
DEPARTMENT OF ADMINISTRATIVE SERVICES

Public employees health care program

- Requires that all health care benefits provided to persons employed by public employers must be provided by health care plans that contain best practices established by the Department of Administrative Services or the former School Employees Health Care Board.
- Requires all policies or contracts for health care benefits that are issued or renewed after the expiration of any applicable collective bargaining agreement to contain all established best practices at the time of renewal.
- Allows a political subdivision, upon consulting with the Department, to adopt a delivery system of benefits that is not in accordance with the Department's adopted best practices if it is considered by the Department to be most financially advantageous to the political subdivision.
- Requires the Department to assist in the design of health care plans for public employers separate from the health care plans for state agencies.
- Permits the Director of Administrative Services to convene a Public Health Care Advisory Committee.
- Requires a joint self-insurance plan to pay the run-off expenses of a participating political subdivision that terminates its participation in the program, under certain circumstances.
- Requires the run-off payment to be limited to an actuarially determined cap or 60 days, whichever is reached first.

Alternative fuel

- Eliminates the following: the annual fleet reporting requirement made by higher education institutions to the Department, the Credit Banking and Selling Program of the Department, and the position of State Alternative Fuel Officer currently located within the Department.
- Transfers control of the State Biodiesel Revolving Fund from the Department to the Development Services Agency.
- Eliminates quarterly and annual reporting on alternative fuel usage by state agencies.



Public exigency power

- Eliminates the power of the Director to declare a public exigency, which power the Director currently shares with the Executive Director of the Ohio Facilities Construction Commission (OFCC).
- Eliminates the ability of the Director to ask OFCC, in order to respond to a public exigency, to enter into public contracts without competitive bidding or selection.
- Transfers, from the Director to the Executive Director of OFCC, the power to take and use lands, materials, and other property necessary for the maintenance, protection, or repair of the public works during a public exigency.

Transfer of Employee Assistance Program

- Transfers the Employee Assistance Program from the Department of Health to the Department, effective July 1, 2013, and eliminates the separate payroll charge assessed per pay period to all state agencies whose employees are paid by warrant of the Office of Budget and Management to cover the cost of administering the program.
- Requires OBM, at the request of DAS, to make budget changes necessitated by the transfer, including administrative reorganization or program transfers.
- Requires the transfer of employees of the Employee Assistance Program to DAS at their same classifications with retention of their statutory rights concerning layoffs.

Vehicle Management Commission

- Recreates and modifies the Vehicle Management Commission within the Department that was abolished by S.B. 171 of the 129th General Assembly, the Sunset Review Act, effective June 30, 2011.
- Requires the Vehicle Management Commission to periodically review the implementation of the fleet management program by the Department under current law, and authorizes it to recommend to the Department and the General Assembly modifications to Department procedures and functions and other statutory changes.

Other provisions

- Increases, from pay range 44 to pay range 47, the maximum compensation that each state department may pay to up to five of its unclassified employees who are involved in policy development and implementation.



- Specifies that the positions, offices, and employments for which the Director must establish job classification plans are those in the service of the state.
- Clarifies that the Director's authority to approve a policy to grant compensatory time or pay applies only with respect to "employees in the service of the state."
- Renames the Payroll Withholding Fund within the state treasury to the Payroll Deduction Fund.
- Provides that the Life Insurance Investment Fund include money from state agencies and removes the requirement that the Fund include amounts from the renamed Payroll Deduction Fund.
- Prohibits the Controlling Board from authorizing transfers of cash balances in excess of needs from the Building Improvement Fund to the GRF or to another fund to which the money would have been credited in the absence of the Building Improvement Fund.
- Codifies the Building Improvement Fund, providing that the fund consists of payments made by intrastate transfer voucher from the appropriation for office building operating payments, and requires money in the fund to be used for major maintenance or improvements in certain state office buildings.
- Creates the Building Operation Fund within the state treasury and allows the Department to deposit money collected for operating expenses of facilities owned or maintained by the Department into the new fund or into the Building Management Fund where it is currently deposited.
- Replaces the current-law phrase "skilled trade services" with "minor construction project management."
- Allows the Director to provide, and collect reimbursements for the cost of providing, the newly renamed minor construction project management services to any state agency instead of just state agencies that occupy space in a facility not owned by the Department.
- Renames the Skilled Trades Fund in the state treasury to the Minor Construction Project Management Fund and provides that money collected for minor construction project management services be deposited into the renamed fund.
- Authorizes an appointing authority, in cases where no vacancy exists, and with the written consent of an exempt employee, to assign the duties of a higher classification to the exempt employee for a period of time not to exceed two years.

- Eliminates the requirement that the state make available a long-term care insurance policy that state officials and employees may elect to participate in.
- Requires the Director to deliver a report, to the Governor and General Assembly leaders, that proposes uniform standards for public offices that post public records on the Internet.

9-1-1 service law changes

Transfer to Statewide Steering Committee

- Transfers the administration of 9-1-1 services from the Department of Public Safety (DPS) to the Statewide Emergency Services Internet Protocol Network Steering Committee.
- Transfers to the Steering Committee and its members the same immunity from liability in civil actions arising from any act or omission in connection with the development or operation of a 9-1-1 system enjoyed by the Ohio 9-1-1 Council and the Wireless 9-1-1 Advisory Board.
- Repeals the duty imposed on countywide 9-1-1 planning committees to report, by February 15, 2013, certain information to the Steering Committee, including:
 - Geographic location and population of the 9-1-1 service area;
 - 9-1-1 call statistics;
 - Expenditures of 9-1-1 disbursements; and
 - 9-1-1 network and equipment information, and repeals the penalty for failure to report.
- Requires any governmental entity or political subdivision operating a public safety answering point (PSAP) to report that same information, as well as any other information needed for the next generation 9-1-1 transition, to the Steering Committee.
- Requires a "9-1-1 service provider" to report to the Steering Committee the number of access lines in Ohio maintained by the provider, the provider's aggregate costs and cost recovery associated with provision of 9-1-1 services, and any other information needed for the next generation 9-1-1 transition.

