

As Passed by the Senate

**129th General Assembly
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Sub. S. B. No. 2

Senator Hughes

**Cosponsors: Senators Faber, Beagle, Daniels, Gillmor, Hite, Jones, Jordan,
Bacon, Oelslager, Patton, Schaffer, Seitz, Stewart, Wagoner, Widener,
Wilson, LaRose, Cates, Manning, Obhof**

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A B I L L

To amend sections 103.0511, 111.15, 117.20, 119.03, 1
119.032, 121.39, 122.08, 122.081, 122.94, and 2
1710.02; to enact sections 107.51, 107.52, 107.53, 3
107.54, 107.55, 107.61, 107.62, 107.63, 121.81, 4
121.82, 121.83, and 121.91; and to repeal section 5
121.24 of the Revised Code to adopt a new business 6
rule review procedure. 7

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

Section 1. That sections 103.0511, 111.15, 117.20, 119.03, 8
119.032, 121.39, 122.08, 122.081, 122.94, and 1710.02 be amended 9
and that sections 107.51, 107.52, 107.53, 107.54, 107.55, 107.61, 10
107.62, 107.63, 121.81, 121.82, 121.83, and 121.91 of the Revised 11
Code be enacted to read as follows: 12

Sec. 103.0511. The director of the legislative service 13
commission shall establish and maintain, and enhance and improve, 14
an electronic rule-filing system connecting: 15

(A) The legislative service commission, the joint committee 16
on agency rule review, and the secretary of state, ~~and the office~~ 17

~~of small business;~~ 18

(B) The governor, the senate and house of representatives, 19
and the clerks of the senate and house of representatives; 20

(C) Each agency that files rules and other rule-making and 21
rule-related documents with the legislative service commission, 22
the joint committee on agency rule review, the governor, the 23
secretary of state, ~~the office of small business,~~ the general 24
assembly, or a committee of the senate or house of representatives 25
under section 111.15, 117.20, 119.03, 119.031, 119.032, 119.0311, 26
119.04, 121.24, 121.39, 127.18, 4141.14, 5117.02, or 5703.14 of 27
the Revised Code or any other statute; 28

(D) The several publishers of the Administrative Code; ~~and~~ 29

(E) The common sense initiative office; and 30

(F) Any other person or governmental officer or entity whose 31
inclusion in the system is required for the system to be a 32
complete electronic rule-filing system. 33

The electronic rule-filing system is to enable rules and 34
rule-making and rule-related documents to be filed, and official 35
responses to these filings to be made, exclusively by electronic 36
means. 37

Sec. 107.51. As used in sections 107.51 to 107.55 of the 38
Revised Code, "agency" and "draft rule" have the meanings defined 39
in section 121.81 of the Revised Code. 40

Sections 107.51 to 107.55 and 107.61 to 107.63 of the Revised 41
Code are complementary to sections 121.81 to 121.83 of the Revised 42
Code. 43

Sec. 107.52. A draft rule that affects businesses has an 44
adverse impact on businesses if a provision of the draft rule that 45
applies to businesses has any of the following effects: 46

(A) It requires a license, permit, or any other prior authorization to engage in or operate a line of business; 47
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(B) It imposes a criminal penalty, a civil penalty, or another sanction, or creates a cause of action, for failure to comply with its terms; or 49
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(C) It requires the report of information as a condition of compliance. 52
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Sec. 107.53. The common sense initiative office shall develop, and as it becomes necessary or advisable shall improve, a business impact analysis instrument that shall be used as required by law to evaluate draft rules that might have an adverse impact on businesses. The instrument shall be in writing, and shall include the following: 54
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(A) Standards that encourage agencies to propose draft rules, and proposed revisions thereto, in such a manner that the rules will be as easy to understand as their subject matter permits; 60
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(B) Performance measures that can be applied to evaluate the likely efficiency and effectiveness of a draft rule in achieving its regulatory objectives; 63
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(C) Standards for evaluating alternative means of regulation that might reduce or eliminate the adverse impact a draft rule might have on businesses; 66
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(D) Standards that will promote transparency, predictability, consistency, and flexibility in the implementation and operation of a draft rule, as well as an overall favorable balance in a draft rule between its regulatory objectives and the costs of compliance it imposes on regulated persons; 69
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(E) Standards that require an agency to encourage businesses that might be adversely impacted by a draft rule to participate in the rule-making process, beginning at the earliest practicable 74
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stage, and that will encourage businesses that are or may be 77
adversely impacted by a draft rule to offer advice and assistance 78
to the agency when the draft rule is adopted and is being 79
implemented and administered; and 80

(F) Any other standards or measures, or any other criteria, 81
the office concludes will reduce or eliminate adverse impacts on 82
businesses and foster improved regulation and economic development 83
in the state. 84

Alternative means of regulation include, and are not limited 85
to, less stringent compliance or reporting requirements, less 86
stringent schedules or deadlines, consolidation or simplification 87
of requirements, establishment of performance standards to replace 88
operational standards, and exemption of businesses. 89

The instrument does not need to be adopted as a rule. The 90
office shall publish the current instrument in the register of 91
Ohio. 92

Sec. 107.54. When the common sense initiative office receives 93
a draft rule and business impact analysis from an agency, the 94
office shall evaluate the draft rule and analysis against the 95
business impact analysis instrument and any other relevant 96
criteria, and may prepare and transmit recommendations to the 97
agency on how the draft rule might be revised to eliminate or 98
reduce any adverse impact the draft rule might have on businesses. 99

The office shall transmit any such recommendations 100
electronically to the agency. If the office fails to make such a 101
transmission after receiving the draft rule and business impact 102
analysis, it is as if the office had elected not to make any 103
recommendations. 104

Sec. 107.55. The common sense initiative office, annually not 105
later than the first day of February, shall prepare a report of 106

<u>the activities of the office during the preceding calendar year.</u>	107
<u>The report shall include:</u>	108
<u>(A) A statement of the number of draft rules reviewed during</u>	109
<u>the calendar year;</u>	110
<u>(B) A description of the recommendations made to agencies</u>	111
<u>with regard to draft rules;</u>	112
<u>(C) An assessment of the status of the recommendations made;</u>	113
<u>(D) An explanation of the performance measures developed to</u>	114
<u>evaluate the efficiency and effectiveness of the office;</u>	115
<u>(E) An evaluation of the work of the office judged against</u>	116
<u>the performance measures; and</u>	117
<u>(F) Any other information the office believes will explain</u>	118
<u>the work of the office.</u>	119
<u>The office shall transmit a copy of the report to the</u>	120
<u>governor, the lieutenant governor, the president and minority</u>	121
<u>leader of the senate, and the speaker and minority leader of the</u>	122
<u>house of representatives.</u>	123
<u>Sec. 107.61. The common sense initiative office is</u>	124
<u>established within the office of the governor. The governor shall</u>	125
<u>organize, and as it becomes necessary or advisable may</u>	126
<u>re-organize, the office. The governor shall appoint professional,</u>	127
<u>technical, and clerical personnel who are necessary if the work of</u>	128
<u>the office is to be carried out efficiently and successfully. The</u>	129
<u>employees are in the unclassified service and serve at the</u>	130
<u>pleasure of the governor. The governor shall provide the office</u>	131
<u>with office space, and with furnishings, equipment, and resources,</u>	132
<u>as is necessary if the work of the office is to be carried out</u>	133
<u>efficiently and successfully. References in law authorizing or</u>	134
<u>requiring action by the "common sense initiative office" imply</u>	135
<u>action being taken by relevant personnel of the office. The</u>	136

governor may delegate any or all of the governor's 137
responsibilities under this section as the governor deems 138
appropriate. 139

Sec. 107.62. The common sense initiative office shall 140
establish a system through which any person may comment 141
concerning: 142

(A) The adverse impact on businesses a draft rule might have; 143

(B) The adverse impact on businesses that a rule currently in 144
effect is having; or 145

(C) The adverse impact on businesses the implementation or 146
administration of a rule currently in effect is having. 147

The office shall prepare a plan for the comment system, and 148
shall revise or replace the plan to improve the comment system in 149
light of learning, experience, or technological development. The 150
office shall publish the current plan for the comment system in 151
the register of Ohio. 152

At a minimum, the plan for the comment system shall provide 153
for communication of comments as follows: The office shall accept 154
comments in writing that are delivered to the office personally, 155
by mail, or by express. The office shall establish a toll-free 156
telephone number that a person may call to offer comments. (The 157
telephone number shall be connected to a recording device at its 158
answering point.) The office shall create a web site that enables 159
a person to offer comments electronically. The web site also shall 160
provide notification to the public of any draft rule that may have 161
an adverse impact on businesses, which notification shall include 162
copies of the draft rule and the business impact analysis of the 163
draft rule. 164

The office shall forward written, telephoned, and 165
electronically transmitted comments to the state agency having 166

jurisdiction over the rule. The office has no other duty with 167
regard to the comments. 168

Sec. 107.63. As used in this section, "small business" means 169
an independently owned and operated for-profit or nonprofit 170
business entity, including affiliates, that has fewer than five 171
hundred full time employees or gross annual sales of less than six 172
million dollars, and has operations located in the state. 173

The small business advisory council is established in the 174
office of the governor. The council shall advise the governor, the 175
lieutenant governor, and the common sense initiative office on the 176
adverse impact draft rules might have on small businesses. The 177
council shall meet at least quarterly. 178

The council consists of nine members. The governor, or the 179
person to whom the governor has delegated responsibilities for the 180
common sense initiative office under section 107.61 of the Revised 181
Code, shall appoint five members, the president of the senate 182
shall appoint two members, and the speaker of the house of 183
representatives shall appoint two members. A member serves at the 184
pleasure of the member's appointing authority. The appointing 185
authorities shall consult with each other and appoint only 186
individuals who are representative of small businesses, and shall 187
do so in such a manner that the membership of the council is 188
composed of representatives of small businesses that are of 189
different sizes, engaged in different lines of business, and 190
located in different parts of the state. 191

Sec. 111.15. (A) As used in this section: 192

(1) "Rule" includes any rule, regulation, bylaw, or standard 193
having a general and uniform operation adopted by an agency under 194
the authority of the laws governing the agency; any appendix to a 195
rule; and any internal management rule. "Rule" does not include 196

any guideline adopted pursuant to section 3301.0714 of the Revised Code, any order respecting the duties of employees, any finding, any determination of a question of law or fact in a matter presented to an agency, or any rule promulgated pursuant to Chapter 119., section 4141.14, division (C)(1) or (2) of section 5117.02, or section 5703.14 of the Revised Code. "Rule" includes any amendment or rescission of a rule.

