

As Introduced

**135th General Assembly
Regular Session
2023-2024**

H. B. No. 534

Representative Jarrells

A BILL

To amend sections 6109.01 and 6109.22 and to enact 1
sections 504.201, 735.274, 735.291, 743.041, 2
6101.531, 6103.021, 6109.09, 6109.091, 6109.092, 3
6109.093, 6109.094, 6109.095, 6109.096, 4
6109.097, 6109.098, 6109.099, 6109.0910, 5
6115.531, and 6119.062 of the Revised Code to 6
establish a program regarding lead service line 7
replacement and to name this act the Lead Line 8
Replacement Act. 9

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

Section 1. That sections 6109.01 and 6109.22 be amended 10
and sections 504.201, 735.274, 735.291, 743.041, 6101.531, 11
6103.021, 6109.09, 6109.091, 6109.092, 6109.093, 6109.094, 12
6109.095, 6109.096, 6109.097, 6109.098, 6109.099, 6109.0910, 13
6115.531, and 6119.062 of the Revised Code be enacted to read as 14
follows: 15

Sec. 504.201. A township that has adopted a limited home 16
rule government may utilize sections 6109.097 to 6109.0910 of 17
the Revised Code regarding the replacement, and the recovery of 18
costs of replacement and replacement reimbursement, of lead and 19

non-lead service lines. 20

Sec. 735.274. A village may utilize sections 6109.097 to 21
6109.0910 of the Revised Code regarding the replacement, and the 22
recovery of costs of replacement and replacement reimbursement, 23
of lead and non-lead service lines. 24

Sec. 735.291. A village may utilize sections 6109.097 to 25
6109.0910 of the Revised Code regarding the replacement, and the 26
recovery of costs of replacement and replacement reimbursement, 27
of lead and non-lead service lines. 28

Sec. 743.041. A municipal corporation may utilize sections 29
6109.097 to 6109.0910 of the Revised Code regarding the 30
replacement, and the recovery of costs of replacement and 31
replacement reimbursement, of lead and non-lead service lines. 32

Sec. 6101.531. A conservancy district may utilize sections 33
6109.097 to 6109.0910 of the Revised Code regarding the 34
replacement, and the recovery of costs of replacement and 35
replacement reimbursement, of lead and non-lead service lines. 36

Sec. 6103.021. A county may utilize sections 6109.097 to 37
6109.0910 of the Revised Code regarding the replacement, and the 38
recovery of costs of replacement and replacement reimbursement, 39
of lead and non-lead service lines. 40

Sec. 6109.01. As used in this chapter: 41

(A) "Public water system" means a system for the provision 42
to the public of water for human consumption through pipes or 43
other constructed conveyances if the system has at least fifteen 44
service connections or regularly serves at least twenty-five 45
individuals. "Public water system" includes any collection, 46
treatment, storage, and distribution facilities under control of 47
the operator of the system and used primarily in connection with 48

the system, any collection or pretreatment storage facilities 49
not under such control that are used primarily in connection 50
with the system, and any water supply system serving an 51
agricultural labor camp as defined in section 3733.41 of the 52
Revised Code. 53

(B) "Contaminant" means any physical, chemical, 54
biological, or radiological substance or matter in water. 55

(C) "Person" means the state, any political subdivision, 56
agency, institution, or instrumentality thereof, any federal 57
agency, and any person as defined in section 1.59 of the Revised 58
Code. 59

(D) "Safe Drinking Water Act" means the "Safe Drinking 60
Water Act," 88 Stat. 1660 (1974), 42 U.S.C. 300(f), as amended 61
by the "Safe Drinking Water Amendments of 1977," 91 Stat. 1393, 62
42 U.S.C. 300(f), the "Safe Drinking Water Act Amendments of 63
1986," 100 Stat. 642, 42 U.S.C. 300(f), and the "Safe Drinking 64
Water Act Amendments of 1996," 110 Stat. 1613, 42 U.S.C. 300(f), 65
and regulations adopted under those acts. 66

(E) "Community water system" means a public water system 67
that has at least fifteen service connections used by year-round 68
residents or that regularly serves at least twenty-five year- 69
round residents. 70

