DEPARTMENT OF ADMINISTRATIVE SERVICES

Exempt employee salary schedules

- Increases pay for an exempt state employee paid in accordance with Schedule E-1 by approximately 4.5% in FY 2026 and 3% in FY 2027, and raises the maximums in the pay ranges of Schedule E-2 by similar amounts.
- Codifies modifications to exempt state employee pay scales made by the DAS Director pursuant to H.B. 2 of the 135th General Assembly.

State employee work location (PARTIALLY VETOED)

- Would have required each state agency to develop, by October 15, 2025, a plan for its state employees to report to the agency's worksite or another location designated by the agency during the time the employees are performing their duties for the agency (VETOED).
- Would have required each state agency, beginning January 1, 2026, to require its state employees to report to the agency's worksite or another location in accordance with that plan (VETOED).
- Would have prohibited any state employee, beginning January 1, 2026, from working from the employee's place of residence unless an exception applied (VETOED).
- Would have allowed a state agency to adopt a policy allowing an appointing authority or the appointing authority's designee to approve a state employee to work from the employee's residence or other off-site location under certain circumstances (VETOED).
- Makes state employees' ability to work at a designated worksite not an appropriate subject of collective bargaining for future collective bargaining agreements, and has policies regarding state employee work location prevail over a conflicting provision in a future collective bargaining agreement (PARTIALLY VETOED).
- Would have required state agencies, by December 31, 2026, to develop a plan described above to submit an implementation report to the DAS Director that describes compliance with that plan (VETOED).

DAS personnel

- Eliminates the DAS Director's authority to designate individuals in or out of the service of the state to serve as examiners or assistants under the Director's direction, while retaining the Director's authority to appoint examiners, inspectors, clerks, and other assistants as necessary to carry out the law.
- Eliminates a requirement that the DAS Director, examiners, inspectors, clerks, and assistants must receive reimbursement for necessary traveling and other expenses incurred in the actual discharge of their official duties.

DAS services

- Eliminates the ability of a state-supported college or university or a municipality to use services and facilities furnished by DAS to provide and maintain payroll services and state merit standards.
- Eliminates the DAS Director's ability to enter into an agreement with any county, municipality, or other political subdivision to furnish DAS services and facilities in the administration of a merit program or other functions related to human resources, including providing competitive examinations for positions in the classified service.
- Eliminates the DAS Director's ability to designate the municipal civil service commission of the largest city within a county as the Director's agent to carry out designated provisions of law administered by the Director within that county.
- Eliminates the ability of the DAS Director to incur necessary expenses for stationery, printing, and other supplies incident to DAS business.

Disability leave

- Modifies the disability leave program for eligible state employees, including regarding rule adoption requirements, eligibility, approval, and appeals.

State employee pay for jury service or court attendance

- Prohibits requiring a state employee to surrender compensation or reimbursement paid to the employee for serving on a jury or appearing before a court, commission, board, or other legally constituted body when compelled to do so.

Paid leave for emergency medical or firefighting service

- Increases, from 40 to 120 hours, the amount of paid leave a state employee may use each calendar year to provide emergency medical or firefighting services.
- Expands the reasons for which a state employee may use the leave to include attending a training or continuing education program that relates to providing emergency medical or firefighting services.

Procurement processes

- Expands the definition of "Buy Ohio products" in procurement law to include any product that includes semiconductors produced by a company with a significant Ohio economic presence.
- Requires that a state consortium, established by the Chancellor of Higher Education, follow rules adopted by DAS for giving preference to Buy Ohio products, when making a purchase with appropriated funds of any product that includes semiconductors.
- Eliminates the Division of State Printing within DAS, and subjects state printing contracts to DAS procurement law generally.

Prohibited applications on state systems

- Expands the types of social media applications that are prohibited on state agency computers, networks, and devices.

State surplus supplies and nonprofit organizations

- Revises the authority of the DAS Director to dispose of surplus or excess supplies to a nonprofit corporation.