(2) "Agency" means any governmental entity of the state and includes, but is not limited to, any board, department, division, commission, bureau, society, council, institution, state college or university, community college district, technical college district, or state community college. "Agency" does not include the general assembly, the controlling board, the adjutant general's department, or any court.

(3) "Internal management rule" means any rule, regulation, bylaw, or standard governing the day-to-day staff procedures and operations within an agency.

(4) "Substantive revision" has the same meaning as in division (J) of section 119.01 of the Revised Code.

(B)(1) Any rule, other than a rule of an emergency nature, adopted by any agency pursuant to this section shall be effective on the tenth day after the day on which the rule in final form and in compliance with division (B)(3) of this section is filed as follows:

(a) The rule shall be filed in electronic form with both the secretary of state and the director of the legislative service commission;

(b) The rule shall be filed in electronic form with the joint committee on agency rule review. Division (B)(1)(b) of this section does not apply to any rule to which division (D) of this section does not apply.

An agency that adopts or amends a rule that is subject to 228
division (D) of this section shall assign a review date to the 229
rule that is not later than five years after its effective date. 230
If no review date is assigned to a rule, or if a review date 231
assigned to a rule exceeds the five-year maximum, the review date 232
for the rule is five years after its effective date. A rule with a 233
review date is subject to review under section 119.032 of the 234
Revised Code. This paragraph does not apply to a rule of a state 235
college or university, community college district, technical 236
college district, or state community college. 237

If all filings are not completed on the same day, the rule 238
shall be effective on the tenth day after the day on which the 239
latest filing is completed. If an agency in adopting a rule 240
designates an effective date that is later than the effective date 241
provided for by division (B)(1) of this section, the rule if filed 242
as required by such division shall become effective on the later 243
date designated by the agency. 244

Any rule that is required to be filed under division (B)(1) 245
of this section is also subject to division (D) of this section if 246
not exempted by division (D)(1), (2), (3), (4), (5), (6), (7), or 247
(8) of this section. 248

If a rule incorporates a text or other material by reference, 249
the agency shall comply with sections 121.71 to 121.76 of the 250
Revised Code. 251

(2) A rule of an emergency nature necessary for the immediate 252
preservation of the public peace, health, or safety shall state 253
the reasons for the necessity. The emergency rule, in final form 254
and in compliance with division (B)(3) of this section, shall be 255
filed in electronic form with the secretary of state, the director 256
of the legislative service commission, and the joint committee on 257
agency rule review. The emergency rule is effective immediately 258
upon completion of the latest filing, except that if the agency in 259

adopting the emergency rule designates an effective date, or date 260
and time of day, that is later than the effective date and time 261
provided for by division (B)(2) of this section, the emergency 262
rule if filed as required by such division shall become effective 263
at the later date, or later date and time of day, designated by 264
the agency. 265

An emergency rule becomes invalid at the end of the ninetieth 266
day it is in effect. Prior to that date, the agency may file the 267
emergency rule as a nonemergency rule in compliance with division 268
(B)(1) of this section. The agency may not refile the emergency 269
rule in compliance with division (B)(2) of this section so that, 270
upon the emergency rule becoming invalid under such division, the 271
emergency rule will continue in effect without interruption for 272
another ninety-day period. 273

(3) An agency shall file a rule under division (B)(1) or (2) 274
of this section in compliance with the following standards and 275
procedures: 276

(a) The rule shall be numbered in accordance with the 277
numbering system devised by the director for the Ohio 278
administrative code. 279

(b) The rule shall be prepared and submitted in compliance 280
with the rules of the legislative service commission. 281

(c) The rule shall clearly state the date on which it is to 282
be effective and the date on which it will expire, if known. 283

(d) Each rule that amends or rescinds another rule shall 284
clearly refer to the rule that is amended or rescinded. Each 285
amendment shall fully restate the rule as amended. 286

If the director of the legislative service commission or the 287
director's designee gives an agency notice pursuant to section 288
103.05 of the Revised Code that a rule filed by the agency is not 289
in compliance with the rules of the legislative service 290

commission, the agency shall within thirty days after receipt of 291
the notice conform the rule to the rules of the commission as 292
directed in the notice. 293

(C) All rules filed pursuant to divisions (B)(1)(a) and (2) 294
of this section shall be recorded by the secretary of state and 295
the director under the title of the agency adopting the rule and 296
shall be numbered according to the numbering system devised by the 297
director. The secretary of state and the director shall preserve 298
the rules in an accessible manner. Each such rule shall be a 299
public record open to public inspection and may be transmitted to 300
any law publishing company that wishes to reproduce it. 301

(D) At least sixty-five days before a board, commission, 302
department, division, or bureau of the government of the state 303
files a rule under division (B)(1) of this section, it shall file 304
the full text of the proposed rule in electronic form with the 305
joint committee on agency rule review, and the proposed rule is 306
subject to legislative review and invalidation under division (I) 307
of section 119.03 of the Revised Code. If a state board, 308
commission, department, division, or bureau makes a substantive 309
revision in a proposed rule after it is filed with the joint 310
committee, the state board, commission, department, division, or 311
bureau shall promptly file the full text of the proposed rule in 312
its revised form in electronic form with the joint committee. The 313
latest version of a proposed rule as filed with the joint 314
committee supersedes each earlier version of the text of the same 315
proposed rule. Except as provided in division (F) of this section, 316
a state board, commission, department, division, or bureau shall 317
also file the rule summary and fiscal analysis prepared under 318
section ~~121.24~~ or 127.18 of the Revised Code, ~~or both,~~ in 319
electronic form along with a proposed rule, and along with a 320
proposed rule in revised form, that is filed under this division. 321
If a proposed rule has an adverse impact on businesses, the state 322

board, commission, department, division, or bureau also shall file 323
the business impact analysis, any recommendations received from 324
the common sense initiative office, and the associated memorandum 325
of response, if any, in electronic form along with the proposed 326
rule, or the proposed rule in revised form, that is filed under 327
this division. 328

As used in this division, "commission" includes the public 329
utilities commission when adopting rules under a federal or state 330
statute. 331

This division does not apply to any of the following: 332

(1) A proposed rule of an emergency nature; 333

(2) A rule proposed under section 1121.05, 1121.06, 1155.18, 334
1163.22, 1349.33, 1707.201, 1733.412, 4123.29, 4123.34, 4123.341, 335
4123.342, 4123.40, 4123.411, 4123.44, or 4123.442 of the Revised 336
Code; 337

(3) A rule proposed by an agency other than a board, 338
commission, department, division, or bureau of the government of 339
the state; 340

(4) A proposed internal management rule of a board, 341
commission, department, division, or bureau of the government of 342
the state; 343

(5) Any proposed rule that must be adopted verbatim by an 344
agency pursuant to federal law or rule, to become effective within 345
sixty days of adoption, in order to continue the operation of a 346
federally reimbursed program in this state, so long as the 347
proposed rule contains both of the following: 348

(a) A statement that it is proposed for the purpose of 349
complying with a federal law or rule; 350

(b) A citation to the federal law or rule that requires 351
verbatim compliance. 352

(6) An initial rule proposed by the director of health to 353
impose safety standards and quality-of-care standards with respect 354
to a health service specified in section 3702.11 of the Revised 355
Code, or an initial rule proposed by the director to impose 356
quality standards on a facility listed in division (A)(4) of 357
section 3702.30 of the Revised Code, if section 3702.12 of the 358
Revised Code requires that the rule be adopted under this section; 359

(7) A rule of the state lottery commission pertaining to 360
instant game rules. 361

If a rule is exempt from legislative review under division 362
(D)(5) of this section, and if the federal law or rule pursuant to 363
which the rule was adopted expires, is repealed or rescinded, or 364
otherwise terminates, the rule is thereafter subject to 365
legislative review under division (D) of this section. 366

(E) Whenever a state board, commission, department, division, 367
or bureau files a proposed rule or a proposed rule in revised form 368
under division (D) of this section, it shall also file the full 369
text of the same proposed rule or proposed rule in revised form in 370
electronic form with the secretary of state and the director of 371
the legislative service commission. Except as provided in division 372
(F) of this section, a state board, commission, department, 373
division, or bureau shall file the rule summary and fiscal 374
analysis prepared under section ~~121.24~~ or 127.18 of the Revised 375
Code, ~~or both,~~ in electronic form along with a proposed rule or 376
proposed rule in revised form that is filed with the secretary of 377
state or the director of the legislative service commission. 378

(F) Except as otherwise provided in this division, the 379
auditor of state or the auditor of state's designee is not 380
required to file a rule summary and fiscal analysis along with a 381
proposed rule, or proposed rule in revised form, that the auditor 382
of state proposes under section 117.12, 117.19, 117.38, or 117.43 383
of the Revised Code and files under division (D) or (E) of this 384

~~section. If, however, the auditor of state or the designee 385
prepares a rule summary and fiscal analysis of the original 386
version of such a proposed rule for purposes of complying with 387
section 121.24 of the Revised Code, the auditor of state or 388
designee shall file the rule summary and fiscal analysis in 389
electronic form along with the original version of the proposed 390
rule filed under division (D) or (E) of this section. 391~~

Sec. 117.20. (A) In adopting rules pursuant to Chapter 117. 392
of the Revised Code, the auditor of state or the auditor of 393
state's designee shall do both of the following: 394

(1) Before adopting any such rule, except a rule of an 395
emergency nature, do each of the following: 396

(a) At least thirty-five days before any public hearing on 397
the proposed rule-making action, mail notice of the hearing to 398
each public office and to each statewide organization that the 399
auditor of state or designee determines will be affected or 400
represents persons who will be affected by the proposed 401
rule-making action; 402

(b) Mail a copy of the proposed rule to any person or 403
organization that requests a copy within five days after receipt 404
of the request; 405

(c) Consult with appropriate state and local government 406
agencies, or with persons representative of their interests, 407
including statewide organizations of local government officials, 408
and consult with accounting professionals and other interested 409
persons; 410

(d) Conduct, on the date and at the time and place designated 411
in the notice, a public hearing at which any person affected by 412
the proposed rule, including statewide organizations of local 413
government officials, may appear and be heard in person, by 414

attorney, or both, and may present the person's or organization's 415
position or contentions orally or in writing. 416

