



Ohio Legislative Service Commission

Bill Analysis

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H.B. 5

131st General Assembly
(As Introduced)

Reps. Kunze, Koehler

BILL SUMMARY

Business case studies

- Allows a state agency or local public office to request that the Auditor of State conduct a business case study to determine how the state agency or local public office may achieve greater efficiency.
- Requires the team that conducts performance audits to conduct business case studies at its discretion and as funds allow.
- Requires the Auditor of State to use not more than 50% of the funds in the Leverage for Efficiency, Accountability, and Performance Fund to conduct business case studies.

Shared equipment service agreement program

- Allows the Auditor of State to establish a Shared Equipment Service Agreement Program.
- Requires an agreement entered into under the Program to provide that, when capital equipment is shared, the recipient political subdivision assumes liability in a civil action for damages allegedly resulting from use of the equipment.

CONTENT AND OPERATION

Business case studies

The bill allows a state agency¹ or local public office² to request that the Auditor of State conduct a business case study to determine how the state agency or local public office may achieve greater efficiency. The team that conducts performance audits must conduct business case studies at its discretion and as funds allow. The Auditor is required to pay the costs incurred by conducting business case studies.³

Currently, the Auditor of State uses moneys in the Leverage for Efficiency, Accountability, and Performance (LEAP) Fund to make loans to state agencies and local public offices to pay the costs of conducting performance audits. The bill requires the Auditor to use, during a fiscal year, not more than 50% of LEAP Fund moneys for its current purpose, and to use not more than 50% to pay the costs of conducting business case studies.⁴

Shared equipment service agreement program

The bill authorizes the Auditor of State to establish a Shared Equipment Service Agreement Program. Under the Program, two political subdivisions may enter into an agreement whereby the lender political subdivision lends its capital equipment to the recipient political subdivision for temporary use in the performance of a governmental or proprietary function in the recipient political subdivision.⁵ An agreement under the Program must provide that the recipient political subdivision, and its officers and employees, as applicable, assume any potential liability in a civil action for damages for injury, death, or loss to person or property allegedly caused by an act or omission of the recipient political subdivision or its officers or employees resulting from the use of the

¹ "State agency" means every organized body, office, agency, institution, or other entity established by the laws of the state for the exercise of any function of state government. R.C. 117.01(F).

² "Public office" means any state agency, public institution, political subdivision, other organized body, office, agency, institution, or entity established by the laws of this state for the exercise of any function of government. "Public office" does not include the nonprofit corporation formed under section 187.01 of the Revised Code, JobsOhio. R.C. 117.01(D).

³ R.C. 117.473.

⁴ R.C. 117.47.

⁵ R.C. 117.48(B). For definitions of "governmental function," "political subdivision," and "proprietary function," see R.C. 2744.01 (not in the bill). R.C. 117.48(A).

equipment in the performance of the recipient political subdivision's governmental or proprietary functions.⁶

The Political Subdivision Tort Liability Law⁷ applies if the Shared Equipment Service Agreement Program is established, and then insofar as the recipient political subdivision or any of its officers or employees is engaged in the use of the equipment covered by the agreement in the performance of a governmental or proprietary function.⁸

HISTORY

ACTION	DATE
Introduced	01-28-15

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⁶ R.C. 2744.11.

⁷ R.C. Chapter 2744.

⁸ R.C. 117.48(C) and 2744.11.

