#### As Introduced

## **132nd General Assembly**

# Regular Session 2017-2018

H. B. No. 180

## Representatives Clyde, Howse

Cosponsors: Representatives Ramos, Smith, K., Antonio, Kelly, Fedor, Boggs, Boccieri, West, Craig, Boyd, Kent, Ingram, Lepore-Hagan, Leland

## A BILL

То	amend section 4117.08 and to enact sections	1
	9.78, 9.781, 9.782, 9.783, 9.784, 9.785, 9.786,	2
	9.787, 9.788, 142.01, 142.02, 142.03, 142.04,	3
	142.05, 142.06, 142.07, 142.08, 142.09, 142.10,	4
	4113.42, and 4117.141 of the Revised Code to	5
	require a contractor or person submitting a bid	6
	or other proposal for a state contract or a	7
	business entity applying for a grant or other	8
	economic incentive from a state agency to obtain	9
	an equal pay certificate, to require state	10
	agencies and political subdivisions to establish	11
	a job evaluation system to identify and	12
	eliminate sex-based wage disparities among	13
	classes of employees, and to prohibit an	14
	employer from retaliating against an employee	15
	who discusses the employee's salary or wage rate	16
	with another employee.	17

### BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

9.78, 9.781, 9.782, 9.783, 9.784, 9.785, 9.786, 9.787, 9.788,	19
142.01, 142.02, 142.03, 142.04, 142.05, 142.06, 142.07, 142.08,	20
142.09, 142.10, 4113.42, and 4117.141 of the Revised Code be	21
enacted to read as follows:	22
Sec. 9.78. As used in sections 9.78 to 9.788 of the	23
Revised Code:	24
(A) "Business entity" means a corporation, partnership,	25
association, firm, sole proprietorship, limited liability	26
corporation, limited liability partnership, or other entity	27
engaged in business.	28
(B) "Construction manager" and "construction manager at_	29
risk" have the same meanings as in section 9.33 of the Revised_	30
Code.	31
code.	31
(C) "Contractor" means any person who undertakes to	32
<pre>construct, alter, erect, improve, repair, demolish, remove, dig,</pre>	33
or drill any part of a public improvement under a contract, and	34
includes a construction manager, construction manager at risk,	35
and design-build firm.	36
(D) "Design-build firm" has the same meaning as in section	37
153.65 of the Revised Code.	38
(E) "EEO-1 report" means the report required by the United	39
States equal employment opportunity commission under 29 C.F.R.	40
<u>1602.7.</u>	41
(F) "Public improvement" means any construction,	42
reconstruction, improvement, enlargement, alteration,	43
demolition, or repair of a building, highway, drainage system,	44
water system, road, street, alley, sewer, ditch, sewage disposal	45
plant, water works, and any other structure or work of any	46
nature by a state agency.	47

(G) "State agency" has the same meaning as in section 1.60	48
of the Revised Code.	49
Sec. 9.781. (A) (1) No state agency shall award a contract_	50
for a public improvement to a contractor who employs four or	51
more full-time employees on any day in the prior twelve months	52
in the state where the contractor has the contractor's principal	53
place of business unless the contractor meets one of the	54
<pre>following conditions:</pre>	55
(a) The contractor has obtained an equal pay certificate	56
issued under section 9.782 of the Revised Code.	57
(b) The contractor has certified that the contractor is	58
exempt from obtaining a certificate pursuant to division (B) of	59
this section in accordance with rules adopted by the director of	60
administrative services.	61
(2) No state agency shall award a contract to provide	62
goods or services to a state agency to a person who employs four	63
or more full-time employees on any day in the prior twelve	64
months in the state where the person has the person's principal	65
place of business unless the person meets one of the following	66
<pre>conditions:</pre>	67
(a) The person has obtained an equal pay certificate	68
issued under section 9.782 of the Revised Code.	69
(b) The person has certified that the person is exempt	70
from obtaining a certificate pursuant to division (B) of this	71
section in accordance with rules adopted by the director.	72
(3) No state agency shall award a grant or other economic	73
incentive to a business entity that employs four or more full-	74
time employees on any day in the prior twelve months in the	75
state where the business entity has the business entity's	76