(F) "Small system" means a public water system serving a 71
population of ten thousand or fewer individuals. 72

(G) "Technical assistance" means nonfinancial assistance 73
provided by the state to public water systems and other eligible 74
applicants, including, without limitation, assistance for 75
planning and design, development, and implementation of source 76
water quality protection programs; locating alternative supplies 77

of drinking water; operational training; restructuring or 78
consolidation of small systems; providing treatment information 79
in order to assist compliance with a national primary drinking 80
water standard; and other nonfinancial assistance authorized by 81
the requirements governing the funds established under this 82
chapter. 83

(H) "Disadvantaged community" means the service area or 84
portion of a service area of a public water system that meets 85
affordability and other criteria established by the director of 86
environmental protection in rules adopted under division (M) of 87
section 6109.22 of the Revised Code and may include the service 88
area or portion of a service area of a public water system 89
located in a distressed area as defined in section 122.19 of the 90
Revised Code. 91

(I) "Director of environmental protection" or "director" 92
includes an authorized representative of the director. 93

(J) "Federal Water Pollution Control Act" has the same 94
meaning as in section 6111.01 of the Revised Code. 95

(K) "Nontransient noncommunity water system" means a 96
public water system that regularly serves at least twenty-five 97
of the same persons over six months per year and is not a 98
community water system. 99

(L) "Transient noncommunity water system" means a 100
noncommunity public water system that does not regularly serve 101
at least twenty-five of the same persons over six months per 102
year and is not a community water system or a nontransient 103
noncommunity water system. 104

(M) "Lead service line" means any public or private 105
service line that contains lead that is connected to a public 106

<u>water system, including any lead pigtail, or lead gooseneck.</u>	107
<u>"Lead service line" also includes both of the following:</u>	108
<u>(1) Any galvanized requiring replacement service line;</u>	109
<u>(2) Any pipe containing lead from the discharge of the</u>	110
<u>corporation fitting to customer site piping or to the building</u>	111
<u>plumbing at the first shut-off valve inside the building, or</u>	112
<u>eighteen inches inside the building, whichever is shorter, that</u>	113
<u>is connected to a public water system.</u>	114
<u>(N) "Galvanized requiring replacement service line" means</u>	115
<u>a public or private galvanized service line that is or was at</u>	116
<u>any time downstream of a service line that contains or contained</u>	117
<u>lead or is currently downstream of a lead status unknown service</u>	118
<u>line.</u>	119
<u>(O) "Non-lead service line" means a service line that is</u>	120
<u>determined through an evidence-based record, method, or</u>	121
<u>technique not to be lead or galvanized requiring replacement.</u>	122
<u>(P) "Lead status unknown service line" has the same</u>	123
<u>meaning as in 40 C.F.R. 141.</u>	124
<u>Sec. 6109.09. The director of environmental protection</u>	125
<u>shall establish a lead service line replacement program. The</u>	126
<u>purpose and goal of the program is to replace all lead service</u>	127
<u>lines in Ohio within fifteen years after the effective date of</u>	128
<u>this section. In implementing the program, the director shall do</u>	129
<u>all of the following:</u>	130
<u>(A) Adopt rules in accordance with section 6109.091 of the</u>	131
<u>Revised Code;</u>	132
<u>(B) Oversee the lead service line replacement plans</u>	133
<u>approved and adopted under section 6109.091 of the Revised Code;</u>	134

(C) Provide customer service support to those 135
participating or attempting to participate in the lead service 136
line replacement program; 137

(D) Collaborate with local authorities to identify grant 138
programs that can provide resources to public water systems for 139
the purpose of funding lead service line replacement; 140

(E) Post information on the environmental protection 141
agency's web site about other sources of funding that are 142
available to assist public water systems with lead service line 143
identification and replacement; 144

(F) Take any other actions that the director determines 145
necessary for the administration and implementation of the lead 146
service line replacement program. 147

Sec. 6109.091. (A) Within one year of the effective date 148
of this section, the director of environmental protection shall 149
adopt rules in accordance with Chapter 119. of the Revised Code 150
to establish standards and procedures for administering and 151
implementing the lead service line replacement program created 152
in section 6109.09 of the Revised Code. 153