- Imposes a time limit of 45 days for 9-1-1 service providers and political subdivisions or governmental entities operating a PSAP to make their respective reports after a Steering Committee request for such information.
- Grants the Steering Committee and the 9-1-1 Program Office Administrator, until January 1, 2014, certain duties related to the remittance, disbursement, audit, and assessment of wireless 9-1-1 charges received from wireless 9-1-1 service providers and resellers.

Changes to wireless 9-1-1 funds

- Beginning January 1, 2014:
 - Reduces, from 98% to 97%, the amount of wireless 9-1-1 charge remittances to be deposited in the Wireless 9-1-1 Government Assistance Fund;
 - Replaces the Wireless 9-1-1 Public Safety Administrative Fund with the 9-1-1 Program Fund to defray the Steering Committee's administration of 9-1-1 services; and
 - Specifies that 2% of wireless 9-1-1 charges be deposited in the 9-1-1 Program Fund.

9-1-1 entity changes

- Replaces the 9-1-1 Service Program housed in the Public Utilities Commission and the position of Ohio 9-1-1 Coordinator (set to be repealed as of January 1, 2014) with the 9-1-1 Program Office led by an administrator who is appointed by the Director and reports to the State Chief Information Officer.
- Repeals the law that creates and governs the Ohio 9-1-1 Council and the Wireless 9-1-1 Advisory Board.

County 9-1-1 planning committee changes

- Repeals the provision that a 9-1-1 planning committee be disbanded and the option that it be replaced if it fails to adopt a final plan on or before the deadline of nine months after the resolution convening the 9-1-1 planning committee.
- Changes the method of amending a final plan for a countywide 9-1-1 system.

Public employees health care program

(R.C. 9.833, 9.90, 9.901, and 1545.071)

Best practices

Under the bill, all health care benefits provided to persons employed by public employers must be provided by health care plans that contain best practices established by the Department of Administrative Services or the former School Employees Health Care Board. A "public employer" is a political subdivision, public school district, or state institution of higher education. All policies or contracts for health care benefits that are issued or renewed after the expiration of any applicable collective bargaining agreement must contain all best practices at the time of renewal.

Continuing law permits a political subdivision, upon consulting with the Department, to adopt a delivery system of benefits that is not in accordance with the Department's adopted best practices if it is considered by the Department to be most financially advantageous to the political subdivision.

Run-off expenses for joint self-insurance plans of a political subdivision

Continuing law authorizes political subdivisions to provide health care benefits to their officers and employees. They may establish individual or joint self-insurance programs and may agree with other political subdivisions to have their programs jointly administered. Funds must be reserved for the individual or joint self-insurance programs as are necessary, in the exercise of sound and prudent actuarial judgment, to cover potential cost of health care benefits for the officers and employees.

Under the bill, a joint self-insurance plan is required to pay the run-off expense of a participating political subdivision that terminates its participation in the program as long as the political subdivision has accumulated funds in the reserves for incurred but not reported claims. The bill requires the run-off payment to be limited to an actuarially determined cap or 60 days, whichever is reached first. Under the bill, a joint self-insurance plan is excluded from the requirement of paying the run-off expenses of a terminating political subdivision during the term of a specific, separate agreement with the political subdivision to maintain enrollment for a specified period, not to exceed three years.

Requirements of Department

The bill requires the Department to do the following:

- (1) Identify strategies to manage health care costs;



(2) Study the potential benefits of state or regional consortiums of public employers' health care plans;

(3) Publish information regarding health care plans offered by public employers and existing consortiums;

(4) Assist in the design of health care plans for public employers separate from the health care plans for state agencies;

(5) Adopt and release a set of standards that are considered the best practices for health care plans offered to public employees;

(6) Require that plans administered by health plan sponsors make readily available to the public all cost and design elements of the plan;

(7) Promote cooperation among all organizations affected by this phase of the bill in identifying the elements for its successful implementation; and

(8) Promote cost containment measures aligned with patient, plan, and provider management strategies in developing and managing health care plans.

A provision carried forward from current law requires the Department to prepare and disseminate to the public, an annual report on the status of health care plan sponsors' effectiveness in complying with best practices and in making progress toward reducing the rate of increase in insurance premiums and out-of-pocket expenses and in improving the health status of employees and their families.

Miscellaneous provisions related to public employees health care

The bill renames the Political Subdivisions and Public Employees Health Care Fund the Public Employees Health Care Fund.

The bill allows the Director of Administrative Services to convene a Public Health Care Advisory Committee and specifies that members of the committee serve without compensation. Under current law, the Committee is created under the Department, and consists of 15 members appointed by the President of the Senate, the Speaker of the House of Representatives, and the Governor. The bill specifies that five members are to be appointed by the President, five members are to be appointed by the Speaker, and five members are to be appointed by the Governor. The members are to include representatives from state and local government employers, state and local government employees, insurance agents, health insurance companies, and joint purchasing arrangements currently in existence.

