

As Introduced

**135th General Assembly
Regular Session
2023-2024**

S. B. No. 246

Senators Reynolds, Craig



A BILL

To amend sections 9.47, 9.66, 107.03, 107.21, 1
117.55, 121.02, 121.03, 121.35, 122.01, 122.011, 2
122.012, 122.013, 122.014, 122.02, 122.03, 3
122.04, 122.041, 122.042, 122.05, 122.06, 4
122.07, 122.071, 122.073, 122.075, 122.077, 5
122.08, 122.081, 122.082, 122.083, 122.085, 6
122.086, 122.087, 122.088, 122.089, 122.0810, 7
122.0811, 122.0812, 122.0813, 122.0814, 8
122.0815, 122.0816, 122.0817, 122.09, 122.10, 9
122.11, 122.121, 122.131, 122.132, 122.133, 10
122.134, 122.135, 122.136, 122.14, 122.15, 11
122.151, 122.152, 122.153, 122.154, 122.155, 12
122.156, 122.16, 122.17, 122.171, 122.172, 13
122.173, 122.174, 122.175, 122.176, 122.177, 14
122.178, 122.179, 122.1710, 122.1711, 122.18, 15
122.19, 122.20, 122.21, 122.22, 122.23, 122.24, 16
122.25, 122.26, 122.27, 122.30, 122.31, 122.32, 17
122.33, 122.35, 122.36, 122.37, 122.38, 122.401, 18
122.403, 122.406, 122.4017, 122.4018, 122.4019, 19
122.4020, 122.4023, 122.4024, 122.4030, 20
122.4031, 122.4032, 122.4033, 122.4034, 21
122.4035, 122.4036, 122.4037, 122.4040, 22
122.4043, 122.4044, 122.4045, 122.4046, 23
122.4050, 122.4051, 122.4055, 122.4063, 24

122.4070, 122.4071, 122.4073, 122.4075,	25
122.4076, 122.4077, 122.41, 122.42, 122.43,	26
122.44, 122.45, 122.451, 122.46, 122.47, 122.48,	27
122.49, 122.52, 122.53, 122.54, 122.55, 122.56,	28
122.561, 122.57, 122.571, 122.58, 122.59,	29
122.60, 122.601, 122.602, 122.603, 122.604,	30
122.605, 122.61, 122.62, 122.63, 122.631,	31
122.632, 122.633, 122.64, 122.641, 122.6510,	32
122.6511, 122.6512, 122.67, 122.68, 122.681,	33
122.69, 122.70, 122.701, 122.71, 122.72, 122.73,	34
122.74, 122.75, 122.76, 122.77, 122.78, 122.79,	35
122.80, 122.81, 122.82, 122.84, 122.85, 122.851,	36
122.852, 122.86, 122.88, 122.89, 122.90, 122.91,	37
122.92, 122.921, 122.922, 122.923, 122.924,	38
122.925, 122.94, 122.941, 122.942, 122.951,	39
122.9511, 122.9512, 122.96, 123.01, 123.22,	40
125.08, 125.081, 125.111, 125.20, 125.836,	41
125.901, 126.023, 126.32, 126.62, 140.01,	42
145.035, 149.311, 150.02, 151.40, 153.59,	43
164.02, 165.01, 165.03, 165.20, 166.01, 166.02,	44
166.03, 166.04, 166.05, 166.06, 166.07, 166.08,	45
166.09, 166.12, 166.13, 166.14, 166.15, 166.16,	46
166.17, 166.18, 166.19, 166.20, 166.21, 166.25,	47
166.27, 167.02, 169.05, 173.08, 174.01, 174.02,	48
174.03, 174.04, 174.05, 174.06, 174.07, 175.03,	49
175.04, 175.06, 175.15, 176.01, 176.07, 184.01,	50
184.151, 184.16, 187.01, 187.03, 187.04, 187.05,	51
187.061, 191.02, 191.03, 191.10, 191.13, 191.15,	52
191.17, 191.19, 191.27, 191.30, 191.33, 191.35,	53
191.37, 191.40, 191.44, 191.45, 308.21, 321.261,	54
321.262, 333.03, 333.04, 333.05, 340.13, 703.34,	55
709.024, 709.192, 715.70, 715.72, 902.04,	56

991.02, 1547.81, 1551.01, 1551.05, 1551.06,	57
1551.11, 1551.12, 1551.15, 1551.19, 1551.20,	58
1551.311, 1551.32, 1551.33, 1551.35, 1555.02,	59
1555.03, 1555.04, 1555.05, 1555.06, 1555.08,	60
1555.17, 1728.01, 1728.07, 3326.02, 3327.17,	61
3333.373, 3333.50, 3366.01, 3366.03, 3366.04,	62
3735.27, 3735.39, 3735.66, 3735.671, 3735.672,	63
3735.673, 3735.69, 3742.32, 3742.32f, 3746.121,	64
3746.20, 3775.04, 3780.03, 3780.19, 4121.123,	65
4164.04, 4164.12, 4301.17, 4303.181, 4303.262,	66
4503.591, 4582.58, 4901.021, 4906.02, 4928.06,	67
4928.43, 4928.51, 4928.52, 4928.53, 4928.54,	68
4928.543, 4928.544, 4928.55, 4928.56, 4928.57,	69
4928.58, 4928.581, 4928.582, 4928.583, 4928.61,	70
4928.62, 4928.63, 4928.75, 4929.16, 4929.161,	71
4929.163, 4981.02, 4981.03, 5101.16, 5104.30,	72
5104.30f, 5117.02, 5117.03, 5117.04, 5117.05,	73
5117.07, 5117.071, 5117.08, 5117.09, 5117.10,	74
5117.12, 5117.22, 5119.34, 5120.07, 5126.071,	75
5126.18, 5501.031, 5531.08, 5703.0510, 5703.57,	76
5709.12, 5709.211, 5709.212, 5709.22, 5709.40,	77
5709.41, 5709.45, 5709.48, 5709.51, 5709.61,	78
5709.62, 5709.63, 5709.631, 5709.632, 5709.633,	79
5709.64, 5709.66, 5709.67, 5709.671, 5709.68,	80
5709.69, 5709.73, 5709.78, 5709.82, 5709.87,	81
5709.88, 5709.882, 5717.02, 5725.32, 5725.33,	82
5726.54, 5726.55, 5726.59, 5727.75, 5729.032,	83
5729.16, 5733.33, 5733.34, 5733.352, 5733.58,	84
5733.59, 5747.01, 5747.331, 5747.51, 5747.66,	85
5747.67, 5751.52, 5751.54, 5751.55, 6111.12,	86
6121.02, and 6123.031 and to enact sections	87
122.634 and 122.635 of the Revised Code to	88

rename the Department of Development the 89
Department of Housing and Development and to 90
otherwise modify the law related to housing, and 91
to amend the versions of sections 3742.32 and 92
5104.30 of the Revised Code that are scheduled 93
to take effect January 1, 2025, to continue the 94
changes after that date. 95