(B) The director shall ensure that the rules adopted under 154
this section establish all of the following: 155

(1) A requirement that the owner or operator of a public 156
water system identify and oversee the removal of all lead 157
service lines connected to the system not later than fifteen 158
years after the effective date of this section; 159

(2) Requirements and procedures for the submission of lead 160
service line replacement plans under section 6109.092 of the 161
Revised Code; 162

<u>(3) Procedures for prioritizing lead service lines for replacement;</u>	163 164
<u>(4) Procedures for identifying grant money that is available to public water systems for lead service line replacement and notifying public water systems of the availability of such grants;</u>	165 166 167 168
<u>(5) Procedures that a public water system may follow to require a customer to pay all or part of the costs of the replacement of the customer's lead service line via a payment plan. The director shall ensure that rules adopted under division (B) (5) of this section take into account a customer's ability to pay. Such rules also shall provide for payment exemptions for customers who are of low or moderate income.</u>	169 170 171 172 173 174 175
<u>(6) Procedures for the owner or operator of a public water system to financially contribute to replacing the lead service line of a customer who is of low or moderate income;</u>	176 177 178
<u>(7) A requirement that the owner or operator of a public water system not disconnect a customer's water service due to the customer's inability to pay for lead service line replacement;</u>	179 180 181 182
<u>(8) Requirements and procedures for owners and operators of public water systems taking action under the rules adopted under divisions (B) (5) to (7) of this section and under section 6109.0910 of the Revised Code;</u>	183 184 185 186
<u>(9) A requirement that the owner or operator of a public water system that removes a lead service line shall remove the entire line, except in cases of a public health or safety emergency. In such cases, the requirement shall allow for a forty-five-day grace period for the replacement of the entire</u>	187 188 189 190 191

<u>lead service line.</u>	192
<u>(10) Procedures by which the owner or operator of a public water system shall provide a customer with educational resources regarding the flushing of plumbing and use of water filters before, during, and after a lead service line is replaced;</u>	193 194 195 196
<u>(11) Procedures customers should follow when flushing service lines and premises plumbing of particulate lead;</u>	197 198
<u>(12) A requirement that the owner or operator of a public water system provide water filters and replacement cartridges to a customer before, during, and after lead service line replacement work;</u>	199 200 201 202
<u>(13) Procedures for determining and verifying the composition of lead status unknown service lines;</u>	203 204
<u>(14) Requirements for the training and certification program required under division (F) of section 6109.092 of the Revised Code;</u>	205 206 207
<u>(15) Requirements and procedures necessary for compliance with 40 C.F.R. 141;</u>	208 209
<u>(16) Any other requirements and procedures necessary for the implementation and administration of the lead service line replacement program.</u>	210 211 212
<u>(C) Notwithstanding any provision of section 121.95 of the Revised Code to the contrary, a regulatory restriction contained in a rule adopted under this section is not subject to sections 121.95 to 121.953 of the Revised Code.</u>	213 214 215 216
<u>Sec. 6109.092.</u> (A) <u>Not later than three years after the director of environmental protection adopts rules under section 6109.091 of the Revised Code, the owner or operator of a public</u>	217 218 219

water system shall submit a lead service line replacement plan 220
to the environmental protection agency in accordance with those 221
rules. The owner or operator of the public water system shall 222
update the lead service line replacement plan annually. 223

(B) A lead service line replacement plan shall include the 224
following: 225

(1) Information regarding whether there are lead service 226
lines connected to the public water system; 227

(2) A water distribution system material inventory of all 228
service lines. An inventory shall identify the following: 229

(a) The number and location of lead service lines, service 230
lines that are likely to have lead, and service lines that 231
contain unknown material; 232

(b) The number and location of lines described in division 233
(B) (2) (a) of this section that were added to the inventory after 234
the prior year's submission; and 235

(c) The number and location of lines described in division 236
(B) (2) (a) of this section that were replaced prior to the 237
commencement of the inventory; 238

(d) All lead, galvanized requiring replacement, non-lead, 239
and lead status unknown service lines. 240