principal place of business, including if the award is being	77
made upon recommendation of the nonprofit corporation formed	78
under section 187.01 of the Revised Code, unless the business	79
entity meets one of the following conditions:	80
(a) The business entity has obtained an equal pay	81
certificate issued under section 9.782 of the Revised Code.	82
(b) The business entity has certified that the business	83
<pre>entity is exempt from obtaining a certificate pursuant to</pre>	84
division (B) of this section in accordance with rules adopted by	85
the director.	86
(B) This section does not apply to a contractor, person,	87
or business entity described in division (A) of this section,	88
with respect to a specific contract for a public improvement, to	89
provide goods or services to a state agency, or to a specific	90
grant or other economic incentive, if the director determines	91
that compliance with division (A) of this section would cause	92
undue hardship to the contractor, person, or business entity.	93
(C) The director shall adopt rules in accordance with	94
Chapter 119. of the Revised Code to do all of the following:	95
(1) Establish procedures to apply for and requirements to	96
obtain an exemption described in division (A) of this section;	97
(2) Define "undue hardship" for purposes of division (B)	98
of this section;	99
(3) Establish procedures to renew a certificate.	100
(D) The director shall provide technical assistance to a	101
contractor, person, or business entity who requests assistance	102
regarding compliance with sections 9.78 to 9.788 of the Revised	103
Code.	104

Sec. 9.782. (A) A contractor wishing to be awarded a	105
contract for a public improvement, a person wishing to provide	106
goods or services to a state agency, or a business entity	107
wishing to be awarded a grant or other economic incentive shall	108
apply for a certificate required by section 9.781 of the Revised	109
Code by submitting a twenty-five-dollar filing fee and an equal	110
pay compliance statement described in this section to the	111
director of administrative services. An equal pay compliance	112
statement shall be signed by the contractor, person, or the	113
chief executive officer of the business entity and contain all	114
of the following information:	115
(1) That the contractor, person, or business entity is in	116
compliance with Title VII of the Civil Rights Act of 1964, 42	117
U.S.C. 2000e et seq., the Equal Pay Act of 1963, 29 U.S.C.	118
206(d), Chapter 4112. of the Revised Code, and section 4111.17	119
of the Revised Code;	120
(2) That the average compensation for female employees is	121
not consistently below the average compensation for male	122
employees within each of the major job categories in the	123
contractor's, person's, or business entity's EEO-1 report, if	124
the contractor, person, or business entity is required to file	125
that report, taking into account all of the following factors:	126
(a) Length of service;	127
(b) Requirements of specific jobs;	128
(c) Experience;	129
<u>(d) Skill;</u>	130
(e) Effort;	131
<pre>(f) Responsibility;</pre>	132

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(g) Working conditions of the job;	133
(h) Other mitigating factors.	134
(3) That employees of one sex are not restricted to	135
<pre>certain job classifications;</pre>	136
(4) That the contractor, person, or business entity makes	137
retention and promotion decisions without regard to sex;	138
(5) That compensation and benefit disparities are	139
<pre>corrected when identified;</pre>	140
(6) The frequency in which compensation and benefits are	141
evaluated to ensure compliance with the laws listed in division	142
(A) (1) of this section;	143
(7) Which of the following approaches a contractor,	144
person, or business entity uses in setting compensation and	145
benefits:	146
(a) Market pricing;	147
(b) State prevailing wage or labor organization contract	148
requirements;	149
(c) A performance pay system;	150
(d) Internal analysis;	151
(e) An alternative approach as described by the	152
contractor, person, or business entity.	153
(8) That employees of the contractor, person, or business	154
entity are able to contact the contractor's, person's, or	155
business entity's human resources department and request to see	156
how the employee's compensation compares with other employees	157
with jobs of "comparable skill, effort, responsibility, and	158
working conditions."	159

