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*Final Analysis*  
*Legislative Service Commission*

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(As Passed by the General Assembly)

**Reps. Harris, Thomas, Evans, Metzger, Goodman, Tiberi, Schuring, O'Brien, Winkler, Clancy, Callender, Hollister, Trakas, Calvert, Young, Hoops, Brading, A. Core, Terwilleger, Cates, Corbin, Mead**

**Sens. Gardner, Ray, Johnson, Kearns, Watts, White, Spada, Mumper, Drake, Horn, Finan, Armbruster, Blessing**

**Effective date:** \*

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**ACT SUMMARY**

**Ohio Department of Job and Family Services**

- Renames the Director and the Ohio Department of Human Services (ODHS) the Director and Ohio Department of Job and Family Services (ODJFS).
- Abolishes the Ohio Bureau of Employment Services (OBES).
- Transfers the functions and employees of OBES to ODJFS and the Department of Commerce (DOC).
- Requires OBES and DOC to enter into an interagency agreement to implement the transfer of certain duties and responsibilities from OBES to DOC.
- Eliminates specific references to the Ohio State Employment Service and transfers its duties to the Director of Job and Family Services.
- Retains a provision granting free employment services, through employment offices established to administer the Unemployment Compensation Law, to job seekers, but permits charges to employers.

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

- Limits the Unemployment Compensation Review Commission and Unemployment Compensation Advisory Council's access to information utilized in administering the Unemployment Compensation Law to purposes necessary for the administration of that law.
- Provides that money deposited into the Unemployment Compensation Administration Fund is available to the Director of Job and Family Services only for the administration of the Unemployment Compensation Law.
- Extends existing confidentiality requirements applicable under the Unemployment Compensation Law to employees and former employees of county departments of job and family services (CDJFSs), child support enforcement agencies (CSEAs), public children services agencies (PCSAs), and workforce development agencies.
- With a limited exception, prohibits any person from disclosing information maintained by or furnished to the former Administrator of OBES pursuant to unemployment compensation law.
- Eliminates an administrative division within the Bureau of Employment Services specifically named the Women's Division and eliminates the position of director of that division.
- Abolishes specific references to functions performed by the Bureau of Employment Services in partnership with the Department of Human Services or authorized under the new Department of Job and Family Services.
- Exempts from collective bargaining the renaming of ODHS and transfer of the functions of OBES to ODJFS and DOC.
- Authorizes the Director of Job and Family Services to establish work units within ODJFS as necessary for ODJFS's efficient operation and provides that the duties of the work units are to be performed under rules the Director prescribes and under the Director's control.
- Permits the Director of Human Services and the OBES Administrator to enter into contracts for staff training and development to facilitate the transfer of the staff and duties of OBES to ODJFS.

- Permits the Director of Job and Family Services to appoint such employees as are necessary for the efficient operation of ODJFS and to prescribe the title and duties of the employees.
- Permits, rather than requires, the Director of Job and Family Services to require ODJFS employees to give a bond.
- Repeals law that (1) provided that all employees holding positions in the classified service within ODHS on June 30, 1966, continued to hold such positions and (2) provided that law governing chiefs, officers, and employees of ODHS's administrative sub-units did not affect their civil service status.
- Gives the Director of Job and Family Services temporary authority to take certain actions to restructure the Department.
- Requires that the Director of Administrative Services, on certification of the Director of Job and Family Services, (1) fill without competition any classified position with ODJFS that requires peculiar and exceptional qualifications of a scientific, managerial, professional, or educational character and (2) waive a residency requirement that would otherwise apply to a position with ODJFS.
- Permits the Director of Job and Family Services to temporarily appoint persons to up to five additional unclassified positions that the Director determines to be involved in policy development and implementation.
- Provides that ODJFS is not required to make a report at the end of each fiscal year of its transactions and proceedings for that fiscal year.
- Authorizes ODJFS, as ODHS was authorized, to make investigations necessary to perform its duties.
- Authorizes the Director of Job and Family Services to expend funds appropriated or available to ODJFS and to enter into contracts or agreements with, and to make grants to, public and private entities.
- Requires that ODJFS follow the Administrative Procedure Act (Revised Code Chapter 119.) when adopting a rule (1) concerning the administration or enforcement of unemployment compensation law, (2) concerning a program administered by ODJFS, unless the statute

authorizing the rule requires that it be adopted in accordance with Revised Code section 111.15, or (3) that the authorizing statute requires be adopted in accordance with the Administrative Procedure Act.

- Requires that ODJFS follow section 111.15, other than the requirement of filing with the Joint Committee on Agency Rule Review (JCARR), when adopting a rule if (1) the rule concerns the day-to-day staff procedures and operations of ODJFS or financial and operational matters between ODJFS and another government entity or a private entity receiving a grant from ODJFS, unless the statute authorizing the rule requires that it be adopted in accordance with the Administrative Procedure Act or (2) the statute authorizing the rule requires that it be adopted in accordance with section 111.15 and, by the terms of that section, the rule is not required to be filed with JCARR.
- Requires that ODJFS follow section 111.15, including the requirement of filing with JCARR, when adopting a rule if the statute authorizing the rule requires that it be adopted in accordance with section 111.15 and the rule is not exempt from the filing requirement.
- Requires the Director of the Legislative Service Commission to renumber OBES and ODHS rules, if necessary, to reflect their transfer to ODJFS and DOC.
- Substitutes the Director of Job and Family Services and another member of the Governor's cabinet appointed by the Governor for the Director of Human Services and the OBES Administrator as members of the Commission on African-American Males, the Ohio Benefit Systems Data Linkage Committee, and the interagency council created by the Commission on Hispanic-Latino Affairs.

**County departments of job and family services**

- Provides for county departments of human services to be called county departments of job and family services (CDJFSs).
- Provides for a CDJFS to exercise any powers and duties relating to workforce development activities imposed on it by law, the county commissioners, or the Governor, when authorized by law, to meet emergencies during war or peace.

- Permits the board of county commissioners to assign to a CDJFS any power or duty of the board regarding workforce development activities.
- Requires that a CDJFS, for the purpose of complying with a partnership agreement, exercise the powers and perform the duties the partnership agreement assigns to the CDJFS.
- Requires that a CDJFS designated as the workforce development agency provide the workforce development activities specified in a contract with the board of county commissioners.
- Exempts labor performed by a CDJFS from public notice requirements for construction contracts.
- Renames the county human services planning committee the county family services planning committee.
- Provides that a county is not always required to have a separate family services planning committee.

### *Workforce Development System*

- Authorizes the Director of Job and Family Services to administer the Workforce Investment Act (WIA) and the Wagner-Peyser Act and the funds received pursuant to those federal laws.
- Requires the Director of Job and Family Services to establish and administer a workforce development system that is designed to provide leadership, support, and oversight to locally designed workforce development and family services systems and that provides the maximum amount of flexibility and authority to counties and municipal corporations.
- Authorizes the Director of Job and Family Services to adopt rules to establish any program or pilot program to provide workforce development activities or family services to individuals who do not meet eligibility criteria for those activities or services under applicable federal law.
- Requires every state agency, board, or commission to provide to the Director of Job and Family Services all information and assistance requested by the Director in furtherance of workforce development activities, unless otherwise prohibited by state or federal law.

- Authorizes the chief elected official of a municipal corporation that is eligible for automatic or temporary designation as a local workforce investment area pursuant to WIA but does not request that the Governor grant the designation to administer and enforce workforce development activities in accordance with the act.
- Authorizes the chief elected official of a municipal corporation that, for the purpose of the workforce development system created by the act, is a single unit local area to enter into a written contract with a private or government entity for the entity to act as the municipal corporation's workforce development agency.
- Authorizes a county that is eligible to be designated as a local workforce investment area under WIA but does not request such designation to administer and enforce workforce development activities in accordance with the act.
- Requires a board of county commissioners of a county that, for the purpose of the workforce development system created by the act, is a single unit local area to adopt a resolution establishing or designating a workforce development agency for the county.
- Provides that any of the following may be the workforce development agency for a county that is a single unit local area: (1) the county department of job and family services (CDJFS), (2) a separate agency under the direct control of the county commissioners and administered by an official appointed by the commissioners, (3) an entity serving the county on the act's effective date in a capacity similar to the capacity in which a workforce development agency is to serve the county on and after the act's effective date, (4) an entity located in or outside the county that provides workforce development activities in the county on the act's effective date, or (5) any private or government entity that federal law permits and the Revised Code does not prohibit.
- Authorizes a board of county commissioners of a county that is a single unit local area to contract with any government or private entity to enhance the workforce development agency's administration of the workforce development activities the agency provides.

- Provides that a board of county commissioners may designate a private or government entity as the county's child support enforcement agency (CSEA) and public children services agency (PCSA) only if the entity is also designated as the county's CDJFS.
- Authorizes a board of county commissioners to designate any private or government entity as the county's workforce development agency; workforce development agency and CDJFS; or workforce development agency, CDJFS, and CSEA or PCSA (or both).
- Authorizes the Director of Job and Family Services, if the Director determines that a board of county commissioners' decision to redesignate the county's CDJFS, CSEA, PCSA, or workforce development agency constitutes a substantial change from what is in the current partnership agreement, to require that the Director and board amend the partnership agreement and that the board provide the Director assurances that the newly designated entity will meet or exceed all requirements of the family services duties or workforce development activities the entity is to assume.
- Authorizes a board of county commissioners to contract with any private or government entity to perform a workforce development activity on behalf of the county workforce development agency.
- Establishes requirements governing the allocation of funds under WIA.
- Requires that a partnership agreement between the Director of Job and Family Services and a board of county commissioners of a county that is a local area or part of a local area for the purpose of the workforce development system created by the act include workforce development activities provided by the county's workforce development agency.
- Requires that the Director of Job and Family Services enter into a partnership agreement with the chief elected official of a municipal corporation that is a local area or part of a local area for the purpose of the workforce development system created by the act.
- Permits the Director of Job and Family Services to establish a consolidated funding allocation for the following included in a partnership agreement with a board of county commissioners: two or more CDJFS, CSEA, and PCSA duties, (2) two or more workforce development

activities, or (3) one or more CDJFS, CSEA, and PCSA duties and workforce development activities.