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 9.47, 9.66, 107.03, 107.21, 96
117.55, 121.02, 121.03, 121.35, 122.01, 122.011, 122.012, 97
122.013, 122.014, 122.02, 122.03, 122.04, 122.041, 122.042, 98
122.05, 122.06, 122.07, 122.071, 122.073, 122.075, 122.077, 99
122.08, 122.081, 122.082, 122.083, 122.085, 122.086, 122.087, 100
122.088, 122.089, 122.0810, 122.0811, 122.0812, 122.0813, 101
122.0814, 122.0815, 122.0816, 122.0817, 122.09, 122.10, 122.11, 102
122.121, 122.131, 122.132, 122.133, 122.134, 122.135, 122.136, 103
122.14, 122.15, 122.151, 122.152, 122.153, 122.154, 122.155, 104
122.156, 122.16, 122.17, 122.171, 122.172, 122.173, 122.174, 105
122.175, 122.176, 122.177, 122.178, 122.179, 122.1710, 122.1711, 106
122.18, 122.19, 122.20, 122.21, 122.22, 122.23, 122.24, 122.25, 107
122.26, 122.27, 122.30, 122.31, 122.32, 122.33, 122.35, 122.36, 108
122.37, 122.38, 122.401, 122.403, 122.406, 122.4017, 122.4018, 109
122.4019, 122.4020, 122.4023, 122.4024, 122.4030, 122.4031, 110
122.4032, 122.4033, 122.4034, 122.4035, 122.4036, 122.4037, 111
122.4040, 122.4043, 122.4044, 122.4045, 122.4046, 122.4050, 112
122.4051, 122.4055, 122.4063, 122.4070, 122.4071, 122.4073, 113
122.4075, 122.4076, 122.4077, 122.41, 122.42, 122.43, 122.44, 114
122.45, 122.451, 122.46, 122.47, 122.48, 122.49, 122.52, 122.53, 115

122.54, 122.55, 122.56, 122.561, 122.57, 122.571, 122.58,	116
122.59, 122.60, 122.601, 122.602, 122.603, 122.604, 122.605,	117
122.61, 122.62, 122.63, 122.631, 122.632, 122.633, 122.64,	118
122.641, 122.6510, 122.6511, 122.6512, 122.67, 122.68, 122.681,	119
122.69, 122.70, 122.701, 122.71, 122.72, 122.73, 122.74, 122.75,	120
122.76, 122.77, 122.78, 122.79, 122.80, 122.81, 122.82, 122.84,	121
122.85, 122.851, 122.852, 122.86, 122.88, 122.89, 122.90,	122
122.91, 122.92, 122.921, 122.922, 122.923, 122.924, 122.925,	123
122.94, 122.941, 122.942, 122.951, 122.9511, 122.9512, 122.96,	124
123.01, 123.22, 125.08, 125.081, 125.111, 125.20, 125.836,	125
125.901, 126.023, 126.32, 126.62, 140.01, 145.035, 149.311,	126
150.02, 151.40, 153.59, 164.02, 165.01, 165.03, 165.20, 166.01,	127
166.02, 166.03, 166.04, 166.05, 166.06, 166.07, 166.08, 166.09,	128
166.12, 166.13, 166.14, 166.15, 166.16, 166.17, 166.18, 166.19,	129
166.20, 166.21, 166.25, 166.27, 167.02, 169.05, 173.08, 174.01,	130
174.02, 174.03, 174.04, 174.05, 174.06, 174.07, 175.03, 175.04,	131
175.06, 175.15, 176.01, 176.07, 184.01, 184.151, 184.16, 187.01,	132
187.03, 187.04, 187.05, 187.061, 191.02, 191.03, 191.10, 191.13,	133
191.15, 191.17, 191.19, 191.27, 191.30, 191.33, 191.35, 191.37,	134
191.40, 191.44, 191.45, 308.21, 321.261, 321.262, 333.03,	135
333.04, 333.05, 340.13, 703.34, 709.024, 709.192, 715.70,	136
715.72, 902.04, 991.02, 1547.81, 1551.01, 1551.05, 1551.06,	137
1551.11, 1551.12, 1551.15, 1551.19, 1551.20, 1551.311, 1551.32,	138
1551.33, 1551.35, 1555.02, 1555.03, 1555.04, 1555.05, 1555.06,	139
1555.08, 1555.17, 1728.01, 1728.07, 3326.02, 3327.17, 3333.373,	140
3333.50, 3366.01, 3366.03, 3366.04, 3735.27, 3735.39, 3735.66,	141
3735.671, 3735.672, 3735.673, 3735.69, 3742.32, 3746.121,	142
3746.20, 3775.04, 3780.03, 3780.19, 4121.123, 4164.04, 4164.12,	143
4301.17, 4303.181, 4303.262, 4503.591, 4582.58, 4901.021,	144
4906.02, 4928.06, 4928.43, 4928.51, 4928.52, 4928.53, 4928.54,	145
4928.543, 4928.544, 4928.55, 4928.56, 4928.57, 4928.58,	146
4928.581, 4928.582, 4928.583, 4928.61, 4928.62, 4928.63,	147

4928.75, 4929.16, 4929.161, 4929.163, 4981.02, 4981.03, 5101.16, 148
5104.30, 5117.02, 5117.03, 5117.04, 5117.05, 5117.07, 5117.071, 149
5117.08, 5117.09, 5117.10, 5117.12, 5117.22, 5119.34, 5120.07, 150
5126.071, 5126.18, 5501.031, 5531.08, 5703.0510, 5703.57, 151
5709.12, 5709.211, 5709.212, 5709.22, 5709.40, 5709.41, 5709.45, 152
5709.48, 5709.51, 5709.61, 5709.62, 5709.63, 5709.631, 5709.632, 153
5709.633, 5709.64, 5709.66, 5709.67, 5709.671, 5709.68, 5709.69, 154
5709.73, 5709.78, 5709.82, 5709.87, 5709.88, 5709.882, 5717.02, 155
5725.32, 5725.33, 5726.54, 5726.55, 5726.59, 5727.75, 5729.032, 156
5729.16, 5733.33, 5733.34, 5733.352, 5733.58, 5733.59, 5747.01, 157
5747.331, 5747.51, 5747.66, 5747.67, 5751.52, 5751.54, 5751.55, 158
6111.12, 6121.02, and 6123.031 be amended and sections 122.634 159
and 122.635 of the Revised Code be enacted to read as follows: 160

Sec. 9.47. (A) Any person desiring to bid on a contract 161
awarded pursuant to Chapter 153. of the Revised Code by an owner 162
referred to in section 153.01 of the Revised Code or awarded by 163
the director of transportation pursuant to Chapter 5525. of the 164
Revised Code may make application for a certificate of 165
compliance with affirmative action programs. Application shall 166
be made to the department of housing and development. The 167
director of housing and development's designee shall promptly 168
determine whether the person has complied with all federal 169
affirmative action programs to which the person was subject and 170
any state affirmative action program to which the person was 171
subject pursuant to section 153.59 of the Revised Code which 172
state or federal affirmative action program arose out of a 173
contract the person had with the federal government, the state, 174
or a political subdivision of the state. Where the director's 175
designee determines the person has not committed any violation 176
of such prior affirmative action programs during the five years 177
immediately preceding the date of determination, the director's 178

designee shall issue a dated certificate of compliance with 179
affirmative action programs. The director's designee may issue 180
an updated certificate to a person upon request but not more 181
frequently than once every one hundred eighty days. A person who 182
violates an affirmative action program during the five years 183
preceding the date of determination is ineligible to bid on a 184
contract awarded pursuant to Chapter 153. of the Revised Code by 185
an owner referred to in section 153.01 of the Revised Code or 186
awarded by the director of transportation pursuant to Chapter 187
5525. of the Revised Code for a period of three years after the 188
date of determination. 189

(B) Any person denied a certificate or an updated 190
certificate may appeal to the director of housing and 191
development for a review of that determination. The appeal must 192
be filed within ten days of the date of the determination. The 193
director shall, within five days after receipt of the appeal, 194
either affirm or reverse the determination. 195

(C) Any person dissatisfied with the decision of the 196
director on review may, within thirty days, appeal the decision 197
of the director to the court of common pleas of Franklin county. 198
The court may affirm or reverse the decision of the director. At 199
the hearing before the court, evidence may be introduced for and 200
against the decision of the director. The decision of the court 201
may be appealed as in other cases. 202

(D) The director of housing and development, in accordance 203
with Chapter 119. of the Revised Code, shall adopt, and may 204
amend or rescind, rules to implement this section. 205