Software purchases

- Specifies prohibited provisions with respect to a contract for purchasing software.

Sharing legal documents

- Requires the Attorney General to share certain privileged and confidential documents with the DAS Office of Risk Management.

9-1-1

- Requires all public safety answering points (PSAPs) that answer 9-1-1 calls for service in Ohio to be subject to the PSAP operations rules.
- Repeals the law that would have reduced the Next Generation 9-1-1 access fee applied to certain communication services in Ohio from 40¢ to 25¢ beginning October 1, 2025.
- Raises the Next Generation 9-1-1 access fee from 40¢ to 60¢.
- Revises the allocation of the collected Next Generation 9-1-1 access fee amounts.

Entrepreneur in residence pilot program

- Eliminates the entrepreneur in residence pilot program.

State civil service

- Replaces the requirement that the DAS Director and the State Personnel Board of Review (SPBR) exercise former functions, powers, and duties given to the State Civil Service Commission with a requirement that the DAS Director and SPBR exercise functions, powers, and duties actually given to the Commission on or before January 1, 1959.
- Eliminates the requirement that any reference to the Commission in law or rule be considered to refer to DAS, the DAS Director, or SPBR.

Flag display on state buildings and grounds (PARTIALLY VETOED)

- Generally prohibits a state agency or any entity that manages the grounds or buildings under the control of a state agency (except for the Ohio Statehouse and its grounds) from displaying on the grounds or building any flag except for any of the following:
  - The official state flag;

- The U.S. flag;
- The POW/MIA flag; or
- Any flag approved by the Governor or the Governor's designee, as stipulated in the Governor's veto message.

- Would have limited such a state agency or entity from displaying any other flag to one containing its official logo, so long as the flag was approved by the Governor or the Governor's designee (PARTIALLY VETOED).

State real property study (PARTIALLY VETOED)

- Requires DAS to issue a biennial report on all real property owned or leased by the state or a state.
- Would have required DAS to conduct a comprehensive survey of each property (VETOED).

Exempt employee salary schedules

(R.C. 124.152; Section 503.15)

The act codifies modifications to exempt state employee pay schedules made by the DAS Director pursuant to H.B. 2 of the 135th General Assembly (enacted in 2024) and includes raises for FY 2026 and FY 2027. An exempt employee generally is an employee subject to the state job classification plan but exempt from collective bargaining.

The act increases pay for exempt state employees paid in accordance with salary schedule E-1 by approximately 4.5% as of the pay period that includes July 1, 2025, and an additional 3% (approximate) as of the pay period that includes July 1, 2026. For exempt state employees paid in accordance with salary Schedule E-2, the act increases the maximum pay range amount by similar amounts.

H.B. 2 allowed the DAS Director, in consultation with the OBM Director, to modify exempt state employee pay schedules to the extent necessary to achieve pay parity between exempt state employees and state employees who are paid in accordance with collective bargaining agreements entered into in accordance with Ohio's Public Employee Collective Bargaining Law[2] that were effective on or after March 1, 2024. The modification authorized by H.B. 2 applied only to the period beginning with the pay period that included July 1, 2024, and ending with the pay period that included June 30, 2025.[3]

The act authorizes each state appointing authority to make expenditures from current state operating appropriations to provide for compensation increases pursuant to approved

[2] R.C. Chapter 4117.

[3] Section 701.10 of H.B. 2.

collective bargaining agreements between employee organizations and the state and pursuant to the act for employees exempt from collective bargaining.