- Permits the Director of Job and Family Services to establish a consolidated funding allocation for two or more workforce development activities included in a partnership agreement with the chief elected official of a municipal corporation.
- Requires that an annual progress report on partnership agreements between the Director of Job and Family Services and boards of county commissioners include a review of whether workforce development agencies satisfied performance standards included in the agreements.
- Requires the Governor to establish a State Workforce Policy Board and appoint members to the Board to perform duties under WIA.
- Requires that the State Workforce Policy Board make available to the public, on a regular basis through open meetings, information regarding the Board's activities and membership.
- Requires that each area that is a local area for the purpose of the Workforce Development System created by the act have a workforce policy board created by the chief elected officials of the local area.
- Requires that local workforce policy boards make available to the public, on a regular basis through open meetings, information regarding the board's activities and membership, the designation of one-stop operators, and the award of grants or contracts to eligible providers of youth activities.
- Requires the chief elected officials of a local area, other than a local area that is a single municipal corporation, to coordinate the workforce development activities of the county family services planning committees and workforce policy board in the local area in any manner that is efficient and effective to meet the needs of the local area.
- Authorizes the chief elected officials of a local area, other than a local area that is a single municipal corporation, to consolidate all boards and committees as they determine appropriate into a single board for purposes of workforce development activities.

- Requires each local workforce policy board to prepare a workforce development plan that does all of the following (1) identifies the workforce investment needs of the businesses in the local area, projected employment opportunities, and the job skills necessary to obtain those opportunities, (2) identifies the local area's workforce development needs for youth, dislocated workers, adults, displaced homemakers, incumbent workers, and any other group of workers identified by the board, (3) determines the distribution of workforce resources and funding to be distributed for each workforce development activity to meet the identified needs, utilizing the funds allocated pursuant to WIA, (4) reviews the minimum curriculum required by the State Workforce Policy Board for certifying training providers and identifies any additional curriculum requirements to include in contracts between the training providers and the chief elected officials of the local area, (5) establishes performance standards for service providers that reflect local workforce development needs, and (6) describes any other information the chief elected officials of the local area require.
- Provides for a county's workforce development agency to be part of the plan of cooperation each board of county commissioners enters into with the CDJFS, CSEA, and PCSA.
- Permits each board of county commissioners to enter into one or more regional plans of cooperation with (1) one or more other boards of county commissioners, (2) the chief elected official of one or more municipal corporations that, for the purpose of the workforce development system created by the act, are a single unit local area, or (3) both boards of county commissioners and such chief elected officials.
- Permits the chief elected official of a municipal corporation that, for the purpose of the workforce development system created by the act, is a single unit local area to enter into a regional plan of cooperation with one or more boards of county commissioners.
- Provides that the purpose of a regional plan of cooperation is to enhance the administration, delivery, and effectiveness of workforce development activities and the duties of CDJFSs, CSEAs, and PCSAs.

- Requires each area that is a local area for the purpose of the workforce development system created by the act to participate in a one-stop system for workforce development activities.
- Provides that a one-stop system may be operated by a private entity or a public agency.
- Authorizes ODJFS to (1) establish performance and other administrative standards for the administration and outcomes of workforce development activities and (2) provide annual financial, administrative, or other incentive awards to workforce development agencies.
- Authorizes ODJFS to take action against a workforce development agency in the manner it may take action against a CDJFS, CSEA, or PCSA for (1) failure to meet a performance standard, (2) failure to comply with a requirement established by federal statute or regulations, state statute, or ODJFS rule, or (3) being solely or partially responsible for an adverse audit or quality control finding, final disallowance of federal financial participation, or other sanction or penalty.
- Requires that ODJFS take action against a board of county commissioners instead of the CDJFS, CSEA, PCSA, or workforce development agency if the duty or activity involved is included in a partnership agreement between the Director of Job and Family Services and the board.
- Revises the actions ODJFS may take against a CDJFS, CSEA, PCSA, workforce development agency, or board of county commissioners.
- Authorizes the Director of Job and Family Services to enter into a written agreement with one or more state agencies, universities, and colleges to assist in the coordination, provision, or enhancement of workforce development activities.
- Provides that public family services and workforce development activities purchased for provision by a CDJFS and family services and workforce development activities purchased from nonprofit corporations or associations under programs funded entirely by the federal government are exempt from the requirement that a county use competitive bidding when purchasing, leasing, or constructing anything at a cost exceeding \$15,000.

- Requires that the Director of Job and Family Services prepare, beginning January 1, 2001, a quarterly report concerning Ohio's workforce.

### Other changes

- Repeals obsolete laws concerning ODHS institutions.
- Repeals law that referred to the Division of Social Administration (abolished in 1966) and its powers and duties.
- Eliminates the requirement that plans for certain public buildings be submitted for approval to ODHS or the Departments of Mental Health, Mental Retardation and Developmental Disabilities, and Rehabilitation and Correction.
- Provides that the Administrative Procedure Act applies to a state hearing or administrative appeal concerning certain family services programs only to the extent, if any, specifically provided by ODJFS rules governing state hearings and administrative appeals.
- Requires an ODJFS hearing authority who issues state hearing decisions to have been admitted to the practice of law in this state if employed or contracted with on or after the act's effective date.
- Authorizes the Director of Job and Family Services to accept applications, determine eligibility, and perform related administrative activities for certain programs.
- Requires that the Director of Administrative Services send notice of an examination for the state classified service to each agency of the type the Director of Job and Family Services specifies and, in the case of a county in which no such agency is located, to the clerk of the court of common pleas of that county and to the clerk of each city of that county.
- Requires a county to maintain a record concerning a purchase exempt from the county competitive bidding requirement for the longer of one year or the amount of time the federal government requires.
- Requires ODJFS to prepare a quarterly report regarding former Ohio Works First participants, including how many former participants have entered the workforce and their earnings.

Effective date

- Delays the effective date of the act's provisions until July 1, 2000, with the exception of those provisions that relate to workforce development or make an appropriation.

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**CONTENT AND OPERATION**

**OHIO DEPARTMENT OF JOB AND FAMILY SERVICES**

**Renaming the Department of Human Services**

(secs. 121.02, 121.03, and 5101.01)

The act renames the Ohio Department of Human Services (ODHS) the Ohio Department of Job and Family Services (ODJFS) and the Director of Human Services the Director of Job and Family Services. Whenever ODHS or the Director of Human Services is referred to or designated in any statute, rule, contract, grant, or other document, the act deems the reference to refer to ODJFS or the Director of Job and Family Services, as appropriate.

**Transfer of functions and employees of the Bureau of Employment Services**

(sec. 121.03; Sections 12, 14, 15, and 16)

The act provides that the Ohio Bureau of Employment Services (OBES) ceases to exist on July 1, 2000. On that date, the act transfers the majority of OBES's functions and duties to ODJFS, but OBES's responsibilities regarding the employment of minors, minimum wage, prevailing wage, and the Public Employment Risk Reduction Program are transferred to the Department of Commerce (DOC). Accordingly, functions that OBES performs under a grant agreement with the United States Department of Labor pursuant to the federal "Occupational Safety and Health Act of 1970" are assigned to DOC. Other functions OBES performs under grant agreements with the United States



Department of Labor are assigned to ODJFS. The act provides that the General Assembly intends that ODJFS administer federally funded employment and training programs consistent with state and federal law regarding program responsibilities and benefits administration for veterans, and that nothing in the act may be construed as diminishing or altering those responsibilities.

Employees of OBES are transferred to ODJFS or DOC. Vehicles and equipment assigned to those employees are also transferred to ODJFS or DOC. ODJFS and DOC are the successors to and assume the obligations of OBES. Business commenced but not completed by OBES or its Administrator on July 1, 2000, must be completed by ODJFS or its Director or DOC or its Director, as appropriate. The act specifies that the assets, liabilities, other equipment, and records of OBES are transferred to ODJFS or DOC.

The act provides that OBES's rules, orders, and determinations continue in effect as rules, orders, and determinations of ODJFS or DOC, as appropriate, until ODJFS or DOC modifies or rescinds them. Pending judicial and administrative actions are not affected by the transfer of OBES functions to ODJFS and DOC. If requested, ODJFS or DOC must be substituted for OBES as a party in those proceedings.

When OBES or its Administrator is referred to in any statute, rule, contract, grant, or other document, the act deems the reference to refer to the ODJFS or its Director or DOC or its Director, as appropriate.

### **Interagency agreement between OBES and DOC**

(Section 23)

As previously described, the act transfers OBES's responsibilities regarding the employment of minors, minimum wage, prevailing wage, and the Public Employment Risk Reduction Program to DOC (see "**Transfer of functions and employees of the Bureau of Employment Services**," above). The act requires OBES to enter into an interagency agreement with DOC to implement the transfer of those duties and responsibilities. The agreement may provide for the transfer of property and records, pass-through of federal financial participation, modification of agreements with the United States Department of Labor, and any other provisions necessary for the transfer and continued administration of program activities.

### **Elimination of specific reference to Ohio State Employment Service**

(secs. 4141.04 and 4141.10; corresponding technical change: 4141.046)

The act eliminates law that established the Ohio State Employment Service. This was a division within OBES responsible for the establishment and maintenance of free public employment offices as necessary for the administration of the Unemployment Compensation Law and the federal law governing the administration of the state's unemployment compensation system (the Wagner-Peyser Act). The act requires that the Director of Job and Family Services maintain or ensure the existence of public employment offices that are free to the general public. These offices are required to perform such duties as are within the purview of the federal Wagner-Peyser Act. ODJFS is designated and constituted the state agency for the purposes of the Wagner-Peyser Act. Whereas former law provided that this state accepted the Wagner-Peyser Act in conformity with state law, the act provides that this state accepts the Wagner-Peyser Act in conformity with that act, Title III of the Social Security Act, and the Federal Unemployment Tax Act.

The act eliminates a requirement that a special employment service account be maintained as part of the Unemployment Compensation Administration Fund for purposes of maintaining the free public employment offices described above and for the purpose of cooperating with the United States Employment Service. The act continues to require, however, that all money received by this state under the Wagner-Peyser Act be paid into the special employment service account.

Under former law eliminated by the act, the Ohio State Employment Service had to be administered by a full-time salaried director and the Administrator of the Bureau of Employment Services was required to appoint the director, other officers, and employees of the Ohio State Employment Service. The Administrator was required to make those appointments in accordance with regulations prescribed by the Director of the United States Employment Service.

