



**Sub. S.B. 245**

123rd General Assembly

(As Passed by the General Assembly)

(excluding appropriations, fund transfers, and similar provisions)

**Sens. Ray, White, Fingerhut**

**Reps. Corbin, Carey, Coughlin, Evans, Goodman, Hoops, Mead, Metzger, Mottley, O'Brien, Vesper, Womer Benjamin, Barrett, Boyd, Jones, Metelsky, D. Miller, R. Miller, Ogg, Perry, Terwilleger, Winkler, Patton, Allen, Amstutz, Britton**

**Effective date:** \*

---

**ACT SUMMARY**

- Makes corrections or clarifications in several budget and related acts.
- Revises the law governing notice and meetings for Ohio Works First sanctions.
- Extends from December 31, 1999, to July 1, 2001, the deadline for the Task Force on Family Law and Children to issue a report on creating a more civilized and constructive process for the parenting of children whose parents do not reside together.
- Allows the State Board of Proprietary School Registration to accept an application for authorization to offer a baccalaureate, master's, or doctoral degree program from a school that registers with the Board, also holds an equivalent certificate of registration issued by another state, and has held the equivalent certificate for the ten previous consecutive years.
- Allows a proprietary school registered in Ohio to call itself a "university" if it is authorized to call itself a "university" in another state and meets certain other conditions.

---

\* *The Legislative Service Commission had not received formal notification of the effective date at the time this analysis was prepared.*

- Eliminates a requirement that student workforce development grants be approximately \$200 each, thus providing that grant size is determined by the amount of funds available for the program.
- Modifies the prohibition against a workforce development grant being paid to a school for a student if the school's job placement rate for the baccalaureate or associate degree program in which the student is enrolled is less than 75%, so that it applies to the school's overall job placement rate for degree programs and not the placement rate for the student's specific program.
- Increases from \$50 to \$100 the maximum fee the Ohio Ambulance Licensing Board can charge for issuing or renewing an annual permit for an ambulance or other vehicle, and allows the Board, with Controlling Board approval, to set its fees at up to 50% above the maximum amounts allowed by statute.
- Regarding the recently passed provision of Am. Sub. S.B. 153 establishing a one-year period for the payment of crime victims reparations awards to certain categories of claimants who otherwise would not be eligible, narrows eligibility to claims arising from crimes that occurred before the Reparations Program began on January 3, 1976.

---

## TABLE OF CONTENTS

Transfers of LSC appropriations.....	3
Pay schedules for certain public employees.....	4
Abolition of the Highway Obligations Construction Fund and creation of the Highway Capital Improvement Fund .....	4
Reimbursement of moving expenses for specified officials.....	4
Rural Industrial Park Loan Fund.....	4
Time when money orders are classified as unclaimed funds .....	5
Notice and meeting before Ohio Works First sanction.....	5
Distribution of federal assistance by the Division of Watercraft in the Department of Natural Resources .....	7
Deadline extension for Task Force on Family Law and Children report.....	7
Elimination of the county auditor's role regarding school district certificates of resources .....	8
Calculation of community school special education payments.....	8
Correction of certain printing errors .....	8
Correction of the school district transportation aid guarantee .....	9

School district FY 2000 enhancement guarantee .....	9
Funding formula for multicounty educational service centers.....	9
Proprietary school degree authorization; use of the name "university".....	10
Student Workforce Development Grant Program modifications .....	10
Technical correction pertaining to the Environmental Remediation Fund.....	11
Loss of a commercial driver's license upon conviction by an administrative tribunal of safety violations .....	11
Ambulance Licensing Board fees .....	11
Assessment of railroads for the support of the Office of the Consumers' Counsel.....	12
Fund for the receipt and payment of child support payments.....	12
Elimination of a nonexistent cross-reference .....	12
Provision of "total income" and "current total income" amounts to the Director of Development.....	13
Corrections to S.B. 3 property tax replacement revenue provisions .....	13
Other corrections to the Education Appropriations Act .....	14
Revision of temporary Crime Victims Reparations provision .....	14

---

## CONTENT AND OPERATION

### Transfers of LSC appropriations

(R.C. 103.21)

Under continuing law that is modified by the act, the Director of the Legislative Service Commission (LSC), with the approval of the Chairperson and Vice-Chairperson of the Commission, can direct the Director of Budget and Management to make transfers between any appropriations made to the Commission. The act rewords this provision, to allow transfers of all or part of an appropriation within the Commission or from one fiscal year to another. The change is designed to clarify that the law applies not only to transfers between LSC appropriation line items, but also to transfers of LSC appropriations between fiscal years.