Sec. 9.66. (A) As used in this section: 206

(1) "Economic development assistance" means all of the 207

following:	208
(a) The programs and assistance provided or administered	209
by the department of <u>housing and</u> development under Chapters 122.	210
and 166. of the Revised Code and any other section of the	211
Revised Code under which the department provides or administers	212
economic development assistance;	213
(b) The programs and assistance provided or administered	214
by a political subdivision under Chapters 725. and 1728. and	215
sections 3735.67 to 3735.70, 5709.40 to 5709.43, 5709.61 to	216
5709.69, 5709.73 to 5709.75, and 5709.77 to 5709.81 of the	217
Revised Code and any other section of the Revised Code under	218
which a political subdivision provides economic development	219
assistance;	220
(c) Assistance provided under any other section of the	221
Revised Code under which the state or a state agency provides or	222
administers economic development assistance;	223
(d) The tax credit authorized by section 5725.31, 5729.07,	224
or 5733.42 of the Revised Code.	225
(2) "Liability" means any of the following:	226
(a) Any delinquent tax owed the state or a political	227
subdivision of the state;	228
(b) Any moneys owed the state or a state agency for the	229
administration or enforcement of the environmental laws of the	230
state;	231
(c) Any other moneys owed the state, a state agency, or a	232
political subdivision of the state that are past due.	233
"Liability" includes any item described in division (A) (2)	234
of this section that is being contested in a court of law.	235

(3) "Political subdivision" means any county, municipal corporation, or township of the state.	236 237
(4) "State agency" means every organized body, office, or agency established by the laws of the state for the exercise of any function of state government.	238 239 240
(B) A person who applies to the state, a state agency, or a political subdivision for economic development assistance shall indicate on the application for assistance whether the person has any outstanding liabilities owed to the state, a state agency, or a political subdivision. Such a person also shall authorize the state, state agency, or political subdivision to inspect the personal or corporate financial statements of the applicant, including tax records and other similar information not open to public inspection.	241 242 243 244 245 246 247 248 249
(C) (1) Whoever knowingly makes a false statement under division (B) of this section concerning an application for economic development assistance or who fails to provide any information required by that division is ineligible for the assistance applied for and is ineligible for any future economic development assistance from the state, a state agency, or a political subdivision.	250 251 252 253 254 255 256
(2) Whoever knowingly makes a false statement under division (B) of this section concerning an application for economic development assistance or who fails to provide any information required by that division shall return any moneys received from the state, a state agency, or a political subdivision in connection with that application.	257 258 259 260 261 262
Sec. 107.03. (A) As used in this section, "transportation budget" means the biennial budget that primarily includes the	263 264

following:	265
(1) Motor fuel excise tax-related appropriations for the	266
department of transportation, public works commission, and	267
department of <u>housing and</u> development;	268
(2) Other appropriations that pertain to transportation	269
and infrastructure related to transportation.	270
(B) The governor shall submit a transportation budget to	271
the general assembly not later than four weeks after the general	272
assembly's organization.	273
(C) The governor shall submit to the general assembly, not	274
later than four weeks after its organization, a state budget	275
containing a complete financial plan for the ensuing fiscal	276
biennium, excluding items of revenue and expenditure described	277
in section 126.022 of the Revised Code. However, in years of a	278
new governor's inauguration, this budget shall be submitted not	279
later than the fifteenth day of March.	280
(D) In years of a new governor's inauguration, only the	281
new governor shall submit a budget to the general assembly. In	282
addition to other things required by law, each of the governor's	283
budgets shall contain:	284
(1) A general budget summary by function and agency	285
setting forth the proposed total expenses from each and all	286
funds and the anticipated resources for meeting such expenses;	287
such resources to include any available balances in the several	288
funds at the beginning of the biennium and a classification by	289
totals of all revenue receipts estimated to accrue during the	290
biennium under existing law and proposed legislation.	291
(2) A detailed statement showing the amounts recommended	292
to be appropriated from each fund for each fiscal year of the	293

biennium for current expenses, including, but not limited to, 294
personal services, supplies and materials, equipment, subsidies 295
and revenue distribution, merchandise for resale, transfers, and 296
nonexpense disbursements, obligations, interest on debt, and 297
retirement of debt, and for the biennium for capital outlay, to 298
the respective departments, offices, institutions, as defined in 299
section 121.01 of the Revised Code, and all other public 300
purposes; and, in comparative form, the actual expenses by 301
source of funds during each fiscal year of the previous two 302
bienniums for each such purpose. No alterations shall be made in 303
the requests for the legislative and judicial branches of the 304
state filed with the director of budget and management under 305
section 126.02 of the Revised Code. If any amount of federal 306
money is recommended to be appropriated or has been expended for 307
a purpose for which state money also is recommended to be 308
appropriated or has been expended, the amounts of federal money 309
and state money involved shall be separately identified. 310

(3) A detailed estimate of the revenue receipts in each 311
fund from each source under existing laws during each year of 312
the biennium; and, in comparative form, actual revenue receipts 313
in each fund from each source for each year of the two previous 314
bienniums; 315

(4) The estimated cash balance in each fund at the 316
beginning of the biennium covered by the budget; the estimated 317
liabilities outstanding against each such balance; and the 318
estimated net balance remaining and available for new 319
appropriations; 320

(5) A detailed estimate of the additional revenue receipts 321
in each fund from each source under proposed legislation, if 322
enacted, during each year of the biennium; 323

(6) The most recent report prepared by the department of 324
taxation under section 5703.48 of the Revised Code, which shall 325
be submitted to the general assembly as an appendix to the 326
governor's budget; 327

(7) The most recent TANF spending plan prepared by the 328
department of job and family services under section 5101.806 of 329
the Revised Code, which shall be submitted to the general 330
assembly as an appendix to the governor's budget; 331

(8) The medicaid caseload and expenditure forecast report 332
prepared by the office of budget and management, in consultation 333
with the department of medicaid, under section 126.021 of the 334
Revised Code. The report shall be submitted to the general 335
assembly as a supplemental budget document to provide an in- 336
depth analysis of the governor's budget recommendations for the 337
medicaid budget as a whole and for each of the major medicaid 338
appropriation items. The report shall clearly distinguish a 339
proposed policy change from continuing law or administrative 340
policy and indicate whether the data used throughout the report 341
is proposed, estimated, or actual data for the current or 342
proposed budget biennium. At a minimum, the report shall 343
delineate a part-to-whole mapping of the state and federal 344
shares of the general revenue fund appropriation item 651525, 345
medicaid health care services, or any other equivalent general 346
revenue fund appropriation item, by eligibility group and 347
subgroup, service delivery system, delivery system, medicaid 348
provider, and program. 349

Sec. 107.21. (A) As used in this section, "Appalachian 350
region" means the following counties in this state that have 351
been designated as part of Appalachia by the federal Appalachian 352
regional commission and that have been geographically isolated 353

and economically depressed: Adams, Ashtabula, Athens, Belmont, 354
Brown, Carroll, Clermont, Columbiana, Coshocton, Gallia, 355
Guernsey, Harrison, Highland, Hocking, Holmes, Jackson, 356
Jefferson, Lawrence, Mahoning, Meigs, Monroe, Morgan, Muskingum, 357
Noble, Perry, Pike, Ross, Scioto, Trumbull, Tuscarawas, Vinton, 358
and Washington. 359

(B) There is hereby created in the department of housing 360
and development the governor's office of Appalachian Ohio. The 361
governor shall designate the director of the governor's office 362
of Appalachian Ohio. The director shall report directly to the 363
office of the governor. On January 1, 1987, the governor shall 364
designate the director to represent this state on the federal 365
Appalachian regional commission. The director may appoint such 366
employees as are necessary to exercise the powers and duties of 367
this office. The director shall maintain local development 368
districts as established within the Appalachian region for the 369
purpose of regional planning for the distribution of funds from 370
the Appalachian regional commission within the Appalachian 371
region. 372