State employee work location (PARTIALLY VETOED)

(R.C. 124.184, 4117.08, and 4117.10; Section 701.130)

The Governor vetoed a provision that would have required each state agency to develop, by October 15, 2025, a plan for its state employees to report to the agency's worksite or another location designated by the agency during the time the employees are performing their duties for the agency. It would have prohibited state employees, beginning January 1, 2026, from working from their place of residence unless an exception applied. The act also would have required a state agency to submit an implementation report to the DAS Director that describes the agency's compliance with the plan by December 31, 2026. A detailed description of the vetoed provisions is available pages 38-40 of LSC's analysis of H.B. 96, As Passed by the Senate (PDF), which is available on the General Assembly's website at legislature.ohio.gov.

The Governor also partially vetoed two provisions regarding collective bargaining and state employee work location. As enacted by the General Assembly, the act would have made state employee work location as designated by a state agency under the enacted law not an appropriate subject for collective bargaining for public employee collective bargaining agreements entered into on or after September 30, 2025. As a result of the Governor's veto, "the ability of state employees to perform their duties at a location designated as a worksite" is not an appropriate subject of collective bargaining. Additionally, the act's provisions regarding state employee work location, as enacted by the General Assembly, prevail over a conflicting provision in a collective bargaining agreement entered into on or after September 30, 2025. As a result of the Governor's veto, any state employee work location policy prevails over a conflicting provision in a collective bargaining agreement.

Because the Governor's vetoes removed the act's references to a state employee's ability to work at the employee's place of residence and elevated state agency policies to be similar to continuing laws that prevail over conflicting collective bargaining agreement provisions, it is not clear how these changes will be implemented.

DAS personnel

(R.C. 124.07)

The act eliminates the DAS Director's authority to designate individuals in or out of the service of the state to serve as examiners or assistants under the Director's direction, while retaining the Director's authority to appoint examiners, inspectors, clerks, and other assistants as necessary to carry out the law. Per the Office of Budget and Management, DAS did not employ examiners or assistants. Thus, this provision appears to have no substantive effect.

The act also eliminates the following matters related to DAS personnel:

- A requirement that an examiner or assistant be paid compensation for each day in the discharge of duties as an examiner or assistant;

- A provision specifying that rendering services in connection with an examination without extra compensation is part of an examiner's or assistant's official duties;
- A requirement that the DAS Director, examiners, inspectors, clerks, and assistants must receive reimbursement for necessary traveling and other expenses incurred in the actual discharge of their official duties.

Under continuing law, if an examiner or assistant is included in the state job classification plan, they would be paid in accordance with the appropriate salary schedule.[4]

DAS services

(R.C. 124.07)

The act eliminates the ability of a state-supported college or university or a municipality to use services and facilities furnished by DAS to provide and maintain payroll services and state merit standards. The act also eliminates the DAS Director's ability to do the following:

- Enter into an agreement with any county, municipality, or other political subdivision to furnish DAS services and facilities in the administration of a merit program or other functions related to human resources, including providing competitive examinations for positions in the classified service;
- Designate the municipal civil service commission of the largest city within a county as the DAS Director's agent to carry out designated provisions of law administered by the DAS Director within that county; and
- Incur necessary expenses for stationery, printing, and other supplies incident to DAS business.

Disability leave

(R.C. 124.385)

The act modifies the Disability Leave Program for eligible state employees. It makes a full-time permanent state employee with at least one year of continuous state service eligible for disability leave benefits if the employee is entitled to disability benefits under a collective bargaining agreement.

The act eliminates the requirement that DAS Director's rule regarding the program be adopted under the Administrative Procedure Act.[5] Thus, the act subjects the required rule adoption to the abbreviated rulemaking procedure (R.C. 111.15). The act eliminates the requirement that the Director include in the rule the following:

- Timing requirements regarding the procedure for appealing denial of payment of a claim;

[4] R.C. 124.14, not in the act.

[5] R.C. Chapter 119.

- Provisions for approving leave for medical reasons where an employee is in no pay status after using all other leave time;
- Provisions precluding benefit payments so they are provided in a consistent manner.

