement on the general tax list and duplicate compiled in 517
accordance with section 319.28 of the Revised Code. 518

(D) Procedures and requirements in accordance with which a 519
board of health must determine the allowable estimated cost of an 520
eligible project. The rules shall require that the allowable 521
estimated cost be equal to the difference between the estimated 522
cost of an eligible project that complies with the rules adopted 523
by the public health council under section 3718.02 of the Revised 524
Code that took effect on January 1, 2007, and the estimated cost 525
of an eligible project that would have complied with the rules 526
adopted by the council that were in effect prior to January 1, 527
2007, and were codified in Chapter 3701-29 of the Administrative 528
Code. 529

(E) Procedures by which a board of health must notify the 530
director of the board's determination of the allowable estimated 531
cost of an eligible project in accordance with the rules adopted 532
under division (D) of this section; 533

(F) As used in this section, "federal poverty level" has the 534
same meaning as in section 3718.36 of the Revised Code. 535

Sec. 3718.33. (A) The director of health may lend money in 536
the household sewage treatment system revolving loan fund to an 537
eligible person for the purpose of paying the allowable estimated 538
cost of an eligible project. Loans shall be made under this 539
section in accordance with the procedures and requirements 540
established in rules adopted under section 3718.32 of the Revised 541
Code and only if the director determines that all of the following 542
apply: 543

(1) The project is an eligible project. 544

(2) The repayment of the loan will be adequately secured by a 545

mortgage, lien, assignment, or pledge at a level of priority that 546
the director requires. 547

(3) The amount of the loan does not exceed the allowable 548
estimated cost of the project as determined by the applicable 549
board of health in accordance with the rules adopted under section 550
3718.32 of the Revised Code. 551

The interest rate for a loan that is made under this section 552
shall not exceed five per cent as established in rules adopted 553
under section 3718.32 of the Revised Code. 554

(B) The director may take any actions that are necessary or 555
appropriate with respect to a loan that is made under this 556
section, including facilitating the collection of amounts due on a 557
loan. 558

Sec. 3718.34. All money that is received by the state from 559
the repayment of loans that are made from the household sewage 560
treatment system revolving loan fund, including interest, fees, 561
and charges associated with such loans, shall be deposited in the 562
state treasury to the credit of the fund. 563

Sec. 3718.35. There is hereby created in the state treasury 564
the household sewage treatment system grant fund consisting of 565
money appropriated or transferred to it and any grants, gifts, or 566
contributions of money received for deposit to the credit of the 567
fund. 568

The director of health shall use money in the fund for the 569
purpose of making grants under section 3718.37 of the Revised 570
Code. Interest income and income from the investment of money in 571
the fund shall be credited to the fund. 572

Sec. 3718.36. The director of health shall adopt rules in 573
accordance with Chapter 119. of the Revised Code that the director 574

determines are necessary for the implementation of the grant 575
program. The rules, at a minimum, shall establish all of the 576
following: 577

(A) Guidelines for determining if a person qualifies as a 578
person with a failing household sewage treatment system; 579

(B) A requirement that an eligible person be sixty-five years 580
of age or older or have an annual income that is equal to or less 581
than one hundred fifty per cent of the federal poverty level in 582
order to qualify for a grant; 583

(C) Procedures and requirements governing applications for 584
grants; 585

(D) Procedures and requirements governing the awarding of 586
grants; 587

(E) Procedures and requirements in accordance with which a 588
board of health must determine the allowable estimated cost of an 589
eligible project. The rules shall require that the allowable 590
estimated cost be equal to the difference in the estimated cost of 591
an eligible project that complies with the rules adopted by the 592
public health council under section 3718.02 of the Revised Code 593
that took effect on January 1, 2007, and the estimated cost of an 594
eligible project that would have complied with the rules adopted 595
by the council that were in effect prior to January 1, 2007, and 596
were codified in Chapter 3701-29 of the Administrative Code. 597

(F) Procedures by which a board of health must notify the 598
director of the board's determination of the allowable estimated 599
cost of an eligible project in accordance with the rules adopted 600
under division (E) of this section. 601

(G) As used in this section, "federal poverty level" means 602
the income level represented by the poverty guidelines as revised 603
annually by the United States department of health and human 604
services in accordance with section 673(2) of the "Omnibus 605

Reconciliation Act of 1981," 95 Stat. 511, 42 U.S.C. 9902, as 606
amended, for a family size equal to the size of the family of the 607
person whose income is being determined. 608

Sec. 3718.37. The director of health may grant money in the 609
household sewage treatment system grant fund to an eligible person 610
for the purpose of paying the allowable estimated cost of an 611
eligible project. Grants shall be made under this section in 612
accordance with the procedures and requirements established in 613
rules adopted under section 3718.36 of the Revised Code and only 614
if the director determines that both of the following apply: 615

(A) The project is an eligible project. 616

(B) The amount of the grant does not exceed the allowable 617
estimated cost of the project as determined by the applicable 618
board of health in accordance with rules adopted under section 619
3718.36 of the Revised Code. 620