(3) The number of lead service lines planned to be 241
replaced over the course of the fifteen years of the program, 242
including a description and map showing the locations of the 243
lead service lines planned to be replaced in each year and a 244
description of how the lead service lines were prioritized; 245

(4) Any other information required by rule adopted under 246
section 6109.091 of the Revised Code. 247

(C) An owner or operator of a public water system shall 248
include an initial inventory described in division (B)(2) of 249
this section with the initial plan submitted under this section. 250

(D) The environmental protection agency shall verify 251
accuracy of inventories submitted as part of lead service line 252
replacement plans. 253

(E) Using the data submitted in lead service line 254
replacement plans and any other available mapping information, 255
the agency shall establish a publicly available database that 256
allows public water systems and the public to consistently track 257
and identify lead service line replacement, which shall be 258
available on the agency's web site. 259

(F) The agency shall establish a training and 260
certification program for owners and operators of public water 261
systems regarding best practices for lead service line 262
replacement. The training and certification program also shall 263
be for contractors and plumbers hired for lead service line 264
replacement. 265

Sec. 6109.093. (A) The director of environmental 266
protection shall review, and approve or disapprove, all lead 267
service line replacement plans submitted under section 6109.092 268
of the Revised Code. If the director determines that a plan 269
submitted by the owner or operator of a public water system does 270
not meet the requirements of that section and rules adopted 271
under section 6109.091 of the Revised Code, the director shall 272
issue an order requiring the owner or operator to submit a 273
corrected plan. The director shall indicate in the order which 274
portions of the plan must be corrected. 275

(B) If the director determines that a corrected plan 276

submitted by the owner or operator of a public water system does 277
not meet the requirements of section 6109.092 of the Revised 278
Code and rules adopted under section 6109.091 of the Revised 279
Code, the director shall adopt a lead service line replacement 280
plan on behalf of the owner or operator. 281

(C) No owner or operator of a public water system shall 282
fail to submit a lead service line replacement plan or a 283
corrected plan under this section. No owner or operator of a 284
public water system shall fail to properly implement a lead 285
service line plan approved or adopted under this section. 286

(D) The owner or operator of a public water system is not 287
eligible for a grant issued by any state agency for the 288
replacement of lead service lines unless the owner or operator 289
is properly implementing a lead service line replacement plan 290
approved or adopted under this section. 291

Sec. 6109.094. As used in this section, "lead service line 292
replacement project" means any project to remove or replace a 293
lead service line that is undertaken pursuant to the lead 294
service line replacement program created under sections 6109.09 295
to 6109.093 of the Revised Code. 296

For purposes of section 4115.03 of the Revised Code, a 297
lead service line replacement project is a public improvement, 298
and an owner or operator of a public water system undertaking a 299
lead service line replacement project is a public authority. All 300
contractors and subcontractors working on a lead service line 301
replacement project shall comply with sections 4115.03 to 302
4115.16 of the Revised Code. 303

Sec. 6109.095. The owner or operator of a public water 304
system or the owner or operator's authorized representative may 305

enter at reasonable times upon any private or public property to 306
replace lead service lines under the program established under 307
sections 6109.09 to 6109.093 of the Revised Code. If entry or 308
inspection authorized by this section is refused, hindered, or 309
thwarted, the owner or operator of the public water system or 310
the owner or operator's authorized representative may enter the 311
property without the consent of the owner of the private or 312
public property for the purposes of replacing the lead service 313
lines. Prior to entry without consent onto private or public 314
property, the owner or operator of the public water system or 315
the owner or operator's authorized representative shall provide 316
the property owner written notice before the owner or operator's 317
representative enters the property. The notice shall be provided 318
not less than fourteen days before entrance on the property. 319

Sec. 6109.096. Sections 6109.097 to 6109.0910 of the 320
Revised Code do not grant authority to a water-works company, as 321
defined in section 4905.03 of the Revised Code, that is a public 322
utility under section 4905.02 of the Revised Code. 323

Sec. 6109.097. The owner or operator of a public water 324
system may replace non-lead service lines of other composition 325
when mandated or ordered to replace such lines by law or a state 326
or federal regulatory agency. 327

