



# Common Sense Initiative

Mike DeWine, Governor  
Jon Husted, Lt. Governor

Joseph Baker, Director

## MEMORANDUM

**TO:** Roger Patrick, Ohio Department of Commerce, Division of Securities

**FROM:** Jacob Ritzenthaler, Business Advocate

**DATE:** March 8, 2024

**RE:** CSI Review – Definitions (OAC 1301:6-3-01)

On behalf of Lt. Governor Jon Husted, and pursuant to the authority granted to the Common Sense Initiative (CSI) Office under Ohio Revised Code (ORC) section 107.54, the CSI Office has reviewed the abovementioned administrative rule package and associated Business Impact Analysis (BIA). This memo represents the CSI Office's comments to the Department as provided for in ORC 107.54.

### Analysis

This rule package consists of one amended rule proposed by the Ohio Department of Commerce (Department), Division of Securities (Division) as part of the statutory five-year review process. This rule package was submitted to the CSI Office on February 8, 2024, and the public comment period was held open through February 23, 2024. Unless otherwise noted below, this recommendation reflects the version of the proposed rule filed with the CSI Office on February 8, 2024.

Ohio Administrative Code (OAC) 1301:6-3-01 provides a list of definitions related to the registration of securities. The rule is amended to remove references to OAC 1301:6-3-15, as the referenced requirements have been removed.

During early stakeholder outreach, the Division sent the proposed rule to industry stakeholders for feedback, including the Financial Industry Regulatory Authority, Ohio State Bar Association, Public Industry Arbitration Bar Association, Securities Industry and Financial Markets Association, National Association of Personal Financial Advisors, Financial Services Institute, Financial Planning Association, Central Ohio Compliance Association, Certified Financial Planning Board of Standards, Institute for Portfolio Alternatives, Consumer Federation of America, American Association of Retired Persons, Nationwide, and other interested parties. No comments were received during that

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time or during the CSI public comment period.

The business community impacted by the rule includes businesses that issue securities and securities law practitioners. The adverse impact created by the rule is primarily the requirement to conduct business according to the definitions provided by the rule. The Division states that the adverse impact is necessary to provide clarity and uniformity for businesses.

### **Recommendations**

Based on the information above, the CSI Office has no recommendations on this rule package.

### **Conclusion**

The CSI Office concludes that the Department should proceed in filing the proposed rule with the Joint Committee on Agency Rule Review.