The act also eliminates the following:

- The prohibition against charging time off for an employee granted disability leave to any other leave granted by law;
- The requirement that the DAS Director approve disability leave on an appointing authority's recommendation;
- The DAS Director's ability to delegate to an appointing authority the authority to approve disability benefits for a standard recovery period.

Under the act, the adjudication hearing requirements of the Administrative Procedure Act do not apply to the procedures for appealing denial of payment of a claim.

State employee pay for jury service or court attendance

(R.C. 124.135)

The act prohibits requiring a state employee to surrender compensation or reimbursement paid to the employee for either:

- Serving on a jury; or
- Appearing before a court, commission, board, or other legally constituted body when compelled to appear by the court, commission, board, or other body.

Under continuing law, a state employee is entitled to paid leave when summoned for jury duty or subpoenaed to appear before a court, commission, board, or other body authorized by law to compel the attendance of witnesses. Paid leave is not available, however, when the state employee is a party to the action or proceeding or is subpoenaed in relation to secondary employment outside the employee's service of the state.

Formerly, a state employee who served on a jury or attended a court hearing based on a subpoena during normal working hours was required to remit to the Treasurer of State any compensation or reimbursement for the service or attendance above $15 a day.[6]

Paid leave for emergency medical or firefighting service

(R.C. 124.1310)

The act increases, from 40 to 120 hours, the amount of paid leave a state employee may use each calendar year to provide emergency medical or firefighting services. It also expands the reasons for which a state employee may use the paid leave to include attending a training or continuing education program that relates to providing emergency medical or firefighting

[6] Ohio Administrative Code (O.A.C.) 123:1-34-03.

services. Continuing law requires an appointing authority to pay an employee who uses the leave at the employee's regular pay rate.

Procurement law and semiconductors

(R.C. 125.01 and 3333.04)

The act expands the definition of "Buy Ohio products" in procurement law to include any product that includes semiconductors produced by a company with a significant Ohio economic presence. Under continuing law, significant Ohio economic presence means businesses that: pay required taxes to Ohio or a border state, are registered and licensed to do business in Ohio or as required by a border state, and have ten or more employees based in Ohio or the border state, or 75% or more of their employees based in Ohio or the border state. A border state means any state that is contiguous to Ohio and that does not impose a restriction greater than Ohio imposes on persons located in Ohio selling goods or services to agencies of that state.[7]

The act requires that a state consortium established by the Chancellor of Higher Education follow rules adopted by DAS for giving preference to "Buy Ohio products" when making a purchase with appropriated funds of any product that includes semiconductors. Otherwise, under continuing law, a consortium must follow the rules of the college or university that serves as its fiscal agent.

Prohibited applications on state systems

(R.C. 125.183)

The act expands the types of social media applications ("covered applications") that are prohibited from being downloaded or used on state agency computers, networks, and devices. Specifically, it adds to the prohibition any application owned or controlled by an entity identified as a foreign adversary as defined in federal regulations. Federal regulations define foreign adversary as any foreign government or foreign nongovernment person determined by the Secretary of Commerce to have engaged in a long-term pattern or serious instances of conduct significantly adverse to the national security of the U.S. or security and safety of U.S. persons.[8]

Formerly, all of the following "covered applications" were prohibited from use on state agency computers, networks, and devices:

- The TikTok application, or any successor application or service developed or provided by ByteDance;
- WeChat application and service, or any successor application or service developed or provided by Tencent Holdings; or

[7] O.A.C. 123:5-1-01.

[8] 15 Code of Federal Regulation (C.F.R.) 791.2.

- 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.

Under continuing law, the State Chief Information Officer must do all of the following:

- Require state agencies to remove any covered application from all equipment the state agency owns or leases;
- Prohibit the downloading, installation, or use of a covered application by the state agency or any officer, employee, or contractor;
- Prohibit the downloading, installation, or use of a covered application using an internet connection provided by the state agency;
- Require state agencies to take measures to prevent the downloading, installation, or use of a covered application.