### Pay schedules for certain public employees

(R.C. 124.15)

The act corrects three printing errors that appeared in the compensation schedules for certain public employees as set forth in Am. Sub. S.B. 144 of the 123rd General Assembly, effective March 30, 1999. In two of the cases, the hourly rate was incorrect but the annual rate was correct. In the third case, the hourly rate was correct but the annual rate was incorrect.

**Abolition of the Highway Obligations Construction Fund and creation of the Highway Capital Improvement Fund**

(R.C. 126.06, 127.14, and 5528.30; R.C. 5528.41 (repealed))

The act abolishes the Highway Obligations Construction Fund, which formerly received the proceeds of highway construction bonds issued under Article VIII, Section 2i of the Ohio Constitution. Am. Sub. H.B. 163, the Transportation Appropriations Act for the biennium ending June 30, 2001, authorized the Director of Budget and Management to (1) cancel encumbrances associated with the fund, (2) reestablish them in the Highway Capital Improvement Fund, and (3) transfer any remaining cash balance in the Highway Obligations Construction Fund to the Highway Capital Improvement Fund. However, H.B. 163 failed to abolish the Highway Obligations Construction Fund, although it was no longer used.

**Reimbursement of moving expenses for specified officials**

(R.C. 126.32)

Continuing law permits state agencies to reimburse members of the Governor's cabinet and other specified officials for actual and necessary moving expenses when their appointment requires a permanent change of residence. In specifying the persons to whom this provision applies, prior law referred to the Administrator of Workers' Compensation specifically, and also cross-referenced the list of members of the Governor's cabinet, which includes the Administrator. The act eliminates this dual reference to the Administrator by abolishing the specific reference while retaining the reference to the Governor's cabinet.

**Rural Industrial Park Loan Fund**

(R.C. 166.03; Sections 78 and 79)

Prior law stated that certain transfers of money could be made from the Facilities Establishment Fund to other specified funds administered by the Department of Development, including, until June 30, 1999, the Rural Industrial Park Loan Fund. Am. Sub. H.B. 283, the Main Operating Appropriations Act for the biennium ending June 30, 2001, reestablished the Urban and Rural Initiative Grant Program and extended the Rural Industrial Park Loan Fund until June 30, 2001. The act (1) extends the fund by one day, to July 1, 2001 and (2) authorizes transfers to be made from the Facilities Establishment Fund to the Rural Industrial Park Loan Fund until the same day--July 1, 2001.

**Time when money orders are classified as unclaimed funds**

(R.C. 169.02)

Until Am. Sub. H.B. 283 was enacted, money orders that were not third-party bank checks were classed as unclaimed funds if they were not cashed within seven years. By removing the specific reference to money orders from the Unclaimed Funds Law, H.B. 283 had the effect of making money orders unclaimed funds if they were not cashed within five years. The act restores the seven-year period.

**Notice and meeting before Ohio Works First sanction**

(R.C. 329.07, 5101.35, 5107.05, 5107.161, and 5107.162)

The Ohio Works First Program is a time-limited, income maintenance program for low-income families with children that is operated with federal, state, and county funds. On the federal level, Ohio Works First is known as Temporary Assistance for Needy Families.

An assistance group is ineligible to participate in Ohio Works First unless each adult member of the assistance group or the minor head of household enters into a self-sufficiency contract with a county department of job and family services.<sup>1</sup> The contract must set forth the rights and responsibilities of the assistance group as applicants for and participants of Ohio Works First, including the program's work responsibilities and other requirements designed to assist the assistance group in achieving self-sufficiency and personal responsibility. If a member of an assistance group fails or refuses, without good cause, to comply in full with a provision of a self-sufficiency contract, the county department is required to sanction the assistance group by denying or terminating the assistance group's Ohio Works First for a certain amount of time.