Sec. 6109.098. The owner or operator of a public water 328
system may reimburse a customer who replaces lead service lines 329
on the customer's property if both of the following occur: 330

(A) The owner or operator confirms that the lead service 331
lines were composed of lead. 332

(B) The customer who replaced the lead service lines 333
submits the reimbursement request to the owner or operator not 334

later than twelve months after the completion of the replacement 335
of the lines. 336

Sec. 6109.099. The owner or operator of a public water 337
system may reimburse a customer who replaces non-lead service 338
lines on the customer's property if both of the following occur: 339

(A) The owner or operator confirms that the non-lead 340
service lines were of a composition that was mandated or ordered 341
to be replaced by law or a state or federal regulatory agency. 342

(B) The customer who replaced the non-lead service lines 343
submits the reimbursement request to the owner or operator not 344
later than twelve months after the completion of the replacement 345
of the lines. 346

Sec. 6109.0910. The owner or operator of a public water 347
system may recover costs from the following through rates, 348
rents, charges, or other amounts imposed on system customers: 349

(A) Replacing lead service lines and determining and 350
verifying the composition of lead status unknown service lines 351
under section 6109.091 of the Revised Code; 352

(B) Replacing non-lead service lines under section 353
6109.097 of the Revised Code; 354

(C) Reimbursing a customer under sections 6109.098 and 355
6109.099 of the Revised Code. 356

Sec. 6109.22. (A) There is hereby created the drinking 357
water assistance fund to provide financial and technical 358
assistance for the purposes of protecting public health and 359
achieving and maintaining compliance with the Safe Drinking 360
Water Act and this chapter. In addition to the accounts created 361
under divisions (G) and (H) of this section, the drinking water 362

assistance fund may include any other accounts established by 363
the director of environmental protection. The fund shall be 364
administered by the director consistent with the Safe Drinking 365
Water Act, this section, and rules adopted under division (M) of 366
this section. 367

(B) The drinking water assistance fund shall consist of 368
the moneys credited to it from all capitalization grants 369
received under the Safe Drinking Water Act except for moneys 370
reserved by the governor pursuant to Title III, section 302 of 371
that act, all moneys credited to the fund from nonfederal 372
sources, including, without limitation, the proceeds of state 373
bonds or notes issued for the benefit of the fund, all payments 374
of principal and interest on loans made from the fund, and all 375
investment earnings on moneys held in the fund. On or before the 376
date that a capitalization grant payment made under the 377
authority of the Safe Drinking Water Act is credited to the 378
fund, required matching moneys shall be credited to the fund. 379
Any moneys transferred to or reserved from the drinking water 380
assistance fund pursuant to Title III, section 302 of the Safe 381
Drinking Water Act shall be accounted for separately. 382

(C) In a manner consistent with the Safe Drinking Water 383
Act and the applicable drinking water assistance management plan 384
prepared in accordance with this section, the director may 385
reserve and award for assistance moneys allotted to the state 386
under section 1452 of the Safe Drinking Water Act, provided that 387
the director makes a determination that the use of the moneys 388
will accomplish the state's objectives and the objectives 389
established for capitalization grants under the Safe Drinking 390
Water Act. The director may use a portion of the reserved moneys 391
to enter into contracts with qualified organizations, including 392
private nonprofit organizations, to provide statewide on-site 393

technical assistance to small public water systems. 394

(D) Subject to the terms of the agreements provided for in 395
division (E) of this section, moneys in the drinking water 396
assistance fund shall be held in trust by the Ohio water 397
development authority for the purposes of this section, shall be 398
kept in the same manner that funds of the authority are kept 399
under section 6121.11 of the Revised Code, and may be invested 400
in the same manner that funds of the authority are invested 401
under section 6121.12 of the Revised Code. Moneys in the 402
drinking water assistance fund shall be separate and apart from 403
and not a part of the state treasury or of the other funds of 404
the authority. No withdrawals or disbursements shall be made 405
from the drinking water assistance fund without the written 406
authorization of the director. 407

(E) The director shall adopt written criteria to ensure 408
that fiscal controls are established for prudent administration 409
of the drinking water assistance fund. For that purpose, the 410
director and the authority shall enter into any necessary and 411
appropriate agreements under which the authority may perform or 412
provide any of the following: 413

