DEPARTMENT OF ADMINISTRATIVE SERVICES

Ban certain applications on state networks and devices

 Prohibits the download, installation, or use of TikTok, WeChat, or other Chinese-owned applications on state computers, networks, and devices.

DAS and state agency purchasing

Makes changes and clarifications to state procurement law.

Opening of competitive bids

- Requires DAS to open competitive sealed bids and competitive sealed proposals in the standardized system of electronic procurement rather than publicly opened in the DAS office.
- Removes the requirement that a representative of the Auditor of State be present at and certify the opening of certain bids and proposals.

Competitive sealed proposals

 Clarifies DAS authority to award a contract to multiple offerors whose competitive sealed proposals are determined to be most advantageous to the state.

State agency direct purchasing authority

Clarifies state agency direct purchasing authority.

Electronic procurement system

- Specifies that a purchase, by DAS or a state agency through the electronic procurement system established by DAS, constitutes a competitive selection procedure, if the contract for the supplies or services being procured was selected for inclusion in the electronic procurement system using one of the competitive selection methods defined in current law.
- Removes an outdated provision that required DAS to implement relevant recommendations regarding electronic procurement from the "2000 Management Improvement Commission Report to the Governor."

Ohio-based personal protective equipment manufacturers' procurement program

 Establishes the Ohio-based personal protective equipment manufacturers program and requires a state agency to make certain qualifying purchases from an Ohio-based manufacturer.

State job classification plan

 Codifies an administrative rule governing the state job classification plan established by the DAS Director under continuing law related to stating qualifications in terms of

- experience, training, specific coursework, or other terms, rather than in terms of academic degrees.
- Prohibits an appointing authority from requesting a minimum qualification that differs from the Director's classification specification if it is stated solely in terms of academic degrees.

Increased parental leave benefits

- Increases parental leave benefits for certain state employees by replacing the current six-week leave period, which includes a 14-day unpaid waiting period, with eight weeks of paid leave.
- Requires an eligible employee to be paid at 100% of the employee's base rate of pay for the first two weeks of the parental leave period.
- For the remaining six weeks of the parental leave period, requires the employee to be paid at the current rate (i.e., 70% of the employee's base rate), which may be supplemented under continuing law with other forms of leave to equal 100% of the employee's base rate of pay.

Bereavement leave

- Specifies that a permanent employee paid by OBM warrant must begin bereavement leave granted under continuing law not more than five days after the death of the family member that forms the basis for the leave, or not more than five days before or after the funeral of the person whose death formed the basis for the leave.
- Allows an employee to take bereavement leave on the basis of a miscarriage or the stillbirth of a child by providing appropriate medical documentation (in the case of a miscarriage) or a fetal death certificate (in the case of a stillbirth).
- Specifies that an employee who takes bereavement leave on the basis of a stillbirth is ineligible to take parental leave or benefits granted under continuing law based on the same stillbirth.

DAS reports regarding public works

- Repeals a requirement that the DAS Director make an annual report to the Governor related to public works expenses under the Director's supervision.
- Repeals law requiring the Director make other reports, upon the Governor's request, regarding the condition and welfare of public works and related drainage, leaseholds, and water powers.

Professions Licensing System Fund

 Eliminates the Professions Licensing System Fund and deposits transaction fees from the electronic issuance of licenses to the Occupational Licensing and Regulatory Fund instead.

MARCS Steering Committee

- Modifies the membership of the Multi-Agency Radio Communications System (MARCS) Steering Committee.
- Repeals the uncodified law that originally created and modified the Committee in the 120th and 121st General Assemblies, clarifying that the most recent uncodified law governs the Committee's membership, name, purpose, and responsibilities.