Provisions removed by bill

The bill *removes* provisions that require the Department to design health care plans for use by public employers that are separate from plans for state agencies. In more detail, the bill *removes* provisions that:

(1) Require, upon completion of the consultant's report and once the plans are released in final form by the Department, all health care benefits provided to persons employed by public employers to be provided by health care plans designed by the Department;

(2) Permit the Department, in consultation with the Superintendent of Insurance, to negotiate with and contract with one or more insurance companies for the issuance of the plans;

(3) Require the Department, in consultation with the Superintendent of Insurance, to determine what geographic regions exist in Ohio based on the availability of providers, networks, costs, and other factors relating to providing health care benefits, and then to determine what health care plans offered by public employers and existing consortiums in the region offer the most cost-effective plan;

(4) Require the Department, in consultation with the Superintendent, to develop a request for proposals and solicit bids for health care plans similar to existing plans;

(5) Prohibit requiring a public employer to offer the health care plans designed by the Department until the Department has contracted with an independent consultant;

(6) Permit public employers offering employee health care benefits through a plan offered by a consortium to continue offering consortium plans if they contain the required best practices;

(7) Require the Department to include disease management and consumer education programs;

(8) Require the Department to adopt and release a set of best practices for health care plans;

(9) Require plans administered by health plan sponsors to make readily available to the public all cost and design elements of the plan;

(10) Require the Department to set employee and employer health care plan premiums for the designed plans;



(11) Require the Department to promote cooperation among all affected organizations, and to include cost containment measures aligned with patient, plan, and provider management strategies in developing and managing health care plans;

(12) Require the Department to contract with an independent consultant to analyze costs related to employee health care benefits provided by existing political subdivision, public school district, and state institution plans, and to submit written recommendations to the Department for the development and implementation of a successful program for the acquisition of employee health care plans by pooling purchasing power; and

(13) Require, not more than 90 days before coverage begins for public employees under health care plans designed by the Department, a public employer's governing body, board, or managing authority to provide detailed information about the health care plans to the employees.

Annual fleet reporting by state higher education institutions

(R.C. 125.832)

The bill eliminates the requirement that state institutions of higher education submit annual reports to the Department of Administrative Services concerning their motor vehicle fleets. Specifically, current law requires each state higher education institution to report annually to the Department (1) the methods it uses to track the motor vehicles it acquires and manages, (2) whether or not it uses a fuel card program to purchase fuel for, or to pay for the maintenance of, the motor vehicles, and (3) whether or not it makes bulk purchases of fuel for the motor vehicles.

Alternative fuel usage; Credit Banking and Selling Program

(R.C. 122.075, 125.832, 125.837 (repealed), and 125.838 (repealed))

The bill eliminates the following: (1) the Credit Banking and Selling Program of the Department of Administrative Services, (2) the position of State Alternative Fuel Resource Officer within the Department, and (3) the requirement of quarterly and annual reporting on alternative fuel usage by state agencies. The bill also transfers control of the state Biodiesel Revolving Fund from the Department to the Development Services Agency.

The Credit Banking and Selling Program is established for purposes of the federal "Energy Policy Act of 1992." Under that Act, certain entities, including state governments, are required to acquire certain numbers of alternative fuel vehicles (AFVs). Fleets that acquire AFVs in excess of requirements, or prior to requirements,



receive acquisition credits. Fleets can bank these credits for application to later years' requirements, or sell or trade the credits to other fleets.

The State Alternative Fuel Resource Officer, who is within the Department, monitors federal activity for any federal action that affects Ohio in its use of motor vehicles that are capable of using an alternative fuel. The officer also is available to explain to state departments and agencies the laws that apply to the purchase of motor vehicles that are capable of using an alternative fuel and the laws that govern alternative fuels, and any other relevant issues that relate to motor vehicles that are capable of using an alternative fuel.

The Department must compile on a quarterly basis all data relating to the purchase by each state department and agency of alternative fuels, including the amounts of alternative fuels and conventional fuels purchased, the per-gallon prices paid for each fuel, the locations at which alternative fuels were purchased, and the fuel amounts purchased at each such location. By April 1 of each year, the Department must issue an annual report containing all this data for the previous calendar year.

Public exigency power

(R.C. 123.10, 123.11, 123.23 (repealed), and 126.14)

The bill eliminates the power of the Director of Administrative Services to declare a public exigency. The Director currently shares this power with the Executive Director of the Ohio Facilities Construction Commission (OFCC). Further, the bill eliminates the ability of the Director to ask OFCC to enter into public contracts without competitive bidding or selection in order to respond to a public exigency. Finally, the bill transfers from the Director to Executive Director of OFCC the power to take and use lands, materials, and other property necessary for the maintenance, protection, or repair of the public works during a public exigency.

Transfer of Employee Assistance Program

(R.C. 3701.041 (124.88); Section 207.95)

The bill transfers the Employee Assistance Program from the Department of Health to the Department of Administrative Services, effective July 1, 2013, and eliminates the separate payroll charge assessed per pay period to all state agencies whose employees are paid by warrant of the Office of Budget and Management (OBM) to cover the costs of administering the programs.

Employees of the Employee Assistance Program must be transferred to the Department, effective July 1, 2013, in their same classifications and with their continuing statutory rights concerning layoffs.