Under prior law, the Administrator was required to appoint an individual from the Ohio State Employment Service to serve as an ex officio member of the Governor's Council on People with Disabilities to maintain a liaison between those two entities. The act requires that the Director of Job and Family Services appoint an employee of ODJFS to serve in that capacity.

The act requires the Director of Job and Family Services to maintain labor market information and employment statistics as necessary for the administration of the Unemployment Compensation Law.

### **Fees for services**

(sec. 4141.046)

The act eliminates law that provided that no compensation or fee could be charged or received from any person desiring to employ labor through the employment offices established to administer the Unemployment Compensation Law. The act retains a prohibition against charging a fee to, or receiving compensation from, persons seeking employment through those offices. Whereas prior law applied that prohibition to officers and employees of the Ohio State Employment Service, the act applies this prohibition to all persons.

**Limitations on access to information and specified funds**

(secs. 4141.06, 4141.08, and 4141.10)

Under the act, the Unemployment Compensation Review Commission and Unemployment Compensation Advisory Council's access to information used in administering the Unemployment Compensation Law is limited to purposes necessary for the administration of that law. Money deposited into the Unemployment Compensation Administration Fund is available to the Director of Job and Family Services only for the administration of the Unemployment Compensation Law.

**Confidentiality requirements extended to county family services agencies and workforce development agencies**

(sec. 4141.22)

Prior law prohibited employees and former employees of OBES from unauthorized divulging of information secured by the person while employed in respect to the transactions, property, business, or mechanical, chemical, or other industrial process of any person. The act prohibits employees and former employees of ODJFS, county departments of job and family services (CDJFSs), child support enforcement agencies (CSEAs), public children services agencies (PCSAs), and workforce development agencies from unauthorized divulging of such information maintained or furnished to ODJFS under the unemployment compensation law. A person who violates this provision is disqualified from holding any appointment or employment by the Director of Job and Family Services or a CDJFS, CSEA, PCSA, or workforce development agency.

**Confidentiality of information maintained by or furnished to former OBES Administrator**

(Section 13)

The act prohibits any person from disclosing information maintained by the former Administrator of the Bureau of Employment Services or furnished by

employers or employees to the former Administrator pursuant to the unemployment compensation law, unless disclosure is otherwise permitted by law. It also prohibits any person who was in the employ of the former Administrator from divulging information to anyone other than the Director of Job and Family Services concerning the transactions, property, business, or mechanical, chemical, or other industrial process of any person, firm, corporation, association, or partnership that was secured by the person while employed by the former Administrator. A person who violates the prohibition cannot be appointed or employed by ODJFS or a CDJFS, CSEA, PCSA, or workforce development agency.

**Elimination of specific reference to the women's division**

(sec. 4141.042)

Prior law created a women's division within OBES and required the Administrator of the Bureau of Employment Services to appoint the director of the division. The act gives the Director of Job and Family Services essentially the same duties as those previously held by the women's division, except that the permissive conduct of studies and research on subjects related to the division's functions and responsibilities is eliminated entirely. Additionally, the Director of Job and Family Services must assist state and local government *workforce development providers* instead of state and local government *agencies* in improving the employment competencies of and opportunities for women.

**Abolishing specific references to functions currently performed in partnership with ODHS or authorized under ODJFS**

(secs. 4141.02, 4141.03, 4141.045, 4141.05, 4141.057, 4141.12, 4141.28(D)(4), 4141.15, 4141.16, 4141.161, 4141.163, and 4141.44)

The act repeals various provisions of law that specified the manner in which OBES and ODHS had to share and utilize specified information for the administration of the programs each agency was authorized to administer. It also repeals provisions that detailed payment from one agency to the other for the provision or processing of information.

In like manner, the act repeals provisions that authorized the Administrator of the Bureau of Employment Services to perform functions that the new Director of Job and Family Services is authorized to perform under the act.

**Exemption from collective bargaining**

(Section 11)

The act provides that the renaming of ODHS and the reassignment of the functions and duties of OBES are not appropriate subjects for collective bargaining.

### **Administrative sub-units within ODJFS**

(secs. 5101.02, 5101.06, and 5101.07 (repealed))

The Director of Human Services was authorized by prior law to establish offices, divisions, bureaus, and sections and prescribe their powers and duties. All duties conferred on these administrative sub-units by law or the Director's order had to be performed under rules the Director prescribed and were under the Director's control.

The act authorizes the Director of Job and Family Services to establish work units within ODJFS as necessary for ODJFS's efficient operation. The duties of the work units are to be performed under rules the Director prescribes and are under the Director's control.

Just as the Director of Human Services was required by prior law to appoint the chief of each office, division, bureau, and section, the Director of Job and Family Services is required by the act to appoint the chief of each work unit. The act, unlike prior law, does not require that the chiefs have had special training and experience in the type of work performed by the administrative sub-unit the chief oversees. The act also does not specify that the chiefs are to be in the classified service unless placed in the unclassified service. In contrast to ODHS chiefs under prior law, ODJFS chiefs are not specifically authorized to establish, with the Director's approval, other administrative units within their work unit.

### **Contracts for staff training and development**

(Section 21)

The act permits the Director of Human Services and the Administrator of the Bureau of Employment Services to enter into one or more contracts for staff training and development to facilitate the transfer of the staff and duties of OBES to ODJFS. The act exempts these contracts from the requirement of competitive selection.

### **ODJFS employees**

(secs. 4141.13, 5101.05, 5101.07 (repealed), and 5101.08)

Under prior law, the Director of Human Services was required, except as otherwise provided concerning appointments by chiefs of divisions, to appoint

such employees as were necessary for the efficient conduct of ODHS and to prescribe the employees' titles and duties. The act permits the Director of Job and Family Services to appoint such employees as are necessary for the efficient operation of ODJFS and to prescribe the title and duties of the employees.

ODHS was required by prior law to require any of its employees and each officer and employee of every institution under its control who could be charged with custody or control of any money or property belonging to the state or who was required to give bond to give a surety company bond, properly conditioned, in a sum to be fixed by ODHS. The act permits, rather than requires, the Director of Job and Family Services to require ODJFS employees to give a bond. The employees who may be required to give bond are those who may be charged with custody or control of any public (rather than state) money or property and those otherwise required. The act does not specify that the bond must be a surety company bond. The Director is to fix the amount of bonds.

The act repeals law that (1) provided that all employees holding positions in the classified service within ODHS on June 30, 1966, continued to hold such positions and (2) provided that state law governing chiefs, officers, and employees of ODHS's administrative sub-units did not affect their civil service status.

**Temporary authority of Director of Job and Family Services to restructure**

(Section 19)

From July 1, 2000 to June 30, 2002, the Director of Job and Family Services is given authority to restructure ODJFS, and the Director's actions are not subject to appeal to the State Personnel Board of Review. The Director may establish, change, and abolish ODJFS positions and assign, reassign, classify, reclassify, transfer, reduce, promote, or demote all ODJFS employees who are not subject to collective bargaining. The Director's authority includes assigning or reassigning an exempt employee to a bargaining unit classification if the Director determines that such a classification is appropriate. The Director's actions must be consistent with federal regulations governing a merit system of personnel administration.

If an employee in the E-1 pay range is to be assigned, reassigned, classified, reclassified, transferred, reduced, or demoted to a position in a lower classification, the Director, or, if the employee is transferred outside ODJFS, the Director of Administrative Services, must assign that employee to Step X. The employee may not receive an increase in compensation until the maximum rate of pay for that classification exceeds the employee's compensation.

**Filling classified service position without competition or regard to residency**

(secs. 124.30, 124.301, 5101.051, and 5101.07 (repealed))

The Director of Administrative Services may fill without competition a position in the classified service that requires peculiar and exceptional qualifications of a scientific, managerial, professional, or educational character. To do this, there must be satisfactory evidence that for specified reasons competition in a special case is impracticable and that the position can best be filled by a person of high and recognized attainments in the qualifications. Prior law required that the Director of Administrative Services fill without competition such a position if the position was a chief of an office, division, bureau, or section within ODHS and the Director of Human Services certified that the position could be filled without competition. The act continues this for ODJFS, except that it applies to any position with ODJFS, not just positions as a chief of a work unit.

Prior law also required the Director of Administrative Services to waive a residency requirement if the Director of Human Services certified that a position as a chief of an office, division, bureau, or section within ODHS could best be filled without regard to the residence of the appointee. This too is applied to ODJFS and is expanded to apply to any position with ODJFS.

**Appointment of unclassified positions by Director of ODJFS**

(Section 18)

Prior law permitted the Director of Human Services and the Administrator of the Bureau of Employment Services to each appoint persons to up to five unclassified positions that the Director or Administrator determined to be involved in policy development and implementation. Because OBES no longer exists as a separate department, the five positions the Administrator was permitted to appoint are eliminated. The act permits the Director of Job and Family Services to appoint up to five additional positions to the unclassified service that the Director determines are involved in policy development and implementation. These additional positions expire no later than June 30, 2002.

**Exemption from requirement to make annual report**

(sec. 149.01)

Prior law required ODHS to make a report at the end of each fiscal year of ODHS's transactions and proceedings for that fiscal year. The report had to contain a summary of ODHS's official acts and any proper suggestions and

recommendations. The report went to the Governor, Secretary of State, and state library. ODHS also was required to keep a copy of the report on file.

ODJFS is not subject to this requirement.

**Authority to investigate and compel testimony and production of documents**

(secs. 2705.02, 5101.37, and 5101.38)

The act authorizes ODJFS, as ODHS was authorized under prior law, to make investigations necessary to perform its duties.<sup>1</sup> ODJFS may appoint and commission any competent person or agency to serve as a special agent, investigator, or representative to perform a designated duty for it. ODJFS may, in conducting investigations, administer oaths and enforce the attendance and testimony of witnesses, as well as the production of documents. A court, at the request of ODJFS may compel by contempt or through other remedies the attendance and testimony of witnesses and the production of documents.

The act eliminates law that required, in the case of an investigation involving the conduct of an officer, that a stenographic report of the evidence be taken and a copy of the report be kept on file. The act also eliminates law providing that no officer or employee of an institution under investigation is entitled to fees for attending and traveling to the investigation.

