

As Introduced

**128th General Assembly
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S. B. No. 100

Senators Grendell, Cafaro

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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 and to repeal Sections 9
120.01 and 120.02 of Am. Sub. H.B. 119 of the 10
127th General Assembly, to make appropriations, 11
and to declare an emergency. 12

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

Section 1. That sections 319.281, 3718.02, 3718.03, 3718.04, 13
and 3718.05 be amended and sections 3718.011, 3718.041, 3718.30, 14
3718.31, 3718.32, 3718.33, 3718.34, 3718.35, 3718.36, 3718.37, and 15
3718.38 of the Revised Code be enacted to read as follows: 16

Sec. 319.281. (A) The county auditor shall place on the 17
general tax list and duplicate compiled in accordance with section 18
319.28 of the Revised Code the amount certified by the health 19
commissioner of a city or general health district pursuant to 20

section 3709.091 of the Revised Code of any unpaid operation 21
permit or inspection fee for a household sewage treatment system 22
~~or a small flow on site sewage treatment system~~ or any other 23
unpaid fee levied under Chapter 3718. of the Revised Code and any 24
accrued late payment penalties, together with any fee charged by 25
the county auditor for placing the amount on the general tax list 26
and duplicate and for the expenses of its collection. The amount 27
placed on the general tax list and duplicate shall be a lien on 28
the real property on which the household sewage treatment system 29
or small flow on-site sewage treatment system is located from the 30
date the amount was placed on the tax list and duplicate, and 31
shall be charged and collected in the same manner as taxes on the 32
list. 33

(B) The county auditor shall place on the general tax list 34
and duplicate compiled in accordance with section 319.28 of the 35
Revised Code the amount certified by the director of health 36
pursuant to rules adopted under section 3718.32 of the Revised 37
Code of the repayment of a loan from the household sewage 38
treatment system revolving loan fund created under section 3718.31 39
of the Revised Code that the person receiving the loan has chosen 40
to have assessed as a part of the person's real property taxes. 41
The amount placed on the general tax list and duplicate shall be 42
charged and collected in the same manner as taxes on the list. 43
After each settlement under divisions (A) and (C) of section 44
321.24 of the Revised Code, the county treasurer shall provide for 45
payment from the undivided income fund to the household sewage 46
treatment system revolving loan fund the amount of loan repayments 47
collected. 48

Sec. 3718.011. For purposes of this chapter, a sewage 49
treatment system is causing a public health nuisance if any of the 50
following situations occurs: 51

(A) An inspection of the property at which the system is 52
located reveals odor, color, or other visual manifestations of raw 53
or poorly treated sewage. 54

(B) Water samples taken at or near the property at which the 55
sewage treatment system is located exceed five thousand fecal 56
coliform counts per one hundred milliliters in two or more samples 57
when five or fewer samples are taken or in more than twenty per 58
cent of the samples when more than five samples are taken. 59

(C) Water samples taken at or near the property at which the 60
sewage treatment system is located exceed five hundred seventy-six 61
e. coli. counts per one hundred milliliters in two or more samples 62
when five or fewer samples are taken or in more than twenty per 63
cent of the samples when more than five samples are taken. 64

Sec. 3718.02. ~~(A) Not later than one year after the effective~~ 65
~~date of this section, the~~ The public health council, in accordance 66
with Chapter 119. of the Revised Code, shall adopt, and 67
subsequently may amend and rescind, rules of general application 68
throughout the state to administer this chapter. Rules adopted 69
under division (A) of this section shall do at least all of the 70
following: 71

(1) Require that the appropriate board of health approve or 72
disapprove the use of a sewage treatment system if it is not 73
connected to a sanitary sewerage system; 74

(2) Require that a board of health conduct a site evaluation 75
for any proposed installation of a sewage treatment system; 76

(3) Prescribe standards for the siting, design, installation, 77
operation, monitoring, maintenance, and abandonment of household 78
sewage treatment systems that may be used in this state. The 79
standards shall include at a minimum all of the following: 80

(a) ~~Soil absorption specifications;~~ 81

~~(b)~~ Specifications for discharging systems that do not 82
conflict with provisions related to the national pollutant 83
discharge elimination system permit program established in section 84
6111.03 of the Revised Code and rules adopted under it; 85