The Director of OBM, at the request of the Director of Administrative Services, must make budget changes made necessary by the transfer, including administrative reorganization or program transfers. The Director of OBM must cancel any existing encumbrances against appropriation item 440633, Employee Assistance Program, and reestablish them against appropriation item 100622, Human Resources Division – Operating; the bill appropriates the reestablished encumbrance amounts. Any business commenced but not completed under appropriation item 440633, Employee Assistance Program, by July 1, 2013, must be completed under appropriation item 100622, Human Resources Division – Operating. The bill provides for the transfer of cash balances to the Human Resources Services Fund and for the abolition of the Employee Assistance Fund.

Any reference to the Employee Assistance Program in any statute, rule, contract, grant, or other document is deemed to refer to the Department.

Re-creation of the Vehicle Management Commission

(R.C. 125.833)

The bill recreates and modifies the Vehicle Management Commission within the Department of Administrative Services; this Commission was abolished by S.B. 171 of the 129th General Assembly, the Sunset Review Act, effective June 30, 2011.

The Commission consists of seven members, including an officer or employee of the Department appointed by the Director of Administrative Services, an officer or employee of the Department of Public Safety appointed by the Director of Public Safety, two members of the Senate appointed by the President of the Senate, two members of the House of Representatives appointed by the Speaker of the House of Representatives, and one member appointed by the Governor. The Governor's appointee must have experience in the vehicle leasing, purchasing, and maintenance industry in Ohio.

Initial appointments must be made by October 1, 2013, and the initial meeting of the Commission must be held on that date and twice annually thereafter each year. After the initial appointments, appointments of legislative members to the Commission must be made within 15 days after the commencement of the first regular session of the General Assembly. The Governor must appoint the Commission's chairperson.

The terms of legislative members must be for the duration of the session of the General Assembly in which they are appointed. Members must continue to serve on the Commission until the appointments are made in the following session of the General Assembly, unless they cease to be members of the General Assembly. The member appointed by the Governor serves at the Governor's pleasure.

A vacancy on the Commission must be filled for the unexpired term in the same manner as the original appointment.

The Commission is required to periodically review the implementation of the fleet management program by the Department under current law, and is authorized to make recommendations to the Department and General Assembly for modifications to the Department's procedures and functions and other statutory changes.

Maximum pay range of state departments' unclassified employees

(R.C. 124.11)

The bill increases the maximum pay range of certain unclassified employees of each state department, from pay range 44 (up to \$49.50 per hour or \$102,960 annually) to pay range 47 (up to \$64.45 per hour or \$134,056 annually). Under continuing law, the head of the administrative department or other state agency must set the compensation for up to five unclassified positions that the department or agency head determines is involved in policy development and implementation. Under the bill, the maximum compensation for these positions is the maximum compensation specified in pay range 47.¹

The departments to which this compensation change applies are the Departments of Administrative Services, Aging, Agriculture, Alcohol and Drug Addiction Services, Commerce, Developmental Disabilities, Education, Health, Insurance, Job and Family Services, Mental Health, Natural Resources, Public Safety, Rehabilitation and Correction, Taxation, Transportation, Veterans Services, and Youth Services; the Environmental Protection Agency; the Development Services Agency; the Office of Budget and Management; the Ohio Board of Regents; the Department of the Adjutant General; the Bureau of Workers' Compensation; the Industrial Commission; the State Lottery Commission; and the Public Utilities Commission of Ohio.

¹ R.C. 124.152, not in the bill.



Job classification plans for state employees

(R.C. 124.14)

Under the bill, the Director must establish job classification plans only for positions, offices, and employments in the service of the state, which includes only positions of trust or employment with the government of the state, and specifically does not include positions with state supported colleges and universities, counties, and general health districts. Under current law, the Director establishes job classification plans for all positions, offices, and employments "the salaries of which are paid in whole or in part by the state."

Compensatory time and pay policy approvals

(R.C. 124.18)

The bill clarifies that the Director of Administrative Services' authority to approve a policy under which an appointing authority grants compensatory time or pay to employees who do not receive overtime pay applies only with respect to employees in the service of the state. The phrase "state employees" is replaced with the phrase "employees in the service of the state." The phrase "service of the state" is a defined term in continuing civil service law, meaning "offices and positions of trust or employment with the government of the state."²

Payroll Withholding Fund

(R.C. 125.21)

The bill renames the existing Payroll Withholding Fund within the state treasury to the Payroll Deduction Fund. The purpose of this Fund is to consolidate all deductions from the salaries or wages of all officials and employees made in any month in order to make the appropriate payments for the intended purpose of the deductions or to make a refund where it is determined that deductions were made in error.

Life Insurance Investment Fund

(R.C. 125.212)

The bill (1) removes the requirement that the existing Life Insurance Investment Fund include amounts from the renamed Payroll Deduction Fund (see "**Payroll Withholding Fund**," above), and (2) adds that the Fund include money from state

² R.C. 124.01, not in the bill.



agencies. The Fund, which is used to pay the costs of the state's life insurance benefit program, also includes amounts from life insurance premium refunds received by the state and other receipts related to the state's life insurance benefit program.

Building Improvement Fund

(R.C. 125.27 and 127.14)

The bill prohibits the Controlling Board from authorizing transfers of cash balances in excess of needs from the Building Improvement Fund to the General Revenue Fund or to another fund to which the money would have been credited in the absence of the Building Improvement Fund. The same prohibition currently exists for numerous other funds.