Ban certain applications on state networks and devices

(R.C. 125.183)

In January 2023, Governor DeWine issued an executive order that prohibits the download and use of any social media application, channel, and platform that is owned by an entity in China on devices and networks that are owned or leased by the state. Similarly, the bill prohibits the download, installation, and use of covered applications on state agency computers, networks, and devices. A "covered application" is defined as:

- The TikTok application, or any successor application or service developed or provided by ByteDance;
- The WeChat application and service, or any successor application or service developed or provided by Tencent Holdings; or
- Any application or service owned by an entity located in China, including QQ International (QQi), Qzone, Weibo, Xiao, HongShu, Zhihu, Meituan, Toutiao, Alipay, Xiami Music, Tiantian Music, DingTalk Ding, Douban, RenRen, Youku/Tudou, Little Red Book, and Zhihu.¹⁰

The bill's prohibition is effectuated by rules adopted by the State Chief Information Officer, in accordance with the Administrative Procedure Act. The rules must require state agencies to remove any covered applications from equipment owned or leased by the state and take necessary measures to prevent the download, installation, and use of covered applications on state computers, networks, and devices. A "state agency" is defined as every organized body, office, or agency established by the state for the exercise of any function of state government. The General Assembly, any legislative agency, and the Capitol Square Review and Advisory Board

⁹ "Executive Order 2023-03D," Governor Mike DeWine, which may be accessed on the Governor's website: governor.ohio.gov, under the "Media" tab by clicking "Executive Orders" and then searching for "2023-03D."

¹⁰ R.C. 125.183(A)(1).

are included in this definition. The definition excludes any state-supported institution of higher education, the courts, or any judicial agency.¹¹

Exceptions

The bill includes an exception that allows qualified individuals to download, install, and use a covered application for law enforcement or information technology security purposes. To do so, appropriate measures must be taken to mitigate security risks.¹²

DAS and state agency purchasing

(R.C. 125.01, 125.09, 125.11, 153.54, 307.87, 307.90, and 3345.10; repealed R.C. 505.103 and 717.21)

The bill eliminates the following provisions of current state purchasing law:

- A requirement that "insurance" is a type of supply expressly subject to certain state purchasing laws. Under continuing law, DAS generally must purchase any policy of insurance covering offices or employees of a state agency for which the annual premium is more than \$1,000.¹³
- A provision that DAS may require each bidder or offeror to provide sufficient information about the energy efficiency or energy usage of the bidder's or offeror's product, supply, or service.
- A requirement, regarding contracts for certain meat and poultry products, that DAS only accept bids from vendors under inspection of the U.S. Department of Agriculture or who are licensed by the Ohio Department of Agriculture. Under current federal law, all meat sold commercially must be inspected for safety.
- A requirement that DAS award certain contracts to qualified nonprofit agencies under the Office of Procurement from Community Rehabilitation Programs. Continuing law requires state agencies to purchase supplies or services that are on the procurement list maintained by that Office.
- A requirement that the DAS Director publish a model act for use by political subdivisions in establishing a system of preferences for purchasing Buy Ohio products, and eliminates the authority for a board of county commissioners, a board of township trustees, or the legislative authority of a municipality to adopt the model system of preferences.

¹³ R.C. 125.02(G), not in the bill.

¹¹ R.C. 125.183(A)(2) and (B).

¹² R.C. 125.183(C).

Opening of competitive bids

(R.C. 125.10)

The bill requires DAS to open competitive sealed bids and competitive sealed proposals in the standardized system of electronic procurement rather than publicly opened in the DAS office. Continuing law requires that a sealed copy of each competitive sealed bid or competitive sealed proposal be filed with DAS before the time specified in the notice for opening of the bids or proposals. The bill removes the requirement in current law that a representative of the Auditor of State be present at and certify the opening of all such bids and proposals.

Competitive sealed proposals

(R.C. 125.071)

Under continuing law, the DAS Director may make purchases by competitive sealed proposal whenever the Director determines that using competitive sealed bidding is not possible or not advantageous to the state. The bill clarifies DAS authority to award a contract to multiple offerors whose proposals are determined to be the most advantageous to the state. Continuing law requires the contract file to contain the basis on which the award is made.

State agency direct purchasing authority

(R.C. 125.01, 125.05, and 127.16)

The bill clarifies that a state agency's direct purchasing authority under existing law, which authorizes the agency to make a purchase without competitive selection, requires the agency to use a selection process that complies with all applicable laws, rules, or regulations of DAS.