(B) Receipt of an equal pay compliance statement by the	160
director does not establish a contractor's, person's, or	161
business entity's compliance with the laws listed in division	162
(A) (1) of this section.	163
(C) The director shall reject an application only if the	164
statement described in division (A) of this section submitted by	165
the contractor, person, or business entity does not comply with	166
the requirements of that division or the contractor, person, or	167
business entity fails to submit the required fee. The director	168
shall issue a certificate or, if the director rejects an	169
application, a statement explaining the reason for the	170
rejection, to a contractor, person, or business entity within	171
fifteen days after receiving an application submitted under this	172
section. A certificate issued under this section is valid for a	173
period of four years and may be renewed in accordance with rules	174
adopted by the director.	175
Sec. 9.783. (A) (1) The director of administrative	176
services, in accordance with Chapter 119. of the Revised Code,	177
may suspend or revoke a certificate for any of the following	178
reasons:	179
(a) The contractor, person, or business entity fails to	180
comply with the laws listed in division (A)(1) of section 9.782	181
of the Revised Code.	182
(b) The contractor, person, or business entity has	183
multiple violations of the laws listed in division (A)(1) of	184
section 9.782 of the Revised Code.	185
(c) The contractor, person, or business entity fails to	186
comply with section 9.781 of the Revised Code.	187
(2) The director shall provide a contractor, person, or	188

business entity an opportunity to comply with section 9.781 or	189
9.782 of the Revised Code before suspending or revoking the	190
<pre>contractor's, person's, or business entity's certificate.</pre>	191
(B) A state agency, in accordance with Chapter 119. of the	192
Revised Code, may abridge or terminate a contract with a	193
contractor or person or revoke a grant or other economic	194
incentive from a business entity upon notice that the director	195
has suspended or revoked the certificate issued to a contractor,	196
person, or business entity.	197
(C) The director may void a contract or revoke a grant or	198
other economic incentive on behalf of a state agency if a	199
contractor, person, or business entity is not in compliance with	200
section 9.781 or 9.782 of the Revised Code.	201
(D) The director shall notify a state agency that has an	202
agreement with a contractor or person or has awarded a grant or	203
other economic incentive to a business entity before the	204
director voids the contract or revokes the grant or other	205
economic incentive under division (C) of this section.	206
Sec. 9.784. (A) The director of administrative services	207
shall notify a contractor, person, or business entity who holds	208
a certificate issued under section 9.782 of the Revised Code by	209
certified mail of the director's decision to suspend or revoke a	210
contractor's, person's, or business entity's certificate under	211
section 9.783 of the Revised Code.	212
(B) A state agency shall notify a contractor, person, or	213
business entity by certified mail of the state agency's decision	214
to abridge or terminate a contractor's or person's contract or	215
to revoke a business entity's grant or other economic incentive	216
under section 9.783 of the Revised Code.	217

Sec. 9.785. The director of administrative services may	218
audit a contractor, person, or business entity described in	219
section 9.781 of the Revised Code to determine whether the	220
contractor, person, or business entity is in compliance with	221
section 9.781 or 9.782 of the Revised Code. As part of an audit,	222
a contractor, person, or business entity shall provide to the	223
director information for all employees expected to perform work	224
under the contract, grant, or other economic incentive for each	225
of the major job categories included in the contractor's,	226
person's, or business entity's EEO-1 report if the contractor,	227
person, or business entity is required to file that report. As a	228
part of an audit, the contractor, person, or business entity	229
shall provide all of the following information to the director:	230
(A) Number of male employees.	231
(A) Number of male employees;	231
(B) Number of female employees;	232
(C) Average length of service for male employees and for	233
female employees within each major job category;	234
(D) Average annualized salaries paid to male employees and	235
to female employees within each major job category, in the	236
	237
manner most consistent with the compensation system identified	
by the contractor, person, or business entity under division (A)	238
(7) of section 9.782 of the Revised Code;	239
(E) Performance payments, benefits, or other elements of	240
compensation, in the manner most consistent with the	241
compensation system identified by the contractor, person, or	242
business entity under division (A) (7) of section 9.782 of the	243
Revised Code;	244
(E) Other information identified by the division of	0.45
(F) Other information identified by the director as	245
necessary to determine compliance with division (A) of section	246