The act revises the law governing notice and meetings for Ohio Works First sanctions. Whereas prior law required that a county department, before sanctioning an assistance group, provide the assistance group written notice of the sanction, the act requires that the Ohio Department of Job and Family Services (ODJFS) provide the notice. ODJFS must provide the notice in accordance with rules the act requires it to adopt. Under prior law, the county notice had to inform the assistance group that it could request a face-to-face meeting with the county

---

<sup>1</sup> *County departments of job and family services are currently called county departments of human services. The name change to county department of job and family services is effective July 1, 2000.*

department not later than ten days after receiving the written notice. The act provides instead that the state notice must inform the assistance group that it may request, not later than 15 calendar days after ODJFS mails the notice, a state hearing which, at the assistance group's request, may be preceded by a face-to-face county conference with the county department.<sup>2</sup> The county notice was required by former law to include the telephone numbers of the assistance group's caseworker and an Ohio Works First ombudsperson and ODJFS's toll-free telephone number.<sup>3</sup> The act requires that the state notice include either the telephone number of an Ohio Works First ombudsperson or ODJFS's toll-free telephone number that the assistance group may call to obtain the telephone number of an ombudsperson. ODJFS is required by the act to maintain such a toll-free telephone number. Former law provided that, if an assistance group timely requested a meeting with the county department, the county department had to schedule the meeting and postpone imposition of the sanction until that date. The act provides that if the assistance group makes a timely request for a state hearing, the county department is required to postpone imposition of the sanction until the date a final decision is rendered in the state hearing, unless the assistance group withdraws the request for the state hearing because it is satisfied with the results of a county conference.

---

<sup>2</sup> *The act requires that rules ODJFS adopts concerning state hearings include provisions regarding notice of eligibility termination and the opportunity of an individual appealing a decision or order of a county department of job and family services to request a county conference with the county department before the state hearing is held.*

<sup>3</sup> *Each county department of job and family services is required to have at least one Ohio Works First ombudsperson. An Ohio Works First participant, employee of the county department, or person or government entity under contract with the county department may be an ombudsperson. Under continuing law that is modified by the act, an ombudsperson is to help Ohio Works First applicants and participants resolve complaints about the administration of Ohio Works First and help participants contact caseworkers for the purpose of scheduling meetings with county departments about sanctions. Because the act allows an assistance group to request a state hearing (which may be preceded by a county conference) rather than request a meeting with the county department, the act eliminates the ombudsperson's duty to help Ohio Works First participants contact caseworkers for the purpose of scheduling meetings with county departments about sanctions.*

**Distribution of federal assistance by the Division of Watercraft in the Department of Natural Resources**

(R.C. 1547.72(C))

Under former law, the Division of Watercraft in the Department of Natural Resources, with the approval of the Director of Natural Resources, could distribute money for the purpose of administering federal assistance under the Clean Vessel Act of 1992. This money could be distributed to public and private entities for the construction, renovation, operation, and maintenance of pumpout stations and waste reception facilities and for any other purpose provided under the Clean Vessel Act. Public and private entities receiving money could charge fees in accordance with guidelines established under the federal act.

The act removes references to the Clean Vessel Act and the specified purposes for which public and private entities may use money. Instead, the act authorizes the Division, with the Director's approval, to distribute money for the purpose of administering federal assistance to public and private entities in accordance with guidelines established under each federal grant program. Public and private entities that receive such money may charge fees at the facilities in accordance with the applicable federal guidelines.

**Deadline extension for Task Force on Family Law and Children report**

(R.C. 3109.401)

Under continuing law, the Task Force on Family Law and Children must study the issue of "how to create a more civilized and constructive process for the parenting of children whose parents do not reside together." By December 31, 1999, the Task Force was to submit a report of its findings and recommendations to the Speaker and Minority Leader of the House of Representatives and President and Minority Leader of the Senate. The act extends the deadline for submitting the report to July 1, 2001.

**Elimination of the county auditor's role regarding school district certificates of resources**

(R.C. 3313.483, 3313.487, and 3313.489)

Am. Sub. H.B. 282, the Education Appropriations Act for the biennium ending June 30, 2001, amended R.C. 5705.412 to eliminate the role of county auditors in enforcing the requirement that school districts certify that they have sufficient resources to support various financial commitments. However, H.B. 282

failed to amend a companion statute, R.C. 3313.489(B), and two cross-references to it. The act corrects the oversight.