(2) Except as otherwise provided in division (A)(2) of this 417
section, comply with divisions (B) to (E) of section 111.15 of the 418
Revised Code. The auditor of state is not required to file a rule 419
summary and fiscal analysis along with any copy of a proposed 420
rule, or proposed rule in revised form, that is filed with the 421
joint committee on agency rule review, the secretary of state, or 422
the director of the legislative service commission under division 423
(D) or (E) of section 111.15 of the Revised Code; ~~however, if the~~ 424
~~auditor of state or the auditor of state's designee prepares a~~ 425
~~rule summary and fiscal analysis of the original version of a~~ 426
~~proposed rule for purposes of complying with section 121.24 of the~~ 427
~~Revised Code, the auditor of state or designee shall file a copy~~ 428
~~of the rule summary and fiscal analysis in electronic form along~~ 429
~~with the original version of the proposed rule filed under~~ 430
~~division (D) or (E) of section 111.15 of the Revised Code.~~ 431

(B) The auditor of state shall diligently discharge the 432
duties imposed by divisions (A)(1)(a), (b), and (c) of this 433
section, but failure to mail any notice or copy of a proposed 434
rule, or to consult with any person or organization, shall not 435
invalidate any rule. 436

(C) Notwithstanding any contrary provision of the Revised 437
Code, the auditor of state may prepare and disseminate, to public 438
offices and other interested persons and organizations, advisory 439
bulletins, directives, and instructions relating to accounting and 440
financial reporting systems, budgeting procedures, fiscal 441
controls, and the constructions by the auditor of state of 442
constitutional and statutory provisions, court decisions, and 443
opinions of the attorney general. The bulletins, directives, and 444
instructions shall be of an advisory nature only. 445

(D) As used in this section, "rule" includes the adoption, 446

amendment, or rescission of a rule. 447

Sec. 119.03. In the adoption, amendment, or rescission of any 448
rule, an agency shall comply with the following procedure: 449

(A) Reasonable public notice shall be given in the register 450
of Ohio at least thirty days prior to the date set for a hearing, 451
in the form the agency determines. The agency shall file copies of 452
the public notice under division (B) of this section. (The agency 453
gives public notice in the register of Ohio when the public notice 454
is published in the register under that division.) 455

The public notice shall include: 456

(1) A statement of the agency's intention to consider 457
adopting, amending, or rescinding a rule; 458

(2) A synopsis of the proposed rule, amendment, or rule to be 459
rescinded or a general statement of the subject matter to which 460
the proposed rule, amendment, or rescission relates; 461

(3) A statement of the reason or purpose for adopting, 462
amending, or rescinding the rule; 463

(4) The date, time, and place of a hearing on the proposed 464
action, which shall be not earlier than the thirty-first nor later 465
than the fortieth day after the proposed rule, amendment, or 466
rescission is filed under division (B) of this section. 467

In addition to public notice given in the register of Ohio, 468
the agency may give whatever other notice it reasonably considers 469
necessary to ensure notice constructively is given to all persons 470
who are subject to or affected by the proposed rule, amendment, or 471
rescission. 472

The agency shall provide a copy of the public notice required 473
under division (A) of this section to any person who requests it 474
and pays a reasonable fee, not to exceed the cost of copying and 475
mailing. 476

(B) The full text of the proposed rule, amendment, or rule to be rescinded, accompanied by the public notice required under division (A) of this section, shall be filed in electronic form with the secretary of state and with the director of the legislative service commission. (If in compliance with this division an agency files more than one proposed rule, amendment, or rescission at the same time, and has prepared a public notice under division (A) of this section that applies to more than one of the proposed rules, amendments, or rescissions, the agency shall file only one notice with the secretary of state and with the director for all of the proposed rules, amendments, or rescissions to which the notice applies.) The proposed rule, amendment, or rescission and public notice shall be filed as required by this division at least sixty-five days prior to the date on which the agency, in accordance with division (D) of this section, issues an order adopting the proposed rule, amendment, or rescission.

If the proposed rule, amendment, or rescission incorporates a text or other material by reference, the agency shall comply with sections 121.71 to 121.76 of the Revised Code.

The proposed rule, amendment, or rescission shall be available for at least thirty days prior to the date of the hearing at the office of the agency in printed or other legible form without charge to any person affected by the proposal. Failure to furnish such text to any person requesting it shall not invalidate any action of the agency in connection therewith.

If the agency files a substantive revision in the text of the proposed rule, amendment, or rescission under division (H) of this section, it shall also promptly file the full text of the proposed rule, amendment, or rescission in its revised form in electronic form with the secretary of state and with the director of the legislative service commission.

The agency shall file the rule summary and fiscal analysis 509
prepared under section ~~121.24~~ or 127.18 of the Revised Code, ~~or~~ 510
~~both~~, in electronic form along with a proposed rule, amendment, or 511
rescission or proposed rule, amendment, or rescission in revised 512
form that is filed with the secretary of state or the director of 513
the legislative service commission. 514

The director of the legislative service commission shall 515
publish in the register of Ohio the full text of the original and 516
each revised version of a proposed rule, amendment, or rescission; 517
the full text of a public notice; and the full text of a rule 518
summary and fiscal analysis that is filed with the director under 519
this division. 520

(C) On the date and at the time and place designated in the 521
notice, the agency shall conduct a public hearing at which any 522
person affected by the proposed action of the agency may appear 523
and be heard in person, by the person's attorney, or both, may 524
present the person's position, arguments, or contentions, orally 525
or in writing, offer and examine witnesses, and present evidence 526
tending to show that the proposed rule, amendment, or rescission, 527
if adopted or effectuated, will be unreasonable or unlawful. An 528
agency may permit persons affected by the proposed rule, 529
amendment, or rescission to present their positions, arguments, or 530
contentions in writing, not only at the hearing, but also for a 531
reasonable period before, after, or both before and after the 532
hearing. A person who presents a position or arguments or 533
contentions in writing before or after the hearing is not required 534
to appear at the hearing. 535

At the hearing, the testimony shall be recorded. Such record 536
shall be made at the expense of the agency. The agency is required 537
to transcribe a record that is not sight readable only if a person 538
requests transcription of all or part of the record and agrees to 539
reimburse the agency for the costs of the transcription. An agency 540

may require the person to pay in advance all or part of the cost 541
of the transcription. 542

In any hearing under this section the agency may administer 543
oaths or affirmations. 544

(D) After complying with divisions (A), (B), (C), and (H) of 545
this section, and when the time for legislative review and 546
invalidation under division (I) of this section has expired, the 547
agency may issue an order adopting the proposed rule or the 548
proposed amendment or rescission of the rule, consistent with the 549
synopsis or general statement included in the public notice. At 550
that time the agency shall designate the effective date of the 551
rule, amendment, or rescission, which shall not be earlier than 552
the tenth day after the rule, amendment, or rescission has been 553
filed in its final form as provided in section 119.04 of the 554
Revised Code. 555

(E) Prior to the effective date of a rule, amendment, or 556
rescission, the agency shall make a reasonable effort to inform 557
those affected by the rule, amendment, or rescission and to have 558
available for distribution to those requesting it the full text of 559
the rule as adopted or as amended. 560

(F) If the governor, upon the request of an agency, 561
determines that an emergency requires the immediate adoption, 562
amendment, or rescission of a rule, the governor shall issue an 563
order, the text of which shall be filed in electronic form with 564
the agency, the secretary of state, the director of the 565
legislative service commission, and the joint committee on agency 566
rule review, that the procedure prescribed by this section with 567
respect to the adoption, amendment, or rescission of a specified 568
rule is suspended. The agency may then adopt immediately the 569
emergency rule, amendment, or rescission and it becomes effective 570
on the date the rule, amendment, or rescission, in final form and 571
in compliance with division (A)(2) of section 119.04 of the 572

Revised Code, ~~are~~ is filed in electronic form with the secretary 573
of state, the director of the legislative service commission, and 574
the joint committee on agency rule review. If all filings are not 575
completed on the same day, the emergency rule, amendment, or 576
rescission shall be effective on the day on which the latest 577
filing is completed. The director shall publish the full text of 578
the emergency rule, amendment, or rescission in the register of 579
Ohio. 580

The emergency rule, amendment, or rescission shall become 581
invalid at the end of the ninetieth day it is in effect. Prior to 582
that date the agency may adopt the emergency rule, amendment, or 583
rescission as a nonemergency rule, amendment, or rescission by 584
complying with the procedure prescribed by this section for the 585
adoption, amendment, and rescission of nonemergency rules. The 586
agency shall not use the procedure of this division to readopt the 587
emergency rule, amendment, or rescission so that, upon the 588
emergency rule, amendment, or rescission becoming invalid under 589
this division, the emergency rule, amendment, or rescission will 590
continue in effect without interruption for another ninety-day 591
period, except when division (I)(2)(a) of this section prevents 592
the agency from adopting the emergency rule, amendment, or 593
rescission as a nonemergency rule, amendment, or rescission within 594
the ninety-day period. 595

This division does not apply to the adoption of any emergency 596
rule, amendment, or rescission by the tax commissioner under 597
division (C)(2) of section 5117.02 of the Revised Code. 598

(G) Rules adopted by an authority within the department of 599
job and family services for the administration or enforcement of 600
Chapter 4141. of the Revised Code or of the department of taxation 601
shall be effective without a hearing as provided by this section 602
if the statutes pertaining to such agency specifically give a 603
right of appeal to the board of tax appeals or to a higher 604

authority within the agency or to a court, and also give the
appellant a right to a hearing on such appeal. This division does
not apply to the adoption of any rule, amendment, or rescission by
the tax commissioner under division (C)(1) or (2) of section
5117.02 of the Revised Code, or deny the right to file an action
for declaratory judgment as provided in Chapter 2721. of the
Revised Code from the decision of the board of tax appeals or of
the higher authority within such agency.

