



Ohio Revised Code

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

Effective: April 12, 2021

Legislation: House Bill 444 - 133rd General Assembly

(A) As used in this section:

(1) "Political subdivision" means a county, township, municipal corporation, school district, community school, park district created under Chapter 1545. of the Revised Code, library or library district specified in section 3375.32 of the Revised Code, juvenile facility district created under section 2151.65 of the Revised Code, or detention facility district created under section 2152.41 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 against losses that would otherwise be protected against under a surety bond and to protect against other losses as determined by the political subdivision.

(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 that would otherwise be required by law to be given by any of the following:

(1) The political subdivision;

(2) An officer, employee, or appointee of the political subdivision;

(3) Any other entity or individual, if the entity or individual is required by law to give a surety bond to the political subdivision.

The employee dishonesty and faithful performance of duty policy also may cover any other entity or individual as determined by the political subdivision.



(C)(1) Any officer, employee, or appointee otherwise required by law 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 shall, before entering upon the discharge of duties imposed by the office or employment, either give the individual surety bond or be covered under an employee dishonesty and faithful performance of duty policy that is in effect and becomes applicable to the officer, employee, or appointee upon the beginning of the individual's term of office or employment.

(2) Any officer, employee, or appointee otherwise required by law to maintain an individual surety bond to continue being entitled to discharge the duties of the office or employment may, during the individual's term or employment, become covered under an employee dishonesty and faithful performance of duty policy.

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

(1) An officer, employee, or appointee otherwise required by law to give an individual surety bond shall not commence or continue 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 or continued by the individual shall render the office vacant and it shall be filled as required by law.

(2) 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.

(3) Notwithstanding any section of the Revised Code requiring an officer, employee, or appointee of a political subdivision to maintain bond to continue being entitled to discharge the duties of the office or employment, an officer, employee, or appointee who becomes covered under an employee dishonesty and faithful performance of duty policy during the individual's term or employment and who remains covered under the employee dishonesty and faithful performance of duty policy for the duration of the individual's term or employment shall be considered qualified to hold the office or



employment, without maintaining bond for the duration of the individual's term or employment as required by law.

(4) 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 (D)(2) of this section.

(5) 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.

(6) 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.

(E) 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.

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