The bill also codifies the Building Improvement Fund, which had been created by the Director of Office of Budget and Management under authority of the previous main operating budget (H.B. 153 of the 129th General Assembly). That law had transferred the building and facility operations of the Ohio Building Authority to the Department of Administrative Services. As part of the transfer, the Director of OBM was required, if requested by the Department, to make necessary budget changes, including creating new funds.³ Thus, the Building Improvement Fund was born. In codifying the fund, the bill requires that it consist of any payments made by intrastate transfer voucher from the appropriation item for office building operating payments. It also requires that the fund be used for major maintenance or improvements required in certain state office buildings, specifically the James A. Rhodes or Frank J. Lausche State Office Tower, the Toledo Government Center, the Senator Oliver R. Ocasek Government Office Building, and the Vern Riffe Center for Government and the Arts. The bill creates the fund in the State Treasury and specifies that it retains its interest.

Building Operation Fund

(R.C. 125.28(C))

The bill creates the Building Operation Fund within the state treasury and allows the Department of Administrative Services to deposit money collected for operating expenses of facilities owned or maintained by the Department into the new fund or into the Building Management Fund where it is currently deposited.

³ Section 515.40 of Am. Sub. H.B. 153 (not in the bill).



Minor construction project management services

(R.C. 125.28(B))

The bill replaces the current-law phrase "skilled trade services" with "minor construction project management services" and allows the Director of Administrative Services to provide, and collect reimbursements for the cost of providing, the renamed minor construction project management services to any state agency instead of just those state agencies that occupy space in a facility not owned by the Department.

Minor Construction Project Management Fund

(R.C. 125.28(C))

The bill renames the Skilled Trades Fund in the state treasury to the Minor Construction Project Management Fund and provides that money collected for minor construction project management services (see "**Minor construction project management services**," above) be deposited into the renamed fund.

Exempt employee consent to certain duties

(Section 701.10)

The bill authorizes an appointing authority, in cases where no vacancy exists, and with the written consent of an exempt employee, to assign the duties of a higher classification to the exempt employee for a period of time not to exceed two years. The exempt employee is entitled to compensation at a rate commensurate with the duties of the higher classification. For purposes of this provision, "appointing authority" means an officer, commission, board, or body having the power of appointment to, or removal from, positions in any office, department, commission, board, or institution. An "exempt employee" is an employee who holds a position that is not subject to public employee collective bargaining.

Under continuing law, whenever an employee is assigned to work in a higher level position for a continuous period of more than two weeks but not more than two years because of a vacancy, the employee's pay may be established at a rate that is approximately 4% above the employee's current base rate.

Long-term care insurance for state employees

(R.C. 124.84)

The bill eliminates the requirement that the state make available a long-term care insurance policy that state officials and employees may elect to participate in.



Specifically, the bill eliminates the requirement for the Department to negotiate and contract with one or more insurance companies or health insuring corporations for the purchase of such a policy, and instead provides permissive authority for the Department to do so.

Report – public records online

(Section 701.30)

The bill requires the Director of Administrative Services, not later than December 31, 2013, to deliver a report to the Governor, the Speaker and Minority Leader of the House of Representatives, and the President and Minority Leader of the Senate that proposes uniform standards that should apply to a public office that chooses to post public records on an Internet web site maintained by the public office. In developing the standards, the Director must consider, at a minimum, the following factors: any recommended technology and software to use; the projected costs of implementing and maintaining the technology and software; and how a public office is to post a public record on its web site, or on a public web site maintained by the state, so that the public record, or the data contained in the public record, is capable of being searched and downloaded by the public in a uniform manner.

For purposes of this provision, "public record" and "public office" have the meanings that generally apply to Ohio Public Records Law.

9-1-1 service law changes

(R.C. Chapter 128.; Sections 605.40, 605.41, and 815.20; R.C. 167.03, 2913.01, 4742.01, 5502.011, 5705.19, and 5733.55 (conforming changes))

Introduction

The bill modifies the changes made to the 9-1-1 service law in 2012 by H.B. 360 and H.B. 472 of the 129th General Assembly. H.B. 360, among other 9-1-1 law changes, made changes to the amount and other aspects of the wireless 9-1-1 charge imposed on prepaid subscribers. It transferred duties of the Public Utilities Commission (PUCO), in administering the 9-1-1 service law, to either the Department of Public Safety (DPS) or the Tax Commissioner and recodified the 9-1-1 service law in Chapter 5507. of the Revised Code. H.B. 472 made various changes regarding 9-1-1, such as it delayed the transfer of duties to DPS and the Tax Commissioner until 2014, shifted certain duties from the Tax Commissioner to DPS, and maintained the requirement that PUCO determine the rates for the wireline telephone network portion of a 9-1-1 system that are charged to wireline telephone customers.



The bill transfers all duties assigned to DPS and PUCO, except for the PUCO rate-making duties, to the Statewide Emergency Services Internet Protocol Network Steering Committee (Steering Committee). The Steering Committee consists of four legislators, five gubernatorial appointees representing county, municipal, and township organizations, and the State Chief Information Officer as its nonvoting chairperson. Its duties include (1) advising the state on the dispatch of emergency service providers and implementation, operation, and maintenance of a statewide emergency services Internet protocol network to support state and local government next generation 9-1-1, and (2) providing recommendations for governing and funding the network, transitioning to next generation 9-1-1, and consolidating PSAP operations.

The bill also recodifies the 9-1-1 service law in Chapter 128. of the Revised Code.⁴ The bill maintains the duties of the Tax Commissioner prescribed in current law, including the provision that grants, beginning January 1, 2014, the responsibility for administering the collection of 9-1-1 charges and disbursement of the funds to the Tax Commissioner.

Transfer of 9-1-1 duties to Steering Committee

(R.C. Chapter 128.)