(H) When any agency files a proposed rule, amendment, or
rescission under division (B) of this section, it shall also file
in electronic form with the joint committee on agency rule review
the full text of the proposed rule, amendment, or rule to be
rescinded in the same form and the public notice required under
division (A) of this section. (If in compliance with this division
an agency files more than one proposed rule, amendment, or
rescission at the same time, and has given a public notice under
division (A) of this section that applies to more than one of the
proposed rules, amendments, or rescissions, the agency shall file
only one notice with the joint committee for all of the proposed
rules, amendments, or rescissions to which the notice applies.) If
the agency makes a substantive revision in a proposed rule,
amendment, or rescission after it is filed with the joint
committee, the agency shall promptly file the full text of the
proposed rule, amendment, or rescission in its revised form in
electronic form with the joint committee. The latest version of a
proposed rule, amendment, or rescission as filed with the joint
committee supersedes each earlier version of the text of the same
proposed rule, amendment, or rescission. An agency shall file the
rule summary and fiscal analysis prepared under section ~~121.24~~ or
127.18 of the Revised Code, ~~or both,~~ in electronic form along with
a proposed rule, amendment, or rescission, and along with a
proposed rule, amendment, or rescission in revised form, that is
filed under this division. If a proposed rule, amendment, or

rescission has an adverse impact on businesses, the agency also 638
shall file the business impact analysis, any recommendations 639
received from the common sense initiative office, and the agency's 640
memorandum of response, if any, in electronic form along with the 641
proposed rule, amendment, or rescission, or along with the 642
proposed rule, amendment, or rescission in revised form, that is 643
filed under this division. 644

This division does not apply to: 645

(1) An emergency rule, amendment, or rescission; 646

(2) Any proposed rule, amendment, or rescission that must be 647
adopted verbatim by an agency pursuant to federal law or rule, to 648
become effective within sixty days of adoption, in order to 649
continue the operation of a federally reimbursed program in this 650
state, so long as the proposed rule contains both of the 651
following: 652

(a) A statement that it is proposed for the purpose of 653
complying with a federal law or rule; 654

(b) A citation to the federal law or rule that requires 655
verbatim compliance. 656

If a rule or amendment is exempt from legislative review 657
under division (H)(2) of this section, and if the federal law or 658
rule pursuant to which the rule or amendment was adopted expires, 659
is repealed or rescinded, or otherwise terminates, the rule or 660
amendment, or its rescission, is thereafter subject to legislative 661
review under division (H) of this section. 662

(I)(1) The joint committee on agency rule review may 663
recommend the adoption of a concurrent resolution invalidating a 664
proposed rule, amendment, rescission, or part thereof if it finds 665
any of the following: 666

(a) That the rule-making agency has exceeded the scope of its 667

statutory authority in proposing the rule, amendment, or 668
rescission; 669

(b) That the proposed rule, amendment, or rescission 670
conflicts with another rule, amendment, or rescission adopted by 671
the same or a different rule-making agency; 672

(c) That the proposed rule, amendment, or rescission 673
conflicts with the legislative intent in enacting the statute 674
under which the rule-making agency proposed the rule, amendment, 675
or rescission; 676

(d) That the rule-making agency has failed to prepare a 677
complete and accurate rule summary and fiscal analysis of the 678
proposed rule, amendment, or rescission as required by section 679
~~121.24 or 127.18 of the Revised Code, or both, or that;~~ 680

(e) That the proposed rule, amendment, or rescission 681
incorporates a text or other material by reference and either the 682
rule-making agency has failed to file the text or other material 683
incorporated by reference as required by section 121.73 of the 684
Revised Code or, in the case of a proposed rule or amendment, the 685
incorporation by reference fails to meet the standards stated in 686
section 121.72, 121.75, or 121.76 of the Revised Code; 687

(f) That the rule-making agency has failed to demonstrate 688
through the business impact analysis, recommendations from the 689
common sense initiative office, and the memorandum of response the 690
agency has filed under division (H) of this section that the 691
regulatory intent of the proposed rule, amendment, or rescission 692
justifies its adverse impact on businesses in this state. 693

The joint committee shall not hold its public hearing on a 694
proposed rule, amendment, or rescission earlier than the 695
forty-first day after the original version of the proposed rule, 696
amendment, or rescission was filed with the joint committee. 697

The house of representatives and senate may adopt a 698

concurrent resolution invalidating a proposed rule, amendment, 699
rescission, or part thereof. The concurrent resolution shall state 700
which of the specific rules, amendments, rescissions, or parts 701
thereof are invalidated. A concurrent resolution invalidating a 702
proposed rule, amendment, or rescission shall be adopted not later 703
than the sixty-fifth day after the original version of the text of 704
the proposed rule, amendment, or rescission is filed with the 705
joint committee, except that if more than thirty-five days after 706
the original version is filed the rule-making agency either files 707
a revised version of the text of the proposed rule, amendment, or 708
rescission, or revises the rule summary and fiscal analysis in 709
accordance with division (I)(4) of this section, a concurrent 710
resolution invalidating the proposed rule, amendment, or 711
rescission shall be adopted not later than the thirtieth day after 712
the revised version of the proposed rule or rule summary and 713
fiscal analysis is filed. If, after the joint committee on agency 714
rule review recommends the adoption of a concurrent resolution 715
invalidating a proposed rule, amendment, rescission, or part 716
thereof, the house of representatives or senate does not, within 717
the time remaining for adoption of the concurrent resolution, hold 718
five floor sessions at which its journal records a roll call vote 719
disclosing a sufficient number of members in attendance to pass a 720
bill, the time within which that house may adopt the concurrent 721
resolution is extended until it has held five such floor sessions. 722

Within five days after the adoption of a concurrent 723
resolution invalidating a proposed rule, amendment, rescission, or 724
part thereof, the clerk of the senate shall send the rule-making 725
agency, the secretary of state, and the director of the 726
legislative service commission in electronic form a certified text 727
of the resolution together with a certification stating the date 728
on which the resolution takes effect. The secretary of state and 729
the director of the legislative service commission shall each note 730
the invalidity of the proposed rule, amendment, rescission, or 731

part thereof, and shall each remove the invalid proposed rule, 732
amendment, rescission, or part thereof from the file of proposed 733
rules. The rule-making agency shall not proceed to adopt in 734
accordance with division (D) of this section, or to file in 735
accordance with division (B)(1) of section 111.15 of the Revised 736
Code, any version of a proposed rule, amendment, rescission, or 737
part thereof that has been invalidated by concurrent resolution. 738

Unless the house of representatives and senate adopt a 739
concurrent resolution invalidating a proposed rule, amendment, 740
rescission, or part thereof within the time specified by this 741
division, the rule-making agency may proceed to adopt in 742
accordance with division (D) of this section, or to file in 743
accordance with division (B)(1) of section 111.15 of the Revised 744
Code, the latest version of the proposed rule, amendment, or 745
rescission as filed with the joint committee. If by concurrent 746
resolution certain of the rules, amendments, rescissions, or parts 747
thereof are specifically invalidated, the rule-making agency may 748
proceed to adopt, in accordance with division (D) of this section, 749
or to file in accordance with division (B)(1) of section 111.15 of 750
the Revised Code, the latest version of the proposed rules, 751
amendments, rescissions, or parts thereof as filed with the joint 752
committee that are not specifically invalidated. The rule-making 753
agency may not revise or amend any proposed rule, amendment, 754
rescission, or part thereof that has not been invalidated except 755
as provided in this chapter or in section 111.15 of the Revised 756
Code. 757

(2)(a) A proposed rule, amendment, or rescission that is 758
filed with the joint committee under division (H) of this section 759
or division (D) of section 111.15 of the Revised Code shall be 760
carried over for legislative review to the next succeeding regular 761
session of the general assembly if the original or any revised 762
version of the proposed rule, amendment, or rescission is filed 763

with the joint committee on or after the first day of December of 764
any year. 765

(b) The latest version of any proposed rule, amendment, or 766
rescission that is subject to division (I)(2)(a) of this section, 767
as filed with the joint committee, is subject to legislative 768
review and invalidation in the next succeeding regular session of 769
the general assembly in the same manner as if it were the original 770
version of a proposed rule, amendment, or rescission that had been 771
filed with the joint committee for the first time on the first day 772
of the session. A rule-making agency shall not adopt in accordance 773
with division (D) of this section, or file in accordance with 774
division (B)(1) of section 111.15 of the Revised Code, any version 775
of a proposed rule, amendment, or rescission that is subject to 776
division (I)(2)(a) of this section until the time for legislative 777
review and invalidation, as contemplated by division (I)(2)(b) of 778
this section, has expired. 779

(3) Invalidation of any version of a proposed rule, 780
amendment, rescission, or part thereof by concurrent resolution 781
shall prevent the rule-making agency from instituting or 782
continuing proceedings to adopt any version of the same proposed 783
rule, amendment, rescission, or part thereof for the duration of 784
the general assembly that invalidated the proposed rule, 785
amendment, rescission, or part thereof unless the same general 786
assembly adopts a concurrent resolution permitting the rule-making 787
agency to institute or continue such proceedings. 788

The failure of the general assembly to invalidate a proposed 789
rule, amendment, rescission, or part thereof under this section 790
shall not be construed as a ratification of the lawfulness or 791
reasonableness of the proposed rule, amendment, rescission, or any 792
part thereof or of the validity of the procedure by which the 793
proposed rule, amendment, rescission, or any part thereof was 794
proposed or adopted. 795

(4) In lieu of recommending a concurrent resolution to 796
invalidate a proposed rule, amendment, rescission, or part thereof 797
because the rule-making agency has failed to prepare a complete 798
and accurate fiscal analysis, the joint committee on agency rule 799
review may issue, on a one-time basis, for rules, amendments, 800
rescissions, or parts thereof that have a fiscal effect on school 801
districts, counties, townships, or municipal corporations, a 802
finding that the rule summary and fiscal analysis is incomplete or 803
inaccurate and order the rule-making agency to revise the rule 804
summary and fiscal analysis and refile it with the proposed rule, 805
amendment, rescission, or part thereof. If an emergency rule is 806
filed as a nonemergency rule before the end of the ninetieth day 807
of the emergency rule's effectiveness, and the joint committee 808
issues a finding and orders the rule-making agency to refile under 809
division (I)(4) of this section, the governor may also issue an 810
order stating that the emergency rule shall remain in effect for 811
an additional sixty days after the ninetieth day of the emergency 812
rule's effectiveness. The governor's orders shall be filed in 813
accordance with division (F) of this section. The joint committee 814
shall send in electronic form to the rule-making agency, the 815
secretary of state, and the director of the legislative service 816
commission a certified text of the finding and order to revise the 817
rule summary and fiscal analysis, which shall take immediate 818
effect. 819

An order issued under division (I)(4) of this section shall 820
prevent the rule-making agency from instituting or continuing 821
proceedings to adopt any version of the proposed rule, amendment, 822
rescission, or part thereof until the rule-making agency revises 823
the rule summary and fiscal analysis and refiles it in electronic 824
form with the joint committee along with the proposed rule, 825
amendment, rescission, or part thereof. If the joint committee 826
finds the rule summary and fiscal analysis to be complete and 827
accurate, the joint committee shall issue a new order noting that 828

the rule-making agency has revised and refiled a complete and 829
accurate rule summary and fiscal analysis. The joint committee 830
shall send in electronic form to the rule-making agency, the 831
secretary of state, and the director of the legislative service 832
commission a certified text of this new order. The secretary of 833
state and the director of the legislative service commission shall 834
each link this order to the proposed rule, amendment, rescission, 835
or part thereof. The rule-making agency may then proceed to adopt 836
in accordance with division (D) of this section, or to file in 837
accordance with division (B)(1) of section 111.15 of the Revised 838
Code, the proposed rule, amendment, rescission, or part thereof 839
that was subject to the finding and order under division (I)(4) of 840
this section. If the joint committee determines that the revised 841
rule summary and fiscal analysis is still inaccurate or 842
incomplete, the joint committee shall recommend the adoption of a 843
concurrent resolution in accordance with division (I)(1) of this 844
section. 845

