



Ohio Legislative Service Commission

Bill Analysis

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H.B. 282

128th General Assembly
(As Introduced)

Reps. Snitchler, Evans, Jordan, Boose, Sears, J. Adams, Morgan, Domenick, Combs, Oelslager, Derickson, Blair, Mecklenborg, Bacon, Stautberg

BILL SUMMARY

- Transfers the responsibility of maintaining a state awards web site from the Department of Administrative Services to the Office of Budget and Management.
- Alters and expands the information to be included on the state awards web site.
- Removes the Attorney General's responsibility to monitor state economic development award compliance.
- Removes the requirement that agencies awarding state grants establish and maintain web sites that include certain information about state grants and receiving entities.

CONTENT AND OPERATION

State awards and grants web site

Current law

(R.C. 125.112)

Current law establishes a system for providing information to the public regarding state awards and grants made to any entity by a state agency. Current law also provides for monitoring of compliance with the terms of state awards for economic development. Current law states that this system must not be construed as requiring the disclosure of information that is not a public record.

Under current law "state award" means a contract awarded by the state that costs more than \$25,000. Excluded from the definition is compensation received as a state

employee or any financial assistance and expenditure received from the General Assembly or any legislative agency, any court or judicial agency, the Secretary of State, Auditor of State, Treasurer of State, Attorney General, and their respective offices. "Entity" is defined to mean any profit or nonprofit corporation, association, partnership, limited liability company, sole proprietorship, or other business entity, but not an individual receiving state assistance unrelated to that individual's business. "Agency" means the following departments: the Office of Budget and Management; the departments of Commerce, Administrative Services, Transportation, Agriculture, Natural Resources, Health, Job and Family Services, Public Safety, Mental Health, Developmental Disabilities, Insurance, Development, Youth Services, Rehabilitation and Correction, Aging, Alcohol and Drug Addiction Services, and Veteran Services; and the Environmental Protection Agency.

Current law requires the Department of Administrative Services (DAS), by December 30, 2009, to establish and maintain a single, searchable web site containing information on state awards for fiscal year 2008 and thereafter. The web site must be accessible to the public at no cost and must contain links to the daily journals of the Ohio House of Representatives and Senate. The act requires DAS to post the following information on the web site within 30 days after making each state award:

- The name of the entity receiving the award;
- The amount of the award;
- Information on the award, the agency or other instrumentality providing the award, and the commodity code;
- Any other relevant information determined by DAS.

Current law authorizes DAS to consult with other state agencies in the web site's development, establishment, operation, and support and requires DAS to provide the public with an opportunity to comment on the web site's utility and any suggested improvements. DAS must also provide to the General Assembly, and post on the web site, an annual report regarding the web site's implementation. The report must include information about web site usage and any public comment on its utility (including recommendations for improving data quality and collection).

Current law requires the Attorney General to monitor the compliance of entities with the terms and conditions of state awards for economic development,¹ including

¹ "State award for economic development" means state financial assistance and expenditure in the following forms: grants, subgrants, loans, awards, cooperative agreements, or other similar and related forms of financial assistance and contracts, subcontracts, purchase orders, task orders, delivery orders, or

any performance metrics. It also requires agencies making such awards to assist, as necessary, the Attorney General with monitoring compliance. The Attorney General is required to submit an annual report to the General Assembly regarding the level of entity compliance with state award terms and conditions. The Attorney General must, when appropriate and when an entity does not comply with a performance metric specified in the terms and conditions of the award, pursue from and against the entity remedies and recovery authorized under the law.

Current law requires each agency awarding a grant to an entity in fiscal year 2008 and thereafter to establish and maintain a separate web site containing the name of the entity receiving each grant, the grant amount, information on each grant, and any other relevant information determined by DAS. Each agency must provide a link to the web site to DAS within a reasonable time after December 30, 2008, and must update its web site within 30 days of awarding a new grant. DAS also must, not later than December 30, 2009, establish and maintain a separate web site--accessible to the public at no cost--listing the links to the agency web sites that contain the information on state grants as described above.