(C) The governor's office of Appalachian Ohio shall 373
represent the interests of the Appalachian region in the 374
government of this state. The duties of the director of the 375
office shall include, but are not limited to, the following: 376

(1) To identify residents of the Appalachian region 377
qualified to serve on state boards, commissions, and bodies and 378
in state offices, and to bring these persons to the attention of 379
the governor; 380

(2) To represent the interests of the Appalachian region 381
in the general assembly and before state boards, commissions, 382
bodies, and agencies; 383

(3) To assist in forming a consensus on public issues and 384
policies among institutions and organizations that serve the 385
Appalachian region; 386

(4) To act as an ombudsperson to assist in resolving 387
differences between state or federal agencies and the officials 388
of political subdivisions or private, nonprofit organizations 389
located within the Appalachian region; 390

(5) To assist planning commissions, agencies, and 391
organizations within the Appalachian region in distributing 392
planning information and documents to the appropriate state and 393
federal agencies and to assist in focusing attention on any 394
findings and recommendations of these commissions, agencies, and 395
organizations; 396

(6) To issue reports on the Appalachian region that 397
describe progress achieved and the needs that still exist in the 398
region; 399

(7) To assist the governor's office in resolving the 400
problems of residents of the Appalachian region that come to the 401
governor's attention. 402

(D) The amount of money from appropriated state funds 403
allocated each year to pay administrative costs of a local 404
development district existing on ~~the effective date of this~~ 405
~~amendment~~ October 16, 2009, shall not be decreased due to the 406
creation and funding of additional local development districts. 407
The amount of money allocated to each district shall be 408
increased each year by the average percentage of increase in the 409
consumer price index for the prior year. 410

As used in this division, "consumer price index" means the 411
consumer price index for all urban consumers (United States city 412

average, all items), prepared by the United States department of 413
labor, bureau of labor statistics. 414

Sec. 117.55. (A) As used in this section: 415

(1) "Entity" means, whether for profit or nonprofit, a 416
corporation, association, partnership, limited liability 417
company, sole proprietorship, or other business entity. "Entity" 418
does not include an individual who receives state assistance 419
that is not related to the individual's business. 420

(2) "State award for economic development" means state 421
financial assistance and expenditure in any of the following 422
forms: grants, subgrants, loans, awards, cooperative agreements, 423
or other similar and related forms of financial assistance and 424
contracts, subcontracts, purchase orders, task orders, delivery 425
orders, or other similar and related transactions. It does not 426
include compensation received as an employee of the state or any 427
state financial assistance and expenditure received from the 428
general assembly or any legislative agency, any court or 429
judicial agency, or from the offices of the attorney general, 430
the secretary of state, the auditor of state, or the treasurer 431
of state. 432

(B) Not later than thirty days after the end of the state 433
fiscal year, the department of housing and development shall 434
send the auditor of state a list of state awards for economic 435
development. The auditor of state shall review each award and 436
determine if an entity is in compliance with the terms and 437
conditions, including performance metrics, of a state award for 438
economic development received by that entity. 439

(C) The auditor of state shall publish a report of its 440
reviews and determinations not later than ninety days after 441

receipt of the list of state awards from the department of 442
housing and development. 443

(D) When the auditor of state finds that an entity that 444
receives or has received a state award for economic development 445
is not in compliance with a performance metric that is specified 446
in the terms and conditions of the award, the auditor of state 447
shall report the findings to the attorney general. The attorney 448
general may pursue against and from that entity such remedies 449
and recoveries as are available under law. 450

(E) If the auditor of state is authorized to conduct an 451
audit of an entity that receives or has received a state award 452
for economic development, the audit shall be conducted in 453
accordance with Chapter 117. of the Revised Code. 454

Sec. 121.02. The following administrative departments and 455
their respective directors are hereby created: 456

(A) The office of budget and management, which shall be 457
administered by the director of budget and management; 458

(B) The department of commerce, which shall be 459
administered by the director of commerce; 460

(C) The department of administrative services, which shall 461
be administered by the director of administrative services; 462

(D) The department of transportation, which shall be 463
administered by the director of transportation; 464

(E) The department of agriculture, which shall be 465
administered by the director of agriculture; 466

(F) The department of natural resources, which shall be 467
administered by the director of natural resources; 468

(G) The department of health, which shall be administered by the director of health;	469 470
(H) The department of job and family services, which shall be administered by the director of job and family services;	471 472
(I) The department of children and youth, which shall be administered by the director of children and youth;	473 474
(J) The department of public safety, which shall be administered by the director of public safety;	475 476
(K) The department of mental health and addiction services, which shall be administered by the director of mental health and addiction services;	477 478 479
(L) The department of developmental disabilities, which shall be administered by the director of developmental disabilities;	480 481 482
(M) The department of insurance, which shall be administered by the superintendent of insurance as director thereof;	483 484 485
(N) The department of <u>housing and development</u> , which shall be administered by the director of <u>housing and development</u> ;	486 487
(O) The department of youth services, which shall be administered by the director of youth services;	488 489
(P) The department of rehabilitation and correction, which shall be administered by the director of rehabilitation and correction;	490 491 492
(Q) The environmental protection agency, which shall be administered by the director of environmental protection;	493 494
(R) The department of aging, which shall be administered	495

by the director of aging;	496
(S) The department of veterans services, which shall be administered by the director of veterans services;	497 498
(T) The department of medicaid, which shall be administered by the medicaid director;	499 500
(U) The department of education and workforce, which shall be administered by the director of education and workforce.	501 502
The director of each department shall exercise the powers and perform the duties vested by law in such department.	503 504
Sec. 121.03. The following administrative department heads shall be appointed by the governor, with the advice and consent of the senate, and shall hold their offices during the term of the appointing governor, and are subject to removal at the pleasure of the governor.	505 506 507 508 509
(A) The director of budget and management;	510
(B) The director of commerce;	511
(C) The director of transportation;	512
(D) The director of agriculture;	513
(E) The director of job and family services;	514
(F) The director of children and youth;	515
(G) The director of public safety;	516
(H) The superintendent of insurance;	517
(I) The director of <u>housing and development</u> ;	518
(J) The tax commissioner;	519
(K) The director of administrative services;	520

(L) The director of natural resources;	521
(M) The director of mental health and addiction services;	522
(N) The director of developmental disabilities;	523
(O) The director of health;	524
(P) The director of youth services;	525
(Q) The director of rehabilitation and correction;	526
(R) The director of environmental protection;	527
(S) The director of aging;	528
(T) The administrator of workers' compensation who meets the qualifications required under division (A) of section 4121.121 of the Revised Code;	529 530 531
(U) The director of veterans services who meets the qualifications required under section 5902.01 of the Revised Code;	532 533 534
(V) The chancellor of higher education;	535
(W) The medicaid director;	536
(X) The director of education and workforce.	537
Sec. 121.35. (A) Subject to division (B) of this section, the following state agencies shall collaborate to revise and make more uniform the eligibility standards and eligibility determination procedures of programs the state agencies administer:	538 539 540 541 542
(1) The department of aging;	543
(2) The department of <u>housing and</u> development;	544
(3) The department of developmental disabilities;	545

