

4501:1-6-01 **Terms and provisions governing contracts between the registrar and deputy registrars.**

- (A) The registrar of motor vehicles, with the approval of the director of public safety, shall prescribe the terms and conditions for contracts between the registrar and the deputy registrars. The contract shall require the deputy registrar to comply with all applicable requirements of the Revised Code, the Administrative Code, and the contract. The contract may, at the registrar's discretion, incorporate by reference the terms of the request for proposals and the proposal.
- (B) Each deputy registrar shall give and maintain during the period of the contract a bond in the amount of at least twenty-five thousand dollars, or in such higher amount as the registrar determines necessary, based on a uniform schedule of bond amounts prescribed by the registrar and determined by the estimated volume of transactions handled by the deputy. The bond required of deputy registrars may, at the discretion of the registrar, be individual or schedule bonds or may be included in any blanket bond coverage carried by the department. The bond shall name "The State of Ohio, Department of Public Safety, Bureau of Motor Vehicles" as the bondholder and shall stipulate that the registrar be notified in the event of nonpayment of the premium or cancellation before the expiration of the bond. Notification shall be within the ~~time frame~~time frame and in the manner determined by the registrar. The bond shall be sufficient to protect the funds and assets of the state of Ohio from losses due to fraud, theft, embezzlement and other improprieties.
- (C) The registrar, with the approval of the director, may prescribe a liquidated damages clause to be included in the deputy registrar contract to compensate the department of public safety and the bureau of motor vehicles for damages incurred as a result of failure of performance by the deputy registrar. Any liquidated damages clause prescribed by the registrar shall set forth the conditions which may constitute default, shall require that written notice of default be made to the deputy registrar, and shall give the deputy registrar reasonable time, not less than seventy-two hours, to cure the default. If the default is not cured within the time prescribed by the registrar, the registrar may require the liquidated damages to be paid or may, in the registrar's discretion, grant an extension of time to cure the default. The registrar, with the approval of the director, shall specify in the contract the amount of the liquidated damages, which shall not exceed fifty dollars per terminal per day. The amount specified shall be liquidated damages, and not a penalty, for failure of performance by the deputy registrar. The liquidated damages clause shall be in addition to any other clauses contained in the deputy registrar contract and neither the use nor the waiver of the liquidated damages clause shall constitute a waiver of any other term of the contract by the registrar.
- (D) The registrar may designate the location of each deputy registrar agency either at a specific site or within specific ~~boundries~~boundaries.

- (E) The registrar shall prescribe the size of each deputy registrar office based on the estimated number of transactions and the number of terminals for that agency and such other factors as determined by the registrar.
- (F) The registrar shall lease the equipment necessary to conduct the vision screenings required under section 4507.12 of the Revised Code to the deputy registrar at the cost of ten cents per vision screening conducted by the deputy registrar. The deputy registrar shall transmit these amounts to the registrar by depositing them in the depository account not more than one business day after their collection.
- (G) The registrar shall prescribe training requirements for deputy registrars and deputy registrar employees, and the deputy registrars and deputy registrar employees shall participate in training programs as prescribed by the registrar.
- (H) Each deputy registrar shall be permitted and encouraged to inform the public of the location of the agency and the hours of operation. A deputy registrar may, with the prior written approval of the registrar, advertise in regard to the operation of the deputy registrar agency. No advertisement shall contain any material which in the opinion of the registrar reflects negatively upon the state of Ohio, the department of public safety, the bureau of motor vehicles, any deputy registrar, or any deputy registrar agency. The registrar may prohibit or otherwise regulate any advertisement which in the registrar's opinion contains any such negative material, and may take any appropriate remedial action. No person shall advertise as a deputy registrar unless that person is at the time of the advertisement acting as a deputy registrar upon appointment of and under contract with the registrar. Any deputy registrar whose contract expires or is terminated for any reason shall take reasonable measures to remove any deputy registrar advertisement or listing of any nature whatsoever for that deputy registrar agency.
- (I) The registrar may prescribe requirements for signs to be displayed by the deputy registrar both outside and within the deputy registrar agency and the deputy registrar shall conform thereto. The registrar shall modify sign specifications for any deputy registrar to the extent necessary to conform to applicable zoning laws. Upon termination or expiration of any deputy registrar contract the deputy registrar shall immediately remove all signs and indicia identifying the deputy registrar agency.
- (J) The registrar shall prescribe the hours that deputy registrar offices be open to the public, which hours shall conform to at least the minimum requirements set forth in division (D) of section 4503.03 of the Revised Code. Each deputy registrar shall submit to the registrar for approval the hours of operation of that agency. Where there are two or more deputy registrars in a county and they agree upon weekend and evening hours of operation, their agreement shall be submitted to the registrar

for approval. This rule does not prohibit the registrar from requiring hours of operation different from ones selected by the deputy registrar.