**Director of Job and Family Services expending funds**

(sec. 5101.10)

As was the case with the Director of Human Services under prior law, the Director of Job and Family Services is authorized to expend funds appropriated or available to ODJFS. Unlike the Director of Human Services, however, the Director of Job and Family Services is not limited to expending the funds for the purpose of the administration of, and training, education, and research in, human services. Like the Director of Human Services under prior law, the Director of Job and Family Services is authorized to enter into contracts or agreements with, and to make grants to, public and private entities. But, unlike the Director of Human Services, the Director of Job and Family Services is specifically authorized, to the extent permitted by federal law, to advance funds to a grantee when necessary for the grantee to perform duties under the grant as specified by the Director.

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<sup>1</sup> ODJFS's investigative authority is not limited to the matters ODHS could investigate, but rather includes the matters formerly administered by OBES and transferred by the act to ODJFS.

## *Administrative Procedure Act and abbreviated rule-making procedure*

(secs. 119.01, 119.03, and 5101.09)

There are two general statutory processes under which a state agency may adopt a rule: Revised Code Chapter 119. and Revised Code section 111.15. Chapter 119. is known as the Administrative Procedure Act. Section 111.15 is known as the abbreviated rule-making procedure. The major difference between them is that Chapter 119. requires that an agency provide public notice and conduct a hearing on a proposed rule before its adoption but section 111.15 does not.

Under prior law, OBES was required to follow the Administrative Procedure Act when adopting any rule. ODHS had to follow the Administrative Procedure Act when adopting a rule specifically made subject to the act.

The act requires that ODJFS follow the Administrative Procedure Act when adopting a rule (1) concerning the administration or enforcement of unemployment compensation law, (2) concerning a program administered by ODJFS, unless the statute authorizing the rule requires that it be adopted in accordance with section 111.15, or (3) that the authorizing statute requires be adopted in accordance with the Administrative Procedure Act.<sup>2</sup> ODJFS is to follow section 111.15, other than the requirement of filing the rule with the Joint Committee on Agency Rule Review (JCARR), if (1) the rule concerns the day-to-day staff procedures and operations of ODJFS or financial and operational matters between ODJFS and another government entity or a private entity receiving a grant from ODJFS, unless the statute authorizing the rule requires that it be adopted in accordance with the Administrative Procedure Act or (2) the statute authorizing the rule requires that it be adopted in accordance with section 111.15 and, by the terms of that section, the rule is not required to be filed with JCARR. ODJFS is to follow section 111.15, including the requirement of filing the rule with JCARR, if the statute authorizing the rule requires that it be adopted in accordance with section 111.15 and the rule is not exempt from the filing requirement.

The act provides that, except as otherwise required by the Revised Code, the adoption of a rule in accordance with the Administrative Procedure Act does not make ODJFS or a CDJFS, CSEA, PCSA, or a workforce development agency

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<sup>2</sup> *OBES was not required to hold a hearing when adopting a rule if the statutes pertaining to OBES specifically gave a right of appeal to a higher authority within OBES or a court and gave the appellant a right to a hearing on appeal. The act provides that when such conditions apply to ODJFS, it is not required to hold a hearing when adopting a rule concerning the administration or enforcement of unemployment compensation.*

subject to the notice, hearing, or other requirements of the Administrative Procedure Act concerning adjudication orders.

OBES and ODHS were required by prior law to follow the Administrative Procedure Act when issuing, suspending, revoking, or canceling licenses. The act applies this requirement to ODJFS.

### **Renumbering of Ohio Administrative Code**

(Section 17)

The act requires the Director of the Legislative Service Commission, if necessary to ensure the integrity of the numbering of the Ohio Administrative Code, to renumber the OBES and ODHS rules to reflect their transfer to ODJFS and DOC.

### **Membership of commissions, committees, and councils**

(secs. 121.32, 125.24, and 4112.12)

Under prior law, the Commission on African-American Males, the Ohio Benefit Systems Data Linkage Committee, and the interagency council created by the Commission on Hispanic-Latino Affairs include both the Director of Human Services and the Administrator of the Bureau of Employment Services as members. The act provides, instead, that membership include the Director of Job and Family Services and an additional member of the Governor's cabinet appointed by the Governor.

## **COUNTY DEPARTMENTS OF JOB AND FAMILY SERVICES**

### **CDHSs renamed CDJFSs**

(sec. 329.011)

Under the act, county departments of human services (CDHSs) are renamed county departments of job and family services (CDJFSs). Whenever a CDHS or county director of a CDHS is referred to or designated in the Revised Code or any rule, contract, or other document, the reference or designation is deemed to refer to a CDJFS or county director of a CDJFS, as the case may be.

### **CDJFS duties**

(sec. 329.04)

Under prior law, CDHSs were required to perform any duties assigned by ODHS regarding the provision of public social services. The act requires that a CDJFS perform any duties assigned by ODJFS regarding the provision of public family services. The act requires that a CDJFS cooperate with state and federal authorities in any matter relating to family, instead of human, services. A CDJFS is to exercise any powers and duties relating to family, instead of human, services imposed upon the CDJFS by law, the county commissioners, or the Governor, when authorized by law, to meet emergencies during war or peace. The act also provides for a CDJFS to exercise any powers and duties relating to workforce development activities under such circumstances. Boards of county commissioners are permitted to assign to a CDJFS any power or duty a board has regarding family, instead of human, services and workforce development activities.

Whereas prior law required that a CDHS comply with a partnership agreement the board of county commissioners entered into with the Director of Human Services, the act requires that a CDJFS, for the purpose of complying with such a partnership agreement, exercise the powers and perform the duties the partnership agreement assigns to the CDJFS. If a CDJFS is designated as the workforce development agency, it must provide the workforce development activities specified in a contract with the board of county commissioners.

**Exception to public notice requirements for public improvements**

(sec. 153.06)

Current law requires an authority with the duty to construct or alter a building for the use of the state or an institution supported by the state to give public notice of the time and place when and where bids will be received for performing the labor and furnishing the materials. There was an exception to this requirement for labor supplied by ODHS. The act removes that exception and creates a new exception to the public notice requirements for labor supplied by a CDJFS.

**County family services planning committee**

(secs. 329.06 and 329.061)

Under prior law, each county was required to have a human services planning committee to perform certain social service duties, including serving as an advisory board to the board of county commissioners with regard to the social services provided in the county. The act renames the planning committee a family services planning committee and changes references to its social service duties to family service duties. Wherever a county human services planning committee is referred to or designated in the Revised Code or any rule, contract, or other

document, the reference or designation is deemed to refer to a county family services planning committee.

A board of county commissioners either establishes a planning committee comprised of representatives of certain groups and entities or designates a committee in existence in the county on October 1, 1997, that the commissioners determine is capable of fulfilling the planning committee's responsibilities. Under prior law, the following were among the groups and entities that could be represented on a planning committee if the commissioners established a planning committee instead of designating an existing committee: consumers of social services, public entities that provide social services, private nonprofit and for-profit entities that provide social services in the county or advocate for consumers of social services, and other groups and entities that have an interest in the social services provided in the county. The act uses the term "family services" instead of "social services" so that, for example, a planning committee may include representatives of consumers of family services.

Under circumstances discussed below under the heading "*Consolidated boards in single county and multi-unit local areas*," the act provides that a county is not always required to have a family services planning committee.

## **WORKFORCE DEVELOPMENT SYSTEM**

### **Introduction**

The act authorizes the Director of Job and Family Services to administer the federal "Workforce Investment Act of 1998," 112 Stat. 936, 29 U.S.C.A. 2801, (hereafter WIA) and the federal "Wagner-Peyser Act," 48 Stat. 113 (1933), 29 U.S.C.A. 49, and the funds received pursuant to those federal laws. In so doing, the Director must establish and administer a workforce development system. The act permits specified combinations of political subdivisions to partner together for workforce development and family services purposes. It establishes parameters for these partnerships, including requiring the establishment of local workforce policy boards and workforce development plans, and permitting the designation of workforce development agencies. Additionally, the act requires participation in a one-stop system for workforce development activities. It also requires the Governor to establish the State Workforce Policy Board.

### **Definitions**

(sec. 6301.01)

The act defines the following terms for purposes of the workforce development system established under the act:



"Local area" means any of the following: a municipal corporation that is authorized to administer and enforce WIA under the workforce development system created by the act, and is not joining in partnership with any other political subdivisions in order to do so; a single county; or a consortium of any of the following political subdivisions:

- (1) A group of two or more counties in the state;
- (2) One or more counties and one municipal corporation in the state;
- (3) One or more counties with or without one municipal corporation in the state and one or more counties with or without one municipal corporation in another state, on the condition that those in another state share a labor market area with those in the state.<sup>3</sup>

The act specifies that "local area" does not mean a region for purposes of determinations concerning administrative incentives.

For purposes of this analysis, a local area that is a single municipal corporation or single county is referred to as a "single unit local area" and a local area that is a consortium of political subdivisions, as described above, is referred to as a "multi-unit local area."

"Municipal corporation" means a municipal corporation that is eligible for automatic or temporary designation as a local workforce investment area pursuant to WIA but that does not request that the Governor grant such automatic or temporary designation, and that instead elects to administer and enforce workforce development activities pursuant to the Workforce Development System established by the act.

"County" means a county that is eligible to be designated as a local workforce investment area pursuant to WIA but that does not request such designation, and instead elects to administer and enforce workforce development activities pursuant to the Workforce Development System established by the act.

"Workforce development agency" means the entity given responsibility for workforce development activities that is designated by the board of county

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<sup>3</sup> *"Labor market area" is not defined by the act, but for purposes of WIA, it means "an economically integrated geographic area within which individuals can reside and find employment within a reasonable distance or can readily change employment without changing their place of residence. Such an area shall be identified in accordance with criteria used by the Bureau of Labor Statistics of the Department of Labor in defining such areas or similar criteria established by a Governor."*

commissioners, the chief elected official of a municipal corporation, or the chief elected officials of a multi-unit local area.

"Workforce development activity" means a program, grant, or other function, the primary goal of which is to do one or more of the following:

- (1) Help individuals maximize their employment opportunities;
- (2) Help employers gain access to skilled workers;
- (3) Help employers retain skilled workers;
- (4) Help develop or enhance the skills of incumbent workers;
- (5) Improve the quality of the state's workforce;
- (6) Enhance the productivity and competitiveness of the state's economy.

"Chief elected officials" when used in reference to a local area, means the board of county commissioners of the county or of each county in the local area or, if the county has adopted a charter pursuant to the Ohio Constitution, the chief governing body of that county, and the chief elected official of the municipal corporation, if the local area includes a municipal corporation, except that when the local area is a single municipal corporation, "chief elected officials" means the chief elected official of that particular municipal corporation.