~~(e)~~~~(b)~~ Requirements for the maintenance of a system according 86
to the manufacturer's instructions, if available; 87

~~(d)~~~~(c)~~ Requirements and procedures under which a person may 88
demonstrate the required maintenance of a system in lieu of having 89
an inspection conducted when an inspection otherwise is required. 90

The rules also shall require that a system that has been or 91
is sited or installed prior to or on the effective date of the 92
rules and that is operating on that date shall be deemed approved 93
unless the system is declared to be a public health nuisance by a 94
board of health. 95

In addition, the rules shall not apply to a system on a 96
parcel for which a plat is submitted for approval under section 97
711.05, 711.09, or 711.10 of the Revised Code or for which a 98
division without a plat is submitted for approval under section 99
711.131 of the Revised Code on or before the effective date of the 100
rules if the approval of the plat or division of the parcel 101
without a plat is pending on or after that date. For purposes of 102
such a system, the public health council shall adopt rules that 103
are identical to the rules that governed such a system and that 104
were in effect on January 1, 2009. 105

(4) Prescribe procedures for notification to boards of health 106
of the approval of a sewage treatment system or components of a 107
system by the director of health under section 3718.04 of the 108
Revised Code; 109

(5) Prescribe criteria and procedures under which boards of 110
health shall issue installation and operation permits for sewage 111
treatment systems. The rules shall require as a condition of an 112

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

(6) ~~Require~~ Authorize a board of health to inspect a sewage 119
treatment system not later than eighteen months after its 120
installation to ensure that the system is operating properly. The 121
rules shall require a board of health, not later than sixty days 122
after ~~the~~ an inspection, to certify to the director on a form 123
provided by the director that the inspection was performed. 124

(7) Require a board of health to register installers, service 125
providers, and septage haulers that perform work within the health 126
district; prescribe criteria and procedures for the registration; 127
and prescribe criteria for a demonstration of competency as a part 128
of the registration~~†~~. The rules shall establish uniform statewide 129
bonding requirements or other financial security requirements for 130
installers, service providers, and septage haulers as a condition 131
of registration within any health district. The rules shall 132
preclude a board of health from requiring an additional or 133
different bond or security requirement as a condition of 134
registration beyond the bonding and security requirements 135
established in rules adopted under division (A)(8) of this 136
section. 137

(8) Prescribe requirements for the collection, 138
transportation, disposal, and land application of domestic septage 139
in this state from a sewage treatment system; 140

(9) Require boards of health to maintain records that are 141
determined necessary to ascertain compliance with this chapter and 142
the rules adopted under it; 143

(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 207
under this division. If the director fails to approve or 208
disapprove a proposed rule within ninety days after receiving 209
notice of it, the proposed rule shall be deemed approved. 210

(C) Not later than thirty days prior to the submission of a 211
proposed rule under this section to the joint committee on agency 212
rule review, the public health council and the director of health 213
jointly shall prepare a written report and provide a copy of the 214
report to every member of the general assembly. The report shall 215
contain all of the following: 216

(1) A determination of the potential benefit that the 217
adoption and implementation of the rule will have on the health, 218
safety, and welfare of the public; 219

(2) A determination of the economic reasonableness of the 220
rule; 221

(3) A determination of the technical feasibility of the rule; 222

(4) A determination of the financial impact that the rule may 223
have on the public's ability to purchase housing; 224

(5) A list of all systems that satisfy the requirements of 225
this chapter and the estimated cost of each system. In addition, 226
if more than one system satisfies the requirements of this chapter 227
and the rule requires a system for which the estimated cost is 228
more than other systems that satisfy the requirements of this 229
chapter, the report shall contain an explanation of the reasons 230
why the system is required. 231

(D) If a rule adopted under this section has a substantial 232
negative financial impact on the public's ability to purchase 233
housing, the rule shall have no force or effect. 234

Sec. 3718.03. (A) There is hereby created the sewage 235
treatment system technical advisory committee consisting of the 236

director of health or the director's designee and ten members who 237
are knowledgeable about sewage treatment systems and technologies. 238
Of the ten members, four shall be appointed by the governor, three 239
shall be appointed by the president of the senate, and three shall 240
be appointed by the speaker of the house of representatives. 241
242