- (K) Every deputy registrar in each county, upon request, shall provide any person with information about the location and office hours of all deputy registrars in that county and each adjoining county. This information will be supplied by the bureau of motor vehicles to each deputy registrar for dissemination.
- (L) No person except the registrar shall operate or control, directly or indirectly, more than one deputy registrar agency at any time except when the registrar determines that it is practical and beneficial to award contracts to a deputy registrar to operate more than one deputy registrar agency at specific locations designated by the registrar. No spouse of a deputy registrar shall be appointed as a deputy registrar or operate a deputy registrar agency. No parent, child, brother, or sister of a deputy registrar shall be appointed as a deputy registrar or operate a deputy registrar agency if they are living in the same household as the deputy registrar. This paragraph does not prohibit any member of a deputy registrar's family from serving as an employee of any deputy registrar.
- (M) No employee of the state of Ohio shall be appointed as a deputy registrar. No spouse, parent, child, brother, sister, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, or daughter-in-law of any employee of the department of public safety, the bureau of motor vehicles, or the state highway patrol shall be appointed as a deputy registrar or operate a deputy registrar agency. The registrar, with the approval of the director, may waive this provision for any family member of an employee if that family member has since January 1, 1992 continuously served as a deputy registrar or if the family member became so employed after the deputy registrar was first appointed as deputy registrar. This paragraph does not prohibit any member of an employee's family from serving as an employee of any deputy registrar and does not apply to county auditors or clerk of courts.
- (N) Deputy registrars are independent contractors and neither they nor their employees are employees of this state, except that nothing in this rule shall affect the status of county auditors or clerks of courts as public officials, nor the status of their employees as employees of any of the counties of this state which are political subdivisions of this state.
- (O) Each deputy registrar shall comply with all applicable federal, state, and local laws in the conduct of the deputy registrar agency. Each deputy registrar shall obtain a vendor's license, shall collect Ohio sales taxes on nonexempt transactions as required by law, and shall be responsible for the payment of all unemployment compensation payments, all workers' compensation payments, all social security contributions and deductions, and any and all other taxes or payroll deductions for which the deputy registrar is legally responsible. Each deputy registrar shall comply

with all applicable federal, state, and local laws requiring the withholding of income taxes or other taxes from the compensation of the deputy registrar's employees.

- (P) Each deputy registrar shall have adequate staffing and equipment to handle the volume of business including adequate provisions to handle any peak periods of activity. The registrar may prescribe reasonable minimum staffing requirements and each deputy registrar shall comply with those requirements. The registrar may prohibit the employment by any deputy registrar of any person who within the past ten years has been convicted of a crime punishable by death or imprisonment in excess of one year or a crime involving dishonesty or false statement.
- (Q) Each deputy registrar shall appoint a full-time office manager to be responsible for the management of the agency. The deputy registrar may designate himself or herself to serve as the office manager or may appoint another employee to do so. The office manager shall be regularly scheduled and on duty at the deputy registrar agency at least thirty-six hours per week during regular business hours except for temporary periods of vacation, sickness or holidays. The registrar may require that the deputy registrar, except a county auditor or a clerk of court, shall be regularly scheduled and on duty at the deputy registrar agency at least twenty hours per week during regular business hours except for temporary periods of vacation or sickness. The deputy registrar shall also designate an employee to supervise the agency during all periods when both the office manager and the deputy registrar are absent.
- (R) The registrar shall prescribe and each deputy registrar shall conform to requirements for buildings and facilities, staffing, parking, disability accessibility, heating, ventilation, air conditioning, lighting, security, signs, bank accounts, reports, record keeping and retention, voter registration, organ donation documentation, employee training, and any other requirements that the registrar deems necessary or proper for the efficient operation of the deputy registrar agency.
- (S) The registrar may prohibit solicitations of any kind by the deputy registrars or their employees. The registrar may require that there be direct access to the deputy registrar facility and may prohibit the operation of any other business or activity in conjunction with the operation of the deputy registrar agency. The provisions of this paragraph do not apply to county auditors or clerks of courts.
- (T) Each deputy registrar shall perform in an efficient and professional manner all services on behalf of the registrar including but not limited to the issuance of drivers' licenses, identification cards, vehicle registration plates or stickers, ~~thirty-day~~ temporary tags, and vehicle registration and driver record abstracts; physical inspection of motor vehicles as required by section 4505.061 of the Revised Code; administering vision screenings; offering the public the option of listing organ donor preferences; voter registration and any other services the

registrar is required or chooses to offer to the public.