Electronic procurement system

(R.C. 125.01, 125.035, 125.05, and 125.073)

The bill specifies that a purchase, by DAS or a state agency through the electronic procurement system established by DAS, constitutes a competitive selection procedure, if the contract for the supplies or services being procured was selected for inclusion in the electronic procurement system using one of the competitive selection methods defined in current law. Under continuing law, competitive selection also includes purchases under the procedures outlined in procurement law for competitive sealed bidding, competitive sealed proposals, and reverse auctions.

The bill specifically authorizes a state agency that has been granted a release and permit from DAS to make the purchase by utilizing the electronic procurement system.

The bill also removes an outdated law that requires DAS to implement recommendations concerning electronic procurement from the "2000 Management Improvement Commission Report to the Governor."

Ohio-based personal protective equipment manufacturers' procurement program

(R.C. 125.035 and 125.036)

The bill requires the DAS Director to establish and maintain an Ohio-based personal protective equipment (PPE) manufacturers program. Under the program, the Director must establish and maintain a list of manufacturers qualified to fulfill purchase requests as a first requisite procurement program.

The bill requires a state agency to make certain qualifying purchases from an Ohio-based PPE manufacturer if an Ohio-based PPE manufacturer on the Director's list is able to fulfill the purchase request, but allows the Director to issue a release and permit for a foreign manufacturer, if purchasing from an Ohio-based PPE manufacture would result in the state agency paying a price that is 120% or higher than the price that is available from the foreign supplier.

Under the bill, "Ohio-based personal protective equipment manufacturer" means a manufacturer, at least two-thirds of the beneficial ownership of which is vested in residents of Ohio, that produces PPE in Ohio; and "personal protective equipment" means equipment worn to minimize exposure to hazards that cause workplace injuries and illnesses.

State job classification plan

(R.C. 124.14)

The bill codifies an administrative rule governing the state job classification plan established by the DAS Director under continuing law that does the following:

- Requires the Director to include in each classification specification a statement of the essential character of the work of the classification and the essential knowledge, abilities, skills, and qualifications required for a person to fill the position;
- Requires the Director to state qualifications in terms of experience, training, specific coursework, or other terms;
- Prohibits the Director from stating qualifications in terms of academic degrees unless the degrees are required by a specific statute or rule;
- Allows an appointing authority to request that the Director approve position-specific minimum qualifications that differ from those established by the Director.¹⁴

Additionally, an appointing authority is prohibited from requesting a minimum qualification that differs from the Director's classification specification if it is stated solely in terms of academic degrees.

Governor Mike DeWine signed Executive Order 2023-10D on May 15, 2023, to require DAS to develop a statewide policy on skills-based hiring that includes ensuring that all state

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¹⁴ O.A.C. 123:1-7-04.

agencies, departments, boards, and commissions are complying with the administrative rule codified by the bill. Additionally, the Executive Order requires DAS to review the use of both position-specific minimum qualifications and preferred qualifications in hiring practices and ensure that the qualifications are not stated in terms of academic degrees.

Increased parental leave benefits

(R.C. 124.136)

The bill increases parental leave benefits for certain state employees. Current law provides six weeks of parental leave for those employees, including a 14-day unpaid waiting period followed by four consecutive weeks of leave paid at 70% of the employee's base rate of pay. The bill increases the benefits to a total of eight consecutive weeks of paid parental leave. It does so in part by eliminating the 14-day waiting period and by instead requiring an eligible employee to be paid during the first two weeks of the leave period at 100% of the employee's base rate of pay. During the remaining six weeks of the leave period, the bill requires the employee to be paid at the current law rate of 70% of the employee's base rate, which the employee, under continuing law, may supplement with other forms of leave to equal 100% of the base rate of pay.

Continuing law provides that parental leave benefits may be granted to eligible state employees who satisfy either of the following criteria:

- They are the parent of a newly born or stillborn child and are listed as such on the birth certificate or fetal death certificate;
- They are the legal guardian of a newly adopted child who resides in their household, and they have not elected to receive the \$5,000 lump sum for adoption expenses in lieu of the parental leave benefits.