(1) Of the members appointed by the governor, one shall 243
represent academia, one shall be a representative of the public 244
who is not employed by the state or any of its political 245
subdivisions and who does not have a pecuniary interest in 246
household sewage treatment systems, one shall be an engineer from 247
the environmental protection agency, and one shall be selected 248
from among soil scientists in the division of soil and water 249
conservation in the department of natural resources. 250

(2) Of the members appointed by the president of the senate, 251
one shall be a health commissioner who is a member of and 252
recommended by the association of Ohio health commissioners, one 253
shall represent the interests of manufacturers of household sewage 254
treatment systems, and one shall represent installers and service 255
providers. 256

(3) Of the members appointed by the speaker of the house of 257
representatives, one shall be a health commissioner who is a 258
member of and recommended by the association of Ohio health 259
commissioners, one shall represent the interests of manufacturers 260
of household sewage treatment systems, and one shall be a 261
sanitarian who is registered under Chapter 4736. of the Revised 262
Code and who is a member of the Ohio environmental health 263
association. 264

(B) Terms of members appointed to the committee shall be for 265
three years, with each term ending on the same day of the same 266
month as did the term that it succeeds. Each member shall serve 267
from the date of appointment until the end of the term for which 268

the member was appointed. 269

Members may be reappointed. Vacancies shall be filled in the 270
same manner as provided for original appointments. Any member 271
appointed to fill a vacancy occurring prior to the expiration date 272
of the term for which the member was appointed shall hold office 273
for the remainder of that term. A member shall continue to serve 274
after the expiration date of the member's term until the member's 275
successor is appointed or until a period of sixty days has 276
elapsed, whichever occurs first. The applicable appointing 277
authority may remove a member from the committee for failure to 278
attend two consecutive meetings without showing good cause for the 279
absences. 280

(C) The technical advisory committee annually shall select 281
from among its members a chairperson and a vice-chairperson and a 282
secretary to keep a record of its proceedings. A majority vote of 283
the members of the full committee is necessary to take action on 284
any matter. The committee may adopt bylaws governing its 285
operation, including bylaws that establish the frequency of 286
meetings. 287

(D) Serving as a member of the sewage treatment system 288
technical advisory committee does not constitute holding a public 289
office or position of employment under the laws of this state and 290
does not constitute grounds for removal of public officers or 291
employees from their offices or positions of employment. Members 292
of the committee shall serve without compensation for attending 293
committee meetings. 294

(E) A member of the committee shall not have a conflict of 295
interest with the position. For the purposes of this division, 296
"conflict of interest" means the taking of any action that 297
violates any provision of Chapter 102. or 2921. of the Revised 298
Code. 299

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

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

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

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

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

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

created by Am. Sub. H.B. 119 of the 127th general assembly with a 331
list of available alternative systems and the estimated cost of 332
each system. 333

(G) The chairperson of the committee shall prepare and submit 334
an annual report concerning the activities of the committee to the 335
general assembly not later than ninety days after the end of the 336
calendar year. The report shall discuss the number of applications 337
submitted under section 3718.04 of the Revised Code for the 338
approval of a new sewage treatment system or a component of a 339
system, the number of such systems and components that were 340
approved, any information that the committee considers beneficial 341
to the general assembly, and any other information that the 342
chairperson determines is beneficial to the general assembly. If 343
other members of the committee determine that certain information 344
should be included in the report, they shall submit the 345
information to the chairperson not later than thirty days after 346
the end of the calendar year. 347

(H) The department shall provide meeting space for the 348
committee. The committee shall be assisted in its duties by the 349
staff of the department. 350

(I) Sections 101.82 to 101.87 of the Revised Code do not 351
apply to the sewage treatment system technical advisory committee. 352

Sec. 3718.04. (A) A manufacturer seeking approval for the use 353
of a sewage treatment system or a component of a system in this 354
state that differs in design or function from systems or 355
components of systems the use of which is authorized in rules 356
adopted under section 3718.02 of the Revised Code shall request an 357
application form from the department of health. The applicant 358
shall complete the form and include with it all of the information 359
that is required by the department and the sewage treatment system 360
technical advisory committee. The applicant shall submit a 361

completed application and all required information to the director 362
of health. 363