Continuing law permits a qualified person to download, install, or use a covered application for law enforcement or security purposes as long as the person takes appropriate measures to mitigate the security risks involved.

State surplus supplies and nonprofit organizations

(R.C. 125.13)

The act revises the authority of the DAS Director to dispose of surplus or excess supplies, in the Director's control, to a nonprofit organization. The act removes the requirement that, to be eligible to receive such supplies, a nonprofit organization must receive funds from the state or have a contract with the state. Instead, the act requires the nonprofit organization be registered and in good standing with the Secretary of State as a domestic nonprofit or not-for-profit corporation.

Software purchases

(R.C. 9.27)

The act specifies prohibited provisions with respect to a state contract for the purchase of software. For a purchase in which a state agency receives a license to use a software application designed to run on generally available desktop or server hardware or cloud platforms, the contract may not include a requirement that the state agency install or run the software on hardware or in a cloud platform dedicated solely to the state agency, and may not include a provision that otherwise restricts the state agency from installing or running the software on hardware or in a cloud platform of the state agency's choosing.

Sharing legal documents

(R.C. 9.821)

The act requires the Attorney General's Office to share with DAS's Office of Risk Management communications and documents made for the purpose of seeking or providing legal advice or counsel in connection with litigation, liability claims, contract disputes, risk

management issues, and other matters involving the programs of the Office of Risk Management. The act establishes that all communications and documents that are shared between the Office of Risk Management, a state agency, and the Attorney General's Office are privileged and confidential.

9-1-1 public safety answering points

(R.C. 128.021)

The act requires all public safety answering points (PSAPs) that answer 9-1-1 calls for service in Ohio to be subject to the PSAP operations rules. Former law stated that PSAPs that receive 9-1-1 calls for service from wireless services were subject to the rules. By repealing "from wireless service" the act appears to require all PSAPs to conform to the operations rules. The act does not, however, change the continuing law that requires PSAPs not originally required to be compliant, to comply with the standards by October 3, 2025.

Next Generation 9-1-1 access fee

(R.C. 128.41 and 128.54; R.C. 128.412, repealed)

The act does both of the following regarding the monthly Next Generation 9-1-1 access fee applied to communication services in Ohio:

- Repeals the law that would, beginning October 1, 2025, lower the fee from 40¢ to 25¢.
- Raises the fee from 40¢ to 60¢.

Under continuing law, "communication service" means any wireless service, multiline telephone system, and voice over internet protocol system to which the service or system is registered to the subscriber's address within Ohio or the subscriber's primary place of using the service or system is in Ohio, and it can initiate a direct connection to 9-1-1.

Ongoing law allocates the amounts collected from the fee into four funds. The act revises this allocation as follows:

1. Increases the allocation to the 9-1-1 Government Assistance Fund from 72% to 81.33%;

2. Reduces the allocations to the 9-1-1 Administrative Fund from 1% to 0.67%;

3. Reduces the allocations to the 9-1-1 Program Fund from 2% to 1.33%; and

4. Reduces the allocations to the Next Generation 9-1-1 Fund from 25% to 16.67%.

The 9-1-1 Government Assistance Fund is disbursed to county treasurers for disbursement in accordance with the county's allocation formula set forth in its 9-1-1 final plan. The 9-1-1 Administrative Fund and the 9-1-1 Program Fund are used by the Tax Commissioner or the Statewide 9-1-1 Steering Committee, respectively, to defray costs incurred for carrying out the 9-1-1 Emergency Telephone Number System law. The Next Generation 9-1-1 Fund is

administered by DAS and used exclusively to pay costs of installing, maintaining, and operating the call routing and core services statewide Next Generation 9-1-1 System.[9]

Entrepreneur in residence pilot program

(R.C. 125.65, repealed; R.C. 102.02 (conforming))

The act eliminates the entrepreneur in residence pilot program, which was established in DAS's LeanOhio office. The program's mission was to provide for better outreach by state government to small businesses, to strengthen coordination and interaction between state government and small businesses, and to make state government programs and functions simpler, easier to access, more efficient, and more responsive to the needs of small businesses.