**Administration of the "Workforce Investment Act of 1998"**

(sec. 6301.02)

The act authorizes the Director of Job and Family Services to administer WIA and the Wagner-Peyser Act and the funds received pursuant to those federal acts. In administering those acts and funds received pursuant to those acts, the Director must establish and administer a Workforce Development System that is designed to provide leadership, support, and oversight to locally designed workforce development and family services systems and that provides the maximum amount of flexibility and authority to counties and municipal corporations, as permitted under WIA. The Director also must conduct investigations and hold hearings as necessary for the administration of the workforce development provisions of the act.

The act allows the Director, to the extent permitted by state and federal law, to adopt rules pursuant to the Administrative Procedure Act to establish any program or pilot program for the purposes of providing workforce development activities or family services to individuals who do not meet eligibility criteria for

those activities or services under applicable federal law. Prior to the initiation of any program of that nature, the Director of Budget and Management must certify to the Governor that sufficient funds are available to administer a program of that nature.

The act requires every state agency, board, or commission to provide to the Director of Job and Family Services all information and assistance requested by the Director in furtherance of workforce development activities, unless otherwise prohibited by state or federal law.

**Municipal corporation election to administer workforce development activities under the act**

(sec. 763.02)

The chief elected official of a municipal corporation that is eligible for automatic or temporary designation as a local workforce investment area pursuant to WIA but does not request that the Governor grant the automatic or temporary designation is permitted to administer and enforce workforce development activities in accordance with the workforce development system created by the act. A municipal corporation that elects to administer and enforce workforce development activities in accordance with the act is prohibited from operating as a local workforce investment area pursuant to WIA.

**Workforce development agency for certain municipal corporations**

(sec. 763.05)

The chief elected official of a municipal corporation that, for the purpose of the workforce development system, is a single unit local area is permitted by the act to enter into a written contract with a private or government entity, including a public or private college or university, for the entity to act as the municipal corporation's workforce development agency. The entity with which the chief elected official contracts is not required to be located in the municipal corporation. The chief elected official's contracting authority is subject to any federal limitations, including federal personnel administration merit standards for state and local governments operating certain programs, including Medicaid, food stamps, and unemployment insurance and employment services. The chief elected official also is subject to any limitations the Revised Code applies to the contracting authority.

**County election to administer workforce development activities under the act**

(sec. 330.02)



A county that is eligible to be designated as a local workforce investment area pursuant to WIA but does not request such designation is permitted to administer and enforce workforce development activities in accordance with the workforce development system. A county that elects to administer and enforce workforce development activities in accordance with the act is prohibited from operating as a local workforce investment area pursuant to WIA.

**Workforce development agency established or designated for certain counties**

**Establishment or designation**

(sec. 330.04)

A board of county commissioners of a county that, for the purpose of the workforce development system, is a single unit local area is required by the act to adopt a resolution establishing or designating a workforce development agency to provide workforce development activities for the county. The board must adopt the resolution not later than July 1, 2000.

Any of the following may be the workforce development agency:

- (1) The CDJFS;
- (2) A separate agency under the direct control of the commissioners and administered by an official appointed by the commissioners;
- (3) An entity serving the county on the act's effective date in a capacity similar to the capacity in which a workforce development agency is to serve the county on and after that date;
- (4) An entity located in or outside the county that provides workforce development activities in the county on the act's effective date;
- (5) Any private or government entity that federal law permits and the Revised Code does not prohibit.

**County commissioners to contract with workforce development agency**

(sec. 330.05)

After the workforce development agency is established or designated, the board of county commissioners must enter into a contract with the agency. The contract is to specify the workforce development activities the agency is to provide and establish standards, including performance standards, for the agency's

operation. The contract must include any other provisions the board considers necessary.

**Contract to enhance administration of workforce development activities**

(sec. 330.07)

The board of county commissioners is permitted to contract with any government or private entity to enhance the workforce development agency's administration of the workforce development activities the agency provides. The entity with which the board contracts is not required to be located in the county the board serves.

**Designating county family services agency and workforce development agency**

(sec. 307.981)

A board of county commissioners may designate any private or government entity as the county's CSEA, CDJFS, PCSA, two of those agencies, or all three of those agencies.<sup>4</sup> A board may implement this authority only to the extent permitted by federal law.<sup>5</sup> The act provides that a board of county commissioners may designate a private or government entity as the county's CSEA and PCSA only if the entity is also designated as the county's CDJFS.

The act extends the designation authority of boards of county commissioners. A board is permitted to designate any private or government entity as the county's workforce development agency. The board also may designate a private or government entity as the county's workforce development agency and CDJFS or the workforce development agency, CDJFS, and one or two of the other agencies.

Implementation of the designation authority continues to be subject to any federal limitations. The act specifies that this includes federal personnel administration merit standards for state and local governments operating certain programs, including Medicaid, food stamps, and unemployment insurance and employment services. The act also specifies that the authority is subject to any limitations established by the Revised Code and that a board may designate only a private or government entity within this state.

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<sup>4</sup> *These agencies are collectively known as "county social service agencies." The act calls them "county family services agencies."*

<sup>5</sup> *State law also limits a board's authority to redesignate a PCSA that is operated by a county children services board.*

If the Director of Job and Family Services determines that a designation made by a board of county commissioners constitutes a substantial change from what is in the current partnership agreement between the Director and a board of county commissioners, the Director is permitted by the act to require that the Director and the board amend the partnership agreement and that the board provide the Director assurances that the newly designated private or government entity will meet or exceed all requirements of the family services duties or workforce development activities the entity is to assume.

**Contracting out family services duties and workforce development activities**

(sec. 307.982)

As well as having authority to redesignate an entire agency, a board of county commissioners may enter into a written contract with a private or government entity for the entity to perform a particular duty of a CSEA, CDJFS, or PCSA (other than a PCSA operated by a county children services board) on behalf of the CSEA, CDHS, or PCSA.<sup>6</sup> This authority is subject to any federal limitations.

The act authorizes a board of county commissioners to contract with any private or government entity to perform a workforce development activity on behalf of a workforce development agency.

Implementation of the contracting authority continues to be subject to any federal limitations. The act specifies that this includes federal personnel administration merit standards for state and local governments operating certain programs, including Medicaid, food stamps, and unemployment insurance and employment services. The act also specifies that the authority is subject to any limitations established by the Revised Code.

Continuing law provides that a private or government entity with which a board of county commissioners may contract includes a public or private college or university. The college or university is not required to be located within the county. The act provides that no entity with which the board contracts is required to be located in the county the board serves.

**Allocation of WIA funds**

(sec. 6301.03)

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<sup>6</sup> Prior law called the duties of a CSEA, CDHS, or PCSA "social service duties." The act calls the duties "family services duties."

The Director of Job and Family Services may make allocations and payment of funds for the local administration of the workforce development activities established under the act. The act limits the Governor, pursuant to WIA, to reserving not more than 15% of the amounts allocated to the state under Title I of WIA for adults, dislocated workers, and youth for statewide activities, and not more than 25% of funds allocated for dislocated workers under Title I of WIA for statewide rapid response activities. The Director must allocate to local areas all funds required to be allocated to local areas pursuant to WIA.

Under the act, the Director must make allocations only with funds available and in accordance with all of the following:

(1) If a board of county commissioners administering workforce development activities at the local level designates the county department of job and family services (CDJFS) as its workforce development agency, the Director must allocate the funds to the CDJFS, which must deposit them in the county public assistance fund.

(2) If a board of county commissioners administering workforce development activities at the local level designates as its workforce development agency an entity for which the board maintains responsibility or control, but which is not the CDJFS, the board must establish a county workforce development fund, and the entity receiving the funds must deposit them in that fund. All expenditures for workforce development activities must be made from the county workforce development fund.

(3) If a board of county commissioners administering workforce development activities at the local level designates as its workforce development agency an entity other than one described in (1) and (2) above, the board must designate a fiscal agent to receive and be responsible for the funds. Any entity designated by the board as the fiscal agent must be an agency supervised by the Director of Job and Family Services or the county auditor.

(4) If a municipal corporation administering workforce development activities at the local level is designated to receive funds, the municipal corporation must place the funds in a special fund, and all expenditures for workforce development activities must be made from that fund. The municipal corporation may use the funds only for the workforce development activities for which the funds are appropriated.

The use of funds, reporting requirements, and other administrative and operational requirements governing the use of funds received under WIA by the Director of Job and Family Services must be governed by internal management rules the Director adopts pursuant to the abbreviated rule-making procedure.

To the extent permitted by state or federal law, the Director, local areas, counties, and municipal corporations authorized to administer workforce development activities under the act may assess a fee for specialized services requested by an employer. The Director must adopt rules pursuant to the Administrative Procedure Act governing the nature and amount of those types of fees.

### **Partnership agreements**

The act applies to the Director of Job and Family Services a requirement that applied to the Director of Human Services under prior law. The act requires the Director to enter into a written partnership agreement with each board of county commissioners regarding the administration and design of (1) the Ohio Works First Program, (2) the Prevention, Retention, and Contingency Program, (3) human services activities that are not assigned to CDJFSs by state law but that a CDJFS assumes pursuant to an agreement entered into under state law, (4) other CDJFS duties that the Director and commissioners mutually agree to include in the agreement, and (5) CSEA and PCSA duties included in a local plan of cooperation that the Director and commissioners mutually agree to include in the agreement.

The act requires that a partnership agreement with a board of county commissioners of a county that is a, or part of a, local area for the purpose of the workforce development system created by the act include workforce development activities provided by the workforce development agency established or designated for the local area. The act requires that the Director of Job and Family Services enter into a partnership agreement with the chief elected official of a municipal corporation that is a, or part of a, local area.

### **Partnership agreements with county commissioners**

(secs. 307.987, 5101.21, and 6301.05)

Workforce development activities included in a partnership agreement with a board of county commissioners are vested in the commissioners in the same way CDJFS, CSEA, and PCSA duties included in a partnership agreement are vested in the commissioners under continuing law. Just as a partnership agreement must comply with federal statutes and regulations, state statutes, and, unless waived by the agreement, state rules governing CDJFS, CSEA, and PCSA duties, the agreement also must comply with such requirements governing workforce development activities.

