

## Executive

## DASCD11 Long-Term Lease-Purchase and Lease-Leaseback Agreements

## R.C. 123.01

Modifies existing law governing lease-purchase agreements that the Department of Administrative Services (DAS) may enter into by: (1) expressly allowing DAS to make such agreements with any person or political subdivision of the state; (2) requiring that improvements under a lease-purchase agreement be for any public purpose or private use for the benefit of the state, instead of just any public purpose as required under existing law; and (3) eliminating the public bidding process requirements for leasing buildings, structures, and other improvements to state agencies.

Establishes new law that grants DAS authority to enter into a lease-leaseback agreement under which the state leases real property to provide for the construction of buildings, structures, and other improvements for the use of the state under terms similar to those required for lease-purchase agreements.

Requires any person or political subdivision entering into a lease-purchase or lease-leaseback agreement with DAS to provide plans for improvements that are satisfactory to DAS.

**Fiscal effect: The provision allows for another method for acquiring and building or improving facilities for the use of the state.**

## DASCD18 Conveyance and Easement Authority

## R.C. 123.01, 127.27

Modifies existing authority to lease or grant easements or licenses for unproductive and unused lands or other property under the control of a state agency by removing the requirement for the conveyances to be executed for the state by both the Director of DAS and the Governor, and instead specifies that conveyances need only be executed by the Director of DAS or the Director's designee.

Expressly provides that the leases, easements, or licenses may be made to any person or entity.

Removes the existing provision applicable to federal agencies, political subdivisions, and taxing districts, allowing for the agency, political subdivision, or taxing district to have the exclusive use of property without the right of sublease or assignment.

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Provides that the existing authority DAS has to exercise general custodial care of all real property of the state includes the sale and conveyance of real estate not needed by the state.

Requires the approval of the Controlling Board for all conveyances of land not needed by the state.

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**DASCD19            Ohio Facilities Construction Commission**

**R.C.            *123.20, 123.201, 123.21, 3318.30; Renumbers existing sections and enacts new sections under Chapter 123.; Amends various other RC sections; Section 701.70.10***

Creates the Ohio Facilities Construction Commission to replace the Office of the State Architect and Engineer and the Office of Energy Services.

Provides authority for the consolidation of most of the state's building construction and energy operations management by combining the Office of the State Architect and Engineer and the Ohio School Facilities Commission, and possibly the Department of Natural Resources Engineering Division.

Maintains the Ohio School Facilities Commission as an independent agency within the Ohio Facilities Construction Commission.

Provides for the Ohio Facilities Construction Commission to assume the powers and obligations of, and to continue the operations and management of, the State Architect and Engineer's Office as provided in continuing law or in any agreements relating to capital expenditures for construction operations functions to which the State Architect and Engineer's Office is a party.

Specifies that the Ohio Facilities Construction Commission must complete any activities related to operations functions that are not completed by the Office of the State Architect and Engineer on the date of transfer with the same effect as if completed by the Office of the State Architect and Engineer.

Specifies that all employees of the Office of the State Architect and Engineer are to be transferred to the Ohio Facilities Construction Commission as the Commission determines to be necessary.

Specifies that all employees of the School Facilities Commission remain in their current classification unless the Ohio Facilities Construction Commission determines otherwise.

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Specifies that judicial and administrative actions will proceed with the Ohio Facilities Construction Commission being substituted as a party for the Office of State Architect and Engineer.

Appropriates established encumbrances plus any additional amounts determined to be necessary for the Ohio Facilities Construction Commission to perform the construction, energy, and capital funding operation functions of the Office of State Architect and Engineer. Creates the Ohio Facilities Construction Commission Fund to be used by the Commission to pay its operating expenses.

Authorizes the Director of OBM to make all budget changes necessitated by this reorganization, including administrative organization, program transfers, the creation of new funds as well as the transfer and consolidation of state funds.

Requires the Ohio Facilities Construction Commission and the Department of Natural Resources to cooperate in a study to determine which operation functions, if any, of the DNR Division of Engineering should be integrated and consolidated into the Commission.

**Fiscal effect: In the short-run, there may be some one-time costs for the reorganization. In the long-run, there could be some administrative savings.**

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DASCD12

Alternative Sale and Leaseback Requirements

R.C. 123.51, 307.093

Authorizes the state and boards of county commissioners to enter into agreements for the sale and leaseback of state-owned buildings and county-owned buildings, respectively. Specifies that under such an agreement, the purchaser is obligated, immediately upon closing, to lease the building back to the state or county. Specifies, further, that the agreement obligate the lessor to make improvements to the building, including renovations, energy conservation measures, and other measures that are necessary to improve the functionality and reduce the operating costs of the building.