The bill

(R.C. 125.112, renumbered 126.18; 126.181, 126.182, and 126.183)

The bill amends the system for providing information to the public regarding state awards and grants made to any entity by an agency of the state. Generally, the duties are transferred from DAS to the Office of Budget and Management (OBM) and the purview of the provisions are expanded. Additionally, the bill removes the Attorney General's responsibility to monitor state economic development award compliance.

Under the bill, the definition of "agency" is expanded beyond the executive level agencies defined under current law, to mean any department, office, bureau, board, division, commission, institution, college, or university established by Ohio law and the programs and activities of those bodies. "Agency" specifically includes the offices of the Governor, Lieutenant Governor, Secretary of State, Auditor of State, Treasurer of State, Attorney General, and General Assembly members. The bill adds to the current definition of "entity" a union, whether for profit or nonprofit, and any county, township, municipal corporation, or other local government body of Ohio.

other similar and related transactions. The definition excludes compensation received as a state employee and any state financial assistance and expenditure received from the General Assembly or any legislative agency, any court or judicial agency, the Secretary of State, Auditor of State, Treasurer of State, or Attorney General and their respective offices.

Under the bill, a "state award" is expanded beyond an award costing over \$25,000 to mean expenditures in either of the following forms without regard to amount: (1) grants, subgrants, loans, awards, cooperative agreements, or other similar forms of financial assistance, or (2) contracts, subcontracts, purchase orders, task orders, delivery orders, or other similar types of transactions. The bill retains that a "state award" does not include compensation received as a state employee, but removes the exclusion for any state financial assistance and expenditure received from the General Assembly or any legislative agency, any court or judicial agency, the Secretary of State, Auditor of State, Treasurer of State, or Attorney General and their respective offices.

The bill removes the responsibilities of DAS to establish and maintain a state award web site. Instead, under the bill, OBM must establish and maintain a single searchable web site, accessible by the public at no cost, that includes all of the following information for each state award:

- (1) The name of the entity receiving the award;
- (2) The amount of the award;
- (3) Information on the award, including the type of transaction being funded, the purpose of the award, the funding source of the award, and the agency that is providing the award;
- (4) The location of the entity receiving the award, which information must include both the political subdivision and the Ohio House of Representatives and Senate districts;
- (5) Reports submitted to the General Assembly by OBM's Director as required by the bill and documents from audits² that relate to the award;
- (6) Any other relevant information determined by OBM.

The bill permits OBM to consult with other agencies in the development, establishment, operation, and support of the web site and requires OBM to provide

² "Audit" means any of the following: (1) any examination, analysis, or inspection of the state's or a public office's financial statements or reports, (2) any examination, analysis, or inspection of records, documents, books, or any other evidence relating to either of the following: (a) the collection, receipt, accounting, use, or expenditure of public money by a public office or by a private institution, association, board, or corporation or (b) the determination by the Auditor of State, as required, of whether a public office has complied with all the laws, rules, ordinances, or orders pertaining to the public office, (3) any other type of examination, analysis, or inspection of a public office or of a private institution, association, board, or corporation receiving public money that is conducted according to generally accepted or governmental auditing standards established by Auditor of State rule (R.C. 117.01, not in the bill).

guidance to other agencies to ensure compliance with the bill. State awards must be posted on the web site within 30 days after being made. OBM must provide an opportunity for public comment as to the utility of the web site and any suggested improvements.

The bill requires the web site to be fully operational not later than one year after the bill's effective date and to include information on state awards made in fiscal year 2009 and thereafter. The Director of OBM must submit to the General Assembly and post on the web site an annual report regarding the implementation of the web site. The report must include data regarding the usage of the web site and any public comments on the utility of the site, including recommendations for improving data quality and collection.

Instead of requiring each agency to establish and maintain a separate web site listing the name of the entity receiving each grant, the grant amount, information on each grant, and any other relevant information determined by DAS, each agency that has a web site must include on its homepage a link to the state award web site required to be established and maintained by OBM.

HISTORY

ACTION	DATE
Introduced	09-23-09

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