The act requires that the partnership agreement have the same type of provisions applicable to workforce development activities that apply to CDJFS, CSEA, and PCSA duties included in the agreement. For example, a partnership

agreement must specify (1) outcomes that the workforce development agency is expected to achieve from the administration and design of the workforce development activities, (2) performance and other administrative standards the workforce development agency is required to meet in the design, administration, and outcomes of the workforce development activities, and (3) the funding for the workforce development activities.

The act establishes requirements specific to workforce development activities. The workforce development plan prepared by the county's workforce policy board must be attached to and incorporated into the partnership agreement and the agreement must include a description of the services, and a list of the core services, provided in the one-stop system for workforce development activities the county participates in. If the county served by the board is part of a multi-unit local area, the partnership agreement must include the method and manner by which the board of commissioners of each county and the chief elected official of a municipal corporation in the local area are to coordinate workforce development activities and resolve disagreements concerning either (1) choices concerning specifically who to appoint to the local area's workforce policy board, within the criteria for membership established by the act or (2) whether a member of the local area's workforce policy board is performing satisfactory for purposes of serving at the pleasure of the chief elected officials of the local area.

#### **Partnership agreements with municipal corporations**

(secs. 5101.213 and 6301.05)

A partnership agreement with the chief elected official of a municipal corporation must include the types of provisions regarding workforce development activities that a partnership agreement with a board of county commissioners must include.

#### **Consolidated funding allocation**

(secs. 5101.21 and 5101.213)

Under prior law and to the extent practicable and not in conflict with federal statutes and regulations, state law, and an appropriation made by the General Assembly, ODHS was authorized to establish a consolidated funding allocation for two or more CDHS duties included in a partnership agreement.

The act permits the Director of Job and Family Services to establish a consolidated funding allocation for the following included in a partnership agreement with a board of county commissioners: (1) two or more CDJFS, CSEA, and PCSA duties, (2) two or more workforce development activities, or (3) one or

more CDJFS, CSEA, and PCSA duties and workforce development activities. The consolidated funding allocation may be for either (1) a county that is a single unit local area or (2) two or more counties, or a municipal corporation and one or more counties, in the same local area that are coordinating and integrating workforce development activities in the local area.

The Director also may establish a consolidated funding allocation for two or more workforce development activities included in a partnership agreement with the chief elected official of a municipal corporation. The consolidated funding allocation may be for either (1) a municipal corporation in a single unit local area or (2) two or more counties, or a municipal corporation and one or more counties, in a multi-unit local area that are coordinating and integrating workforce development activities in the local area.

As was the case for a CDHS under prior law, a CDJFS, CSEA, PCSA, or workforce development agency that receives a consolidated funding allocation may use the funds in the allocation only for the purpose for which they were appropriated.

**Preparatory work before July 1, 2000**

(Section 22)

The act authorizes the Director of Human Services and the Administrator of the Bureau of Employment Services, boards of county commissioners, and the chief elected official of municipal corporations to enter into negotiations to amend an existing partnership agreement or to enter into a new one consistent with the act. Any such amended or new partnership agreement is to be drafted in the name of ODJFS. The amended or new partnership agreement may be executed before July 1, 2000, if the amendment or agreement does not become effective sooner than that date.

**Provisions of law concerning partnership agreements repealed**

(sec. 5101.21)

The act eliminates law that established a January 1, 2000, deadline for the Director of Human Services to enter into a partnership agreement with each board of county commissioners. The act also eliminates a law that required CDHSs,

CSEAs, and PCSAs to perform their duties in the manner they were performed on October 1, 1997, until the implementation of a partnership agreement.<sup>7</sup>

**Progress reports on partnership agreements**

(sec. 5101.97)

ODJFS is required, as was ODHS, to complete an annual progress report on the partnership agreements with boards of county commissioners. The report must include a review of whether CDJFSs, CSEAs, and PCSAs satisfied performance standards included in agreements. The act requires that the report also include a review of whether workforce development agencies satisfied performance standards included in agreements. The report is not required to include such a review of workforce development agencies covered by a partnership agreement with the chief elected official of a municipal corporation.

**State Workforce Policy Board**

(secs. 6301.04 and 6301.09)

The act requires the Governor to establish a State Workforce Policy Board and appoint members to the Board, who serve at the Governor's pleasure, to perform duties under WIA, as authorized by the Governor. The Director of Job and Family Services may assist the Board in the performance of its duties. The act exempts the Board from the statutory provision that automatically sunsets newly created boards four years after their creation.

Under the act, the Board must make available to the public, on a regular basis through open meetings, information regarding the activities of the Board, including information regarding the state's workforce development plan prior to submission of the plan to the United States Secretary of Labor, as required under WIA, and information regarding membership, and on request, minutes of formal meetings of the Board.

**Local workforce policy boards**

(secs. 6301.06 and 6301.09)

The chief elected officials of a local area are required by the act to create a workforce policy board, which must consist of specified appointed members, as

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<sup>7</sup> A CDHS, CSEA, or PCSA was allowed to implement a change in the way its duties were performed when the change was authorized by federal statutes or regulations, state statutes, or ODHS rules.

described below, and the chief elected official of the municipal corporation with the largest population in the local area, except that if the municipal corporation is a single unit local area, the chief elected official of that municipal corporation may determine whether to be a member of the board.<sup>8</sup> Under the act, the members the chief elected officials appoint must comply with all of the following specifications:

(1) At least five members of the board must be representatives of private sector businesses in the general labor market area that includes that local area, and must be appointed from among individuals nominated by local business organizations and business trade associations. Among these members, at least one must represent small businesses, at least one must represent medium-sized businesses, and at least one must represent large businesses. When determining what constitutes small, medium-sized, and large businesses, the chief elected officials of the local area must define those sizes as those sizes are generally understood within the labor market area that includes that local area. A majority of the members of the board must be representatives of private sector businesses.

(2) At least two members of the board must represent organized labor and must be appointed from nominations submitted by local federations of labor representing workers employed in the local area;

(3) At least two members of the board must be representatives of local educational entities. "Local educational entities" includes school district boards of education, entities providing educational and literacy activities, and post-secondary educational institutions.

(4) At least one member of the board must be a representative of consumers of workforce development activities;

(5) Any other individuals the chief elected officials of the local area determine are necessary.

The boards are required by the act to make available to the public, on a regular basis through open meetings, information regarding the activities of the board, including information regarding the workforce development plan (see "*Workforce development plans*" below) prior to submission of the plan, and regarding membership, the designation and certification of one-stop operators, and

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<sup>8</sup> *Except for a single unit local area municipal corporation, for purposes of this provision, "municipal corporation" means any municipal corporation, notwithstanding the act's definition of "municipal corporation."*

the award of grants or contracts to eligible providers of youth activities, and on request, minutes of formal meetings of the board.

The act specifies that members of the board serve at the pleasure of the chief elected officials of the local area and are not compensated but may be reimbursed for actual, reasonable, and necessary expenses incurred in the performance of their duties as board members. Those expenses must be paid from funds allocated pursuant to the funding provisions of the act (see "*Allocation of WIA funds*" above).

The chief elected officials of a local area may provide office space, staff, or other administrative support as needed to the board. The act specifies that members of the board are not subject to the law requiring that specified financial disclosure statements be filed with the Ohio Ethics Commission.

### *Consolidated boards in single county and multi-unit local areas*

The act requires the chief elected officials of a local area, other than a local area that is a single municipal corporation, to coordinate the workforce development activities of the county family services planning committees and the workforce policy board in the local area in any manner that is efficient and effective to meet the needs of the local area.

Additionally, the act specifies that the chief elected officials of that local area may, but are not required to, consolidate all boards and committees as they determine appropriate into a single board for purposes of workforce development activities. A majority of the members of that consolidated board must represent private sector businesses. The membership of that consolidated board must include a representative from each group granted representation on the local workforce policy board and also a member who represents consumers of family services and a member who represents the county department of job and family services. Under the act, the membership of that consolidated board may include a representative of one or more groups and entities that may be represented on a county family services planning committee.

### *Workforce development plans*

(sec. 6301.07)

Under the act, every workforce policy board, with the agreement of the chief elected officials of the local area, and after holding public hearings that allow public comment and testimony, must prepare a workforce development plan and incorporate that plan into and attach that plan to the required partnership

agreements described above (see "*Partnership agreements*" above). The plan must accomplish all of the following:

(1) Identify the workforce investment needs of businesses in the local area, identify projected employment opportunities, and identify the job skills necessary to obtain those opportunities;

(2) Identify the local area's workforce development needs for youth, dislocated workers, adults, displaced homemakers, incumbent workers, and any other group of workers identified by the workforce policy board;

(3) Determine the distribution of workforce development resources and funding to be distributed for each workforce development activity to meet the identified needs, utilizing the funds allocated pursuant to WIA;

(4) Review the minimum curriculum required by the State Workforce Policy Board for certifying training providers and identify any additional curriculum requirements to include in contracts between the training providers and the chief elected officials of the local area;

(5) Establish performance standards for service providers that reflect local workforce development needs;

(6) Describe any other information the chief elected officials of the local area require.

The act permits a workforce policy board to provide policy guidance and recommendations to the chief elected officials of a local area for any workforce development activities.

The act specifies that its provisions do not prohibit the chief elected officials of a local area from assigning, through a partnership agreement, additional duties to a workforce policy board, except that, under the act, a workforce policy board cannot contract with itself for the direct provision of services in its local area. A workforce policy board may consult with the chief elected officials of its local area and make recommendations regarding the workforce development activities provided in its local area at any time.

### **Local and regional plans of cooperation**

(secs. 307.983, 307.984, 307.987, and 329.05)

Each board of county commissioners is required by continuing law to enter into a written plan of cooperation with the CSEA, CDJFS, and PCSA serving the county. The purpose of the plan is to enhance the administration of the Ohio

Works First and Prevention, Retention, and Contingency Programs and any other duties of a CSEA, CDJFS, or PCSA that the board and agencies agree to include in the plan. The act provides for the workforce development agency to be part of the plan of cooperation and for the plan to include workforce development activities the board and agencies agree to include.

The act permits a board of county commissioners to enter into one or more regional plans of cooperation with (1) one or more other boards of county commissioners, (2) the chief elected official of one or more municipal corporations that, for the purpose of the workforce development system created by the act, are single unit local areas, or (3) both boards of county commissioners and such chief elected officials. The purpose of a regional plan of cooperation is to enhance the administration, delivery, and effectiveness of workforce development activities and the duties of CSEAs, CDJFSs, and PCSAs. A regional plan of cooperation must specify how the private and government entities included in the plan will accomplish the plan's purpose.