Sec. 119.032. (A) As used in this section: 846

(1) "Agency" includes both an agency as defined in division 847
(A)(2) of section 111.15 and an agency as defined in division (A) 848
of section 119.01 of the Revised Code. 849

(2) "Review date" means the review date assigned to a rule by 850
an agency under division (B) or (E)(2) of this section or under 851
section 111.15, 119.04, or 4141.14 of the Revised Code or a review 852
date assigned to a rule by the joint committee on agency rule 853
review under division (B) of this section. 854

(3)(a) "Rule" means only a rule whose adoption, amendment, or 855
rescission is subject to review under division (D) of section 856
111.15 or division (H) of section 119.03 of the Revised Code. 857

(b) "Rule" does not include a rule adopted, amended, or 858
rescinded by the department of taxation under section 5703.14 of 859

the Revised Code, a rule of a state college or university, 860
community college district, technical college district, or state 861
community college, or a rule that is consistent with and 862
equivalent to the form required by a federal law and that does not 863
exceed the minimum scope and intent of that federal law. 864

(B) Not later than March 25, 1997, each agency shall assign a 865
review date to each of its rules that is currently in effect and 866
shall notify the joint committee on agency rule review of the 867
review date for each such rule. The agency shall assign review 868
dates to its rules so that approximately one-fifth of the rules 869
are scheduled for review during each calendar year of the 870
five-year period that begins March 25, 1997, except that an 871
agency, with the joint committee's approval, may set a review 872
schedule for the agency's rules in which there is no requirement 873
that approximately one-fifth of the agency's rules be assigned a 874
review date during each calendar year of the five-year period but 875
in which all of the agency's rules are assigned a review date 876
during that five-year period. An agency may change the review 877
dates it has assigned to specific rules so long as the agency 878
complies with the five-year time deadline specified in this 879
division. 880

Upon the request of the agency that adopted the rule, the 881
joint committee on agency rule review may extend a review date of 882
a rule to a date that is not later than one hundred eighty days 883
after the original review date assigned to the rule by the agency 884
under this division, division (E)(2) of this section, or section 885
111.15, 119.04, or 4141.14 of the Revised Code. The joint 886
committee may further extend a review date that has been extended 887
under this paragraph if appropriate under the circumstances. 888

(C) Prior to the review date of a rule, the agency that 889
adopted the rule shall review the rule to determine all of the 890
following: 891

(1) Whether the rule should be continued without amendment, 892
be amended, or be rescinded, taking into consideration the 893
purpose, scope, and intent of the statute under which the rule was 894
adopted; 895

(2) Whether the rule needs amendment or rescission to give 896
more flexibility at the local level; 897

(3) Whether the rule needs amendment or rescission to 898
eliminate unnecessary paperwork, or whether the rule incorporates 899
a text or other material by reference and, if so, whether the text 900
or other material incorporated by reference is deposited or 901
displayed as required by section 121.74 of the Revised Code and 902
whether the incorporation by reference meets the standards stated 903
in sections 121.72, 121.75, and 121.76 of the Revised Code; 904

(4) Whether the rule duplicates, overlaps with, or conflicts 905
with other rules; 906

(5) Whether the rule has an adverse impact on businesses, as 907
determined under section 107.52 of the Revised Code, and whether 908
any such adverse impact has been eliminated or reduced as required 909
under section 121.82 of the Revised Code. 910

(D) In making the review required under division (C) of this 911
section, the agency shall consider the continued need for the 912
rule, the nature of any complaints or comments received concerning 913
the rule, and any relevant factors that have changed in the 914
subject matter area affected by the rule. 915

(E)(1) On or before the designated review date of a rule, the 916
agency that adopted the rule shall proceed under division (E)(2) 917
or (5) of this section to indicate that the agency has reviewed 918
the rule. 919

(2) If the agency has determined that the rule does not need 920
to be amended or rescinded, the agency shall file all the 921
following, in electronic form, with the joint committee on agency 922

rule review, the secretary of state, and the director of the 923
legislative service commission: a copy of the rule, a statement of 924
the agency's determination, and an accurate rule summary and 925
fiscal analysis for the rule as described in section 127.18 of the 926
Revised Code. The agency shall assign a new review date to the 927
rule, which shall not be later than five years after the rule's 928
immediately preceding review date. After the joint committee has 929
reviewed such a rule for the first time, including any rule that 930
was in effect on September 26, 1996, the agency in its subsequent 931
reviews of the rule may provide the same fiscal analysis it 932
provided to the joint committee during its immediately preceding 933
review of the rule unless any of the conditions described in 934
division (B)(4), (5), (6), (8), (9), or (10) of section 127.18 of 935
the Revised Code, as they relate to the rule, have appreciably 936
changed since the joint committee's immediately preceding review 937
of the rule. If any of these conditions, as they relate to the 938
rule, have appreciably changed, the agency shall provide the joint 939
committee with an updated fiscal analysis for the rule. If no 940
review date is assigned to a rule, or if a review date assigned to 941
a rule exceeds the five-year maximum, the review date for the rule 942
is five years after its immediately preceding review date. The 943
joint committee shall give public notice in the register of Ohio 944
of the agency's determination after receiving a notice from the 945
agency under division (E)(2) of this section. The joint committee 946
shall transmit a copy of the notice in electronic form to the 947
director of the legislative service commission. The director shall 948
publish the notice in the register of Ohio for four consecutive 949
weeks after its receipt. 950

(3) During the ninety-day period following the date the joint 951
committee receives a notice under division (E)(2) of this section 952
but after the four-week period described in division (E)(2) of 953
this section has ended, the joint committee, by a two-thirds vote 954
of the members present, may recommend the adoption of a concurrent 955

resolution invalidating the rule if the joint committee determines 956
that ~~either~~ any of the following ~~applies~~ apply: 957

(a) The agency improperly applied the criteria described in 958
divisions (C) and (D) of this section in reviewing the rule and in 959
recommending its continuance without amendment or rescission. 960

(b) The agency failed to file proper notice with the joint 961
committee regarding the rule, or if the rule incorporates a text 962
or other material by reference, the agency failed to file, or to 963
deposit or display, the text or other material incorporated by 964
reference as required by section 121.73 or 121.74 of the Revised 965
Code or the incorporation by reference fails to meet the standards 966
stated in section 121.72, 121.75, or 121.76 of the Revised Code. 967

(c) The rule has an adverse impact on businesses, as 968
determined under section 107.52 of the Revised Code, and the 969
agency has not eliminated or reduced that impact as required under 970
section 121.82 of the Revised Code. 971

(4) If the joint committee does not take the action described 972
in division (E)(3) of this section regarding a rule during the 973
ninety-day period after the date the joint committee receives a 974
notice under division (E)(2) of this section regarding that rule, 975
the rule shall continue in effect without amendment and shall be 976
next reviewed by the joint committee by the date designated by the 977
agency in the notice provided to the joint committee under 978
division (E)(2) of this section. 979

(5) If the agency has determined that a rule reviewed under 980
division (C) of this section needs to be amended or rescinded, the 981
agency, on or before the rule's review date, shall file the rule 982
as amended or rescinded in accordance with section 111.15, 119.03, 983
or 4141.14 of the Revised Code, as applicable. 984

(6) Each agency shall provide the joint committee with a copy 985
of the rules that it has determined are rules described in 986

division (A)(3)(b) of this section. At a time the joint committee 987
designates, each agency shall appear before the joint committee 988
and explain why it has determined that such rules are rules 989
described in division (A)(3)(b) of this section. The joint 990
committee, by a two-thirds vote of the members present, may 991
determine that any of such rules are rules described in division 992
(A)(3)(a) of this section. After the joint committee has made such 993
a determination relating to a rule, the agency shall thereafter 994
treat the rule as a rule described in division (A)(3)(a) of this 995
section. 996

(F) If an agency fails to provide the notice to the joint 997
committee required under division (E)(2) of this section regarding 998
a rule or otherwise fails by the rule's review date to take any 999
action regarding the rule required by this section, the joint 1000
committee, by a majority vote of the members present, may 1001
recommend the adoption of a concurrent resolution invalidating the 1002
rule. The joint committee shall not recommend the adoption of such 1003
a resolution until it has afforded the agency the opportunity to 1004
appear before the joint committee to show cause why the joint 1005
committee should not recommend the adoption of such a resolution 1006
regarding that rule. 1007

(G) If the joint committee recommends adoption of a 1008
concurrent resolution invalidating a rule under division (E)(3) or 1009
(F) of this section, the adoption of the concurrent resolution 1010
shall be in the manner described in division (I) of section 119.03 1011
of the Revised Code. 1012

Sec. 121.39. (A) As used in this section, "environmental 1013
protection" means any of the following: 1014

(1) Protection of human health or safety, biological 1015
resources, or natural resources by preventing, reducing, or 1016
remediating the pollution or degradation of air, land, or water 1017

resources or by preventing or limiting the exposure of humans, 1018
animals, or plants to pollution; 1019

(2) Appropriation or regulation of privately owned property 1020
to preserve air, land, or water resources in a natural state or to 1021
wholly or partially restore them to a natural state; 1022

(3) Regulation of the collection, management, treatment, 1023
reduction, storage, or disposal of solid, hazardous, radioactive, 1024
or other wastes; 1025

(4) Plans or programs to promote or regulate the 1026
conservation, recycling, or reuse of energy, materials, or wastes. 1027

(B) Except as otherwise provided in division (E) of this 1028
section, when proposed legislation dealing with environmental 1029
protection or containing a component dealing with environmental 1030
protection is referred to a committee of the general assembly, 1031
other than a committee on rules or reference, the sponsor of the 1032
legislation, at the time of the first hearing of the legislation 1033
before the committee, shall submit to the members of the committee 1034
a written statement identifying either the documentation that is 1035
the basis of the legislation or the federal requirement or 1036
requirements with which the legislation is intended to comply. If 1037
the legislation is not based on documentation or has not been 1038
introduced to comply with a federal requirement or requirements, 1039
the written statement from the sponsor shall so indicate. 1040

Also at the time of the first hearing of the legislation 1041
before the committee, a statewide organization that represents 1042
businesses in this state and that elects its board of directors 1043
may submit to the members of the committee a written estimate of 1044
the costs to the regulated community in this state of complying 1045
with the legislation if it is enacted. 1046