**Fiscal effect: Provides the state and counties with another way to finance the cost of public improvements, essentially in the form of a long-term lease.**

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**DASCD9                    DAS Role in County Personnel Administration****R.C.            124.14, 124.04, 124.06, 124.11, 124.12**

Modifies the authority of DAS with respect to certain provisions of civil service law, generally regarding the authority over the examination and classification of positions, to clarify that DAS's authority extends only to positions in the classified service of the state. (Under current law, DAS's authority extends to counties and general health districts.)

Modifies the authority for county agencies to contract with DAS for human resources services, including but not limited to establishment and modification of job classification plans, competitive testing services, and periodic audits and reviews, and other related functions.

Eliminates the authority of DAS to, by rule, require county personnel departments to adhere to merit system principles with regard to certain county agencies so that there is no loss of federal funding for the agencies. Requires, instead, that counties expressly adhere to such principles and be liable to the state for the loss of federal funding.

Specifies that any appointing authority rather than the Director of Administrative Services possesses the authority to make a determination that it is impracticable, for certain positions, to determine fitness by competitive examination.

Specifies that only classified employees in the service of the state have the right to request that the Director of Administrative Services perform a job audit to review the classification of the employee's position.

**Fiscal effect: The provision could result in administrative savings for DAS.**

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**DASCD7                    Application of Civil Service Act****R.C.            124.27, 124.231, 124.241, 124.25, 124.26,  
124.30, 124.31**

Clarifies that the following provisions of the Civil Service Act are applicable only with respect to positions in the state classified service: (1) Formal application requirements, (2) Preparation of eligible lists from the returns of civil service examinations, (3) Protocols for appointments from an eligible list, and original and promotional appointments, (4) Protocols for filling positions without competitive examination, (5) The requirement for special examinations to be administered to legally blind or legally deaf persons.

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Authorizes an additional protocol for appointment from an eligible list that permits an appointing authority to select from a name in the top 10 of the eligible list when the top 25% of the eligible list contains 10 or fewer names. (Continuing law generally requires such a selection from a name that ranks in the top 25% of the eligible list or from any name on the list if the entire list is 10 or fewer.)

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**DASCD1            Cash Transfer From the Workforce Development Fund to the Human Resources Services Fund**

**Section:    601.40**  
**Amends Section 207.10.80 of H.B. 153**

Requires the Director of OBM, upon the request of the Director of DAS, to transfer up to \$975,000 in cash in FY 2013 from the Workforce Development Fund (Fund 5D70) to the Human Resources Services Fund (Fund 1250) to support one-time human resources administration activities for state agencies.

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**DASCD2            Leveraged Enterprise Purchases**

**Section:    601.40**  
**Amends Section 207.20.30 of H.B. 153**

Specifies that GSF Fund 2290 appropriation item 100640, Leveraged Enterprises Purchases, is to be used by DAS to make information technology purchases for the benefit of government agencies. Requires the Director of DAS to seek approval from the Director of OBM if additional appropriations are needed to make timely purchases, and upon approval of the Director of OBM, appropriates the additional amounts requested.

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**DASCD3            Cash Transfers to the Major IT Purchases Fund**

**Section:    601.40**  
**Amends Section 207.20.90 of H.B. 153**

Authorizes the Director of OBM, upon request of the Director of DAS, to transfer up to \$4,000,000 in cash from the OAKS Support Organization Fund (5EB0) to the Major IT Purchases Fund (4N60). States that this amount represents the cash transferred from Fund 4N60 to Fund 5EB0 in FY 2010 under Section 207.30.80 of H.B.1, the FY 2010-FY2011 biennial main operating budget.

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Eliminates the two cash transfers to Fund 4N60 that were authorized under Section 207.20.90 of H.B. 153: (1) \$2.8 million in each fiscal year of the FY 2012-FY 2013 biennium from the State Architect's Fund (Fund 1310) and (2) \$310,276 in FY 2012 and \$305,921 in FY 2013 from the Director's Office Fund (Fund 1120).

Reappropriates the unencumbered and unexpended portion of GSF Fund 4N60 appropriation item 100617, Major IT Purchases, at the end of FY 2012 to the same appropriation item in FY 2013.