The bill expands the duties of the existing Steering Committee by establishing it as the entity responsible for the administration of the 9-1-1 service law and transferring duties from DPS and PUCO.

Transfers from DPS

A few examples of the duties, rights, and authority transferred from DPS to the Steering Committee include the following:

- Receive certifications that a political subdivision or a regional council of governments (1) has paid the 9-1-1 system costs for which disbursements from the Wireless 9-1-1 Government Assistance Fund may be used and (2) is providing county wireless enhanced 9-1-1 (R.C. 128.57);
- Monitor compliance with 9-1-1 technical and operational standards for public safety answering points (PSAPs) that are eligible for

⁴ Currently, the 9-1-1 service law is codified in R.C. Chapter 5507. The bill recodifies this law in Chapter 128. by changing only the chapter number for each section. For example, R.C. 5507.01 is renumbered as R.C. 128.01. Citations for the section of the analysis pertaining to the 9-1-1 law only list the new R.C. section numbers.

reimbursements from the Wireless 9-1-1 Government Assistance Fund (R.C. 128.57);

- Request the Attorney General to begin proceedings against a telephone company that is a wireline service provider to enforce compliance with the 9-1-1 service law (R.C. 128.34); and
- Serve as the agency having jurisdiction over the disclosure or use of certain confidential data from a database that serves a PSAP (1) in times of public emergency or service outage when a wireline telephone company gives access to the database to a public utility or municipal utility handling customer calls and (2) in warning of a public emergency (as determined by the Steering Committee) when a wireline telephone company gives access to the database to a state and local government (R.C. 128.32).

Transfers from PUCO

(R.C. 128.46 and 128.55)

Current law as established in H.B. 472, schedules certain duties of PUCO to expire on January 1, 2014, at which time they will become the responsibility of the Tax Commissioner. Under the bill, during the period prior to the transfer of these PUCO duties, the Steering Committee, rather than the PUCO:

- Must disburse moneys from the Wireless 9-1-1 Government Assistance Fund to each county in the same manner as the 2012 disbursements (see "**Wireless Government Assistance Fund**" discussed below);
- May conduct audits of wireless service providers or resellers to determine if the provider or reseller has failed to bill, collect, or remit the wireless 9-1-1 charge as required or has retained more than the 2% billing and collection fee allowed under the law; and
- May make assessments against the provider or reseller if an audit finds that a provider or reseller failed to bill, collect, or remit the wireless 9-1-1 charge.

Assessment process change

(R.C. 128.46)

Under temporary assessment authority granted to the Steering Committee and the 9-1-1 Program Office Administrator, the bill establishes an assessment process



similar to the process in current 9-1-1 service law, that is scheduled to begin January 1, 2014, for the Tax Commissioner.

Under this process, an assessment against a wireless provider or reseller is final and payment is due to the Administrator unless a written petition for reassessment is filed with the Steering Committee within 60 days after notification of the assessment. The signed petition may be filed personally or by certified mail and must indicate the objections of the party assessed. Additional written objections may be made if they are received by the administrator or the Steering Committee before the final assessment determination. If unpaid, the final assessment may be filed with and, upon Steering Committee request, executed by the clerk of the Court of Common Pleas of the county in which the provider or reseller is located, or for those not located in Ohio, the clerk of the Franklin County Court of Common Pleas. Any assessments collected by the Administrator as a result of a judgment must be paid to the state treasurer for deposit in the Wireless 9-1-1 Government Assistance Fund.

Under current law, PUCO may conduct audits of and make assessments against wireless providers or resellers. Assessments are final unless an assessed party petitions for a rehearing. Such PUCO proceedings are subject to the PUCO law governing proceedings and hearings.⁵

Other changes regarding Steering Committee

Immunity from liability

(R.C. 128.32)

The bill extends to the Steering Committee and any member of the Steering Committee immunity from liability for damages in civil lawsuits arising from any act or omission, except willful or wanton misconduct, in connection with the development or operation of a 9-1-1 system. The bill repeals the provision granting the same immunity from liability to the Ohio 9-1-1 Council and to the Wireless 9-1-1 Advisory Board, both of which are also repealed by the bill (see "**Ohio 9-1-1 Council and Wireless 9-1-1 Advisory Board repeal**" discussed below).

⁵ R.C. Chapter 4903., not in the bill.



Reports to Steering Committee

(R.C. 128.02(D))

The bill changes the type of information that must be provided, and who must provide it, to the Steering Committee. It also requires the information be provided within 45 days of the Steering Committee's request.

9-1-1 provider report requirement. The bill requires a "9-1-1 service provider" to provide the following information to the Steering Committee:

- The aggregate number of access lines that the provider maintains within Ohio;
- The aggregate amount of costs and cost recovery associated with providing 9-1-1 service, including coverage under tariffs and "bill and keep arrangements" within Ohio (under the bill, the term "bill and keep arrangements" has the same meaning as in federal rules, which describe the term as arrangements under which a carrier exchanging telecommunications traffic does not charge for specific transport or termination functions or services);⁶
- Any other information requested by the Steering Committee deemed necessary to support the transition to next generation 9-1-1.

Neither the bill nor current law define "9-1-1 service provider." However, in the context of the bill, the term may refer to any telecommunications carrier that provides 9-1-1 service. Also, the bill does not specify for what time period (if any) or how frequently the information listed above must be reported.