(B) Upon receipt of an application, the director shall 364
examine the application and all accompanying information to 365
determine if the application is complete. If the director 366
determines that the application is not complete, the director 367
shall notify the applicant not later than fourteen days after 368
determining that the application is not complete, provide a 369
description of the information that is missing from the 370
application, and return the application and all accompanying 371
information to the applicant. The applicant may resubmit the 372
application to the director. Not later than fourteen days after 373
receipt of a complete application, the director shall notify the 374
committee of the complete application and send a copy of the 375
complete application and all accompanying information to the 376
committee together with a request that the committee advise the 377
director on the approval or disapproval of the system. 378

(C) In approving or disapproving an application, the director 379
shall use the standards and guidelines established in rules 380
adopted under section 3718.05 of the Revised Code that the 381
committee developed with the department for that purpose. The 382
director shall not approve an application that fails to comply 383
with those standards and guidelines. If the committee advises the 384
director concerning the application, the director shall consider 385
the advice before approving or disapproving the application. 386
However, if the committee fails to provide advice or if the 387
committee fails to provide advice within a reasonable period of 388
time before the director is required to approve or disapprove the 389
application, the director may approve or disapprove the 390
application without considering the advice of the committee. Not 391
later than ninety days after receipt of a complete application, 392
the director shall approve or disapprove the application in 393

writing. If the director fails to approve or disapprove the 394
application within that ninety-day period, the application shall 395
be deemed approved. 396

(D) If the director approves an application under this 397
section, the director shall notify the applicant in writing. The 398
director also shall notify boards of health in accordance with the 399
procedures established in rules adopted under section 3718.02 of 400
the Revised Code. If the director disapproves an application under 401
this section, the director shall notify the applicant in writing 402
and provide a brief explanation for the disapproval. 403

Sec. 3718.041. (A) A board of health has sole authority to 404
approve sewage treatment systems for use within the health 405
district that is governed by the board. A board of health shall 406
approve the use of sewage treatment systems based on applicable 407
local conditions and in accordance with rules adopted under 408
division (B) of section 3718.02 of the Revised Code. The board 409
shall select sewage treatment systems for approved use in the 410
applicable health district from those sewage treatment systems 411
that have been approved by the director of health for use in the 412
state under section 3718.04 of the Revised Code. 413

A board of health, in approving sewage treatment systems, 414
shall ensure that the approved sewage treatment systems represent 415
a range of available systems from low-cost systems to high-cost 416
systems that will not create a public health nuisance when 417
operated and maintained properly. A board of health, when 418
approving the use of a sewage treatment system, shall establish 419
soil absorption specifications and vertical separation distances 420
applicable to that sewage treatment system taking into 421
consideration applicable local conditions. 422

(B) The public health council, the sewage treatment system 423
technical advisory committee, and the director of health shall not 424

establish soil absorption specifications and vertical separation 425
distances for sewage treatment systems. Such specifications and 426
distances shall be established by boards of health in accordance 427
with division (A) of this section. 428

Sec. 3718.05. The director of health shall do all of the 429
following: 430

(A) Administer and enforce this chapter and the rules of the 431
public health council adopted under it; 432

(B) Examine records of boards of health, in accordance with 433
rules adopted by the council, that are determined necessary to 434
ascertain compliance with this chapter and rules adopted under it; 435

(C) Review and approve or disapprove rules proposed by boards 436
of health under division (B) of section 3718.02 of the Revised 437
Code. The director shall not disapprove a proposed rule unless the 438
director determines that the proposed rule conflicts with this 439
chapter or rules adopted under section 3718.02 of the Revised Code 440
by the public health council or fails to promote public health or 441
environmental protection. If the director disapproves a proposed 442
rule, the director shall provide a written explanation of the 443
director's disapproval to the board of health that proposed the 444
rule. 445

(D) Survey boards of health as required by section 3718.07 of 446
the Revised Code; 447