At any hearing of the legislation before the committee, a 1047
representative of any state agency, environmental advocacy 1048

organization, or consumer advocacy organization or any private 1049
citizen may present documentation containing an estimate of the 1050
monetary and other costs to public health and safety and the 1051
environment and to consumers and residential utility customers, 1052
and the effects on property values, if the legislation is not 1053
enacted. 1054

(C) Until such time as the statement required under division 1055
(B) of this section is submitted to the committee to which 1056
proposed legislation dealing with environmental protection or 1057
containing a component dealing with environmental protection was 1058
referred, the legislation shall not be reported by that committee. 1059
This requirement does not apply if the component dealing with 1060
environmental protection is removed from the legislation or if 1061
two-thirds of the members of the committee vote in favor of a 1062
motion to report the proposed legislation. 1063

(D) Except as otherwise provided in division (E) of this 1064
section, prior to adopting a rule or an amendment proposed to a 1065
rule dealing with environmental protection or containing a 1066
component dealing with environmental protection, a state agency 1067
shall do all of the following: 1068

(1) Consult with organizations that represent political 1069
subdivisions, environmental interests, business interests, and 1070
other persons affected by the proposed rule or amendment; 1071

(2) Consider documentation relevant to the need for, the 1072
environmental benefits or consequences of, other benefits of, and 1073
the technological feasibility of the proposed rule or amendment; 1074

(3) Specifically identify whether the proposed rule or 1075
amendment is being adopted or amended to enable the state to 1076
obtain or maintain approval to administer and enforce a federal 1077
environmental law or to participate in a federal environmental 1078
program, whether the proposed rule or amendment is more stringent 1079

than its federal counterpart, and, if the proposed rule or
amendment is more stringent, the rationale for not incorporating
its federal counterpart;

(4) Include with the proposed rule or amendment and the rule
summary and fiscal analysis required under ~~sections 121.24 and~~
section 127.18 of the Revised Code, when they are filed with the
joint committee on agency rule review in accordance with division
(D) of section 111.15 or division (H) of section 119.03 of the
Revised Code, one of the following in electronic form, as
applicable:

(a) The information identified under division (D)(3) of this
section and, if the proposed rule or amendment is more stringent
than its federal counterpart, as identified in that division, the
documentation considered under division (D)(2) of this section;

(b) If an amendment proposed to a rule is being adopted or
amended under a state statute that establishes standards with
which the amendment shall comply, and the proposed amendment is
more stringent than the rule that it is proposing to amend, the
documentation considered under division (D)(2) of this section;

(c) If division (D)(4)(a) or (b) of this section is not
applicable, the documentation considered under division (D)(2) of
this section.

If the agency subsequently files a revision of such a
proposed rule or amendment in accordance with division (D) of
section 111.15 or division (H) of section 119.03 of the Revised
Code, the revision shall be accompanied in electronic form by the
applicable information or documentation.

Division (D) of this section does not apply to any emergency
rule adopted under division (B)(2) of section 111.15 or division
(F) of section 119.03 of the Revised Code, but does apply to any
such rule that subsequently is adopted as a nonemergency rule

under either of those divisions. 1111

The information or documentation submitted under division 1112
(D)(4) of this section may be in the form of a summary or index of 1113
available knowledge or information and shall consist of or be 1114
based upon the best available generally accepted knowledge or 1115
information in the appropriate fields, as determined by the agency 1116
that prepared the documentation. 1117

(E) The statement required under division (B) and the 1118
information or documentation required under division (D) of this 1119
section need not be prepared or submitted with regard to a 1120
proposed statute or rule, or an amendment to a rule, if the 1121
statute, rule, or amendment is procedural or budgetary in nature, 1122
or governs the organization or operation of a state agency, and 1123
will not affect the substantive rights or obligations of any 1124
person other than a state agency or an employee or contractor of a 1125
state agency. 1126

(F) The insufficiency, incompleteness, or inadequacy of a 1127
statement, information, documentation, or a summary of information 1128
or documentation provided in accordance with division (B) or (D) 1129
of this section shall not be grounds for invalidation of any 1130
statute, rule, or amendment to a rule. 1131

(G) This section applies only to the following: 1132

(1) Legislation and components of legislation dealing with 1133
environmental protection that are introduced in the general 1134
assembly after March 5, 1996; 1135

(2) Rules and rule amendments dealing with environmental 1136
protection that are filed with the joint committee on agency rule 1137
review in accordance with division (D) of section 111.15 or 1138
division (H) of section 119.03 of the Revised Code after March 5, 1139
1996. 1140

Sec. 121.81. As used in sections 121.81 to 121.83 of the 1141
Revised Code: 1142

(A) "Agency" means a state agency that is required to file 1143
proposed rules for legislative review under division (D) of 1144
section 111.15 or division (H) of section 119.03 of the Revised 1145
Code. "Agency" does not include the offices of governor, 1146
lieutenant governor, auditor of state, secretary of state, 1147
treasurer of state, or attorney general. 1148

(B) "Draft rule" means any newly proposed rule and any 1149
proposed amendment, adoption, or rescission of a rule prior to the 1150
filing of that rule for legislative review under division (D) of 1151
section 111.15 or division (H) of section 119.03 of the Revised 1152
Code and includes a proposed amendment, adoption, or rescission of 1153
a rule in both its original and any revised form. "Draft rule" 1154
does not include an emergency rule adopted under division (B)(2) 1155
of section 111.15 or division (F) of section 119.03 of the Revised 1156
Code, but does include a rule that is proposed to replace an 1157
emergency rule that expires under those divisions. 1158

Sections 121.81 to 121.83 and 121.91 of the Revised Code are 1159
complementary to sections 107.51 to 107.55 and 107.61 to 107.63 of 1160
the Revised Code. 1161

Sec. 121.82. In the course of developing a draft rule that is 1162
intended to be proposed under division (D) of section 111.15 or 1163
division (H) of section 119.03 of the Revised Code, an agency 1164
shall: 1165

(A) Evaluate the draft rule against the business impact 1166
analysis instrument. If, based on that evaluation, the draft rule 1167
will not have an adverse impact on businesses, the agency may 1168
proceed with the rule-filing process. If the evaluation determines 1169
that the draft rule will have an adverse impact on businesses, the 1170

agency shall incorporate features into the draft rule that will 1171
eliminate or adequately reduce any adverse impact the draft rule 1172
might have on businesses; 1173

(B) Prepare a business impact analysis that describes its 1174
evaluation of the draft rule against the business impact analysis 1175
instrument, that identifies any features that were incorporated 1176
into the draft rule as a result of the evaluation, and that 1177
explains how those features, if there were any, eliminate or 1178
adequately reduce any adverse impact the draft rule might have on 1179
businesses; 1180

(C) Transmit a copy of the full text of the draft rule and 1181
the business impact analysis electronically to the common sense 1182
initiative office, which information shall be made available to 1183
the public on the office's web site in accordance with section 1184
107.62 of the Revised Code; 1185

(D) Consider any recommendations made by the common sense 1186
initiative office with regard to the draft rule, and either 1187
incorporate into the draft rule features the recommendations 1188
suggest will eliminate or reduce any adverse impact the draft rule 1189
might have on businesses or document, in writing, the reasons 1190
those recommendations are not being incorporated into the draft 1191
rule; and 1192

(E) Prepare a memorandum of response identifying features 1193
suggested by any recommendations that were incorporated into the 1194
draft rule and features suggested by any recommendations that were 1195
not incorporated into the draft rule, explaining how the features 1196
that were incorporated into the draft rule eliminate or reduce any 1197
adverse impact the draft rule might have on businesses, and 1198
explaining why the features that were not incorporated into the 1199
draft rule were not incorporated. 1200

An agency may not file a proposed rule for legislative review 1201

under division (D) of section 111.15 or division (H) of section 119.03 of the Revised Code earlier than the sixteenth business day after electronically transmitting the draft rule to the common sense initiative office. 1202
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Sec. 121.83. (A) When an agency files a proposed rule for legislative review under division (D) of section 111.15 of the Revised Code or division (H) of section 119.03 of the Revised Code, the agency electronically shall file one copy of the business impact analysis, any recommendations received from the common sense initiative office, and the agency's memorandum of response, if any, along with the proposed rule. 1206
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(B) The joint committee on agency rule review does not have jurisdiction to review, and shall reject, the filing of a proposed rule if, at any time while the proposed rule is in its possession, it discovers that the proposed rule might have an adverse impact on businesses and the agency has not included with the filing a business impact analysis or has included a business impact analysis that is inadequately prepared. The joint committee electronically shall return a filing that is rejected to the agency. Such a rejection does not preclude the agency from refiling the proposed rule after complying with section 121.82 of the Revised Code. When a filing is rejected under this division, it is as if the filing had not been made. 1213
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Sec. 121.91. (A) Each state agency shall develop, and as it becomes necessary or advisable may improve, customer service standards for each employee of the agency whose duties include a significant level of contact with the public. The agency shall base the standards on the job descriptions of the positions that the employees hold in the agency. An agency is not required to adopt the standards by rule. 1225
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Each state agency shall reduce the standards to writing, and 1232
the standards shall be incorporated into employee policy manuals, 1233
job descriptions, and employee performance evaluations. 1234

(B) The state agency, and its officers and employees, shall 1235
comply with the customer service performance standards that have 1236
been developed under division (A) of this section. A state 1237
agency's compliance with the standards shall be evaluated, by the 1238
director of budget and management and the committees of the senate 1239
and house of representatives having jurisdiction over the state 1240
operating budget, as part of the consideration of the state 1241
agency's biennial budget. (If the evaluation is of the office of 1242
budget and management, evaluation by the committees is 1243
sufficient.) An employee's compliance with the standards shall be 1244
evaluated as part of the employee's periodic performance reviews. 1245
A state agency's and employee's compliance with the standards may 1246
be evaluated as part of any performance audit of the state agency. 1247

Sec. 122.08. (A) There is hereby created within the 1248
department of development an office to be known as the office of 1249
small business. The office shall be under the supervision of a 1250
manager appointed by the director of development. 1251

(B) The office shall do all of the following: 1252

(1) Act as liaison between the small business community and 1253
state governmental agencies; 1254