**Calculation of community school special education payments**

(R.C. 3314.08(C)(2) and (E))

The act corrects the following two errors dealing with special education payments to community schools that appeared in the Education Appropriations Act (Am. Sub. H.B. 282):

(1) H.B. 282 revised the method for calculating the payments but inadvertently left out part of the formula.

(2) H.B. 282 granted community schools access to state "catastrophic costs" funds available to school districts if their costs of providing special education to a Category 3 student exceeds \$25,000 in any year. Category 3 includes students with autism, both visual and hearing handicaps, or traumatic brain injuries. H.B. 282 should have stated that the state will pay the community school for the costs it incurs above \$25,000 but stated, instead, that the state would pay the school district.

**Correction of certain printing errors**

(R.C. 3317.02, 3317.022, 3317.0216, 3317.16, 3318.01, 3318.011, and 3318.36; Section 68; and Section 72 with regard to Sections 11 and 17 of Am. Sub. H.B. 282 of the 123rd General Assembly)

A number of education funding formulas were misprinted in the version of the Education Appropriations Act that was sent to the Governor for his signature. Primarily they involved the substitution of the numeral 6 for the left bracket and the substitution of the numeral 7 for the right bracket. The act corrects the errors.

**Correction of the school district transportation aid guarantee**

(R.C. 3317.022(D))

The appropriations made in the Education Appropriations Act assumed that no school district would receive less in *total* state transportation subsidies in FY 2000 than it received in *total* state transportation subsidies in FY 1999. This minimum guarantee allows for a one-year transition to the new transportation subsidy formulas that H.B. 282 put into place. However, the codified language miscalculated this one-year minimum, guaranteeing only the amount of Category I and II transportation subsidies, which are subsidies paid for transporting students on district-operated or contractor-operated school buses. The act conforms the

codified language with the assumptions contained within the appropriation. The conformed language directs that each district's total FY 2000 transportation payment, including subsidies for transporting disabled students and the new "rough road" subsidy, be no less than its total FY 1999 transportation subsidy.

**School district FY 2000 enhancement guarantee**

(R.C. 3317.0212)

The codified language of the Education Appropriations Act inadvertently based the "enhanced FY 2000" guarantee to school districts on the amount of state aid they would have received in FY 1999 if the amount had not been capped. H.B. 282's appropriations, however, assumed that the enhanced guarantee takes the cap into account. (Unlike the "regular" guarantee that applies every fiscal year, the "enhanced" guarantee is available only in FY 2000, includes school districts' transportation subsidies, and so guarantees a higher state aid "floor" in FY 2000.) The act corrects the codified language to limit the amount of the FY 2000 enhanced guarantee to the amount school districts actually received in FY 1999, that is, the amount they received in FY 1999 after application of the cap.

**Funding formula for multicounty educational service centers**

(R.C. 3317.11)

The Education Appropriations Act changed the per pupil funding for multicounty educational service centers from a percentage of the base cost formula amount to a set dollar amount (\$40.52) but neglected to remove the words "times the formula amount" from the subsidy language. The act removes the phrase.

**Proprietary school degree authorization; use of the name "university"**

(R.C. 3332.05 and 3332.06)

Continuing law establishes a three-step process for registered proprietary schools to obtain authorization to offer baccalaureate, master's, and doctoral degree programs. First, the school applies to the State Board of Proprietary School Registration, which checks the validity of the application and forwards it to the Ohio Board of Regents. The Board of Regents reviews the application and, if it is approved, issues a certificate of authorization to offer the degree program. The Board of Regents then notifies the Board of Proprietary School Registration of the approval, and the Board of Proprietary School Registration after further review and receipt of the appropriate fee can issue the school a degree program authorization.

Formerly, during the first step of this process, the Board of Proprietary School Registration could accept applications only from schools that had held Ohio certificates of registration for the ten previous consecutive years. The act allows the Board to also accept an application from a school that holds an Ohio certificate of registration, also holds an equivalent certificate issued by another state, and has held the equivalent certificate for the ten previous consecutive years.

