

**As Reported by the Senate State and Local Government and  
Veterans Affairs Committee**

**128th General Assembly  
Regular Session  
2009-2010**

**Am. S. B. No. 7**

**Senator Wagoner**

**Cosponsor: Senator Gibbs**

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**A B I L L**

To amend section 124.341 and to enact section 117.103 1  
of the Revised Code to require the Auditor of 2  
State to establish a fraud-reporting system for 3  
residents and public employees to file anonymous 4  
complaints of fraud and misuse of public funds by 5  
public offices or officials. 6

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

**Section 1.** That section 124.341 be amended and section 7  
117.103 of the Revised Code be enacted to read as follows: 8

**Sec. 117.103.** (A) The auditor of state shall establish and 9  
maintain a system for the reporting of fraud, including misuse and 10  
misappropriation of public money, by any public office or public 11  
official. The system shall allow Ohio residents and the employees 12  
of any public office to make anonymous complaints through a 13  
toll-free telephone number, the auditor of state's web site, or 14  
the United States mail to the auditor of state's office. The 15  
auditor of state shall review all complaints in a timely manner. 16

Any complaint resulting in an audit report will be a public 17  
record upon the issuance of the audit report in accordance with 18

section 117.26 of the Revised Code, subject to any applicable 19  
privileges, including, but not limited to, the attorney-client 20  
privilege. 21

(B)(1) A public office shall provide information about the 22  
Ohio fraud-reporting system and the means of reporting fraud to 23  
each new employee upon employment with the public office. Each new 24  
employee shall confirm receipt of this information within thirty 25  
days after beginning employment. The auditor of state shall 26  
provide a model form on the auditor of state's web site to be 27  
printed and used by new public employees to sign and verify their 28  
receipt of information as required by this section. The auditor of 29  
state shall confirm, when conducting an audit under section 117.11 30  
of the Revised Code, that new employees have been provided 31  
information as required by this division. 32

(2) On the effective date of this section, each public office 33  
shall make all its employees aware of the fraud-reporting system 34  
required by this section. 35

**Sec. 124.341.** (A) If an employee in the classified or 36  
unclassified civil service becomes aware in the course of 37  
employment of a violation of state or federal statutes, rules, or 38  
regulations or the misuse of public resources, and the employee's 39  
supervisor or appointing authority has authority to correct the 40  
violation or misuse, the employee may file a written report 41  
identifying the violation or misuse with the supervisor or 42  
appointing authority. In addition to or instead of filing a 43  
written report with the supervisor or appointing authority, the 44  
employee may file a written report with the office of internal 45  
auditing created under section 126.45 of the Revised Code or file 46  
a complaint with the auditor of state's fraud-reporting system 47  
under section 117.103 of the Revised Code. 48

If the employee reasonably believes that a violation or 49

misuse of public resources is a criminal offense, the employee, in 50  
addition to or instead of filing a written report or complaint 51  
with the supervisor, appointing authority, ~~or~~ the office of 52  
internal auditing, or the auditor of state's fraud-reporting 53  
system, may report it to a prosecuting attorney, director of law, 54  
village solicitor, or similar chief legal officer of a municipal 55  
corporation, to a peace officer, as defined in section 2935.01 of 56  
the Revised Code, or, if the violation or misuse of public 57  
resources is within the jurisdiction of the inspector general, to 58  
the inspector general in accordance with section 121.46 of the 59  
Revised Code. In addition to that report, if the employee 60  
reasonably believes the violation or misuse is also a violation of 61  
Chapter 102., section 2921.42, or section 2921.43 of the Revised 62  
Code, the employee may report it to the appropriate ethics 63  
commission. 64

(B) Except as otherwise provided in division (C) of this 65  
section, no officer or employee in the classified or unclassified 66  
civil service shall take any disciplinary action against an 67  
employee in the classified or unclassified civil service for 68  
making any report or filing a complaint as authorized by division 69  
(A) of this section, including, without limitation, doing any of 70  
the following: 71

- (1) Removing or suspending the employee from employment; 72
- (2) Withholding from the employee salary increases or 73  
employee benefits to which the employee is otherwise entitled; 74
- (3) Transferring or reassigning the employee; 75
- (4) Denying the employee promotion that otherwise would have 76  
been received; 77
- (5) Reducing the employee in pay or position. 78

(C) An employee in the classified or unclassified civil 79  
service shall make a reasonable effort to determine the accuracy 80

of any information reported under division (A) of this section. 81  
The employee is subject to disciplinary action, including 82  
suspension or removal, as determined by the employee's appointing 83  
authority, for purposely, knowingly, or recklessly reporting false 84  
information under division (A) of this section. 85

(D) If an appointing authority takes any disciplinary or 86  
retaliatory action against a classified or unclassified employee 87  
as a result of the employee's having filed a report or complaint 88  
under division (A) of this section, the employee's sole and 89  
exclusive remedy, notwithstanding any other provision of law, is 90  
to file an appeal with the state personnel board of review within 91  
thirty days after receiving actual notice of the appointing 92  
authority's action. If the employee files such an appeal, the 93  
board shall immediately notify the employee's appointing authority 94  
and shall hear the appeal. The board may affirm or disaffirm the 95  
action of the appointing authority or may issue any other order as 96  
is appropriate. The order of the board is appealable in accordance 97  
with Chapter 119. of the Revised Code. 98

(E) As used in this section: 99

(1) "Purposely," "knowingly," and "recklessly" have the same 100  
meanings as in section 2901.22 of the Revised Code. 101

(2) "Appropriate ethics commission" has the same meaning as 102  
in section 102.01 of the Revised Code. 103

(3) "Inspector general" means the inspector general appointed 104  
under section 121.48 of the Revised Code. 105

**Section 2.** That existing section 124.341 of the Revised Code 106  
is hereby repealed. 107