To be eligible for parental leave benefits under continuing law, a state employee must fall into a category described below:

- A full- or part-time employee paid in accordance with the exempt salary schedule (generally, those who are subject to the state job classification plan but are exempt from collective bargaining);¹⁵
- Unclassified employees of the Office of the Secretary of State, Auditor of State, Treasurer of State, or Attorney General who are exempt from collective bargaining;
- Legislative employees and employees of the Legislative Service Commission, the Supreme Court, and the Office of the Governor;
- Employees of the Bureau of Workers' Compensation whose compensation is established by the Administrator of Workers' Compensation; and

¹⁵ R.C. 124.152, not in the bill.

 Employees who hold a position for which the authority to determine compensation is given by law to an individual entity other than the DAS Director.

Under continuing law, the paid parental leave must be taken within one year of the birth, stillbirth, or placement for adoption of a child.

Bereavement leave

(R.C. 124.387)

Under continuing law, each full-time permanent and part-time permanent employee paid by warrant of the OBM Director is entitled to three days of paid bereavement leave due to the death of an immediate family member. The bill requires an employee to begin the leave during one of the following time periods:

- Not more than five days after the death of the family member that forms the basis for the leave;
- Not more than five days before or five days after the funeral of the person whose death formed the basis for the leave.

The bill also allows an employee entitled to be reavement leave to use the leave on the basis of a miscarriage or the stillbirth of a child. The employee must produce appropriate medical documentation (in the case of a miscarriage) or a fetal death certificate (in the case of a stillbirth). If an employee who is eligible for parental leave (which includes leave for a stillbirth) takes be reavement leave on the basis of a stillbirth, under the bill the employee is ineligible for parental leave based on the same stillbirth.

DAS reports regarding public works

(Repealed R.C. 123.14)

The bill repeals a requirement that the DAS Director make an annual report to the Governor "containing a statement of the expenses of the public works under the director's supervision during the preceding year, setting forth an account of moneys expended on each of the public works during the year, and such other information and records as the director deems proper." The report also must contain "a statement of the moneys received from all sources and an estimate of the appropriations necessary to maintain the public works and keep them in repair," as well as "a list of all persons regularly employed, together with the salary, compensation, or allowance paid each."

This information generally may now be found at checkbook.ohio.gov (see R.C. 113.71, not in the bill).

The bill repeals additional law requiring the DAS Director to make "such other reports as are proper, touching on the general condition and welfare of the public works and the drainage, leaseholds, and water powers incident thereto" when the DAS Director deems it necessary, or when called upon by the Governor.

H.B. 33

Professions Licensing System Fund

(R.C. 125.18)

The bill eliminates the Professions Licensing System Fund, which currently receives transaction fees from the electronic issuance of a license or registration. Instead, those fees are to be deposited into the existing Occupational Licensing and Regulatory Fund.

MARCS Steering Committee

(Sections 610.10 and 610.20)

The bill modifies the membership of the Multi-Agency Radio Communications System (MARCS) Steering Committee. Specifically, it authorizes either the Directors of DAS, DPS, DNR, ODOT, DRC, and OBM, or their designees, to serve as members. Current law authorizes only the Directors' designees to serve, rather than the Directors themselves (with the exception of the State Fire Marshal).

Additionally, the bill adds the following members appointed by the Governor:

- 1. A representative of the Ohio Chapter of the Association of Public Safety Communications Officials;
 - 2. A representative of the Buckeye State Sheriff's Association;
 - 3. A representative of the Ohio Chiefs of Police Association;
 - 4. A representative of the Ohio Fire Chiefs Association.

Finally, the bill repeals the uncodified sections that originally created and modified the Committee in the 120th and 121st General Assemblies (1993-1996).¹⁶ Doing so the bill clarifies that the most recent uncodified law that continues the Committee's existence governs its membership, name (it was once renamed a "Council"), purpose, responsibilities, and use of funding.

¹⁶ Section 21 of H.B. 790 of the 120th General Assembly, as amended by Section 11 of H.B. 670 of the 121st General Assembly.