(2) Furnish information and technical assistance to persons 1255
and small businesses concerning the establishment and maintenance 1256
of a small business, and concerning state laws and rules relevant 1257
to the operation of a small business. In conjunction with these 1258
duties, the office shall keep a record of all proposed and 1259
currently effective state agency rules affecting ~~individuals,~~ 1260
~~small businesses, or small organizations, as defined in section~~ 1261
~~121.24 of the Revised Code,~~ and may testify before the joint 1262

committee on agency rule review concerning any proposed rule	1263
affecting individuals , small businesses, or small organizations .	1264
(3) Prepare and publish the small business register under	1265
section 122.081 of the Revised Code;	1266
(4) Receive complaints from small businesses concerning	1267
governmental activity, compile and analyze those complaints, and	1268
periodically make recommendations to the governor and the general	1269
assembly on changes in state laws or agency rules needed to	1270
eliminate burdensome and unproductive governmental regulation to	1271
improve the economic climate within which small businesses	1272
operate;	1273
(5) Receive complaints or questions from small businesses and	1274
direct those businesses to the appropriate governmental agency.	1275
If, within a reasonable period of time, a complaint is not	1276
satisfactorily resolved or a question is not satisfactorily	1277
answered, the office shall, on behalf of the small business, make	1278
every effort to secure a satisfactory result. For this purpose,	1279
the office may consult with any state governmental agency and may	1280
make any suggestion or request that seems appropriate.	1281
(6) Utilize, to the maximum extent possible, the printed and	1282
electronic media to disseminate information of current concern and	1283
interest to the small business community and to make known to	1284
small businesses the services available through the office. The	1285
office shall publish such books, pamphlets, and other printed	1286
materials, and shall participate in such trade association	1287
meetings, conventions, fairs, and other meetings involving the	1288
small business community, as the manager considers appropriate.	1289
(7) Prepare for inclusion in the department of development's	1290
annual report to the governor and general assembly, a description	1291
of the activities of the office and a report of the number of	1292
rules affecting individuals , small businesses, and small	1293

~~organizations that were filed with~~ recorded by the office ~~under~~ 1294
~~division (B)(2) of section 121.24 of the Revised Code,~~ during the 1295
preceding calendar year; 1296

(8) Operate the Ohio first-stop business connection to assist 1297
individuals in identifying and preparing applications for business 1298
licenses, permits, and certificates and to serve as the central 1299
public distributor for all forms, applications, and other 1300
information related to business licensing. Each state agency, 1301
board, and commission shall cooperate in providing assistance, 1302
information, and materials to enable the connection to perform its 1303
duties under this division. 1304

(C) The office may, upon the request of a state agency, 1305
assist the agency with the preparation of any rule that will 1306
affect ~~individuals, small businesses, or small organizations.~~ 1307

(D) The director of development shall assign employees and 1308
furnish equipment and supplies to the office as the director 1309
considers necessary for the proper performance of the duties 1310
assigned to the office. 1311

Sec. 122.081. (A) The office of small business in the 1312
department of development shall prepare and publish a "small 1313
business register" or contract with any person as provided in this 1314
section to prepare and publish the register. The small business 1315
register shall contain the following information regarding each 1316
proposed rule ~~filed with~~ recorded by the office of small business 1317
~~under division (B)(2) of section 121.24 of the Revised Code:~~ 1318

(1) The title and administrative code rule number of the 1319
proposed rule; 1320

(2) A brief summary of the proposed rule; 1321

(3) The date on which the proposed rule was ~~filed with~~ 1322
recorded by the office of small business ~~under division (B)(2) of~~ 1323

~~section 121.24 of the Revised Code; and~~ 1324

(4) The name, address, and telephone number of ~~the an~~ 1325
individual or office within the agency that proposed the rule who 1326
~~has been designated as being responsible for complying with~~ 1327
~~division (E) of section 121.24 of the Revised Code with regard to~~ 1328
can provide information about the proposed rule. 1329

(B) The small business register shall be published on a 1330
weekly basis. The information required under division (A) of this 1331
section shall be published in the register no later than two weeks 1332
after the proposed rule to which the information relates is ~~filed~~ 1333
~~with~~ recorded by the office of small business ~~under division~~ 1334
~~(B)(2) of section 121.24 of the Revised Code.~~ The office of small 1335
business shall furnish the small business register, on a single 1336
copy or subscription basis, to any person who requests it and pays 1337
a single copy price or subscription rate fixed by the office. The 1338
office shall furnish the ~~chairmen~~ chairpersons of the standing 1339
committees of the senate and house of representatives having 1340
jurisdiction over ~~individuals,~~ small businesses, ~~and small~~ 1341
~~organizations~~ with free subscriptions to the small business 1342
register. 1343

(C) Upon the request of the office of small business, the 1344
director of administrative services shall, in accordance with the 1345
competitive selection procedure of Chapter 125. of the Revised 1346
Code, let a contract for the compilation, printing, and 1347
distribution of the small business register. 1348

(D) The office of small business shall adopt, and may amend 1349
or rescind, in accordance with Chapter 119. of the Revised Code, 1350
such rules as are necessary to enable it to properly carry out 1351
this section. 1352

Sec. 122.94. The director of ~~the department of~~ development 1353
shall: 1354

(A) Promulgate rules in accordance with Chapter 119. of the Revised Code for the conduct of the minority business development division's business and for carrying out the purposes of sections 122.92 to 122.94 of the Revised Code;

(B) Prepare an annual report to the governor and the general assembly on or before the first day of February of its activities for the preceding calendar year. ~~In addition to the submissions required by section 101.68 of the Revised Code, the director shall submit copies of the annual report to the chairmen of the standing committees of the senate and house of representatives having jurisdiction over individuals, small businesses, and small organizations, as those terms are defined in section 121.24 of the Revised Code.~~

Sec. 1710.02. (A) A special improvement district may be created within the boundaries of any one municipal corporation, any one township, or any combination of contiguous municipal corporations and townships for the purpose of developing and implementing plans for public improvements and public services that benefit the district. A district may be created by petition of the owners of real property within the proposed district, or by an existing qualified nonprofit corporation. If the district is created by an existing qualified nonprofit corporation, the purposes for which the district is created may be supplemental to the other purposes for which the corporation is organized. All territory in a special improvement district shall be contiguous; except that the territory in a special improvement district may be noncontiguous if at least one special energy improvement project is designated for each parcel of real property included within the special improvement district. Additional territory may be added to a special improvement district created under this chapter for the purpose of developing and implementing plans for special energy improvement projects if at least one special energy improvement

project is designated for each parcel of real property included 1387
within such additional territory and the addition of territory is 1388
authorized by the initial plan proposed under division (F) of this 1389
section or a plan adopted by the board of directors of the special 1390
improvement district under section 1710.06 of the Revised Code. 1391

The district shall be governed by the board of trustees of a 1392
nonprofit corporation. This board shall be known as the board of 1393
directors of the special improvement district. No special 1394
improvement district shall include any church property, or 1395
property of the federal or state government or a county, township, 1396
or municipal corporation, unless the church or the county, 1397
township, or municipal corporation specifically requests in 1398
writing that the property be included within the district, or 1399
unless the church is a member of the existing qualified nonprofit 1400
corporation creating the district at the time the district is 1401
created. More than one district may be created within a 1402
participating political subdivision, but no real property may be 1403
included within more than one district unless the owner of the 1404
property files a written consent with the clerk of the legislative 1405
authority, the township fiscal officer, or the village clerk, as 1406
appropriate. The area of each district shall be contiguous; except 1407
that the area of a special improvement district may be 1408
noncontiguous if all parcels of real property included within such 1409
area contain at least one special energy improvement thereon. 1410

(B) Except as provided in division (C) of this section, a 1411
district created under this chapter is not a political 1412
subdivision. A district created under this chapter shall be 1413
considered a public agency under section 102.01 and a public 1414
authority under section 4115.03 of the Revised Code. Each member 1415
of the board of directors of a district, each member's designee or 1416
proxy, and each officer and employee of a district shall be 1417
considered a public official or employee under section 102.01 of 1418

the Revised Code and a public official and public servant under 1419
section 2921.42 of the Revised Code. Districts created under this 1420
chapter are not subject to ~~section 121.251~~ sections 121.81 to 1421
121.83 of the Revised Code. Districts created under this chapter 1422
are subject to sections 121.22 and 121.23 of the Revised Code. 1423

(C) Each district created under this chapter shall be 1424
considered a political subdivision for purposes of section 4905.34 1425
of the Revised Code. 1426

Membership on the board of directors of the district shall 1427
not be considered as holding a public office. Directors and their 1428
designees shall be entitled to the immunities provided by Chapter 1429
1702. and to the same immunity as an employee under division 1430
(A)(6) of section 2744.03 of the Revised Code, except that 1431
directors and their designees shall not be entitled to the 1432
indemnification provided in section 2744.07 of the Revised Code 1433
unless the director or designee is an employee or official of a 1434
participating political subdivision of the district and is acting 1435
within the scope of the director's or designee's employment or 1436
official responsibilities. 1437

District officers and district members and directors and 1438
their designees or proxies shall not be required to file a 1439
statement with the Ohio ethics commission under section 102.02 of 1440
the Revised Code. All records of the district shall be treated as 1441
public records under section 149.43 of the Revised Code, except 1442
that records of organizations contracting with a district shall 1443
not be considered to be public records under section 149.43 or 1444
section 149.431 of the Revised Code solely by reason of any 1445
contract with a district. 1446

(D) Except as otherwise provided in this section, the 1447
nonprofit corporation that governs a district shall be organized 1448
in the manner described in Chapter 1702. of the Revised Code. 1449
Except in the case of a district created by an existing qualified 1450

nonprofit corporation, the corporation's articles of incorporation 1451
are required to be approved, as provided in division (E) of this 1452
section, by resolution of the legislative authority of each 1453
participating political subdivision of the district. A copy of 1454
that resolution shall be filed along with the articles of 1455
incorporation in the secretary of state's office. 1456

In addition to meeting the requirements for articles of 1457
incorporation set forth in Chapter 1702. of the Revised Code, the 1458
articles of incorporation for the nonprofit corporation governing 1459
a district formed under this chapter shall provide all the 1460
following: 1461

(1) The name for the district, which shall include the name 1462
of each participating political subdivision of the district; 1463

(2) A description of the territory within the district, which 1464
may be all or part of each participating political subdivision. 1465
The description shall be specific enough to enable real property 1466
owners to determine if their property is located within the 1467
district. 1468

(3) A description of the procedure by which the articles of 1469
incorporation may be amended. The procedure shall include 1470
receiving approval of the amendment, by resolution, from the 1471
legislative authority of each participating political subdivision 1472
and filing the approved amendment and resolution with the 1473
secretary of state. 1474

(4) The reasons for creating the district, plus an 1475
explanation of how the district will be conducive to the public 1476
health, safety, peace, convenience, and welfare of the district. 1477