9.782 of the Revised Code.	247
Sec. 9.786. (A) Any data on individuals submitted to the	248
director of administrative services under division (A) of	249
section 9.782 of the Revised Code shall be confidential and is	250
not a public record under section 149.43 of the Revised Code.	251
(B) A record of the director's decision to issue, not	252
issue, revoke, or suspend a certificate is a public record.	253
Sec. 9.787. Not later than January 31, 2020, and every two	254
years thereafter, the director of administrative services shall	255
submit a report of the activities of the department of	256
administrative services regarding certificates issued under	257
section 9.782 of the Revised Code to the governor and the	258
general assembly. The report shall contain all of the following	259
<pre>information:</pre>	260
(A) The number of certificates issued;	261
(B) The number of audits conducted under section 9.785 of	262
the Revised Code;	263
(C) The processes contractors for public improvements,	264
persons wishing to provide goods or services to a state agency,	265
or business entities awarded a grant or other economic incentive	266
use to ensure compliance with division (A) of section 9.782 of	267
the Revised Code;	268
(D) A summary of the director's auditing efforts under	269
section 9.785 of the Revised Code.	270
Sec. 9.788. There is hereby created in the state treasury	271
the equal pay certificate fund. The fund shall consist of all	272
certificate filing fees collected by the director of	273
administrative services under division (A) of section 9.782 of	274

the Revised Code. Money in the fund shall be used by the	275
department of administrative services to administer sections	276
9.78 to 9.788 of the Revised Code. Investment earnings of the	277
fund shall be credited to the fund.	278
Sec. 142.01. As used in this chapter:	279
(A) "Balanced class" means any class in which both of the	280
following conditions apply:	281
(1) Not more than eighty per cent of the members are male;	282
(2) Not more than seventy per cent of the members are	283
<pre>female.</pre>	284
(B) "Comparable work value" means the value of work	285
measured by skill, effort, responsibility, and working	286
conditions normally required in the performance of the work.	287
(C) "Class" means one or more positions in public	288
employment that have similar duties, responsibilities, and	289
general qualifications necessary to perform the duties, with	290
comparable selection procedures used to recruit employees, and	291
use of the same compensation schedule.	292
(D) "Equitable compensation relationship" means that the	293
compensation for female-dominated classes is not consistently	294
below the compensation for male-dominated classes of comparable	295
work value, as determined under section 142.04 of the Revised	296
Code, for each public employer.	297
(E) "Exclusive representative" has the same meaning as in	298
section 4117.01 of the Revised Code.	299
(F) "Female-dominated class" means any class in which	300
seventy per cent or more of the members are female.	301

(G) "Male-dominated class" means any class in which eighty	302
per cent or more of the members are male.	303
(H) "Position" means a group of current duties and	304
responsibilities assigned or delegated by a supervisor to an	305
<pre>employee.</pre>	306
(I) "Political subdivision" means a county, township,	307
municipal corporation, or any other body corporate and politic	308
that is responsible for government activities in a geographic	309
area smaller than that of the state.	310
(J) "Public employer" means either of the following:	311
(1) A state agency;	312
(2) A political subdivision.	313
(K) "State agency" means any organized body, office,	314
agency, institution, or other entity established by the laws of	315
the state for the exercise of any function of state government.	316
Sec. 142.02. Subject to Chapter 4117. and sections 4115.03	317
to 4115.21 and 4115.99 of the Revised Code, but notwithstanding	318
any other law to the contrary, every public employer shall	319
establish equitable compensation relationships between female-	320
dominated, male-dominated, and balanced classes of employees to	321
eliminate sex-based wage disparities in public employment in	322
this state. A public employer shall make the comparable work	323
value of a position in relationship to other employee positions	324
a primary consideration in negotiating, establishing,	325
recommending, and approving compensation.	326
Nothing in this chapter limits the ability of the parties	327
to collectively bargain in good faith.	328
Sec. 142 03 (A) The director of administrative services	320

in establishing the job classification plan and assigning pay	330
ranges pursuant to section 124.14 of the Revised Code, and any	331
other public employer with the authority to determine	332
compensation for the employees of the public employer, shall	333
assure all of the following, as applicable:	334
(1) That compensation for positions in the classified	335
civil service and unclassified civil service bear reasonable	336
relationship to one another;	337
(2) That compensation for positions bears a reasonable	338
relationship to similar positions outside of that particular	339
<pre>public employer;</pre>	340
(3) That compensation for positions within the public	341
<pre>employer's workforce bears a reasonable relationship among</pre>	342
various classes and among various levels within the same	343
occupation group.	344
(B) For purposes of division (A) of this section,	345
compensation for a position bears a "reasonable relationship" to	346
another position if both of the following conditions are	347
<pre>satisfied:</pre>	348
(1) Compensation for positions that require comparable	349
skill, effort, responsibility, working conditions, and other	350
relevant work-related criteria is comparable.	351
(2) Compensation for positions that require differing	352
skill, effort, responsibility, working conditions, and other	353
relevant work-related criteria is proportional to the skill,	354
effort, responsibility, working conditions, and other relevant	355
work-related criteria required.	356
Sec. 142.04. (A) Every public employer shall establish a	357
ioh evaluation system and use that system to determine the	358