(1) Fiscal controls and accounting procedures governing 414
fund balances, receipts, and disbursements; 415

(2) Administration of loan accounts; 416

(3) Maintenance, management, and investment of moneys in 417
the fund. 418

Any agreement entered into under division (E) of this 419
section shall provide for the payment of reasonable fees to the 420
authority for any services it performs under the agreement and 421
may provide for reasonable fees for the assistance of financial 422

or accounting advisors. Payment of any of the fees to the 423
authority may be made from the drinking water assistance 424
administrative account established under division (G) of this 425
section. 426

(F) The authority may make moneys available to the 427
director for the purpose of providing matching moneys required 428
to be credited to the drinking water assistance fund under 429
division (B) of this section, subject to any terms that the 430
director and the authority consider appropriate, and may pledge 431
moneys that are held by the authority to secure the payment of 432
bonds or notes issued by the authority to provide those matching 433
moneys. 434

The director and the authority may enter into trust 435
agreements to enable the authority to issue and refund bonds or 436
notes for the sole benefit of the drinking water assistance 437
fund, including, without limitation, the raising of matching 438
moneys required to be credited to the fund in accordance with 439
division (B) of this section. The agreements may authorize the 440
pledge of moneys accruing to the fund from payments of principal 441
or interest or both on loans made from the fund to secure bonds 442
or notes, the proceeds of which bonds or notes shall be for the 443
sole benefit of the drinking water assistance fund. The 444
agreements may contain any terms that the director and the 445
authority consider reasonable and proper for the payment and 446
security of the bondholders or noteholders. 447

(G) There is hereby established within the drinking water 448
assistance fund the drinking water assistance administrative 449
account. No state matching moneys deposited into the fund under 450
this section shall be used for the purpose of paying for or 451
defraying the costs of administering this section. The director 452

may establish and collect fees from applicants for assistance 453
provided under this section. The total fees charged to an 454
applicant under this division for assistance under this section 455
shall not exceed the following: 456

(1) For the environmental protection agency, one per cent 457
of the principal amount of the assistance awarded to the 458
applicant; 459

(2) For the authority, thirty-five one-hundredths of one 460
per cent of the principal amount of the assistance awarded to 461
the applicant. 462

All moneys from the fees shall be credited to the drinking 463
water assistance administrative account in the fund. The moneys 464
shall be used solely to defray the costs of administrating this 465
section. 466

(H) There is hereby established within the drinking water 467
assistance fund the water supply revolving loan account. The 468
director may provide financial assistance from the water supply 469
revolving loan account ~~for improvements to community both of the~~ 470
following: 471

(1) Community water systems and ~~to~~ nonprofit noncommunity 472
public water systems for improvements; 473

(2) Public water systems for the purposes of replacing 474
lead service lines and funding lead service line replacement 475
plans under section 6109.092 of the Revised Code. 476

(I) All moneys from the fund credited to the water supply 477
revolving loan account, all interest earned on moneys credited 478
to the account, and all payments of principal and interest on 479
loans made from the account shall be dedicated in perpetuity and 480
used and reused solely for the following purposes, except as 481

otherwise provided in this section: 482

(1) To make loans to community water systems and nonprofit 483
noncommunity public water systems, and to make loans to public 484
water systems for the purposes of replacing lead service lines 485
and funding lead service line replacement plans under section 486
6109.092 of the Revised Code, subject to all of the following 487
conditions: 488

(a) The loans are made at or below market rates of 489
interest, including, without limitation, interest-free loans; 490

(b) Each recipient of a loan shall establish a dedicated 491
source of security or revenue for repayment of the loan; 492

(c) Periodic payments of principal and interest shall be 493
required on the dates and in the amounts approved by the 494
director; 495

(d) All payments of principal and interest on the loans 496
shall be credited to the water supply revolving loan account. 497