(E) The articles of incorporation for a nonprofit corporation 1478
governing a district created under this chapter and amendments to 1479
them shall be submitted to the municipal executive, if any, and 1480
the legislative authority of each municipal corporation or 1481

township in which the proposed district is to be located. Except 1482
in the case of a district created by an existing qualified 1483
nonprofit corporation, the articles or amendments shall be 1484
accompanied by a petition signed either by the owners of at least 1485
sixty per cent of the front footage of all real property located 1486
in the proposed district that abuts upon any street, alley, public 1487
road, place, boulevard, parkway, park entrance, easement, or other 1488
existing public improvement within the proposed district, 1489
excluding church property or property owned by the state, county, 1490
township, municipal, or federal government, unless a church, 1491
county, township, or municipal corporation has specifically 1492
requested in writing that the property be included in the 1493
district, or by the owners of at least seventy-five per cent of 1494
the area of all real property located within the proposed 1495
district, excluding church property or property owned by the 1496
state, county, township, municipal, or federal government, unless 1497
a church, county, township, or municipal corporation has 1498
specifically requested in writing that the property be included in 1499
the district. Pursuant to Section 20 of Article VIII, Ohio 1500
Constitution, the petition required under this division may be for 1501
the purpose of developing and implementing plans for special 1502
energy improvement projects, and, in such case, is determined to 1503
be in furtherance of the purposes set forth in Section 20 of 1504
Article VIII, Ohio Constitution. If a special improvement district 1505
is being created under this chapter for the purpose of developing 1506
and implementing plans for special energy improvement projects, 1507
the petition required under this division shall be signed by one 1508
hundred per cent of the owners of the area of all real property 1509
located within the proposed special improvement district, at least 1510
one special energy improvement project shall be designated for 1511
each parcel of real property within the special improvement 1512
district, and the special improvement district may include any 1513
number of parcels of real property as determined by the 1514

legislative authority of each participating political subdivision 1515
in which the proposed special improvement district is to be 1516
located. For purposes of determining compliance with these 1517
requirements, the area of the district, or the front footage and 1518
ownership of property, shall be as shown in the most current 1519
records available at the county recorder's office and the county 1520
engineer's office sixty days prior to the date on which the 1521
petition is filed. 1522

Each municipal corporation or township with which the 1523
petition is filed has sixty days to approve or disapprove, by 1524
resolution, the petition, including the articles of incorporation. 1525
In the case of a district created by an existing qualified 1526
nonprofit corporation, each municipal corporation or township has 1527
sixty days to approve or disapprove the creation of the district 1528
after the corporation submits the articles of incorporation or 1529
amendments thereto. This chapter does not prohibit or restrict the 1530
rights of municipal corporations under Article XVIII of the Ohio 1531
Constitution or the right of the municipal legislative authority 1532
to impose reasonable conditions in a resolution of approval. The 1533
acquisition, installation, equipping, and improvement of a special 1534
energy improvement project under this chapter shall not supersede 1535
any local zoning, environmental, or similar law or regulation. 1536

(F) Persons proposing creation and operation of the district 1537
may propose an initial plan for public services or public 1538
improvements that benefit all or any part of the district. Any 1539
initial plan shall be submitted as part of the petition proposing 1540
creation of the district or, in the case of a district created by 1541
an existing qualified nonprofit corporation, shall be submitted 1542
with the articles of incorporation or amendments thereto. 1543

An initial plan may include provisions for the following: 1544

(1) Creation and operation of the district and of the 1545
nonprofit corporation to govern the district under this chapter; 1546

(2) Hiring employees and professional services;	1547
(3) Contracting for insurance;	1548
(4) Purchasing or leasing office space and office equipment;	1549
(5) Other actions necessary initially to form, operate, or organize the district and the nonprofit corporation to govern the district;	1550 1551 1552
(6) A plan for public improvements or public services that benefit all or part of the district, which plan shall comply with the requirements of division (A) of section 1710.06 of the Revised Code and may include, but is not limited to, any of the permissive provisions described in the fourth sentence of that division or listed in divisions (A)(1) to (7) of that section;	1553 1554 1555 1556 1557 1558
(7) If the special improvement district is being created under this chapter for the purpose of developing and implementing plans for special energy improvement projects, provision for the addition of territory to the special improvement district.	1559 1560 1561 1562
After the initial plan is approved by all municipal corporations and townships to which it is submitted for approval and the district is created, each participating subdivision shall levy a special assessment within its boundaries to pay for the costs of the initial plan. The levy shall be for no more than ten years from the date of the approval of the initial plan; except that if the proceeds of the levy are to be used to pay the costs of a special energy improvement project, the levy of a special assessment shall be for no more than thirty years from the date of approval of the initial plan. In the event that additional territory is added to a special improvement district, the special assessment to be levied with respect to such additional territory shall commence not earlier than the date such territory is added and shall be for no more than thirty years from such date. For purposes of levying an assessment for this initial plan, the	1563 1564 1565 1566 1567 1568 1569 1570 1571 1572 1573 1574 1575 1576 1577

services or improvements included in the initial plan shall be 1578
deemed a special benefit to property owners within the district. 1579

(G) Each nonprofit corporation governing a district under 1580
this chapter may do the following: 1581

(1) Exercise all powers of nonprofit corporations granted 1582
under Chapter 1702. of the Revised Code that do not conflict with 1583
this chapter; 1584

(2) Develop, adopt, revise, implement, and repeal plans for 1585
public improvements and public services for all or any part of the 1586
district; 1587

(3) Contract with any person, political subdivision as 1588
defined in section 2744.01 of the Revised Code, or state agency as 1589
defined in section 1.60 of the Revised Code to develop and 1590
implement plans for public improvements or public services within 1591
the district; 1592

(4) Contract and pay for insurance for the district and for 1593
directors, officers, agents, contractors, employees, or members of 1594
the district for any consequences of the implementation of any 1595
plan adopted by the district or any actions of the district. 1596

The board of directors of a special improvement district may, 1597
acting as agent and on behalf of a participating political 1598
subdivision, sell, transfer, lease, or convey any special energy 1599
improvement project owned by the participating political 1600
subdivision upon a determination by the legislative authority 1601
thereof that the project is not required to be owned exclusively 1602
by the participating political subdivision for its purposes, for 1603
uses determined by the legislative authority thereof as those that 1604
will promote the welfare of the people of such participating 1605
political subdivision; to improve the quality of life and the 1606
general and economic well-being of the people of the participating 1607
political subdivision; better ensure the public health, safety, 1608

and welfare; protect water and other natural resources; provide 1609
for the conservation and preservation of natural and open areas 1610
and farmlands, including by making urban areas more desirable or 1611
suitable for development and revitalization; control, prevent, 1612
minimize, clean up, or mediate certain contamination of or 1613
pollution from lands in the state and water contamination or 1614
pollution; or provide for safe and natural areas and resources. 1615
The legislative authority of each participating political 1616
subdivision shall specify the consideration for such sale, 1617
transfer, lease, or conveyance and any other terms thereof. Any 1618
determinations made by a legislative authority of a participating 1619
political subdivision under this division shall be conclusive. 1620

Any sale, transfer, lease, or conveyance of a special energy 1621
improvement project by a participating political subdivision or 1622
the board of directors of the special improvement district may be 1623
made without advertising, receipt of bids, or other competitive 1624
bidding procedures applicable to the participating political 1625
subdivision or the special improvement district under Chapter 153. 1626
or 735. or section 1710.11 of the Revised Code or other 1627
representative provisions of the Revised Code. 1628

Section 2. That existing sections 103.0511, 111.15, 117.20, 1629
119.03, 119.032, 121.39, 122.08, 122.081, 122.94, and 1710.02 of 1630
the Revised Code are repealed. 1631

Section 3. That section 121.24 of the Revised Code is 1632
repealed, effective January 1, 2012. 1633

Section 4. The amendments by this act to sections 103.0511, 1634
111.15, 117.20, 119.03, 119.032, 121.39, 122.08, 122.081, 122.94, 1635
and 1710.02 of the Revised Code take effect on January 1, 2012. 1636

Section 5. The enactment by this act of sections 107.51 to 1637

107.55 and 121.81 to 121.83 of the Revised Code first applies to a 1638
proposed rule, the original and any revised version of which is 1639
filed with the Joint Committee on Agency Rule Review on or after 1640
January 1, 2012, and to any rule that is scheduled for review 1641
under section 119.032 of the Revised Code on or after January 1, 1642
2012. If rule-making proceedings are commenced and completed 1643
before January 1, 2012, sections 107.51 to 107.55 and 121.81 to 1644
121.83 of the Revised Code do not apply to the proceedings, and 1645
section 121.24 of the Revised Code applies to the proceedings 1646
instead. If rule-making proceedings are commenced but not 1647
completed before January 1, 2012, section 121.24 of the Revised 1648
Code applies to the original version of the proposed rule if it is 1649
filed with the Joint Committee before that date, and sections 1650
107.51 to 107.55 and 121.81 to 121.83 of the Revised Code apply to 1651
any revised version of the proposed rule that is filed on or after 1652
that date. 1653

Section 121.24 and sections 107.51 to 107.55 and 121.81 to 1654
121.83 of the Revised Code do not apply to a proposed rule that is 1655
deemed the original version of a proposed rule by the carry-over 1656
provisions in division (I)(2) of section 119.03 of the Revised 1657
Code. Whether section 121.24 or sections 107.51 to 107.55 and 1658
121.81 to 121.83 of the Revised Code applied to such a proposed 1659
rule before its carry over, the results of that application are 1660
carried over with the proposed rule. 1661

Section 6. The Common Sense Initiative Office shall publish 1662
the first edition of the Business Impact Analysis Instrument in 1663
the Register of Ohio as soon as practicable after the effective 1664
date of this act but not later than October 3, 2011. 1665

Section 7. Notwithstanding the delayed effective date 1666
applying to the amendments by this act to section 103.0511 of the 1667
Revised Code, the electronic rule-filing system shall be modified 1668

to connect the Common Sense Initiative Office into the system as 1669
soon as practicable after the effective date of this act but not 1670
later than August 15, 2011. 1671

Section 8. The Governor shall set up the Common Sense 1672
Initiative Office and have it in operation as soon as practicable 1673
after the effective date of this act but not later than August 15, 1674
2011. 1675

Section 9. Not later than 180 days after the effective date 1676
of Am. Sub. H.B. 1 of the 129th General Assembly, the Governor, in 1677
consultation with the Director of Development, shall determine 1678
whether the Office of Small Business in the Department of 1679
Development shall be transferred to the Common Sense Initiative 1680
Office or, in the alternative, the best way to avoid duplication 1681
of services offered to small businesses by those offices. 1682