- (U) The registrar shall, with the approval of the director, terminate the contract and immediately remove a deputy who violates any provision of the Revised Code related to the deputy's duties any rule adopted by the registrar, or any term of the contract with the registrar. The registrar may also remove a deputy who, in the opinion of the registrar, has engaged in any conduct that is either unbecoming to one representing this state or is inconsistent with the efficient operation of the deputy's office.
- (V) Any deputy registrar who wishes to unilaterally terminate his or her contract shall give written notice to the registrar at least ninety days prior to said termination. No deputy registrar shall cease to conduct the business of deputy registrar until ninety days have elapsed since the written notice has been received by the registrar, unless the registrar gives written approval of earlier termination.
- (W) In the event the registrar should cancel any deputy registrar contract without a breach of condition, the registrar shall give written notice of cancellation at least ninety days prior to the effective date of said cancellation.
- (X) No deputy registrar shall change the deputy registrar's office telephone number or banking facility without the prior written consent of the registrar. No deputy registrar shall change or move the deputy registrar agency to any other site without the prior written consent of the registrar. The registrar may withhold approval if the registrar determines that the proposed facility is not as well suited for a deputy registrar office as the existing facility.
- (Y) Neither the registrar nor any person shall terminate a deputy registrar contract awarded to a person, or threaten to do so, because that person fails to pay an assessment or subscription to, or fails to make contribution to, any political party, the governor or the governor's campaign committee, or any candidate for public office or the candidate's campaign committee.
- (Z) The contract between the registrar and the deputy registrar may contain any provisions the registrar deems necessary or proper to assure that the provisions of the Revised Code and the Administrative Code are adhered to and that the deputy registrar provides proper and efficient service to the state of Ohio, the department of public safety, the bureau of motor vehicles, and the citizens of Ohio.
- (AA) The deputy registrar contract may be amended at any time to the extent it is necessary to conform to any applicable federal or state law or any rule adopted by the registrar or director in accordance with Chapter 119. of the Revised Code.

- (BB) Unless otherwise terminated and except for interim contracts lasting not longer than one year contracts with deputy registrars shall be entered into through a competitive selection process and shall be limited in duration as follows:
- (1) For contracts entered into between July 1, 1996 and June 29, 2014, for a period of not less than two years but not more than three years.
 - (2) For contracts entered into on or after June 29, 2014, for a period of five years, unless the registrar determines that a shorter contract term is appropriate for a particular deputy registrar.
 - (3) All contracts with deputy registrars shall expire on the last Saturday of June in the year of their expiration.
 - (4) Prior to the expiration of any deputy registrar contract, the registrar, with the approval of the director, may award a one-year contract extension to any deputy ~~registrar~~ registrar who has provided exemplary serve based upon objective performance evaluations.
- (CC) Each deputy registrar shall maintain during the entire term of the deputy registrar contract a policy of business liability, property damage, and theft insurance satisfactory to the registrar and shall hold the department of public safety, the director of public safety, the bureau of motor vehicles, and the registrar harmless upon any and all claims for damages or losses arising out of the operation of the deputy registrar agency. County auditors and clerks of court may be self-insured through their county government and are exempt from the hold harmless provision.
- (DD) Each individual deputy registrar shall occupy a primary residence in a location that is within a one-hour commute time from the deputy registrar's agency or agencies, during the term of the contract. The registrar shall determine the commute time by using multiple established internet-based mapping services. If the deputy registrar is a nonprofit corporation, it shall maintain a place of business within the county in which each of its agencies is located. The registrar may, after notice, terminate the contract of any deputy registrar who violates this provision.
- (EE) The registrar may prescribe requirements to assure the deputy registrar's fiscal responsibility and financial solvency during the term of the contract. Requirements may include, without limitation, financial reviews of the deputy registrar agency's books, periodic reviews of credit reports, and minimum standards for cash on hand or lines of credit to meet the agency's expenses and obligations on an ongoing basis.

(FF) The registrar may prescribe minimum security requirements to protect the bureau of motor vehicles' and the deputy registrar's facilities, property, and protected information during the term of the contract.

~~(EE)~~(GG) Unless otherwise prohibited by statute, the registrar may waive any contract provisions in this rule for clerks of courts or county auditors, or both.

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Five Year Review (FYR) Dates: 12/30/2014 and 12/30/2019

CERTIFIED ELECTRONICALLY

Certification

03/12/2015

Date

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