(2) To purchase or refinance at or below market rates 498
interest debt obligations incurred after July 1, 1993, by 499
municipal corporations, other political subdivisions, and 500
interstate agencies having territory in the state. If any debt 501
obligations are purchased or refinanced under division (I) (2) of 502
this section to provide financial assistance for any of the 503
purposes allowed under division (I) of this section, the 504
repayment period may extend up to forty-five years. However, the 505
repayment period shall not exceed the expected useful life of 506
any facilities that are financed by the obligations. 507

(3) To guarantee or purchase insurance for debt 508
obligations when the guarantee or insurance would improve the 509
borrower's access to credit markets or would reduce the interest 510

paid on those obligations;	511
(4) As a source of revenue or security for the payment of principal and interest on general obligation or revenue bonds or notes issued by this state if the proceeds of the sale of the bonds or notes are or will be deposited into the account;	512 513 514 515
(5) To provide subsidies in addition to any other financial assistance afforded disadvantaged communities under this section;	516 517 518
(6) To earn interest on moneys credited to the account;	519
(7) To provide any other assistance authorized by the Safe Drinking Water Act or any other federal law related to the use of federal funds administered under the Safe Drinking Water Act.	520 521 522
(J) The director may provide financial assistance from the water supply revolving loan account after determining all of the following:	523 524 525
(1) The applicant for financial assistance has the legal, institutional, managerial, and financial capability to construct, operate, and maintain its public water system and the proposed improvements to it;	526 527 528 529
(2) The applicant will implement a financial management plan that includes, without limitation, provisions for satisfactory repayment of the financial assistance;	530 531 532
(3) The public water system of which the project for which assistance is proposed is a part is economically and nonmonetarily cost-effective, based on an evaluation of feasible alternatives that meet the drinking water treatment needs of the planning area in which the proposed project is located;	533 534 535 536 537
(4) Based on a comprehensive environmental review approved	538

by the director, there are no significant adverse environmental 539
effects resulting from all necessary improvements to the public 540
water system of which the project proposed for assistance is a 541
part; 542

(5) Public participation has occurred during the process 543
of planning the project in compliance with applicable 544
requirements under the Safe Drinking Water Act; 545

(6) The application meets the requirements of this section 546
and rules adopted under division (M) of this section and is 547
consistent with section 1452 of the Safe Drinking Water Act and 548
regulations adopted under it; 549

(7) If the applicant for assistance is a water district 550
formed under Chapter 6119. of the Revised Code that operates a 551
public water system and that water district seeks to extend the 552
distribution facilities, increase the number of service 553
connections to its system, or provide for any other expansion of 554
its system, the water district has consulted with the board of 555
county commissioners from each county in which is located the 556
proposed extension of distribution facilities, increase in the 557
number of service connections, or other expansion of the public 558
water system; 559

(8) The application meets any other requirements that the 560
director considers necessary or appropriate to protect public 561
health and the environment and to ensure the financial integrity 562
of the water supply revolving loan account. 563

Upon approval by the director of an application for 564
financial assistance, the Ohio water development authority shall 565
disburse the appropriate financial assistance from the water 566
supply revolving loan account. If the proposed financial 567

assistance is a loan, and if the payments of the principal or 568
interest on the loan are or are expected to be pledged to secure 569
payment of bonds issued or expected to be issued by the 570
authority, the director shall submit the application for the 571
loan to the authority for review and approval with respect to 572
any matters pertaining to security for and the marketability of 573
authority bonds. Review and approval by the authority shall be 574
required prior to the making of such a loan. 575

(K) In accordance with rules adopted under division (M) of 576
this section, the director periodically shall prepare a drinking 577
water assistance management plan establishing the short-term and 578
long-term goals for the assistance provided under this section, 579
the allocation of available resources for the purposes of this 580
section, the environmental, financial, and administrative terms, 581
conditions, and criteria for the award of financial and 582
technical assistance under this section, and the intended uses 583
of capitalization grants and available moneys from the drinking 584
water assistance fund. Criteria for awarding financial or 585
technical assistance under this section shall not favor or 586
disfavor any otherwise qualified nonprofit noncommunity public 587
water system because it is owned by, operated by, or services a 588
religious organization or a facility used for religious 589
purposes. Prior to its adoption, the director shall make the 590
drinking water assistance management plan available for public 591
review and comment at a minimum of two public meetings and shall 592
take adequate steps to ensure that reasonable public notice of 593
each public meeting is given at least thirty days prior to the 594
meeting. 595