As is the case of a local plan of cooperation under continuing law, a regional plan of cooperation is required to do all of the following:

(1) To the extent federal statutes and regulations and state law permit, allow the exchange of information needed to improve services and assistance to individuals and families and the protection of children;

(2) Be coordinated and not conflict with such things as the partnership agreement between the Director of Job and Family Services and board of county commissioners, the local plan of cooperation, and an agreement for a CDJFS to administer or assist a state or local family services activity not specifically assigned to CDJFSs by state law;

(3) Prohibit discrimination in hiring and promotion against applicants for and participants of the Ohio Works First and Prevention, Retention, and Contingency Programs;

(4) Comply with federal statutes and regulations and state law;

(5) Be adopted by a resolution;

(6) Specify how the plan may be amended.

**Municipal corporation permitted to enter into regional plan of cooperation**

(sec. 763.07)

The act provides that the chief elected official of a municipal corporation that, for the purpose of the workforce development system created by the act, is a single unit local area may enter into a regional plan of cooperation with one or more boards of county commissioners. The purpose of the regional plan is to enhance the administration, delivery, and effectiveness of workforce development activities and the duties of CSEAs, CDJFSs, and PCSAs. A regional plan is to specify how the private and government entities subject to the plan are to accomplish the plan's purpose.

**One-stop system**

(sec. 6301.08)

Every local area is required by the act to participate in a one-stop system for workforce development activities. Each board of county commissioners and the chief elected official of a municipal corporation must ensure that at least one physical location is available in the local area for the provision of workforce development activities.

A one-stop system may be operated by a private entity or a public agency, including a workforce development agency, any existing facility or organization that is established to administer workforce development activities in the local area, and a CDJFS, CSEA, or PCSA.

The act requires that a one-stop system include representatives of all the partners required under WIA.<sup>9</sup> Additionally, at least one representative from a CDJFS must staff a one-stop system to represent all of the county family services agencies (CDJFS, CSEA, and PCSA) within the local area.

**Performance and other administrative standards**

(sec. 5101.22)

ODJFS is permitted, as ODHS was, to establish performance and other administrative standards for the administration and outcomes of CDJFS, CSEA, and PCSA duties and determine at intervals it determines the degree to which a CDJFS, CSEA, or PCSA complies with a standard. These standards do not apply

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<sup>9</sup> *"Required partners" is a term used in WIA to identify the various types of federal workforce development programs now in existence and that will continue under WIA, and to ensure that those programs and the staff who operate them will be part of and available in the one-stop systems.*

to a CDJFS, CSEA, or PCSA for which a different standard is specified in a partnership agreement.

The act gives ODJFS the same authority to establish performance and other administrative standards for the administration and outcomes of workforce development activities.

**Annual financial, administrative, and other incentive awards**

(sec. 5101.23)

Under prior law ODHS was allowed to provide annual financial, administrative, or other incentive awards to CDHSs, CSEAs, and PCSAs that exceeded performance and other administrative standards. The amount of a financial incentive award had to be based on the degree to which a CDHS, CSEA, or PCSA exceeded a performance or other administrative standard and the amount of money available in the Social Services Incentive Fund. The act authorizes ODJFS to provide such an incentive award but the issuance of an award is not conditioned on exceeding performance and other administrative standards, and the amount of a financial incentive award need not be based on the degree to which a CDJFS, CSEA, or PCSA exceeds a standard or the amount of money available in the Social Services Incentive Fund.

The act permits ODJFS to provide incentive awards to workforce development agencies. A workforce development agency, like a CDJFS, CSEA, or PCSA under continuing law, may spend funds provided as a financial incentive award only for the purpose for which the funds are appropriated.

**Sanctions**

(sec. 5101.24; corresponding technical change: 2301.357)

ODHS was authorized by prior law to take action against a CDHS, CSEA, or PCSA if ODHS determined that the agency (1) failed to meet a performance standard, (2) failed to comply with a requirement established by federal statute or regulations, state statute, or ODHS rule, or (3) was solely or partially responsible for, or contributed to, an adverse audit or quality control finding, final disallowance of federal financial participation, or other sanction or penalty.

The act authorizes ODJFS to take action against a workforce development agency, as well as against a CDJFS, CSEA, or PCSA. However, if the CDJFS, CSEA, or PCSA duty or workforce development activity involved is included in a partnership agreement, ODJFS is to take action against the board of county commissioners. ODJFS is to take action against the board regardless of the fact

that a CDJFS, CSEA, PCSA, or workforce development agency performs the duty or activity.

ODJFS does not have authority to take action against an agency, or board of county commissioners responsible for the agency, if the agency contributes to (as opposed to being solely or partially responsible for) an adverse audit or quality control finding, final disallowance of federal financial participation, or other sanction or penalty.<sup>10</sup>

### **Types of actions**

ODHS could take one or more of the following actions against a CDHS, CSEA, or PCSA under prior law:

(1) Require the agency to submit to and comply with a corrective action plan pursuant to a time schedule specified by ODHS;

(2) Impose a financial or administrative sanction against the agency, which could include requiring the agency to share with ODHS a final disallowance of federal financial participation or other sanction or penalty. A sanction may be increased if ODHS has previously taken such action against the agency.

(3) Perform a duty for the agency until ODHS is satisfied that the agency will perform the duty satisfactorily. ODHS is allowed to spend funds in the county treasury appropriated for the duty while administering the duty for the agency.

(4) Request that the Attorney General bring mandamus proceedings to compel the agency to take or cease the action that enables ODHS to take action against the agency.

The act authorizes ODJFS to take one or more of the following actions against a CDJFS, CSEA, PCSA, workforce development agency, or board of county commissioners:

(1) Require the responsible entity to submit to and comply with a corrective action plan pursuant to a time schedule specified by ODJFS;

(2) Require the responsible entity to (a) share with ODJFS a final disallowance of federal financial participation or other sanction or penalty, (b) reimburse ODJFS the amount ODJFS pays to the federal government or another

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<sup>10</sup> Prior law did not specify the distinction between "contributing to" and being "partially responsible for" a federal sanction or penalty.

entity that represents the amount the CDJFS, CSEA, PCSA, or workforce development agency is responsible for of an adverse audit or quality control finding, final disallowance of federal financial participation, or other sanction or penalty issued by the federal government or other entity, (c) pay the federal government or other entity the amount that represents the amount the CDJFS, CSEA, PCSA, or workforce development agency is responsible for of an adverse audit or quality control finding, final disallowance of federal financial participation, or other sanction or penalty issued by the federal government or other entity.

(3) Impose a financial or administrative sanction or adverse audit issued by ODJFS against the responsible entity. A sanction may be increased if ODJFS has previously taken such action against the responsible entity.

(4) Perform, or contract with a government or private entity for the entity to perform, the duty or activity until ODJFS is satisfied that the responsible entity ensures that the duty or activity will be performed satisfactorily. If ODJFS performs or contracts with an entity to perform a duty or activity, ODJFS may spend funds in the county treasury appropriated for the duty or activity or withhold funds allocated to the responsible entity for the duty or activity and spend the funds for the duty or activity.

(5) Request that the Attorney General bring mandamus proceedings to compel the responsible entity to take or cease the action that enables ODJFS to take action against the responsible entity.

As was required of ODHS under prior law, ODJFS must provide written notification if it decides to take action. The notice must be given to the responsible entity and county auditor.

Under prior law, a CDHS, CSEA, or PCSA was allowed to request an administrative review of an action ODHS proposed to take by sending a written request to ODHS not later than 45 days after ODHS mailed the notice of the proposed action. The act provides that the responsible entity may request an administrative review of a proposed action, other than a request by ODJFS for the Attorney General to bring mandamus proceedings. The amount of time the responsible entity has to send the request for an administrative review depends on which action ODJFS proposes to take. If the proposed action is for a corrective action plan, the responsible entity must send the request within 15 days. If ODJFS receives the request within the required time, it must postpone taking the action for 15 days following the day it receives the request. ODJFS and the responsible entity must attempt to resolve any dispute during that 15-day period.

If the proposed action is for the responsible entity to share with ODJFS a final disallowance of federal financial participation or other sanction or penalty; reimburse ODJFS for an adverse audit or quality control finding, final disallowance of federal financial participation, or other sanction or penalty issued by the federal government or another entity; or pay the federal government or another entity for an adverse audit or quality control finding, final disallowance of federal financial participation, or other sanction or penalty, the responsible entity must send the request within 45 days. The administrative review is to be limited solely to the issue of the amount the responsible entity must share with ODJFS, reimburse ODJFS, or pay to the federal government or other entity. ODJFS and the responsible entity must attempt to resolve any dispute within 60 days.

If the proposed action is for ODJFS to impose a financial or administrative sanction or adverse audit, or to perform, or contract for the performance of, a duty or activity, the responsible entity must send the request within 45 days. ODJFS and the responsible entity must attempt to resolve any dispute within 60 days.

Unlike ODHS under prior law, ODJFS is not specifically authorized, if an administrative review is requested, to enter into written agreement with the responsible entity setting forth the dispute resolution procedures to be used to resolve the dispute and any other procedural matters that will assist in reaching a prompt, fair, and equitable resolution. Whereas ODHS was required to conduct a hearing in accordance with the Administrative Procedure Act if ODHS and the agency failed to enter into such an agreement not later than 60 days after the agency requested the administrative review, ODJFS is required by the act to conduct such a hearing if ODJFS and the responsible entity fail to resolve any dispute within the required time.

The act permits the Director of Job and Family Services to adopt rules as necessary to implement ODJFS's authority to take actions against responsible entities. Such rules must be adopted in accordance with the Administrative Procedure Act.

**Director of Job and Family Services' agreements, contracts, and grants**

(secs. 127.16 and 5101.211)

Prior law permitted the Director of Human Services to enter into written agreements with one or more state agencies, universities, and colleges to assist in the coordination, provision, or enhancement of the duties of CDHSs, CSEAs, and PCSAs. The Director also could enter into written agreements or contracts with, or issue grants to, private and government entities under which funds were provided for the enhancement or innovation of human service activities on the state or local level. The terms of an agreement, contract, or grant could be

incorporated into a partnership agreement the Director entered into with a board of county commissioners, if the Director and board and state agency, state university or college, or private or government entity agreed.

