

OHIO GENERAL ASSEMBLY
JOINT COMMITTEE ON AGENCY RULE REVIEW

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TO: Members of JCARR
CC: Senate President Matt Huffman
House Speaker Jason Stephens
FROM: Ian Dollenmayer, Executive Director, JCARR
DATE: December 13, 2024
RE: S.B. 9 Historical Report for Fiscal Year 2024

Introduction

R.C. 101.354 requires the Executive Director of the Joint Committee on Agency Rule Review (JCARR) to prepare a report aggregating the regulatory reduction progress reports received from all relevant agencies pursuant to Senate Bill 9 of the 134th General Assembly. The agencies' reports detail the progress in reducing regulatory restrictions during Fiscal Year 2024.

This report details the regulatory reduction status of all agencies subject to these provisions. Statute also requires the Executive Director to discuss the work of JCARR in this process, as well as any statutory recommendations brought to the attention of the committee. That information, along with the attached aggregate list of each agency's percentage reduction in regulatory restrictions, is contained below.

Agency Reductions in Regulatory Restrictions

In S.B. 9, the General Assembly set an expectation of a 20% reduction in regulatory restrictions by June 30, 2024, for all applicable agencies, with each agency required to submit a progress report on their respective reductions to JCARR by September 15, 2024. Of the twenty-seven agencies required to reduce restrictions, twenty-three reached or exceeded a 20% reduction by the end of Fiscal Year 2024.

Four agencies indicated they had not met the required reduction at the time of the report. Three agencies¹ proactively described plans for rules that would either become effective or at least be filed by the end of 2024 to reach the required reduction. The Department of Development initially reported no progress since last year's report but later submitted an amended report explaining expected filings to rectify the issue.

Per the direction of the JCARR Co-Chairs, those four agencies were requested to provide testimony at the November 12, 2024, committee meeting regarding their plans to meet the 20%

¹ Department of Insurance, Environmental Protection Agency, State Lottery Commission

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reduction. Each agency offered testimony explaining the reasons why they did not already meet the required reduction while also detailing plans for reaching 20% in the coming months. The JCARR Office will continue to monitor these agencies to ensure each follows through with its plans.

Finally, eleven agencies laudably reported already achieving the goal of an overall reduction of more than 30%. Statute does not require the full 30% reduction until the end of Fiscal Year 2025. Because those agencies are past this amount, they are not required to file a progress report next September.

JCARR's Work to Reduce Regulatory Restrictions

Pursuant to R.C. 101.354(A), JCARR's duty is to advise and assist agencies in achieving the required reductions in regulatory restrictions. The JCARR Office regularly engages with agencies to ensure their restriction inventories are accurate and that rule filings and reports are submitted in an accurate, timely manner. Much of that work includes liaising between Legislative Information Systems and the agencies in the use of the Electronic Rule-Filing System.

Additionally, JCARR continues to administer the Cut Red Tape Ohio website. This website allows members of the public, business owners, industry stakeholders, and others to submit commentary directly to JCARR on any regulation they deem to be restricting their business, family, or daily life.

Recommended Statutory Changes

As mentioned above, the Executive Director must note any recommended statutory changes that have been deemed to contribute to the adoption of regulatory restrictions. At this time, the JCARR Office has not had any such statutes brought to its attention. However, JCARR will continue to monitor legislation passed by the General Assembly and welcome any recommended statutory changes that legislators or members of the public deem worthy of attention.

ATTACHED: S.B. 9 Regulatory Restrictions Reduction Data

SB 9 Regulatory Restrictions Reduction Data

(As of June 30, 2024)

Agency Name	Percentage Reduction
Department of Administrative Services	40.00%
Department of Aging	45.73%
Department of Agriculture	31.03%
Bureau of Workers' Compensation	27.79%
Department of Commerce ¹	51.00%
Department of Development ²	10.38%
Department of Developmental Disabilities	58.90%
Department of Education and Workforce	26.04%
Environmental Protection Agency ³	15.50%
Department of Health	21.91%
Department of Higher Education	34.10%
Department of Insurance ⁴	13.99%
Department of Job and Family Services	20.53%
Department of Medicaid	33.00%
Department of Mental Health and Addiction Services	28.90%
Department of Natural Resources	31.39%
Office of Budget and Management ⁵	30.00%
Casino Control Commission	20.50%
Lottery Commission ⁶	11.86%
Department of Public Safety	20.18%
Public Utilities Commission	33.00%
Department of Rehabilitation and Correction	21.80%
Racing Commission	45.77%
Department of Taxation	25.75%
Department of Transportation	33.18%
Department of Veteran Services	23.00%
Department of Youth Services	31.10%

Note: After JCARR received the statutorily required September 15th reports from the agencies subject to SB 9 regulatory restriction reductions, four agencies/commissions had not reached the required 20% reduction. Those agencies were: the Department of Development, Environmental Protection Agency, Department of Insurance, and the Lottery Commission. JCARR requested that the four agencies provide testimony at the November 12, 2024 JCARR committee meeting as to why they had failed to reach the required reduction percentage, and what courses of action, if any, they plan to take to reach the threshold. All four entities provided testimony attesting to their timelines and plans for reaching the required reduction percentage. JCARR Co-Chair Gavorone, as well as the rest of the committee, was satisfied with their explanations and timelines (please see footnotes below).

- (1): The Department met the required reduction in 2023.
- (2): The Department planned to file by the end of October 2024 amendments eliminating 221 restrictions, to achieve a reduction total of 32.6%.
- (3): The Agency offered a detailed plan between June 30, 2024 and the end of December 2024 to eliminate over 1,200 restrictions to achieve a reduction total of 20.6%.
- (4): As of November 4, 2024, the Department had achieved a reduction total of 26.53%.
- (5): The Office met the required reduction in 2023.
- (6): The Commission offered a detailed plan to eliminate 148 restrictions by the end of 2025 to achieve a reduction total of 30%.