(4) The department of education and workforce;	546
(5) The department of health;	547
(6) The department of job and family services;	548
(7) The department of medicaid;	549
(8) The department of mental health and addiction services;	550 551
(9) The opportunities for Ohioans with disabilities agency;	552 553
(10) The department of children and youth.	554
(B) In revising eligibility standards and eligibility determination procedures, a state agency shall not make any program's eligibility standards or eligibility determination procedures inconsistent with state or federal law. To the extent authorized by state and federal law, the revisions may provide for the state agencies to share administrative operations.	555 556 557 558 559 560
Sec. 122.01. (A) As used in the Revised Code, the "development services agency" <u>and the "department of development"</u> means the department of <u>housing and</u> development and the "director of development services" <u>and the "director of development"</u> means the director of <u>housing and</u> development. Whenever the development services agency, <u>department of development, director of development,</u> or director of development services is referred to or designated in any statute, rule, contract, grant, or other document, the reference or designation shall be deemed to refer to the department of <u>housing and</u> development or director of <u>housing and</u> development, as the case may be.	561 562 563 564 565 566 567 568 569 570 571 572
(B) As used in this chapter:	573

(1) "Community problems" includes, but is not limited to, 574
taxation, fiscal administration, governmental structure and 575
organization, intergovernmental cooperation, education and 576
training, employment needs, community planning and development, 577
air and water pollution, public safety and the administration of 578
justice, housing, mass transportation, community facilities and 579
services, health, welfare, recreation, open space, and the 580
development of human resources. 581

(2) "Professional personnel" means either of the 582
following: 583

(a) Personnel who have earned a bachelor's degree from a 584
college or university; 585

(b) Personnel who serve as or have the working title of 586
director, assistant director, deputy director, assistant deputy 587
director, manager, office chief, assistant office chief, or 588
program director. 589

(3) "Technical personnel" means any of the following: 590

(a) Personnel who provide technical assistance according 591
to their job description or in accordance with the Revised Code; 592

(b) Personnel employed in the director of housing and 593
development's office or the legal office, communications office, 594
finance office, legislative affairs office, or human resources 595
office of the department of housing and development; 596

(c) Personnel employed in the technology division of the 597
department. 598

Sec. 122.011. (A) The department of housing and 599
development shall develop and promote plans and programs 600
designed to assure that state resources are efficiently used, 601

economic growth is properly balanced, community growth is 602
developed in an orderly manner, and local governments are 603
coordinated with each other and the state, and for such purposes 604
may do all of the following: 605

(1) Serve as a clearinghouse for information, data, and 606
other materials that may be helpful or necessary to persons or 607
local governments, as provided in section 122.073 of the Revised 608
Code; 609

(2) Prepare and activate plans for the retention, 610
development, expansion, and use of the resources and commerce of 611
the state, as provided in section 122.04 of the Revised Code; 612

(3) Assist and cooperate with federal, state, and local 613
governments and agencies of federal, state, and local 614
governments in the coordination of programs to carry out the 615
functions and duties of the department; 616

(4) Encourage and foster research and development 617
activities, conduct studies related to the solution of community 618
problems, and develop recommendations for administrative or 619
legislative actions, as provided in section 122.03 of the 620
Revised Code; 621

(5) Serve as the economic and community development 622
planning agency, which shall prepare and recommend plans and 623
programs for the orderly growth and development of this state 624
and which shall provide planning assistance, as provided in 625
section 122.06 of the Revised Code; 626

(6) Cooperate with and provide technical assistance to 627
state departments, political subdivisions, regional and local 628
planning commissions, tourist associations, councils of 629
government, community development groups, community action 630

agencies, and other appropriate organizations for carrying out 631
the functions and duties of the department of housing and 632
development or for the solution of community problems; 633

(7) Coordinate the activities of state agencies that have 634
an impact on carrying out the functions and duties of the 635
department of housing and development; 636

(8) Encourage and assist the efforts of and cooperate with 637
local governments to develop mutual and cooperative solutions to 638
their common problems that relate to carrying out the purposes 639
of this section; 640

(9) Study existing structure, operations, and financing of 641
regional or local government and those state activities that 642
involve significant relations with regional or local 643
governmental units, recommend to the governor and to the general 644
assembly such changes in these provisions and activities as will 645
improve the operations of regional or local government, and 646
conduct other studies of legal provisions that affect problems 647
related to carrying out the purposes of this section; 648

(10) Create and operate a division of community 649
development to develop and administer programs and activities 650
that are authorized by federal statute or the Revised Code; 651

(11) Until October 15, 2007, establish fees and charges, 652
in consultation with the director of agriculture, for purchasing 653
loans from financial institutions and providing loan guarantees 654
under the family farm loan program created under sections 901.80 655
to 901.83 of the Revised Code; 656

(12) Provide loan servicing for the loans purchased and 657
loan guarantees provided under section 901.80 of the Revised 658
Code as that section existed prior to October 15, 2007; 659

(13) Until October 15, 2007, and upon approval by the 660
controlling board under division (A) (3) of section 901.82 of the 661
Revised Code of the release of money to be used for purchasing a 662
loan or providing a loan guarantee, request the release of that 663
money in accordance with division (B) of section 166.03 of the 664
Revised Code for use for the purposes of the fund created by 665
section 166.031 of the Revised Code. 666

(14) Allocate that portion of the national recovery zone 667
economic development bond limitation and that portion of the 668
national recovery zone facility bond limitation that has been 669
allocated to the state under section 1400U-1 of the Internal 670
Revenue Code, 26 U.S.C. 1400U-1. If any county or municipal 671
corporation waives any portion of an allocation it receives 672
under division (A) (14) of this section, the department may 673
reallocate that amount. Any allocation or reallocation shall be 674
made in accordance with this section and section 1400U-1 of the 675
Internal Revenue Code. 676

(B) The director of housing and development may request 677
the attorney general to, and the attorney general, in accordance 678
with section 109.02 of the Revised Code, shall bring a civil 679
action in any court of competent jurisdiction. The director may 680
be sued in the director's official capacity, in connection with 681
this chapter, in accordance with Chapter 2743. of the Revised 682
Code. 683

(C) The director shall execute a contract pursuant to 684
section 187.04 of the Revised Code with the nonprofit 685
corporation formed under section 187.01 of the Revised Code, and 686
may execute any additional contracts with the corporation 687
providing for the corporation to assist the director or 688
department in carrying out any duties of the director or 689

department under this chapter, under any other provision of the 690
Revised Code dealing with economic development, or under a 691
contract with the director, subject to section 187.04 of the 692
Revised Code. 693

Sec. 122.012. The director of housing and development may 694
designate any governmental entity as an agency of the state to 695
act within a specified region of the state for the purpose of 696
creating and preserving jobs and employment opportunities and 697
financing projects intended to create or preserve jobs and 698
employment opportunities. Any such designation shall be in 699
addition to agency designations made for such purpose by, or by 700
the director pursuant to, Section 56.09 of H.B. 298 of the 119th 701
general assembly, the provisions of which pertaining to such 702
designations, and the designations so made, remain in full force 703
and effect as continuing grants of authority. Each agency 704
designated by or pursuant to Section 56.09 of H.B. 298 of the 705
119th general assembly or this section may exercise any 706
statutory powers it has under any other section of the Revised 707
Code to accomplish the purposes of this section within the 708
agency's specified region. The regions served by agencies shall 709
not overlap. The director may reduce, expand, or otherwise 710
modify the region served by, or limit the authority of, any such 711
agency. 712

Sec. 122.013. The department of housing and development 713
shall post the following on the official internet site of the 714
department: 715

(A) Annual reports of the progress and status of eligible 716
projects made as required under division (E) of section 122.0814 717
of the Revised Code; 718