The act provides that the Director of Job and Family Services not only has these powers regarding the duties of CDJFSs, CSEAs, and PCSAs and family services activities, the Director also has these powers regarding workforce development activities. In addition to having the authority to incorporate the terms of an agreement, contract, or grant into a partnership agreement the Director enters into with a board of county commissioners, the Director also may incorporate such terms into a partnership agreement with the chief elected official of a municipal corporation.

The agreements continue to be exempt from state law governing competitive selection of purchases by state agencies. The act provides that the contracts are also exempt.

The Director is authorized by the act to adopt rules to implement the authority to enter into the agreements and contracts and issue the grants.

**Exemption from county competitive bidding requirement**

(sec. 307.86)

With certain exceptions, a county is required by continuing law to use competitive bidding when purchasing, leasing, or constructing anything at a cost exceeding \$15,000. Under prior law, public social services were exempt if purchased for provision by a CDHS. Human and social services purchased from nonprofit corporations or associations under programs funded entirely by the federal government were also exempt. The act provides that public family services and workforce development activities purchased for provision by a CDJFS and family services and workforce development activities purchased from nonprofit corporations or associations under programs funded entirely by the federal government are exempt from the county competitive bidding requirement.

A purchase by a PCSA consisting of social services, programs, or ancillary services providing case management, prevention, or treatment services for children at risk of being or alleged to be abused, neglected, or dependent children were exempt by prior law from the county competitive bidding requirement. The act provides instead that such family services, programs, and ancillary services are exempt.

**Report concerning the state of Ohio's workforce**

(sec. 6301.10)

Beginning January 1, 2001, and quarterly thereafter, the act requires the Director of Job and Family Services to prepare a report concerning the state of Ohio's workforce. The Director must distribute the report to the General Assembly, the State Workforce Policy Board, the Governor's Office of Appalachian Ohio, and the Commission on African-American Males.

**OTHER CHANGES**

**Lease of real estate for oil and gas**

(sec. 5101.12 (repealed))

The Director of ODHS was permitted by prior law to lease to any person for not more than 40 years, for oil and gas, real estate owned by the state and under the supervision of ODHS. The act does not give the Director of Job and Family Services this authority.

**Acceptance of gifts and bequests by ODHS**

(sec. 5101.13 (repealed))

When it was in the state's interest, ODHS was required by prior law to accept and hold any grant, gift, devise, or bequest of money or property made to or for the use or benefit of any institution under its control or any pupil or inmate thereof. A statement of those funds and that property and any terms and conditions that related to them was required to be included in ODHS's annual report. The act does not apply these requirements to ODJFS.

**ODHS annual report**

(secs. 5101.39 and 5101.40 (both repealed))

ODHS was required to include in its annual report a complete financial statement of the institutions under its control. ODHS also had to include a list of the officers and agents employed and the conditions of, any state institution under its control. The act does not apply these requirements to ODJFS.

**Nonpartisan management of ODHS and institutions under its control**

(sec. 5101.41 (repealed))

Prior law required ODHS to adopt rules for the nonpartisan management of institutions under its control. Any officer or employee of ODHS or an institution under its control who exerted influence, directly or indirectly, to induce any other officer or employee of such an institution to adopt a certain political view or to favor any person, issue, or candidate had to be removed by ODHS, or, in the case of the Director of ODHS, by the Governor. The act does not apply these requirements to ODJFS.

### **General intent of certain ODHS laws**

(sec. 5101.56 (repealed))

The act repeals law that required that certain laws governing ODHS be liberally construed for the purpose of attempting to (1) provide humane and scientific treatment and care and the highest attainable degree of individual development for the dependent wards of the state, (2) provide for the delinquent, conditions of modern education and training that will restore the largest possible portion of them to useful citizenship, (3) promote the study of the causes of dependency and delinquency, and of mental, moral, and physical defects, with a view to cure and ultimate prevention, and (4) secure, by uniform and systematic management, the highest attainable degree of economy in the administration of the state institutions.

### **Division of Social Administration**

(secs. 5103.01, 5103.05, 5103.06, 5103.09, 5103.10, 5103.11, and 5103.19 (all repealed); corresponding technical changes: secs. 2151.011, 3313.64, and 5103.02)

In 1941, the General Assembly established a Division of Social Administration (DSA) in the Department of Public Welfare. The General Assembly abolished DSA in 1966. The act repeals the Revised Code sections that still referred to DSA and its powers and duties.

Those sections provided that the power and duties assigned to DSA had to be executed by ODHS. DSA was required to investigate the condition and management of public, private, benevolent, and correctional institutions of the state and county, and municipal jails, workhouses, infirmaries, and children's homes, as well as all institutions receiving and caring for children. DSA was required to receive dependent and neglected minors, and, in certain cases, delinquent minors, committed to it by the juvenile court. It had to seek suitable permanent homes for those wards in private families. The traveling expenses of dependent, neglected, and delinquent children had to be paid by DSA. Board, clothing, and medical expenses were required to be charged by DSA to the county

from which the child was committed. When DSA received money for board from someone, such as a parent required to pay child support, it had to pay it to the Treasurer of State for credit to the General Revenue Fund. The Governor could order DSA to investigate the management of a benevolent or correctional institution. DSA was given the authority to take depositions and compel testimony and document production in such investigations, after which DSA had to submit a report to the Governor.

**Submission of plans for public buildings for approval**

(sec. 5103.18 (repealed))

The act repeals a requirement that plans for new jails, workhouses, children's homes, infirmaries, state institutions, and municipal lockups or prisons, and important additions or alterations to such existing institutions be submitted for approval to ODHS or the Departments of Mental Health, Mental Retardation and Developmental Disabilities, or Rehabilitation and Correction, as the case required, before their adoption by proper officials.

**State hearings and administrative appeals of certain family services programs**

(secs. 5101.35 and 5101.351)

A person who disputes a decision made by an agency concerning certain family services programs is allowed a state-level hearing.<sup>11</sup> If the person disagrees with the hearing's result, he or she may make an administrative appeal to the Director of Job and Family Services. The act provides that the Administrative Procedure Act applies to such a state hearing or administrative appeal only to the extent, if any, specifically provided by rules governing state hearings and administrative appeals.

The act authorizes ODJFS to employ or contract with hearing officers to draft and recommend state hearing decisions. ODJFS is allowed to employ or contract with hearing authorities to issue state hearing decisions. A hearing authority employed or contracted with on or after the act's effective date must have been admitted to the practice of law in this state. A hearing authority employed or contracted with before the act's effective date is not required to have been admitted to the practice of law in this state.

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<sup>11</sup> *The programs include Ohio Works First, Medicaid, Disability Assistance, and publicly funded child day-care.*

**ODJFS accepting applications and determining eligibility for certain programs**

(sec. 5101.47)

The act authorizes the Director of Job and Family Services to accept applications, determine eligibility, and perform related administrative activities for one or more of the following:

- (1) Medicaid;
- (2) The Children's Health Insurance Program Parts I and II;
- (3) Publicly funded child day-care;

(4) Other programs the Director determines are supportive of children or families with at least one employed member.

If the Director elects to perform these duties for a program, an individual seeking services under the program may apply to the Director or to the entity that state law governing the program authorizes to accept applications for the program. The Director is subject to federal and state law that require, permit, or prohibit an action regarding those duties.

The Director is permitted to adopt rules as necessary to implement this authority.

**Notice of examinations for state classified service**

(sec. 124.23)

The Director of Administrative Services was required by prior law to send written, printed, or electronic notices of every examination for the state classified service to each OBES branch office or, if no such branch office was located in a county, to the clerk of the court of common pleas of that county and to the clerk of each city of that county.

Under the act, the Director of Administrative Services must send the notice to each agency of the type the Director of Job and Family Services specifies and, in the case of a county in which no such agency is located, to the common pleas clerk and city clerks.

**Records concerning exemption from county competitive bidding**

(sec. 307.86)

The requirement that a county use competitive bidding for any purchase, lease, or construction at a cost exceeding \$15,000 does not apply when a board of county commissioners determines that a real and present emergency exists and the estimated cost is less than \$50,000. However, before awarding the contract, the county must solicit informal estimates from no fewer than three persons capable of performing the contract. Under prior law, the county was required to maintain a record of the estimates, including the name of each person from whom an estimate was solicited, for no less than one year after the contract was awarded. The act requires that the record be maintained for the longer of one year or the amount of time the federal government requires.

**Study of former Ohio Works First participants**

(secs. 5101.80 and 5107.80)

ODJFS is required, as ODHS was under prior law, to contract with a private entity to conduct an evaluation of the Ohio Works First program that includes a study of former participants of Ohio Works First to determine whether they are employed, the type of employment in which they are engaged, the amount of compensation they are receiving, and other information. ODJFS must also prepare a report no later than January 1, 2001 containing a county by county breakdown of individuals who ceased to participate in Ohio Works First and the reasons they ceased to participate. The act requires the Director of Job and Family Services, using information in the Directory of New Hires, to determine quarterly whether individuals who have ceased to participate in Ohio Works First have entered the workforce. Beginning no later than January 1, 2001 and ending December 1, 2003, ODJFS must prepare, to the extent the necessary data is available to ODJFS, a quarterly report specifying how many former Ohio Works First participants entered the workforce during the most recent quarter for which the information is known. The report must include information regarding the earnings of those former participants and a county by county breakdown. It may not include the names or social security numbers of former participants. Copies of the report must be provided to the Governor, General Assembly, and, on request, any private or government entity.

**EFFECTIVE DATE**

**Effective date**

(Sections 9, 10, 12, 13, 14, 15, 16, 17, 18, 19, 20, 24, 25, 26, and 27)

Although the act takes effect on the 91st day after it is filed with the Secretary of State, most provisions of the act are delayed until July 1, 2000. Provisions regarding workforce development and preparation for the transfer of

OBES functions to ODJFS or DOC take effect the 91st day after the act is filed with the Secretary of State. During the period between that date and July 1, 2000, references to ODJFS or its Director that concern a family services duty are deemed to refer to the ODHS or its Director. References to ODJFS or its Director that concern a workforce development activity are deemed to refer to the OBES or its Administrator. The act also contains an appropriation that goes into immediate effect.

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## HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	10-08-99	pp. 1236-1237
Passed House	10-19-99	pp. 1281-1283
Passed Senate	10-20-99	pp. 1101-1104

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