State printing

(R.C. 125.041, 125.31, 125.42, and 125.58; Repeal of R.C. 125.36, 125.38, 125.43, 125.49, 125.51, 125.56, and 125.76)

The act eliminates the Division of State Printing within DAS, and specifically eliminates the statutory assignment of functions, powers, and duties to the Division. Under continuing law, DAS generally has supervision over all public printing. The act recodifies law that appears to exempt from DAS oversight printing contracts that require special security paper, of a unique nature, if compliance with certain DAS requirements will result in acquiring a disproportionately inferior product or a price that exceeds by more than 5% the lowest price submitted on a non-Ohio bid.

The act eliminates the following law, which applied specifically to state contracts for printing services. Under the act, the contracts instead are subject to DAS procurement law generally:

- A provision that allowed DAS, after determining that any or all bids or proposals are not in the interest of the state, to purchase the various printing goods and services required at the lowest price available in the open market.
- A provision that allowed DAS to require that a bid or proposal for a term contract for printing goods and services, including a final printed product, be accompanied by a bond, in a sum specified in the invitation to bid.
- A requirement that the printing of all publications approved by DAS must have been ordered through it.
- A requirement that each bid or proposal for state printing specified the price at which the offeror would undertake to provide the finished product as specified in the invitation to bid or request for proposals, including the necessary binding covered by such bid or proposal.
- A requirement that, after examining each bid for printing services, DAS must have awarded the contract within 30 days.

[9] R.C. 128.07 and 128.55, not in the act.

- A provision that all printing and binding for the state generally was subject to the laws specific to printing services so far as practicable.

State civil service

(R.C. 124.02)

The act replaces the requirement that the DAS Director and the State Personnel Board of Review (SPBR) exercise former functions, powers, and duties given to the State Civil Service Commission with a requirement that the DAS Director and SPBR exercise functions, powers, and duties actually given to the Commission on or before January 1, 1959. It also eliminates the requirement that any reference to the Commission in law or rule be considered to refer to DAS, the DAS Director, or SPBR.

Flag display on state buildings and grounds (PARTIALLY VETOED)

(R.C. 123.30)

The act prohibits a state agency or any entity that manages the grounds or buildings under the control of a state agency (except for the Ohio Statehouse or its grounds) from displaying on the grounds or building any flag except for:

1. The official state flag;

2. The U.S. flag; or

3. The POW/MIA flag.

The Conference Committee added a provision that also would have authorized a state agency to display a flag containing its official logo on its grounds or building, so long as the flag has been approved by the Governor or the Governor's designee. The Governor marked the act to partially veto this authorization in such a manner that the act now appears to allow any flag to be displayed if approved by the Governor or the Governor's designee.

State real property study (PARTIALLY VETOED)

(R.C. 123.14)

The act requires DAS to issue a report, every two years, on all real property owned or leased by the state or a state agency. The report must include information on the nature of each property, including the square footage, whether the property is owned, rented, or leased, and the cost of renting or leasing.

The Governor vetoed provisions that would have required DAS to conduct a survey of each property and include additional information about each property in its report. The Governor also vetoed a provision defining "state agency" as every "body, office, or agency established by the laws of the state for the exercise of any function of state government," including JobsOhio, excluding courts, judicial agencies, state-assisted institutions of higher education, and local agencies.

Madison County land conveyance

(Section 701.40)

The act authorizes the Governor to convey to Madison County roughly 10.8 acres of land currently operated by the Madison Correctional Institution. The act does not state a consideration to be paid, but states that the sale will be at a price acceptable to the DAS Director. The sale proceeds must be deposited into the General Revenue Fund. It appears to require the Director to complete the sale by September 30, 2028.