(E) ~~Develop~~ Adopt rules in accordance with Chapter 119. of 448
the Revised Code that are developed with the sewage treatment 449
system technical advisory committee to establish standards and 450
guidelines for use by the director in approving or disapproving a 451
sewage treatment system under section 3718.04 of the Revised Code, 452
and develop with the committee an application form for use by 453
applicants for that approval, including identification of the 454

information that must be included with the form; 455

(F) Provide instructions on the operation and maintenance of 456
a sewage treatment system. The director shall provide the 457
operation and maintenance instructions on the department of 458
health's web site. In addition, the director shall provide a copy 459
of the operation and maintenance instructions when the director 460
receives a written request for the instructions. 461

Sec. 3718.30. As used in sections 3718.30 to 3718.38 of the 462
Revised Code: 463

(A) "Eligible person" means a person who qualifies as a 464
person with a failing household sewage treatment system pursuant 465
to guidelines that the director of health establishes in rules 466
adopted under section 3718.32 of the Revised Code for purposes of 467
the revolving loan program and under section 3718.36 of the 468
Revised Code for purposes of the grant program. 469

(B) "Eligible project" means the rehabilitation, renovation, 470
improvement, or replacement of a household sewage treatment 471
system. 472

(C) "Grant program" means the grant program established in 473
sections 3718.30 and 3718.35 to 3718.37 of the Revised Code and 474
rules adopted under section 3718.36 of the Revised Code. 475

(D) "Revolving loan program" means the loan program 476
established in sections 3718.30 to 3718.34 of the Revised Code and 477
rules adopted under section 3718.32 of the Revised Code. 478

Sec. 3718.31. There is hereby created in the state treasury 479
the household sewage treatment system revolving loan fund 480
consisting of money appropriated or transferred to it and any 481
grants, gifts, or contributions of money received for deposit to 482
the credit of the fund. 483

The director of health shall use money in the fund for the 484
purpose of making loans under section 3718.33 of the Revised Code. 485
Interest income and income from the investment of money in the 486
fund shall be credited to the fund. 487

Sec. 3718.32. The director of health shall adopt rules in 488
accordance with Chapter 119. of the Revised Code that the director 489
determines are necessary for the implementation of the revolving 490
loan program. The rules, at a minimum, shall establish all of the 491
following: 492

(A) Guidelines for determining if a person qualifies as a 493
person with a failing household sewage treatment system; 494

(B) Interest rates of only three and five per cent for loans 495
that are made under the revolving loan program. In addition, the 496
rules shall require that an eligible person who has an annual 497
income equal to or less than two hundred per cent of the federal 498
poverty level receive a loan with an interest rate of three per 499
cent and an eligible person who has an annual income greater than 500
two hundred per cent of the federal poverty level receive a loan 501
with an interest rate of five per cent. 502

(C) Procedures and requirements in accordance with which an 503
eligible person who receives a loan may choose to have the 504
repayment of the loan assessed as a part of the person's real 505
property taxes. In addition, the rules shall require the director 506
to certify to the applicable county auditor the amount of the 507
repayment of a loan that is to be so assessed for purposes of 508
placement on the general tax list and duplicate compiled in 509
accordance with section 319.28 of the Revised Code. 510

(D) Procedures and requirements in accordance with which a 511
board of health must determine the allowable estimated cost of an 512
eligible project. The rules shall require that the allowable 513
estimated cost be equal to the difference between the estimated 514

cost of an eligible project that complies with the rules adopted 515
by the public health council under section 3718.02 of the Revised 516
Code that took effect on January 1, 2007, and the estimated cost 517
of an eligible project that would have complied with the rules 518
adopted by the council that were in effect prior to January 1, 519
2007, and were codified in Chapter 3701-29 of the Administrative 520
Code. 521

(E) Procedures by which a board of health must notify the 522
director of the board's determination of the allowable estimated 523
cost of an eligible project in accordance with the rules adopted 524
under division (D) of this section. 525

(F) As used in this section, "federal poverty level" has the 526
same meaning as in section 3718.36 of the Revised Code. 527

Sec. 3718.33. (A) The director of health may lend money in 528
the household sewage treatment system revolving loan fund to an 529
eligible person for the purpose of paying the allowable estimated 530
cost of an eligible project. Loans shall be made under this 531
section in accordance with the procedures and requirements 532
established in rules adopted under section 3718.32 of the Revised 533
Code and only if the director determines that all of the following 534
apply: 535