Prior law prohibited a proprietary school from calling itself a "university" unless it received its certificate of registration before July 29, 1989. The act allows another category of schools to use the name "university." Under the act, a proprietary school that holds an Ohio certificate of registration can call itself a "university" if it (1) also holds an equivalent certificate issued by another state, (2) calls itself a "university" in that other state, as permitted under the terms of the other state's certificate, and (3) has been authorized by the Board of Proprietary School Registration and Board of Regents to offer a baccalaureate, master's, or doctoral degree program under the process described above.

**Student Workforce Development Grant Program modifications**

(R.C. 3333.29)

The Ohio Board of Regents administers a student workforce development grant program under which students in baccalaureate or associate degree programs at private career schools can receive annual grants. The grants are paid to the schools, which in turn reduce the students' instructional fees. The exact size of a grant is based on the amount of funds available for the program, but formerly had to be approximately \$200. The act eliminates the limitation that the grants be approximately \$200 each.

Formerly, a workforce development grant could not be paid to a school for a student if the school's job placement rate for the preceding academic year for the baccalaureate or associate degree program in which the student was enrolled was less than 75%. The act modifies this prohibition so that it applies to the school's overall job placement rate for baccalaureate or associate degree programs, not the placement rate for the student's specific program. If the school's job placement rate for baccalaureate and associate degree programs for the preceding academic year was less than 75%, grants cannot be paid to the school.

**Technical correction pertaining to the Environmental Remediation Fund**

(R.C. 3734.281)

The act corrects a technical error by clarifying that money from settlements associated with enforcement orders, emergency orders, and civil actions under the

Solid, Hazardous, and Infectious Waste Law may be paid into the state treasury to the credit of the Environmental Remediation Fund. That fund must be used by the Environmental Protection Agency to remediate conditions at a hazardous or solid waste facility or other location at which there is a substantial threat to public health or safety or the environment.

**Loss of a commercial driver's license upon conviction by an administrative tribunal of safety violations**

(R.C. 4506.01)

The holder of a commercial driver's license can lose the license upon conviction of any of several offenses. Until the enactment of Am. Sub. S.B. 60 of the 122nd General Assembly, conviction included an unvacated adjudication of guilt, or a determination that a person violated or failed to comply with the law, in an authorized administrative tribunal. The act restores this provision of former law.

**Ambulance Licensing Board fees**

(R.C. 4766.05)

Prior to the enactment of Am. Sub. H.B. 283, the Ohio Ambulance Licensing Board's fee to obtain or renew a two-year permit for an ambulance or other vehicle could not exceed \$100. H.B. 283 provided for the Board to issue one-year permits, and set the maximum fee for such a permit at \$50. The act increases the maximum fee the Board can charge for a one-year permit to \$100.

The act also allows the Board, with the approval of the Controlling Board, to set its fees at up to 50% above the maximum amounts otherwise allowed by statute. Many other state licensing boards have this authority.

**Assessment of railroads for the support of the Office of the Consumers' Counsel**

(R.C. 4911.18)

Am. Sub. S.B. 3 of the 123rd General Assembly authorized the Office of the Consumers' Counsel to assess railroads for its support--not just public utilities. However, the Office does not concern itself with railroad service or tariffs; rather, it deals with the concerns of Ohio's residential consumers of electric, natural gas, water, and telephone service. Therefore, the act removes the reference to railroad assessments.

**Fund for the receipt and payment of child support payments**

(R.C. 5101.325)

The Division of Child Support in the Department of Job and Family Services is required to collect and pay out all support payments due under support orders. Formerly, the Division was required to handle such payments through a separate account. The act provides, instead, that the payments are to be deposited into a custodial fund of the Treasurer of State, to be called the Child Support Payments Fund. A custodial fund is not part of the state treasury, and money may be drawn from it without being appropriated by the General Assembly. As with the account currently authorized, interest earned on money in the fund is to be retained in the fund and used for support enforcement activities.

**Elimination of a nonexistent cross-reference**

(R.C. 5111.23)

Until Am. Sub. H.B. 283 required the Department of Job and Family Services to establish a rate for direct care costs for each eligible nursing facility and intermediate care facility for the mentally retarded quarterly, the rate for certain ICF-MRs could be established annually. The act eliminates an obsolete reference in the law to the setting of rates for ICF-MRs annually.