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**DASCD4                    DAS - Building Operating Payments****Section: 601.40*****Amends Section 207.10.80 of H.B. 153***

Allows GRF appropriation item 100449, DAS-Building Operating Payments, in addition to existing purposes, to be used to pay other costs associated with the Voinovich Center in Youngstown, Ohio

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**DASCD5                    State IT Services, Equal Opportunity, and Construction Management Services Funding****Section: 601.40*****Amends Section 207.10.80 of H.B. 153***

(1) Specifies that GRF appropriation item 100456, State IT Services, be used to pay certain costs formerly paid from GRF appropriation items 100418, Web Sites and Business Gateway, and 100419, IT Security Infrastructure. Requires the Director of Budget and Management to cancel existing encumbrances against the latter three items and reestablish them against item 100456. Appropriates those reestablished encumbrances.

(2) Specifies that GRF appropriation item 100457, Equal Opportunity Services, be used to pay certain costs formerly paid from GRF appropriation items 100439, Equal Opportunity Certification Programs, 100451, Minority Affairs, and 102321, Construction Compliance. Requires the Director of Budget and Management to cancel existing encumbrances against the latter three items and reestablish them against item 100457. Appropriates those reestablished encumbrances.

(3) Specifies that GRF appropriation item 100458, State Construction Management Services, be used to pay costs of statewide shared construction-related services and capital improvement project management services provided through the state's enterprise resource planning system.

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**DASCD14            Online Clearinghouse to Identify Available Joint Purchasing Opportunities****Section: 701.30**

Requires DAS, by itself or by contract with another entity, to establish, operate, and maintain a state web site to serve as an online clearinghouse of information about existing joint purchasing programs between or among political subdivisions.

Requires DAS to: (1) use a domain name that will be easily recognized, remembered, and understood by users, (2) maintain the web site so it is fully accessible to and searchable by members of the public, (3) not charge a fee to a person who uses the web site, (4) compile information provided by political subdivisions on the web site about joint purchasing arrangements they are involved in that DAS verifies, through statewide associations and others, have resulted in verifiable cost savings, (5) enable political subdivisions to register and request inclusion of their submitted information, (6) enable information to be accessed by key word, by program name, by county, by type of product or service, and by other useful identifiers, (7) maintain adequate systemic security and back-up features, and develop and maintain a contingency plan for coping with and recovering from unforeseen disruptions in service, and (8) maintain the web site in such a manner that it will not infringe legally protected interests, so that vulnerability of the web site to interruption because of litigation or the threat of litigation is reduced.

Requires DAS to bear the expense of establishing, operating, and maintaining the online clearinghouse web site.

**Fiscal effect: DAS would incur new costs for developing and maintaining this web site.**

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**DASCD13            Enterprise Services Improvements and Efficiencies****Section: 701.40**

Provides authority for the directors of Budget and Management and Administrative Services to determine ways to improve efficiencies of "enterprise services," including the areas of procurement, human resources, and information technology.

Allows the consolidation and transfer of services and to make budget and program changes as necessary to implement enterprise improvements and efficiencies.

Allows the Director of Budget and Management, upon agreement with the Director of Administrative Services, to establish any new funds, appropriations, full or partial encumbrances, and consolidate funds and transfer cash, employees, assets and liabilities, including, but not limited to, records and contracts and agreements, to facilitate the improvements authorized by the section.

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**Fiscal effect:** Could result in changes to various centralized business functions of state government, including procurement, human resources, and information technology, overseen by DAS and OBM. Many of these centralized services are supported by fees charged to state agencies.

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**DASCD6**            **State Fire Marshal Added to the Multi-Agency Radio Communications System Steering Committee**

**Section: 701.50**

Adds the State Fire Marshal, or the State Fire Marshal's designee, to the Multi-Agency Radio Communications System Steering Committee.

**Fiscal effect: None.**

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**DASCD15**            **Land Conveyance to the Spanish War Veteran Association**

**Section: 753.30**

Authorizes the return of title of real estate on Lake Erie to the Spanish War Veteran Association that was originally conveyed to the State of Ohio in 1934 to qualify for a federal Works Projects Administration erosion and tidal wave mediation project, and that was originally to have been returned to the Association when the project was completed.

Specifies that the consideration for the conveyance is \$10.

Requires grantee to pay all costs associated with the conveyance, including recordation costs of the deed.

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LOCCD9            Group Insurance Coverage for County Officers and Employees

R.C.        *305.171*

Eliminates the provision that prohibits boards of county commissioners from contracting for or purchasing group insurance policies, or benefits once the Department of Administrative Services (DAS) implements health care plans that contain best practices for counties.

**Fiscal effect: The impact of this provision will depend on the terms of the health care contracts and how they compare to the best practices established by DAS.**

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