Sec. 3718.38. (A) Notwithstanding any provision of this 621
chapter or rules adopted under it to the contrary, a person who is 622
notified by a board of health that the person must replace the 623
person's existing household sewage treatment system with a new 624
household sewage treatment system for the purpose of complying 625
with the rules adopted under section 3718.02 of the Revised Code 626
may request the board of health instead to prescribe and authorize 627
a temporary improvement of the existing system if the person is or 628
has been notified by a state agency or a political subdivision 629
that the person will be required to connect the person's premises 630
to a sewerage system, as defined in section 6111.01 of the Revised 631
Code, within ten years after receipt of the connection notice. 632

(B) If a board of health receives a request from a person who 633
meets the requirements established in division (A) of this 634
section, the board shall prescribe a temporary improvement of the 635

person's existing household sewage treatment system. The cost of 636
the temporary improvement shall not exceed fifteen per cent of the 637
person's estimated cost to install a new household sewage 638
treatment system that complies with the rules adopted under 639
section 3718.02 of the Revised Code. 640

Section 2. That existing sections 319.281, 3718.02, 3718.03, 641
3718.04, and 3718.05 of the Revised Code are hereby repealed. 642

Section 3. That Section 120.05 of Am. Sub. H.B. 119 of the 643
127th General Assembly be amended to read as follows: 644

Sec. 120.05. Sections 120.03 and 120.04 of Am. Sub. H.B. 119 645
of the 127th General Assembly take effect on July 1, 2009 the 646
effective date of H.B. of the 128th General Assembly. 647

Section 4. That existing Section 120.05 of Am. Sub. H.B. 119 648
of the 127th General Assembly is hereby repealed. 649

Section 5. That Section 120.01 of Am. Sub. H.B. 119 of the 650
127th General Assembly is hereby repealed. 651

Section 6. The purpose of Section 5 of this act is to provide 652
for reinstating the operation of sections 3718.02, 3718.05, 653
3718.06, 3718.07, 3718.08, 3718.09, 3718.10, 3718.99, and 6111.441 654
of the Revised Code on the effective date of this act rather than 655
on July 1, 2009, as provided in Section 120.01 of Am. Sub. H.B. 656
119 of the 127th General Assembly. 657

Section 7. That Section 120.02 of Am. Sub. H.B. 119 of the 658
127th General Assembly is hereby repealed. 659

Section 8. Not later than thirty days after the effective 660
date of this act, the Director of Budget and Management shall 661

transfer \$10,000,000 cash from the General Revenue Fund to the 662
Household Sewage Treatment System Revolving Loan Fund (Fund 5EY0) 663
created in section 3718.31 of the Revised Code, as enacted by this 664
act. Any moneys transferred are hereby appropriated. 665

Section 9. Not later than thirty days after the effective 666
date of this act, the Director of Budget and Management shall 667
transfer \$5,000,000 cash for fiscal year 2010, and \$5,000,000 cash 668
for fiscal year 2011, from the General Revenue Fund to the 669
Household Sewage Treatment System Grant Fund (Fund 5EZ0) created 670
in section 3718.35 of the Revised Code, as enacted by this act. 671
Any moneys transferred are hereby appropriated. 672

Section 10. On and after the effective date of this act, a 673
board of health shall not require the rehabilitation, renovation, 674
improvement, or replacement of a household sewage treatment system 675
that is in existence on the effective date of this act pursuant to 676
rules adopted by the Public Health Council under section 3718.02 677
of the Revised Code until the effective date of the rules that are 678
required to be adopted under sections 3718.32 and 3718.36 of the 679
Revised Code, as enacted by this act. 680

Section 11. It is the intent of the General Assembly in 681
amending section 3718.02 of the Revised Code by this act that 682
rules adopted by the Public Health Council related to the siting, 683
design, installation, operation, monitoring, maintenance, and 684
abandonment of household sewage treatment systems shall not have a 685
substantial negative impact on the public's ability to finance or 686
purchase housing. It is also the intent of the General Assembly 687
that during the rule development and adoption processes for those 688
rules, the Public Health Council shall equally consider the 689
financial impact that the rules may have on the citizens of this 690
state and the businesses located in it and the environmental 691

concerns that the rules are intended to address. Further, it is 692
the intent of the General Assembly that the rules adopted under 693
section 3718.02 of the Revised Code shall advance the availability 694
of new or progressive sewage treatment system technology for the 695
citizens of this state. 696

Section 12. This act is hereby declared to be an emergency 697
measure necessary for the immediate preservation of the public 698
peace, health, and safety. The reason for such necessity is that 699
provisions of law governing sewage treatment systems that were 700
suspended by the enactment of Am. Sub. H.B. 119 of the 127th 701
General Assembly are scheduled to be reinstated on July 1, 2009, 702
and this act is necessary to revise the law governing sewage 703
treatment systems prior to that date. Therefore, this act shall go 704
into immediate effect. 705