The plan shall include, without limitation, a system that 596
prioritizes projects funded by the water supply revolving loan 597
account based on the relative risk to human health being 598

addressed, their necessity for ensuring compliance with 599
requirements of the Safe Drinking Water Act, and their 600
affordability to the applicants, as determined by the director. 601
Financial assistance for projects from the water supply 602
revolving loan account shall be limited to projects that are 603
included in that prioritization and shall be awarded based upon 604
their priority position and the applicants' readiness to proceed 605
with their proposed activities as determined by the director. 606
The drinking water assistance management plan shall include 607
terms, conditions, amounts of moneys, and qualifying criteria, 608
in addition to any other criteria established under this 609
section, governing the financial assistance to be awarded to 610
applicants from the water supply revolving loan account. The 611
director shall determine the most effective use of the moneys in 612
that account to achieve the state's drinking water assistance 613
goals and objectives. 614

(L) The director, consistent with this section and 615
applicable rules adopted under division (M) of this section, may 616
enter into an agreement with an applicant for assistance from 617
the drinking water assistance fund. Based on the director's 618
review and approval of the project plans submitted under section 619
6109.07 of the Revised Code, any determinations made under 620
division (J) of this section if an applicant seeks funding from 621
the water supply revolving loan account, and any other 622
requirements of this section and rules adopted under it, the 623
director may establish in the agreement environmental and 624
financial terms and conditions of the financial assistance to be 625
offered to the applicant. If the recipient of financial 626
assistance under this section defaults on any payment required 627
in the agreement for financial assistance or otherwise violates 628
a term or condition of the agreement or of the plan approval for 629

the project under section 6109.07 of the Revised Code, the 630
director, in addition to any other available remedies, may 631
terminate, suspend, or require immediate repayment of the 632
financial assistance. The director also may take any enforcement 633
action available under this chapter. 634

(M) The director may adopt rules in accordance with 635
Chapter 119. of the Revised Code for the implementation and 636
administration of this section. The rules shall be consistent 637
with section 1452 of the Safe Drinking Water Act. 638

(N) (1) For the purposes of this section, appealable 639
actions of the director pursuant to section 3745.04 of the 640
Revised Code are limited to the following: 641

(a) Adoption of the drinking water assistance management 642
plan prepared under division (K) of this section; 643

(b) Approval of priority systems, priority lists, and 644
written program administration policies; 645

(c) Approval or disapproval under this section of 646
applicants' project plans submitted under section 6109.07 of the 647
Revised Code; 648

(d) Approval or disapproval of an application for 649
assistance. 650

(2) Notwithstanding section 119.06 of the Revised Code, 651
the director may take the final actions described in divisions 652
(N) (1) (a) to (d) of this section without holding an adjudication 653
hearing in connection with the action and without first issuing 654
a proposed action under section 3745.07 of the Revised Code. 655

(3) Each action described in divisions (N) (1) (a) to (d) of 656
this section and each approval of a plan under section 6109.07 657

of the Revised Code is a separate and discrete action of the 658
director. Appeals are limited to the issues concerning the 659
specific action appealed. Any appeal shall not include issues 660
determined under the scope of any prior action. 661

(O) The failure or inability of a public water system to 662
obtain assistance under this section does not alter the 663
obligation of the public water system to comply with all 664
applicable requirements of this chapter and rules adopted under 665
it. 666

Sec. 6115.531. A sanitary district may utilize sections 667
6109.097 to 6109.0910 of the Revised Code regarding the 668
replacement, and the recovery of costs of replacement and 669
replacement reimbursement, of lead and non-lead service lines. 670

Sec. 6119.062. A regional water and sewer district may 671
utilize sections 6109.097 to 6109.0910 of the Revised Code 672
regarding the replacement, and the recovery of costs of 673
replacement and replacement reimbursement, of lead and non-lead 674
service lines. 675

Section 2. That existing sections 6109.01 and 6109.22 of 676
the Revised Code are hereby repealed. 677

Section 3. This act shall be known as the Lead Line 678
Replacement Act. 679