PSAP operator reporting requirement. The bill requires any political subdivision or governmental entity operating a PSAP to provide certain information to the Steering Committee. The information to be reported includes:

- The geographic location and population of the area for which the planning committee is responsible;
- Statistics detailing the number of 9-1-1 calls received;
- A report of expenditures made from disbursements for 9-1-1;

⁶ 47 C.F.R. 51.713.



- An inventory of and the technical specifications for the current 9-1-1 network and equipment;
- Any other information requested by the Steering Committee that is deemed necessary to support the transition to next generation 9-1-1.

The bill does not specify for what time period (if any) or how frequently the information must be reported.

This requirement replaces current law under which each chairperson of a countywide 9-1-1 planning committee (or the chairperson's designee) is required to report information to the Steering Committee by February 15, 2013. The information required under current law is nearly the same as in the bill except that current law requires a report of expenditures made from disbursements from the Wireless 9-1-1 Government Assistance Fund, rather than requiring a report of disbursements for 9-1-1. Also, current law requires reporting "any other information requested by the Steering Committee," rather than the bill's more specific requirement to report "any other information requested by the Steering Committee that is deemed necessary to support the transition to next generation 9-1-1."

Failure to report and suspension of disbursements. The bill removes the current law provision that requires the Steering Committee to notify the Ohio 9-1-1 Coordinator (see "**9-1-1 service program and Ohio 9-1-1 coordinator repeal**" discussed below) of the failure of a county 9-1-1 planning committee chairperson or designee to submit, by February 15, 2013, a 9-1-1 system informational report to the Steering Committee. The bill removes the requirement that the Coordinator suspend disbursements from the Wireless 9-1-1 Government Assistance Fund to the county and that the Coordinator resume disbursements upon notification that the Steering Committee received the required information. Also removed are the provisions that, beginning January 1, 2014, require the Steering Committee to provide notice to the Tax Commissioner that the information was received and the Tax Commissioner to resume the reimbursements.

Remittance of wireless 9-1-1 charges

(R.C. 128.46(A) and (C))

The bill specifies that, until January 1, 2014, wireless service providers and resellers must remit all wireless 9-1-1 charges to, and are liable to the state for any amount not remitted to, the 9-1-1 Program Office Administrator instead of the Coordinator as is required under current law for this period. (The bill repeals the position of Coordinator. See "**9-1-1 Program Office**" discussed below.) The bill also transfers the administrative duties regarding the remittance of wireless 9-1-1 charges,



including returning or issuing credit for remittances erroneously submitted by the provider or reseller, from the Coordinator to the Administrator for the period prior to January 1, 2014. Beginning on that date, ongoing law requires that administrative duties for the charges be assumed by the Tax Commissioner.

Changes to wireless 9-1-1 funds

(R.C. 128.53 and 128.54)

The bill repeals the Wireless 9-1-1 Public Safety Administrative Fund and replaces it with the 9-1-1 Program Fund. It also modifies the Wireless 9-1-1 Government Assistance Fund and the Wireless 9-1-1 Administrative Fund as follows:

Distribution of Wireless 9-1-1 Charges Under the Bill

Fund	Percentage of Wireless 9-1-1 charge remittances Prior to January 1, 2014	Entity Authorized to Use Fund	Percentage of Wireless 9-1-1 charge remittances Beginning January 1, 2014	Entity Authorized to Use Fund
Wireless 9-1-1 Government Assistance Fund	98%	Steering Committee disburses to counties	97%	Tax Commissioner disburses to counties according to policies established by the Steering Committee
Wireless 9-1-1 Administrative Fund	2%	Steering Committee to cover costs	1%	Tax Commissioner to cover costs
Wireless 9-1-1 Public Safety Administrative Fund Repealed			1% Repealed	DPS Repealed
9-1-1 Program Fund			2%	Steering Committee to cover costs

Wireless 9-1-1 Government Assistance Fund

(R.C. 128.53(B) and (C))

Until January 1, 2014, the bill specifies that the Wireless 9-1-1 Government Assistance Fund receive 98% of the wireless 9-1-1 service charges. The bill replaces the Coordinator with the Steering Committee as the entity (1) upon whose order the Treasurer of State disburses money from the Wireless 9-1-1 Government Assistance Fund (to counties for wireless enhanced 9-1-1 service according to a proportionate share as determined according to former 9-1-1 law as it existed prior to December 20, 2012 – the effective date of H.B. 360⁷) and (2) to which the Treasurer must annually certify the amount of moneys in the Fund. The bill also grants the Steering Committee instead of PUCO the authority to transfer funds to the Next Generation 9-1-1 Fund. The transfer amount determination, unchanged by the bill, is equal to the funds remaining after disbursements are made to counties.

Wireless 9-1-1 Administrative Fund

(R.C. 128.53(A) and 128.54(A)(1)(b) and (A)(2))

The bill provides, that until January 1, 2014, 2% of the remittances from wireless 9-1-1 charges are credited to the Wireless 9-1-1 Administrative Fund. This differs from current law which requires the amount credited to the Fund to be an amount determined by the PUCO chairperson that is a "sufficient percentage" not to exceed 2%.

Under the bill, the Fund is to be used by the Steering Committee, instead of PUCO. The Fund may be used for nonpayroll costs and payroll costs (at the discretion of the Steering Committee) in carrying out the 9-1-1 service law. Current law specifies that the Fund may be used, at PUCO's discretion, for payroll costs incurred in assisting the Coordinator in carrying out the specific provisions of the 9-1-1 service law governing the wireless 9-1-1 charges, remittances, audits, and compliance; the 9-1-1 service program and Coordinator; the Ohio 9-1-1 Council; and the Wireless 9-1-1 Advisory Board. The compensation of the Coordinator and the Coordinator's expenses also are paid from the Fund under current law.