(1) The project is an eligible project. 536

(2) The repayment of the loan will be adequately secured by a 537
mortgage, lien, assignment, or pledge at a level of priority that 538
the director requires. 539

(3) The amount of the loan does not exceed the allowable 540
estimated cost of the project as determined by the applicable 541
board of health in accordance with the rules adopted under section 542
3718.32 of the Revised Code. 543

The interest rate for a loan that is made under this section 544

shall not exceed five per cent as established in rules adopted 545
under section 3718.32 of the Revised Code. 546

(B) The director may take any actions that are necessary or 547
appropriate with respect to a loan that is made under this 548
section, including facilitating the collection of amounts due on a 549
loan. 550

Sec. 3718.34. All money that is received by the state from 551
the repayment of loans that are made from the household sewage 552
treatment system revolving loan fund, including interest, fees, 553
and charges associated with such loans, shall be deposited in the 554
state treasury to the credit of the fund. 555

Sec. 3718.35. There is hereby created in the state treasury 556
the household sewage treatment system grant fund consisting of 557
money appropriated or transferred to it and any grants, gifts, or 558
contributions of money received for deposit to the credit of the 559
fund. 560

The director of health shall use money in the fund for the 561
purpose of making grants under section 3718.37 of the Revised 562
Code. Interest income and income from the investment of money in 563
the fund shall be credited to the fund. 564

Sec. 3718.36. The director of health shall adopt rules in 565
accordance with Chapter 119. of the Revised Code that the director 566
determines are necessary for the implementation of the grant 567
program. The rules, at a minimum, shall establish all of the 568
following: 569

(A) Guidelines for determining if a person qualifies as a 570
person with a failing household sewage treatment system; 571

(B) A requirement that an eligible person be sixty-five years 572
of age or older or have an annual income that is equal to or less 573

than one hundred fifty per cent of the federal poverty level in 574
order to qualify for a grant; 575

(C) Procedures and requirements governing applications for 576
grants; 577

(D) Procedures and requirements governing the awarding of 578
grants; 579

(E) Procedures and requirements in accordance with which a 580
board of health must determine the allowable estimated cost of an 581
eligible project. The rules shall require that the allowable 582
estimated cost be equal to the difference in the estimated cost of 583
an eligible project that complies with the rules adopted by the 584
public health council under section 3718.02 of the Revised Code 585
that took effect on January 1, 2007, and the estimated cost of an 586
eligible project that would have complied with the rules adopted 587
by the council that were in effect prior to January 1, 2007, and 588
were codified in Chapter 3701-29 of the Administrative Code. 589

(F) Procedures by which a board of health must notify the 590
director of the board's determination of the allowable estimated 591
cost of an eligible project in accordance with the rules adopted 592
under division (E) of this section. 593

(G) As used in this section, "federal poverty level" means 594
the income level represented by the poverty guidelines as revised 595
annually by the United States department of health and human 596
services in accordance with section 673(2) of the "Omnibus 597
Reconciliation Act of 1981," 95 Stat. 511, 42 U.S.C. 9902, as 598
amended, for a family size equal to the size of the family of the 599
person whose income is being determined. 600

Sec. 3718.37. The director of health may grant money in the 601
household sewage treatment system grant fund to an eligible person 602
for the purpose of paying the allowable estimated cost of an 603

eligible project. Grants shall be made under this section in 604
accordance with the procedures and requirements established in 605
rules adopted under section 3718.36 of the Revised Code and only 606
if the director determines that both of the following apply: 607

(A) The project is an eligible project. 608

(B) The amount of the grant does not exceed the allowable 609
estimated cost of the project as determined by the applicable 610
board of health in accordance with rules adopted under section 611
3718.36 of the Revised Code. 612

Sec. 3718.38. (A) Notwithstanding any provision of this 613
chapter or rules adopted under it to the contrary, a person who is 614
notified by a board of health that the person must replace the 615
person's existing household sewage treatment system with a new 616
household sewage treatment system for the purpose of complying 617
with the rules adopted under section 3718.02 of the Revised Code 618
may request the board of health instead to prescribe and authorize 619
a temporary improvement of the existing system if the person is or 620
has been notified by a state agency or a political subdivision 621
that the person will be required to connect the person's premises 622
to a sewerage system, as defined in section 6111.01 of the Revised 623
Code, within ten years after receipt of the connection notice. 624