(B) The annual report made by the director of housing and 719

development under section 122.0817 of the Revised Code;	720
(C) Reports made by the third frontier commission under section 184.15 of the Revised Code;	721 722
(D) Information on all support awarded under section 184.11 of the Revised Code.	723 724
Sec. 122.014. (A) As used in this section, "gaming activities" means activities conducted in connection with or that include any of the following:	725 726 727
(1) Casino gaming, as authorized and defined in Section 6(C) of Article XV, Ohio Constitution;	728 729
(2) Casino gaming, as defined in division (E) of section 3772.01 of the Revised Code; or	730 731
(3) The pari-mutuel system of wagering as authorized and described in Chapter 3769. of the Revised Code.	732 733
(B) The department of <u>housing and</u> development or any other entity that administers any program or development project established under Chapter 122., 166., or 184. of the Revised Code or in sections <u>section</u> 149.311, 5709.87, or 5709.88 of the Revised Code shall not provide any financial assistance, including loans, tax credits, and grants, staffing assistance, technical support, or other assistance to businesses conducting gaming activities or for project sites on which gaming activities are or will be conducted.	734 735 736 737 738 739 740 741 742
Sec. 122.02. The department of <u>housing and</u> development may apply for, receive, and accept grants, gifts, contributions, loans and any other assistance in any form from public and private sources, including assistance from agencies and instrumentalities of the United States and including the	743 744 745 746 747

application for, receipt, and acceptance, on behalf of this 748
state, of assistance from agencies and instrumentalities of the 749
United States for the purposes of Chapter 122. of the Revised 750
Code except that nothing in this section prohibits the minority 751
business development division from exercising its authority 752
under section 122.93 of the Revised Code. The department shall 753
do all things necessary to apply for, receive, and administer 754
such assistance in accordance with the laws of Ohio. It may 755
contract or enter into agreements with any person, governmental 756
agency, or public or private organization, and any local or 757
regional agency or political subdivision of the state may 758
contract with it, to carry out the purposes of Chapter 122. of 759
the Revised Code. The department may require, in all contracts 760
for assistance stipulations that the contractors and any 761
subcontractors comply with requirements as to minimum wages, 762
hours of work, equal employment, and any other conditions which 763
the United States has attached to its financial aid to the 764
projects. 765

Sec. 122.03. The department of housing and development 766
shall: 767

(A) Maintain a continuing evaluation of existing research 768
facilities in the state and their relationship to orderly 769
~~economic~~ economic growth and the solution of community problems 770
of the state; 771

(B) Prepare and disseminate information relative to 772
research facilities in the state and their availability to 773
industrial activities and the solution of community problems; 774

(C) Prepare and recommend programs for the coordination of 775
research activities in the state and to assure the maximum use 776
of such facilities in the development of orderly economic growth 777

and the solution of community problems;	778
(D) Cooperate with educational institutions in the	779
development of educational programs to train technical personnel	780
in the field of research and those other fields related to the	781
solution of community problems;	782
(E) Carry out continuing studies and analyses of the	783
problems and opportunities of communities, districts, and	784
regions within the state, and of multi-state regions of which	785
Ohio is a part.	786
Sec. 122.04. The department of <u>housing and development</u>	787
shall do the following:	788
(A) Maintain a continuing evaluation of the sources	789
available for the retention, development, or expansion of	790
industrial and commercial facilities in this state through both	791
public and private agencies;	792
(B) Assist public and private agencies in obtaining	793
information necessary to evaluate the desirability of the	794
retention, construction, or expansion of industrial and	795
commercial facilities in the state;	796
(C) Facilitate contracts between community improvement	797
corporations organized under Chapter 1724. of the Revised Code	798
or Ohio development corporations organized under Chapter 1726.	799
of the Revised Code and industrial and commercial concerns	800
seeking to locate or expand in the state;	801
(D) Upon request, consult with public agencies or	802
authorities in the preparation of studies of human and economic	803
needs or advantages relating to economic and community	804
development;	805

(E) Encourage, promote, and assist trade and commerce between this state and foreign nations;	806 807
(F) Promote and encourage persons to visit and travel within this state;	808 809
(G) Maintain membership in the national association of state development agencies;	810 811
(H) Assist in the development of facilities and technologies that will lead to increased, environmentally sound use of Ohio coal;	812 813 814
(I) Promote economic growth in the state.	815
Sec. 122.041. The director of <u>housing and development</u> shall do all of the following with regard to the encouraging diversity, growth, and equity program created under section 122.922 of the Revised Code:	816 817 818 819
(A) Conduct outreach, marketing, and recruitment of EDGE business enterprises, as defined in that section;	820 821
(B) Provide business development services to EDGE business enterprises in the developmental and transitional stages of the program, including financial and bonding assistance and management and technical assistance;	822 823 824 825
(C) Develop a mentor program to bring businesses into a working relationship with EDGE business enterprises in a way that commercially benefits both entities and serves the purpose of the EDGE program;	826 827 828 829
(D) Establish processes by which an EDGE business enterprise may apply for contract assistance, financial and bonding assistance, management and technical assistance, and mentoring opportunities.	830 831 832 833

Sec. 122.042. The director of housing and development may 834
found an employment opportunity program that encourages 835
employers to employ individuals who are members of significantly 836
disadvantaged groups. If the director intends to found such an 837
employment opportunity program, the director shall adopt, and 838
thereafter may amend or rescind, rules under Chapter 119. of the 839
Revised Code to found, and to operate, maintain, and improve, 840
the program. In the rules, the director shall: 841

(A) Construct, and, as changing circumstances indicate, 842
re-construct, procedures according to which significantly 843
disadvantaged groups are identified as such, an individual is 844
identified as being a member of a significantly disadvantaged 845
group, and an employer is identified as being a potential 846
employer of an individual who is a member of a significantly 847
disadvantaged group; 848

(B) Describe, and, as experience indicates, re-describe, 849
the kinds of evidence that shall be considered to identify 850
significantly disadvantaged groups, the kinds of evidence an 851
individual shall offer to prove that the individual is a member 852
of a significantly disadvantaged group, and the kinds of 853
evidence an employer shall offer to prove that the employer is a 854
potential employer of an individual who is a member of a 855
significantly disadvantaged group; 856

(C) Specify, and, as experience indicates, re-specify, 857
strategies and tactics for connecting individuals who are 858
members of significantly disadvantaged groups with potential 859
employers of members of significantly disadvantaged groups; and 860

(D) Construct, describe, specify, define, and prescribe 861
any other thing that is necessary and proper for the founding, 862
and for the successful and efficient operation, maintenance, and 863

improvement, of the employment opportunity program. 864

In founding, and in operating, maintaining, and improving, 865
the employment opportunity program under the rules, the director 866
shall proceed so that the resulting program functions as a 867
coherent, efficient system for improving employment 868
opportunities for significantly disadvantaged groups. Examples 869
of significantly disadvantaged groups include individuals who 870
have not graduated from high school, individuals who have been 871
convicted of a crime, individuals who are disabled, and 872
individuals who are chronically unemployed (usually for more 873
than eighteen months). 874

Sec. 122.05. (A) The director of housing and development 875
may, to carry out the purposes of division (E) of section 122.04 876
of the Revised Code: 877

(1) Establish offices in foreign countries as the director 878
considers appropriate and enter into leases of real property, 879
buildings, and office space that are appropriate for these 880
offices; 881

(2) Appoint personnel, who shall be in the unclassified 882
civil services, necessary to operate such offices and fix their 883
compensation. The director may enter into contracts with foreign 884
nationals to staff the foreign offices established under this 885
section. 886

(3) The director may establish United States dollar and 887
foreign currency accounts for the payment of expenses related to 888
the operation and maintenance of the offices established under 889
this section. The director shall establish procedures acceptable 890
to the director of budget and management for the conversion, 891
transfer, and control of United States dollars and foreign 892

currency. 893

(4) Provide export promotion assistance to Ohio businesses 894
and organize or support missions to foreign countries to promote 895
export of Ohio products and services and to encourage foreign 896
direct investment in Ohio. The director may charge fees to 897
businesses receiving export assistance and to participants in 898
foreign missions sufficient to recover the direct costs of those 899
activities. The director shall adopt, as an internal management 900
rule under section 111.15 of the Revised Code, a procedure for 901
setting the fees and a schedule of fees for services commonly 902
provided by the department. The procedure shall require the 903
director to annually review the established fees. 904