comparable work value of the work performed by each class of the	359
public employer's employees. A public employer may adopt the job	360
evaluation system established by any other public employer.	361
A public employer shall meet and confer with the exclusive	362
representative of the public employer's employees on the	363
development or selection of a job evaluation system.	364
(B)(1) A public employer shall maintain and update a job	365
evaluation system established by the public employer to account	366
<pre>for both of the following:</pre>	367
(a) New employee classes;	368
(b) Changes in factors affecting the comparable work value	369
of existing classes.	370
(2) A public employer that substantially modifies the	371
<pre>public employer's job evaluation system or adopts a new job</pre>	372
evaluation system shall notify the director of budget and	373
management.	374
Sec. 142.05. Every public employer shall submit a report	375
containing the results of the job evaluation system conducted	376
under section 142.04 of the Revised Code to the exclusive	377
representative selected by the public employer's employees under	378
section 4117.05 of the Revised Code to be used by both parties_	379
in negotiations for collective bargaining agreements. The report	380
shall contain the following information:	381
(A) The female-dominated classes of a public employer for	382
which compensation inequity exists, based on the comparable work	383
<pre>value;</pre>	384
(B) All data not on individuals used to support the	385
findings in division (A) of this section.	386

Sec. 142.06. (A) (1) Each public employer shall submit an	387
implementation report to the director of budget and management	388
that contains all of the following information, as of the	389
thirty-first day of December of the preceding year:	390
(a) A list of all job classes of the public employer;	391
(b) The number of employees in each class listed in	392
division (A) (1) (a) of this section;	393
(c) The number of female employees in each class listed in	394
division (A)(1)(a) of this section;	395
(d) An identification of each class listed in division (A)	396
(1) (a) of this section as male-dominated, female-dominated, or	397
<pre>balanced;</pre>	398
(e) The comparable work value of each class listed in	399
division (A)(1)(a) of this section as determined by the job	400
evaluation system used by the public employer under section	401
142.04 of the Revised Code;	402
(f) The minimum and maximum salary for each class listed	403
in division (A)(1)(a) of this section, if salary ranges have	404
been established, and the amount of time in employment required	405
to qualify for the maximum salary;	406
(g) Any additional cash compensation paid to members of a	407
<pre>class listed in division (A)(1)(a) of this section;</pre>	408
(h) Any additional information requested by the director.	409
(2) The director shall adopt rules in accordance with	410
Chapter 119. of the Revised Code to establish a schedule to	411
stagger the submission of the implementation reports required by	412
division (A)(1) of this section. Each public employer shall	413
submit a report every three years, with the first set of reports	414

due to the director not later than the thirty-first day of	415
January immediately following the effective date of this	416
section.	417
(B) A state agency that fails to submit an implementation	418
report is subject to the penalty described in section 142.07 of	419
the Revised Code.	420
Sec. 142.07. (A) The director of budget and management	421
shall review the implementation reports the director receives	422
under section 142.06 of the Revised Code to determine whether a	423
public employer has established equitable compensation	424
relationships as required under section 142.02 of the Revised	425
Code. The director shall notify a public employer in writing if	426
the director determines that the public employer has complied	427
with the requirement of that section.	428
(B) If the director finds that a public employer did not	429
comply with that section, the director shall issue a statement	430
to the public employer in writing containing the following	431
<pre>information:</pre>	432
(1) A detailed description of the basis of the finding of	433
<pre>noncompliance;</pre>	434
(2) Specific recommended actions the public employer is	435
required to take to comply with that section;	436
(3) An estimate of the cost to the public employer to	437
<pre>comply with that section.</pre>	438
(C)(1) A public employer shall notify the director in	439
writing of a disagreement with a finding of the director under	440
division (B) of this section. The director shall provide the	441
public employer a specified time period in which to submit	442
additional evidence to support the employer's claim of	443