(B) If a board of health receives a request from a person who 625
meets the requirements established in division (A) of this 626
section, the board shall prescribe a temporary improvement of the 627
person's existing household sewage treatment system. The cost of 628
the temporary improvement shall not exceed fifteen per cent of the 629
person's estimated cost to install a new household sewage 630
treatment system that complies with the rules adopted under 631
section 3718.02 of the Revised Code. 632

Section 2. That existing sections 319.281, 3718.02, 3718.03, 633

3718.04, and 3718.05 of the Revised Code are hereby repealed. 634

Section 3. That Section 120.05 of Am. Sub. H.B. 119 of the 127th General Assembly be amended to read as follows: 635
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Sec. 120.05. Sections 120.03 and 120.04 of Am. Sub. H.B. 119 of the 127th General Assembly take effect on July 1, 2009 the effective date of S.B. of the 128th General Assembly. 637
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Section 4. That existing Section 120.05 of Am. Sub. H.B. 119 of the 127th General Assembly is hereby repealed. 640
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Section 5. That Section 120.01 of Am. Sub. H.B. 119 of the 127th General Assembly is hereby repealed. 642
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Section 6. The purpose of Section 5 of this act is to provide for reinstating the operation of sections 3718.02, 3718.05, 3718.06, 3718.07, 3718.08, 3718.09, 3718.10, 3718.99, and 6111.441 of the Revised Code on the effective date of this act rather than on July 1, 2009, as provided in Section 120.01 of Am. Sub. H.B. 119 of the 127th General Assembly. 644
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Section 7. That Section 120.02 of Am. Sub. H.B. 119 of the 127th General Assembly is hereby repealed. 650
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Section 8. Not later than thirty days after the effective date of this act, the Director of Budget and Management shall transfer \$10,000,000 cash from the General Revenue Fund to the Household Sewage Treatment System Revolving Loan Fund (Fund XXX) created in section 3718.31 of the Revised Code, as enacted by this act. Any moneys transferred are hereby appropriated. 652
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Section 9. Not later than thirty days after the effective date of this act, the Director of Budget and Management shall 658
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transfer \$5,000,000 cash for fiscal year 2010, and \$5,000,000 cash 660
for fiscal year 2011, from the General Revenue Fund to the 661
Household Sewage Treatment System Grant Fund (Fund XXX) created in 662
section 3718.35 of the Revised Code, as enacted by this act. Any 663
moneys transferred are hereby appropriated. 664

Section 10. On and after the effective date of this act, a 665
board of health shall not require the rehabilitation, renovation, 666
improvement, or replacement of a household sewage treatment system 667
that is in existence on the effective date of this act pursuant to 668
rules adopted by the Public Health Council under section 3718.02 669
of the Revised Code until the effective date of the rules that are 670
required to be adopted under sections 3718.32 and 3718.36 of the 671
Revised Code, as enacted by this act. 672

Section 11. It is the intent of the General Assembly in 673
amending section 3718.02 of the Revised Code by this act that 674
rules adopted by the Public Health Council related to the siting, 675
design, installation, operation, monitoring, maintenance, and 676
abandonment of household sewage treatment systems shall not have a 677
substantial negative impact on the public's ability to finance or 678
purchase housing. It is also the intent of the General Assembly 679
that during the rule development and adoption processes for those 680
rules, the Public Health Council shall equally consider the 681
financial impact that the rules may have on the citizens of this 682
state and the businesses located in it and the environmental 683
concerns that the rules are intended to address. Further, it is 684
the intent of the General Assembly that the rules adopted under 685
section 3718.02 of the Revised Code shall advance the availability 686
of new or progressive sewage treatment system technology for the 687
citizens of this state. 688

Section 12. This act is hereby declared to be an emergency 689

measure necessary for the immediate preservation of the public 690
peace, health, and safety. The reason for such necessity is that 691
provisions of law governing sewage treatment systems that were 692
suspended by the enactment of Am. Sub. H.B. 119 of the 127th 693
General Assembly are scheduled to be reinstated on July 1, 2009, 694
and this act is necessary to revise the law governing sewage 695
treatment systems prior to that date. Therefore, this act shall go 696
into immediate effect. 697