Beginning January 1, 2014, 1% of the remittances of the wireless 9-1-1 charges must be paid to the Wireless 9-1-1 Administrative Fund. The Fund is to be used by the Tax Commissioner to defray the costs in carrying out the 9-1-1 service law.

⁷ R.C. 4931.64, not in the bill.

9-1-1 Program Fund

(R.C. 128.54(A)(1)(c) and (A)(3))

The bill creates the 9-1-1 Program Fund to replace the Wireless 9-1-1 Public Safety Administrative Fund. Beginning January 1, 2014, 2% of the remittances of the wireless 9-1-1 charges must be credited to this Fund for use by the Steering Committee to defray the costs of carrying out the 9-1-1 service law.

Wireless 9-1-1 Public Safety Administrative Fund repeal

(R.C. 128.54(A)(1)(c))

The bill repeals the Wireless 9-1-1 Public Safety Administrative Fund as part of the transfer of duties from DPS to the Steering Committee. Current law, beginning January 1, 2014, requires 1% of wireless 9-1-1 charges to be deposited for use by DPS to defray DPS 9-1-1 service costs.

Transfers to Next Generation 9-1-1 Fund

(R.C. 128.54(A)(4))

The bill retains the current law requirement that any excess funds remaining in the administrative funds (Wireless 9-1-1 Public Safety Administrative Fund and Wireless 9-1-1 Administrative Fund) after paying administrative costs be transferred to the Next Generation 9-1-1 Fund each year. Under current law the Tax Commissioner and DPS use the administrative funds and are required to make the transfer of any excess. Under the bill, the new 9-1-1 Program Fund (which replaces the Wireless 9-1-1 Public Safety Administrative Fund) appears to be subject to the transfer since the Steering Committee uses the fund to pay administrative costs and replaces DPS as the entity making such transfers.

9-1-1 Program Office

(R.C. 128.40, 128.46, and 128.53)

The bill replaces the 9-1-1 service program with the 9-1-1 Program Office within the Department. The Office is headed by an administrator who is appointed by and serves at the pleasure of the Director of Administrative Services. Under the bill, the administrator of the Office reports directly to the State Chief Information Officer, who is the chairperson of the Steering Committee. The Office is responsible for administering the Wireless 9-1-1 Government Assistance Fund.

The administrator is temporarily responsible for receiving (1) remittances of wireless 9-1-1 charges collected by wireless service providers, resellers, and sellers and



(2) assessments for failure to bill, collect, or remit the charges. The bill does not specify any staffing assistance for the administrator. Nor does it specify the duties of the administrator for the period beginning January 1, 2014. (See "**Transfers from PUCO**" and "**Remittance of wireless 9-1-1 charges**" discussed above.)

9-1-1 service program and Ohio 9-1-1 Coordinator repeal

(R.C. 128.40)

The bill eliminates the 9-1-1 service program within PUCO headed by the Ohio 9-1-1 Coordinator. Under current law the Coordinator is appointed by and reports to the PUCO chairperson. The Coordinator administers the Wireless 9-1-1 Government Assistance Fund, carries out duties as assigned by the PUCO chairperson based on recommended duties submitted by the Ohio 9-1-1 Council, and may be assisted by PUCO employees as assigned by the PUCO chairperson.

Ohio 9-1-1 Council and Wireless 9-1-1 Advisory Board repeal

(R.C. 5507.65 and 5507.66)

The bill repeals the Ohio 9-1-1 Council and the Wireless 9-1-1 Advisory Board. Under current law, the Council is responsible for the following duties:

- Arbitrating or establishing, for 9-1-1 systems in Ohio, technical and operational standards consistent with recognized industry standards and federal law;
- Conducting research and making recommendations or reports regarding any wireline and wireless 9-1-1 issues, any improvements in the provision of service by 9-1-1 systems in Ohio, or any legislation or policies concerning such systems;
- Submitting names of nominees for the position of Coordinator to PUCO and recommending duties for the Coordinator; and
- Conducting and submitting, with recommendations to PUCO, a performance evaluation of the Coordinator.

Current law does not specify any duties for the Advisory Board. Former Board duties to make recommendations regarding rules governing provisions of the 9-1-1 service law were removed by H.B. 472 of the 129th General Assembly.



County 9-1-1 planning committee changes

(R.C. 128.07 and 128.12)

The bill repeals the requirement that a county 9-1-1 planning committee cease to exist if it does not adopt a final 9-1-1 plan by the deadline of nine months after the adoption of a resolution to convene the planning committee. It also repeals the option to convene a new planning committee if the first committee ceases to exist for failure to adopt a plan.

The bill changes the procedures for amending a final 9-1-1 plan. It removes the requirement that certain amendments be adopted in the same way as the final plan is adopted, including convening a 9-1-1 planning committee and developing a proposed plan prior to adopting an amended final plan. The types of amendments affected by this change include those proposing to do the following:

- Upgrade any part or all of a system from basic to enhanced wireline 9-1-1;
- Permit a regional council of government to operate a PSAP;
- Change the funding for a PSAP from among the alternatives under the 9-1-1 service law; and
- Provide that the state highway patrol or one or more PSAPs of another 9-1-1 system function as PSAPs for all or part of the territory of the system described in the final plan.

Under the bill, these and most other amendments to the final plan may be made simply by an addendum approved by a majority of the planning committee at a meeting called for considering an addendum by the board of county commissioners.