(5) Do all things necessary and appropriate for the 905
operation of the state's foreign offices. 906

(B) All contracts entered into under division (A) (2) of 907
this section and any payments of expenses under division (A) (3) 908
of this section related to the operation and maintenance of 909
foreign offices established under this section may be paid in 910
the appropriate foreign currency and are exempt from sections 911
127.16 and 5147.07 and Chapters 124., 125., and 153. of the 912
Revised Code. 913

Sec. 122.06. The department of housing and development 914
shall: 915

(A) Assemble, analyze, and make available to governmental 916
agencies and the public, information relative to the human, 917
natural, and economic resources and economic needs of the state; 918

(B) Prepare and maintain, in cooperation with departments 919
and agencies of the state, comprehensive plans and 920
recommendations for promotion of more desirable patterns of 921

growth and development of the resources of the state;	922
(C) Assist in the coordination of development plans of	923
federal, state and local governments, regional and local	924
planning authorities, and private agencies;	925
(D) Provide planning assistance to state departments and	926
agencies, political subdivisions, county planning commissions,	927
regional planning units, councils of government, and local	928
governments of this state. Such planning assistance may be	929
rendered with respect to surveys, land use studies, urban	930
renewal plans, technical services and other planning work. In so	931
doing, the department may contract with municipal subdivisions,	932
with regional planning commissions, and with qualified persons,	933
firms, and agencies.	934
(E) Cooperate with federal agencies and authorities of	935
other states in the solution of community and development	936
problems which cross state lines;	937
(F) Recommend guidelines for the development and	938
management of new communities;	939
(G) Prepare and maintain rules concerning certification of	940
workable programs for impacted cities pursuant to division (C)	941
of section 1728.01 of the Revised Code, provided that the	942
department shall consult with officials of municipalities and	943
representatives of statewide organizations of such officials	944
prior to the preparation, adoption, or change of such rules.	945
Sec. 122.07. (A) There is hereby created within the	946
department of <u>housing and</u> development an office to be known as	947
the office of TourismOhio. The office shall be under the	948
supervision of a director who shall be of equivalent rank of	949
deputy director of the agency and shall serve at the pleasure of	950

the director of housing and development. 951

(B) The office shall do both of the following: 952

(1) Promote the state as a destination for living, 953
learning, working, and traveling, and provide related services 954
or otherwise carry out the promotional functions or duties of 955
the department, as necessary; 956

(2) Perform an annual return-on-investment study analyzing 957
the office's success in promoting Ohio. A report containing the 958
findings of the study shall be submitted to the governor, the 959
speaker and minority leader of the house of representatives, and 960
the president and minority leader of the senate. The report 961
shall also be made available to the public. 962

Sec. 122.071. (A) The TourismOhio advisory board is hereby 963
established to advise the director of housing and development 964
~~services~~ and the director of the office of TourismOhio on 965
strategies for promoting ~~tourism in this state~~ as a destination 966
for living, learning, working, and traveling. The board shall 967
consist of the chief investment officer of the nonprofit 968
corporation formed under section 187.01 of the Revised Code or 969
the chief investment officer's designee, the director of the 970
office of TourismOhio, and nine members to be appointed by the 971
governor as provided in division (B) of this section. All 972
members of the board, except the director of the office of 973
TourismOhio, shall be voting members. 974

(B) (1) The governor shall, within sixty days after 975
September 28, 2012, appoint to the TourismOhio advisory board 976
one individual who is a representative of convention and 977
visitors' bureaus, one individual who is a representative of the 978
lodging industry, one individual who is a representative of the 979

restaurant industry, one individual who is a representative of 980
attractions, one individual who is a representative of special 981
events and festivals, one individual who is a representative of 982
agritourism, and three individuals who are representatives of 983
the tourism industry. Of the initial appointments, two 984
individuals shall serve a term of one year, three individuals 985
shall serve a term of two years, and the remainder shall serve a 986
term of three years. Thereafter, terms of office shall be for 987
three years. Each individual appointed to the board shall be a 988
United States citizen. 989

(2) For purposes of division (B)(1) of this section, an 990
individual is a "representative of the tourism industry" if the 991
individual possesses five years or more executive-level 992
experience in the attractions, lodging, restaurant, 993
transportation, or retail industry or five years or more 994
executive-level experience with a destination marketing 995
organization. 996

(C)(1) Each member of the TourismOhio advisory board shall 997
hold office from the date of the member's appointment until the 998
end of the term for which the member is appointed. Vacancies 999
that occur on the board shall be filled in the manner prescribed 1000
for regular appointments to the board. A member appointed to 1001
fill a vacancy occurring prior to the expiration of the term for 1002
which the member's predecessor was appointed shall hold office 1003
for the remainder of that predecessor's term. A member shall 1004
continue in office subsequent to the expiration date of the 1005
member's term until the member's successor takes office or until 1006
sixty days have elapsed, whichever occurs first. Any member 1007
appointed to the board is eligible for reappointment. 1008

(2) The governor shall designate one member of the board 1009

as chairperson. 1010

(3) Members appointed to the board may be reimbursed for 1011
actual and necessary expenses incurred in connection with their 1012
official duties. 1013

Sec. 122.073. (A) The department of housing and 1014
development ~~services agency~~ may do any of the following: 1015

(1) Disseminate information concerning the industrial, 1016
commercial, governmental, educational, cultural, recreational, 1017
agricultural, and other advantages and attractions of the state; 1018

(2) Provide technical assistance to public and private 1019
agencies in the preparation of promotional programs designed to 1020
attract business, industry, and tourists to the state; 1021

(3) Enter into cooperative or contractual agreements, 1022
through the director of housing and development services, with 1023
any individual, organization, or business to create, administer, 1024
or otherwise be involved with Ohio ~~tourism-related~~ promotional 1025
programs. Compensation under such agreements shall be determined 1026
by the director and may include deferred compensation. This 1027
compensation is payable from the tourism fund created in section 1028
122.072 of the Revised Code. Any excess revenue generated under 1029
such a cooperative or contractual agreement shall be remitted to 1030
the fund to be reinvested in ongoing tourism marketing 1031
initiatives as authorized by law. 1032

(B) The department of housing development and the office 1033
of TourismOhio shall establish and implement a campaign to 1034
promote Ohio as a pro-housing state and to engage and educate 1035
Ohioans about the benefits of growth and innovation in housing 1036
and economic development. 1037

(C) Records related to tourism market research submitted 1038

to or generated by the office of TourismOhio, and any 1039
information taken for any purpose from such research, are not 1040
public records for the purposes of section 149.43 of the Revised 1041
Code. The ~~agency~~department may use, however, such tourism 1042
market research in a public report if the director determines 1043
that issuing and distributing the report would promote or market 1044
the state's travel and tourism industry or otherwise advance the 1045
purposes of this section. 1046

Sec. 122.075. (A) As used in this section: 1047

(1) "Alternative fuel" has the same meaning as in section 1048
125.831 of the Revised Code. 1049

(2) "Biodiesel" means a mono-alkyl ester combustible 1050
liquid fuel that is derived from vegetable oils or animal fats, 1051
or any combination of those reagents, and that meets American 1052
society for testing and materials specification D6751-03a for 1053
biodiesel fuel (B100) blend stock distillate fuels. 1054

(3) "Diesel fuel" and "gasoline" have the same meanings as 1055
in section 5735.01 of the Revised Code. 1056

(4) "Ethanol" means fermentation ethyl alcohol derived 1057
from agricultural products, including potatoes, cereal, grains, 1058
cheese whey, and sugar beets; forest products; or other 1059
renewable resources, including residue and waste generated from 1060
the production, processing, and marketing of agricultural 1061
products, forest products, and other renewable resources that 1062
meet all of the specifications in the American society for 1063
testing and materials (ASTM) specification D 4806-88 and is 1064
denatured as specified in Parts 20 and 21 of Title 27 of the 1065
Code of Federal Regulations. 1066