**Provision of "total income" and "current total income" amounts to the Director of Development**

(R.C. 5117.071; Section 82)

Am. Sub. S.B. 3 of the 123rd General Assembly transfers the administration of the Ohio Energy Credit Program from the Tax Commissioner to the Director of Development. Under the program, low-income heads of household who are 65 years of age or older or who are permanently and totally disabled are eligible for a specified credit or payment related to their heating bills. The Tax Commissioner is required to adjust annually the "total income" and "current total income" amounts used to establish eligibility for the credit or payment.

The act requires the Tax Commissioner to furnish the Director of Development with these amounts each year. It also requires the Director, rather than the Tax Commissioner, to use the adjusted total income and current total income amounts in administering the program.

**Corrections to S.B. 3 property tax replacement revenue provisions**

(R.C. 5705.34, 5727.84, and 5727.85)



Am. Sub. S.B. 3 of the 123rd General Assembly established a system for replacing property tax revenue as part of the restructuring of state regulation of electric utilities. The act makes several corrections to the replacement revenue provisions, as follows:

--The county auditor is required to take into account any replacement revenue payments a subdivision will receive when determining the tax rate for any fixed-sum levy that was imposed in tax year 1998. But since certain other levies besides those levied in tax year 1998 are eligible for replacement revenue payments, the act provides that the auditor is to take into account replacement revenue payments when determining the rate of *any* fixed-sum levy that is eligible for replacement revenue payments. The act also specifies that when determining the fixed-sum rates, the auditor is to take account of only those replacement revenue payments that are made for fixed-sum levies.

--S.B. 3 includes inconsistencies between the provision under which the Tax Commissioner calculates fixed-sum levy losses relative to school district emergency levies and the provision under which school districts are paid for fixed-sum levy losses. The act corrects these inconsistencies.

--S.B. 3 requires the Department of Education to determine for each school district the state education aid offset brought about by S.B. 3's property tax changes, using, among other things, the district's tax value loss. The Tax Commissioner determines such tax value losses, but has not been expressly required to provide the information to the Department of Education. The act requires the Commissioner to certify the tax value losses to the Department.

#### **Other corrections to the Education Appropriations Act**

(Section 72 with regard to Sections 4.13 and 7.01 of Am. Sub. H.B. 282 of the 123rd General Assembly)

The act corrects a typographical error that appeared in a cross-reference of the Education Appropriations Act concerning gifted education units. In addition, it restores the portion of the table used to compute the plant operation and maintenance subsidy paid by the Board of Regents to institutions of higher education that was omitted when H.B. 282 was enrolled.

#### **Revision of temporary Crime Victims Reparations provision**

(Sections 81, 82, and 83)

Am. Sub. S.B. 153 of the 123rd General Assembly requires that for one year beginning on S.B. 153's effective date, the Attorney General must accept

applications for reparations for certain kinds of economic loss that would not otherwise qualify for compensation under the Crime Victims Reparations Program. Claims eligible for this provision involve:

--Economic loss arising from criminally injurious conduct that was at least a felony of the first degree and that occurred before January 3, 1976 (which is the date the Crime Victims Reparations Program was created);

--Economic loss arising from criminally injurious conduct that was at least a felony of the first degree and that occurred on or after January 3, 1976, where the economic loss was not compensable under the Program at the time it occurred but is compensable under the Program as it exists under S.B. 153.

The act eliminates this latter category of economic loss, thus narrowing eligible claims to those arising from criminally injurious conduct that occurred before January 3, 1976. The act also specifies that the requirement that the crimes in question be at least first degree felonies refers to crimes that would be classified as first degree felonies if committed on S.B. 153's effective date.

S.B. 153 imposes a cap of \$500,000 on the total amount of awards that can be made under the provision. If the total amount of all qualified claims exceeds \$500,000, the award made to each claimant is to be reduced proportionately. The act slightly rewords this requirement, to refer to "eligible" claims instead of "qualified" claims.

---

## HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	01-20-00	p. 1320
Reported, S. Finance & Financial Institutions	02-15-00	pp. 1378-1379
Passed Senate (32-0)	02-16-00	pp. 1410-1411
Reported, H. Finance & Appropriations	03-15-00	p. 1650
Passed House (94-0)	03-16-00	pp. 1667-1668
Senate Concurrence (26-6)	03-21-00	pp. 1479-1480

00-SB245.123/jc

