



## Ohio Revised Code

### Section 3.061 Dishonesty and faithful performance of duty policy in lieu of bond.

Effective: March 20, 2019

Legislation: House Bill 291 - 132nd General Assembly

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(A) As used in this section:

(1) "Political subdivision" means a county, township, municipal corporation, school district, community school, or a library or library district specified in section 3375.32 of the Revised Code.

(2) "Employee dishonesty and faithful performance of duty policy" means a policy of insurance, or a coverage document issued by a joint self-insurance pool authorized under section 2744.081 of the Revised Code, to protect a political subdivision from financial or property loss caused by the fraudulent or dishonest actions of, and the failure to perform a duty prescribed by law for, an officer, employee, or appointee that is otherwise required by law to give an individual surety bond before entering upon the discharge of official duties.

(B) A political subdivision may adopt a policy, by ordinance or resolution, to allow for the use of an employee dishonesty and faithful performance of duty policy, rather than a surety bond, to cover losses caused by the fraudulent or dishonest actions of, and the failure to perform a duty prescribed by law for, officers, employees, or appointees that would otherwise be required to give an individual surety bond to qualify for the office or employment before entering upon the discharge of duties imposed by the office or employment. The employee dishonesty and faithful performance of duty policy shall be in effect and apply to the officer, employee, or appointee before the beginning of the individual's term of office or employment and the officer, employee, or appointee shall not commence the discharge of duties until coverage is documented as required by the legislative authority. A lack of coverage on the date on which the discharge of duties are commenced by the individual shall render the office vacant and it shall be filled as required by law.

(C) For a political subdivision that has adopted a policy as authorized under this section, all of the following apply:



(1) Notwithstanding any section of the Revised Code requiring an officer, employee, or appointee of a political subdivision to give bond before being entitled to enter upon the duties of the office or employment, an officer, employee, or appointee shall be considered qualified to hold the office or employment, without giving bond, on the date the oath of office is taken, certified, and filed as required by law.

(2) Notwithstanding section 3.30 or any other section of the Revised Code that provides an office or employment is vacated upon the failure to file bond, the officer, employee, or appointee shall be entitled to enter upon the duties of the office or employment when the policy is in effect as provided in division (B) of this section and the oath is filed as provided in division (C)(1) of this section.

(3) All officers, employees, or appointees who would otherwise be required to file a bond before commencing the discharge of duties shall be covered by and are subject to the employee dishonesty and faithful performance of duty policy instead of a surety bond requirement.

(4) The coverage amount for an officer, employee, or appointee under an employee dishonesty and faithful performance of duty policy shall be equal to or greater than the maximum amount of the bond otherwise required by law. If no amount, or only a minimum amount, of coverage is specified in law for the particular officer, employee, or appointee, the amount of coverage shall be an amount agreed upon by the legislative authority or the authority otherwise designated by law to determine the amount of the bond.

(D) A political subdivision that does not adopt a policy under this section shall continue to use the surety bonds as otherwise provided in the Revised Code.

(E) Nothing in this section relieves an officer, employee, or appointee of other applicable requirements to hold the office or employment.