compliance with the requirements of section 142.02 of the	444
Revised Code. That evidence may include any of the following:	445
(a) Recruitment difficulties;	446
(b) Retention difficulties;	447
(c) Recent conciliation awards made under section 4117.14	448
of the Revised Code that are inconsistent with equitable	449
compensation relationships under section 142.02 of the Revised	450
<pre>Code;</pre>	451
(d) Information that demonstrates that the employer made a	452
good faith effort to comply with section 142.02 of the Revised	453
Code, including constraints faced by the employer;	454
(e) A plan for the employer to comply with that section.	455
(2) The public employer shall specify with the evidence a	456
date for additional review by the director.	457
(D)(1) If a state agency does not make changes to comply	458
with the requirements of section 142.02 of the Revised Code	459
within a reasonable time period established by the director, the	460
director shall assess a fine of one hundred dollars for each day	461
the state agency remains noncompliant. The penalty remains in	462
effect until the state agency demonstrates that the state agency	463
has complied with section 142.02 of the Revised Code.	464
(2) The director may suspend the penalty imposed on a	465
state agency under division (D)(1) of this section for any of	466
the following reasons:	467
(a) The state agency's failure to comply was attributable	468
to circumstances beyond the control of the state agency.	469
(b) The state agency's failure to comply was attributable	470

to severe hardship of the state agency.	471
(c) The noncompliance is a result of factors unrelated to	472
the sex of the members of the affected classes, and the state	473
agency is taking steps to comply with the requirements of	474
section 142.02 of the Revised Code to the extent possible.	475
(E) A state agency may appeal a penalty imposed under	476
division (D)(1) of this section to the director within thirty	477
days after the director assesses the penalty. The director shall	478
not impose the penalty on a state agency while an appeal is	479
pending.	480
Sec. 142.08. On or before the first day of January	481
immediately following the effective date of this section, and on	482
or before the first day of January thereafter, the director of	483
budget and management shall submit a report on the status of	484
compliance of public employers with section 142.02 of the	485
Revised Code to the general assembly. The report shall contain	486
all of the following information:	487
(A) A list of the public employers in compliance with the	488
requirements of section 142.02 of the Revised Code;	489
(B) The estimated cost of each public employer to be	490
<pre>compliant with those requirements;</pre>	491
(C) A list of the public employers the director found to	492
be not in compliance with section 142.02 of the Revised Code;	493
(D) The basis for the director's finding in division (C)	494
of this section;	495
(E) The list of recommended changes the public employers	496
listed in division (C) of this section must make to comply with	497
section 142.02 of the Revised Code;	498

(F) The estimated cost for each public employer to become	499
compliant with section 142.02 of the Revised Code;	500
(G) A list of the public employers who did not comply with	501
the reporting requirements in section 142.06 of the Revised	502
<pre>Code;</pre>	503
(H) Any additional information the director determines the	504
general assembly needs to know from a public employer.	505
Sec. 142.09. Notwithstanding division (A) of section	506
4117.11 of the Revised Code, it is not an unfair labor practice	507
for a public employer to specify an amount of funds to be used	508
solely to correct inequitable compensation relationships.	509
This chapter does not diminish the duty of a public	510
employer to bargain in good faith under Chapter 4117. of the	511
Revised Code.	512
Sec. 142.10. The Ohio civil rights commission or any court	513
of this state may use either of the following as evidence in any	514
proceeding or action alleging that an unlawful discriminatory	515
practice, as defined in section 4112.01 of the Revised Code, has	516
<pre>been committed:</pre>	517
(A) The results of any job evaluation system established	518
under section 142.04 of the Revised Code;	519
(B) A report compiled by a public employer under section	520
142.05 of the Revised Code.	521
Sec. 4113.42. (A) As used in this section, "employee" and	522
"employer" have the same meanings as in section 4113.51 of the	523
Revised Code.	524
(B) No employer shall discharge or otherwise retaliate	525
against an employee because the employee has discussed the	526

