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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

H.B. 507
134th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 507's Bill Analysis](#)

Version: As Passed by the Senate

Primary Sponsor: Rep. Koehler

Local Impact Statement Procedure Required: No

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Highlights

Evaluations of registered EHSs and EHSs in training

- The Ohio Department of Agriculture (AGR) and the Ohio Department of Health (ODH) could incur some costs to adopt rules and to create and administer the written assessment for registered environmental health specialists (EHS) and environmental health specialists in training (EHS in training). Any costs incurred by ODH would likely be paid from either the General Operations Fund (Fund 4700) or GRF line item 440454, Environmental Health/Radiation Protection, and any costs incurred by AGR would likely be paid from either the Food Safety Fund (Fund 4P70) or GRF line item 700407, Food Safety.

Internet sales exemption from auction laws

- The bill may minimally decrease the number of auctioneer and auction firm licenses issued by AGR. This is because the bill exempts certain internet sales from auction laws. Both of the auctioneer and auction firm licenses are biennial and cost \$200. The proceeds are deposited into the Auctioneers Fund (Fund 5B80).

Vehicle disposal by conservancy districts

- Conservancy districts could see some efficiencies from the authority granted by the bill to dispose of certain abandoned or forfeited vehicles, including being able to recoup some of their disposal and storage costs by selling these vehicles.

Green energy definition

- The bill adds a definition for “Green energy” to R.C. 4928.01. This addition does not change the continuing definition of “Renewable energy resource,” nor does it affect the renewable portfolio standard.

Detailed Analysis

Evaluations of registered EHSs and EHSs in training

Under continuing law, a board of health issues licenses to food service operations, such as restaurants, and retail food establishments, such as grocery stores. As part of that responsibility, the board inspects the licensees to determine compliance with food safety regulations. These inspections are conducted by registered environmental health specialists (EHS) and (EHS in training). At the state level, the Director of Health is responsible for evaluating the local food service operations licensure programs and the Director of Agriculture is responsible for evaluating the local retail food establishment licensure programs. At least once every three years, the directors are required to survey each local licensing entity to determine if the entity is qualified to administer and enforce food safety regulations.

The bill, as part of the survey process to determine if a board is qualified to administer and enforce the laws governing food safety, requires the directors to each adopt rules establishing a method for evaluating a registered EHS or EHS in training’s knowledge of the laws governing food safety, including the Ohio Uniform Food Safety Code. Under the bill, the directors may only evaluate a registered EHS or EHS in training through the use of an objective written or electronic assessment that complies with all of the following: (1) it is developed by the appropriate director in consultation with the Ohio Environmental Health Association and the Association of Ohio Health Commissioners, (2) it does not exceed 50 questions, and (3) it requires at least an 80% score for passage. Under the bill, EHSs and EHSs in training are allowed to review the Ohio Uniform Food Safety Code during the assessment. If a survey demonstrates that a board of health does not have the capacity to appropriately enforce these regulations, the board could lose its authority as the licensor of food service operations or retail food establishments. The bill requires the directors, in consultation with specified representatives, to review and update the assessment on at least a biennial basis. Lastly, the bill allows the directors to require an EHS or EHS in training to participate in a field review for training and educational purposes, but prohibits the directors from using that participation to evaluate whether the EHS or EHS in training has sufficient knowledge of the applicable laws or the Ohio Uniform Food Safety Code.

The Department of Agriculture (AGR) and the Ohio Department of Health (ODH) could incur administrative costs in order to develop and administer the assessment. Any costs incurred as a result of the assessment provisions of the bill would be paid from either the Food Safety Fund (Fund 4P70) or GRF line item 700407, Food Safety, used by AGR’s Food Safety Division to enforce food safety laws and the General Operations Fund (Fund 4700) or GRF line item 440454, Environmental Health/Radiation Protection for ODH. If a board loses its authority as a licensor as a result of the bill’s provisions, ODH or AGR may incur some costs if they assist in any licensing responsibilities. However, it is unlikely that this would occur.

Internet sales exemption from auction laws

The bill may minimally decrease the number of auctioneer and auction firm licenses issued by AGR. The bill exempts a person from auctioneer and auction firm licensure requirements if in any calendar year the person sells less than \$10,000 of personal property via an auction mediation company and if both of the following apply: (1) the company provides fraud protection to the buyer; and (2) the property is the person's own property, or the property is the personal property of another. Both of the auctioneer and auction firm biennial licenses are \$200 and deposited into the Auctioneers Fund (Fund 5B80).

Current law, recently enacted by H.B. 321 of the 134th General Assembly and that became effective September 13, 2022, generally requires a person to be licensed as an auctioneer or auction firm under the auctioneer's law when selling auctioning property on the internet.

Vehicle disposal by conservancy districts

The bill generally allows conservancy district law enforcement officials to dispose of and, in certain circumstances, take title to motor vehicles abandoned on public or private property within their jurisdiction in the same manner that county, municipal, township, and port authority law enforcement officials are authorized to do so under current law. This could create certain efficiencies for conservancy districts. To the extent that such vehicles may be auctioned, some costs for disposal could be recouped.

Leasing of state owned land for oil and gas development

The bill requires state agencies to lease land that is owned or controlled by the agency for the development of oil and gas resources prior to rules governing leasing procedures being adopted by the Oil and Gas Land Management Commission. The fiscal effect of this provision is uncertain. Under current law, state agencies are authorized to lease land for oil and gas development, though they are not required to do so. For agencies that choose to lease land prior to the adoption of leasing rules by the Commission, the bill has no effect. However, agencies that are compelled to lease land under this provision may incur costs associated with the lease or see increased revenues from oil and gas royalties. In any case, the magnitude of any new costs or royalty revenues is difficult to predict and would depend upon the specific details of the lease arrangements.

Other provisions

The bill contains other provisions that do not appear to have a direct fiscal effect on the state or political subdivisions. In the agricultural arena, this includes numerous changes to laws governing food safety that are enforced by AGR's Division of Food Safety. According to AGR, these provisions in the bill are duplicative of other state or federal requirements or are outdated. Consequently, the bill eliminates or alters these provisions to conform to current standards. Additionally, the bill decreases, from six to three, the minimum number of poultry chicks under four weeks old that may be sold, given away, or otherwise distributed in a given lot. Under current law, unchanged by the bill, a violation counts as a fourth degree misdemeanor (fine up to \$250 and jail stay up to 30 days) on a first offense and a third degree misdemeanor (fine up to \$500 and jail stay up to 60 days) on each subsequent offense. It is doubtful that this change would have any appreciable effect on the caseloads or operating costs of county and municipal criminal

justice systems, including the municipal and county courts that adjudicate misdemeanor violations.

The bill also adds a definition for “Green energy” to R.C. 4928.01. “Green energy” is defined as any energy generated by using an energy resource that meets certain emissions and sustainability requirements, including energy generated by using natural gas. The bill provides that, except for natural gas that has been produced from biologically derived methane gas, energy generated by using natural gas is not eligible to receive renewable energy credits. Thus, this addition to R.C. 4928.01 does not change the continuing definition of “Renewable energy resource,” nor does it affect the renewable portfolio standard.

Lastly, the bill prohibits a political subdivision from regulating or banning the packaging, registration, labeling, sale, storage, distribution, use, or application of a pesticide registered with the state on private property, including private property that is open to the public.