

## Rule Summary and Fiscal Analysis

### Part A - General Questions

**Rule Number:** 113-40-04

**Rule Type:** Rescission

**Rule Title/Tagline:** Reduced collateral floor criteria.

**Agency Name:** Treasurer of State

**Division:**

**Address:** 30 E. Broad Street 10th Floor Columbus OH 43215

**Contact:** Paul Thies **Phone:** 614-696-6649

**Email:** Paul.Thies@tos.ohio.gov

#### I. Rule Summary

1. **Is this a five year rule review?** Yes
  - A. **What is the rule's five year review date?** 2/2/2023
2. **Is this rule the result of recent legislation?** No
3. **What statute is this rule being promulgated under?** 119.03
4. **What statute(s) grant rule writing authority?** R.C. 135.182
5. **What statute(s) does the rule implement or amplify?** R.C. 135.18, R.C. 135.182
6. **Does the rule implement a federal law or rule in a manner that is more stringent or burdensome than the federal law or regulation requires?** No
  - A. **If so, what is the citation to the federal law or rule?** Not Applicable
7. **What are the reasons for proposing the rule?**

Upon review, the Treasurer of State (TOS) has concluded that the Rule should be rescinded as the overwhelming bulk of the rule discusses an evaluation process, the SCALE model, which TOS will no longer utilize as the vendor has indicated this proprietary model will not be supported beyond December of 2023.

- 8. Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.**

Current rule 113-40-04 outlines evaluation criteria for participation in the Ohio Pooled Collateral Program which TOS will no longer utilize owing to the vendor's decision to no longer support the model after December of this year. After deleting those paragraphs referencing the SCALE model, only paragraph, 113-40-04(A)(7) would remain within the rule. TOS determined that this paragraph would fit better in rule 113-40-03 which is filed concurrently with this rescission, rather than remaining as the entire substance of the rule after the necessary deletion.

- 9. Does the rule incorporate material by reference? No**
- 10. If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.75, please explain the basis for the exemption and how an individual can find the referenced material.**

*Not Applicable*

- 11. If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.**

*Not Applicable*

## **II. Fiscal Analysis**

- 12. Please estimate the increase / decrease in the agency's revenues or expenditures in the current biennium due to this rule.**

This will have no impact on revenues or expenditures.

0

Not applicable

- 13. What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?**

Not applicable

- 14. Does the rule increase local government costs? (If yes, you must complete an RSFA Part B). No**

- 15. Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C). No
- 16. If the rule imposes a regulation fee, explain how the fee directly relates to your agency's cost in regulating the individual or business.

Not applicable

### III. Common Sense Initiative (CSI) Questions

- 17. Was this rule filed with the Common Sense Initiative Office? No
- 18. Does this rule have an adverse impact on business? No
  - A. Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? No
  - B. Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? No
  - C. Does this rule require specific expenditures or the report of information as a condition of compliance? No
  - D. Is it likely that the rule will directly reduce the revenue or increase the expenses of the lines of business of which it will apply or applies? No

### IV. Regulatory Restriction Requirements under S.B. 9. Note: This section only applies to agencies described in R.C. 121.95(A).

- 19. Are you adding a new or removing an existing regulatory restriction as defined in R.C. 121.95? No
  - A. How many new regulatory restrictions do you propose adding to this rule?  
  
Not Applicable
  - B. How many existing regulatory restrictions do you propose removing from this rule?

Not Applicable

- C. If you are not removing existing regulatory restrictions from this rule, please list the rule number(s) from which you are removing restrictions.**

Not Applicable

- D. Please justify the adoption of the new regulatory restriction(s).**

Not Applicable

**Rule Summary and Fiscal Analysis**

**Part A – General Questions**

**Rule Number:** 113-40-04

**Rule Type:** Five Year Review: Rescind

**Rule Title/Tagline:** Reduced collateral floor criteria.

**Agency Name:** Treasurer of State

**Division:**

**Address:** 30 East Broad Street, 9th Floor, Columbus, OH 43215

**Contact:** Paul Thies **Phone:** 614-696-6649

**Email:** Paul.Thies@tos.ohio.gov

**I. Rule Summary**

**1. Is this a five year rule review?**

Yes.

**A. What is the rule's five year review date?**

2/2/2023

**2. Is this rule the result of recent legislation?**

No

**A. If so, what is the bill number, General Assembly and Sponsor?**

**3. What statute is this rule being promulgated under?**

R.C. 119.03

**4. What statute(s) grant rule writing authority?**

R.C. 135.182

**5. What statute(s) does the rule implement or amplify?**

R.C. 135.18, 135.182

**6. What are the reasons for proposing the rule?**

Upon review, the Treasurer of State (TOS) has concluded that the Rule should be rescinded as the overwhelming bulk of the rule discusses an evaluation process, the SCALE model, which TOS will no longer utilize as the vendor has indicated this proprietary model will not be supported beyond December of 2023.

**7. Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.**

Current rule 113-40-04 outlines evaluation criteria for participation in the Ohio Pooled Collateral Program which TOS will no longer utilize owing to the vendor's decision to no longer support the model after December of this year. After deleting those paragraphs referencing the SCALE model, only paragraph, 113-40-04(A)(7) would remain within the rule. TOS determined that this paragraph would fit better in rule 113-40-03 which is filed concurrently with this rescission, rather than remaining as the entire substance of the rule after the necessary deletion.

**8. Does the rule incorporate material by reference?**

No.

**9. If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.75, please explain the basis for the exemption and how an individual can find the referenced material.**

Not Applicable.

**10. If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.**

Not applicable.

## **II. Fiscal Analysis**

**11. Please estimate the increase / decrease in the agency's revenues or expenditures in the current biennium due to this rule.**

This proposed rulemaking does not impact the agency's revenues or expenditures in the current biennium.

**12. What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?**

This rule does not directly impose additional compliance costs.

**13. Does the rule increase local government costs? (If yes, you must complete an RSFA Part B).**

No.

**14. Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C).**

No.

**15. If the rule imposes a regulation fee, explain how the fee directly relates to your agency's cost in regulating the individual or business.**

Not applicable.

### **III. Common Sense Initiative (CSI) Questions**

**16. Was this rule filed with the Common Sense Initiative Office?**

No. The treasurer of state is exempt pursuant to R.C. 107.56

**17. Does this rule have an adverse impact on business?**

No.

**A. Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? No.**

**B. Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? No.**

**C. Does this rule require specific expenditures or the report of information as a condition of compliance? No.**

**D. Is it likely that the rule will directly reduce the revenue or increase the expenses of the lines of business to which it will apply or applies? No.**

### **IV. Regulatory Restrictions** (This section only applies to agencies indicated in R.C. 121.95 (A))

**18. Are you adding a new regulatory restriction as defined in R.C. 121.95?**

The treasurer of state is not a state agency as outlined in R.C. 121.95(A).

**A. How many new regulatory restrictions do you propose adding to this rule? 0**

**B. How many existing regulatory restrictions do you propose removing from this rule? 0**

**C. If you are not removing existing regulatory restrictions from this rule, please list the rule number(s) from which you are removing restrictions.**