employee's salary or wage rate with another employee.	527
Sec. 4117.08. (A) All matters pertaining to wages, hours,	528
or terms and other conditions of employment and the	529
continuation, modification, or deletion of an existing provision	530
of a collective bargaining agreement are subject to collective	531
bargaining between the public employer and the exclusive	532
representative, except as otherwise specified in this section	533
and division (E) of section 4117.03 of the Revised Code.	534
(B) The conduct and grading of civil service examinations,	535
the rating of candidates, the establishment of eligible lists	536
from the examinations, and the original appointments from the	537
eligible lists are not appropriate subjects for collective	538
bargaining.	539
(C) Unless a public employer agrees otherwise in a	540
collective bargaining agreement, nothing in Chapter 4117. of the	541
Revised Code impairs the right and responsibility of each public	542
employer to:	543
(1) Determine matters of inherent managerial policy which	544
include, but are not limited to $_{\boldsymbol{L}}$ areas of discretion or policy	545
such as the functions and programs of the public employer,	546
standards of services, its overall budget, utilization of	547
technology, and organizational structure;	548
(2) Direct, supervise, evaluate, or hire employees;	549
(3) Maintain and improve the efficiency and effectiveness	550
of governmental operations;	551
(4) Determine the overall methods, process, means, or	552
personnel by which governmental operations are to be conducted;	553
(5) Suspend, discipline, demote, or discharge for just	554

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cause, or lay off, transfer, assign, schedule, promote, or	555
retain employees;	556
(6) Determine the adequacy of the work force;	557
(7) Determine the overall mission of the employer as a	558
unit of government;	559
(8) Effectively manage the work force;	560
(9) Take actions to carry out the mission of the public	561
employer as a governmental unit.	562
The employer is not required to bargain on subjects	563
reserved to the management and direction of the governmental	564
unit except as affect wages, hours, terms and conditions of	565
employment, and the continuation, modification, or deletion of	566
an existing provision of a collective bargaining agreement. A	567
public employee or exclusive representative may raise a	568
legitimate complaint or file a grievance based on the collective	569
bargaining agreement.	570
(D)(1) A public employer shall assure that all of the	571
following occur in preparation for negotiating a collective	572
bargaining agreement, if applicable:	573
(a) That compensation for positions in the classified	574
civil service and unclassified civil service bear reasonable	575
relationship to one another;	576
(b) That compensation for positions bears a reasonable	577
relationship to similar positions outside of that particular	578
<pre>public employer;</pre>	579
(c) That compensation for positions within the public	580
employer's workforce bears a reasonable relationship among	581
various classes and among various levels within the same	582

occupation group.	583
(2) As used in division (D)(1) of this section,	584
"reasonable relationship" has the same meaning as in section	585
142.03 of the Revised Code.	586
Sec. 4117.141. (A) As used in this section, "balanced	587
class" has the same meaning as in section 142.01 of the Revised	588
Code.	589
(B) A fact-finding panel or a conciliator appointed under	590
section 4117.14 of the Revised Code shall consider all of the	591
following in any settlement of a dispute involving a class other	592
than a balanced class under Chapter 142. of the Revised Code:	593
(1) The equitable compensation relationship standards	594
established in section 142.02 of the Revised Code;	595
(2) The reasonable compensation relationships established	596
under section 142.03 of the Revised Code;	597
(3) The results of a job evaluation system conducted under	598
section 142.04 of the Revised Code;	599
(4) Any employee objections to the job evaluation system.	600
(C) In settlements of disputes involving a balanced class,	601
the fact-finding panel or conciliator shall consider similar	602
classifications of other public employers. The fact-finding	603
panel or conciliator also may consider the standards established	604
under section 142.02 of the Revised Code and the results of, and	605
any employee objections to, a job evaluation system conducted	606
under section 142.04 of the Revised Code.	607
(D) In collective bargaining involving a balanced class,	608
the parties shall consider similar classifications of other	609
public employers. The parties also may consider the equitable	610

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compensation relationship standards established under section	611
142.02 of the Revised Code and the results of a job evaluation	612
system conducted under section 142.04 of the Revised Code.	613
Section 2. That existing section 4117.08 of the Revised	614
Code is hereby repealed.	615