(5) "Blended biodiesel" means diesel fuel containing at 1067

least twenty per cent biodiesel by volume. 1068

(6) "Blended gasoline" means gasoline containing at least 1069
eighty-five per cent ethanol by volume. 1070

(7) "Incremental cost" means either of the following: 1071

(a) The difference in cost between blended gasoline and 1072
gasoline containing ten per cent or less ethanol at the time 1073
that the blended gasoline is purchased; 1074

(b) The difference in cost between blended biodiesel and 1075
diesel fuel containing two per cent or less biodiesel at the 1076
time that the blended biodiesel is purchased. 1077

(B) For the purpose of improving the air quality in this 1078
state, the director of housing and development services shall 1079
establish an alternative fuel transportation program under which 1080
the director may make grants and loans to businesses, nonprofit 1081
organizations, public school systems, or local governments for 1082
the purchase and installation of alternative fuel refueling or 1083
distribution facilities and terminals, for the purchase and use 1084
of alternative fuel, to pay the cost of fleet conversion, and to 1085
pay the costs of educational and promotional materials and 1086
activities intended for prospective alternative fuel consumers, 1087
fuel marketers, and others in order to increase the availability 1088
and use of alternative fuel. 1089

(C) The director, in consultation with the director of 1090
agriculture, shall adopt rules in accordance with Chapter 119. 1091
of the Revised Code that are necessary for the administration of 1092
the alternative fuel transportation program. The rules shall 1093
establish at least all of the following: 1094

(1) An application form and procedures governing the 1095
application process for receiving funds under the program; 1096

- (2) A procedure for prioritizing the award of grants and loans under the program. The procedures shall give preference to all of the following:
- (a) Publicly accessible refueling facilities;
 - (b) Entities applying to the program that have secured funding from other sources, including, but not limited to, private or federal incentives;
 - (c) Entities that have presented compelling evidence of demand in the market in which the facilities or terminals will be located;
 - (d) Entities that have committed to utilizing purchased or installed facilities or terminals for the greatest number of years;
 - (e) Entities that will be purchasing or installing facilities or terminals for any type of alternative fuel.
- (3) A requirement that the maximum incentive for the purchase and installation of an alternative fuel refueling or distribution facility or terminal be eighty per cent of the cost of the facility or terminal, except that at least twenty per cent of the total cost of the facility or terminal shall be incurred by the recipient and not compensated for by any other source;
- (4) A requirement that the maximum incentive for the purchase of alternative fuel be eighty per cent of the cost of the fuel or, in the case of blended biodiesel or blended gasoline, eighty per cent of the incremental cost of the blended biodiesel or blended gasoline;
- (5) Any other criteria, procedures, or guidelines that the

director determines are necessary to administer the program, 1125
including fees, charges, interest rates, and payment schedules. 1126

(D) An applicant for a grant or loan under this section 1127
that sells motor vehicle fuel at retail shall agree that if the 1128
applicant receives funding, the applicant will report to the 1129
director the gallon or gallon equivalent amounts of alternative 1130
fuel the applicant sells at retail in this state for a period of 1131
three years after the project is completed. 1132

The director shall enter into a written confidentiality 1133
agreement with the applicant regarding the gallon or gallon 1134
equivalent amounts sold as described in this division, and upon 1135
execution of the agreement this information is not a public 1136
record. 1137

(E) There is hereby created in the state treasury the 1138
alternative fuel transportation fund. The fund shall consist of 1139
money transferred to the fund under division (B) of section 1140
125.836 of the Revised Code, money that is appropriated to it by 1141
the general assembly, money as may be specified by the general 1142
assembly from the advanced energy fund created by section 1143
4928.61 of the Revised Code, and all money received from the 1144
repayment of loans made from the fund or in the event of a 1145
default on any such loan. Money in the fund shall be used to 1146
make grants and loans under the alternative fuel transportation 1147
program and by the director in the administration of that 1148
program. 1149

Sec. 122.077. For the purpose of promoting the use of 1150
energy efficient products to reduce greenhouse gas emissions in 1151
this state, the director of housing and development shall 1152
establish an energy star rebate program under which the director 1153
may provide rebates to consumers for household devices carrying 1154

the energy star label indicating that the device meets the 1155
energy efficiency criteria of the energy star program 1156
established by the United States department of energy and the 1157
United States environmental protection agency. The director 1158
shall adopt rules under Chapter 119. of the Revised Code that 1159
are necessary for successful and efficient administration of the 1160
energy star rebate program and shall specify in the rules that 1161
grant availability is limited to federal stimulus funds or any 1162
other funds specifically appropriated for such a program. 1163

Sec. 122.08. (A) There is hereby created within the 1164
department of housing and development ~~services agency~~ an office 1165
to be known as the office of small business and 1166
entrepreneurship. The office shall be under the supervision of a 1167
manager appointed by the director of housing and development 1168
~~services~~. 1169

(B) The office shall do all of the following: 1170

(1) Act as liaison between the small business community 1171
and state governmental agencies; 1172

(2) Furnish information and technical assistance to 1173
persons and small businesses concerning the establishment and 1174
maintenance of a small business, and concerning state laws and 1175
rules relevant to the operation of a small business. In 1176
conjunction with these duties, the office shall keep a record of 1177
all proposed and currently effective state agency rules 1178
affecting small businesses, and may testify before the joint 1179
committee on agency rule review concerning any proposed rule 1180
affecting small businesses. 1181

(3) Prepare and publish the small business register under 1182
section 122.081 of the Revised Code; 1183

(4) Receive complaints from small businesses concerning 1184
governmental activity, compile and analyze those complaints, and 1185
periodically make recommendations to the governor and the 1186
general assembly on changes in state laws or agency rules needed 1187
to eliminate burdensome and unproductive governmental regulation 1188
to improve the economic climate within which small businesses 1189
operate; 1190

(5) Receive complaints or questions from small businesses 1191
and direct those businesses to the appropriate governmental 1192
agency. If, within a reasonable period of time, a complaint is 1193
not satisfactorily resolved or a question is not satisfactorily 1194
answered, the office shall, on behalf of the small business, 1195
make every effort to secure a satisfactory result. For this 1196
purpose, the office may consult with any state governmental 1197
agency and may make any suggestion or request that seems 1198
appropriate. 1199

(6) Utilize, to the maximum extent possible, the printed 1200
and electronic media to disseminate information of current 1201
concern and interest to the small business community and to make 1202
known to small businesses the services available through the 1203
office. The office shall publish such books, pamphlets, and 1204
other printed materials, and shall participate in such trade 1205
association meetings, conventions, fairs, and other meetings 1206
involving the small business community, as the manager considers 1207
appropriate. 1208

(7) Prepare a description of the activities of the office 1209
for inclusion in the ~~development services agency's~~ department's 1210
annual report to the governor and general assembly; 1211

(8) Operate the Ohio first-stop business connection to 1212
assist individuals in identifying and preparing applications for 1213

business licenses, permits, and certificates and to serve as a 1214
public distributor for all forms, applications, and other 1215
information related to business licensing. Each state agency, 1216
board, and commission shall cooperate in providing assistance, 1217
information, and materials to enable the connection to perform 1218
its duties under this division. 1219

(9) Provide information to individuals about the resources 1220
available on the OhioMeansJobs web site and through the local 1221
OhioMeansJobs one-stop systems established under section 6301.08 1222
of the Revised Code that connect businesses with job seekers. As 1223
used in this division, "OhioMeansJobs" has the same meaning as 1224
in section 6301.01 of the Revised Code. 1225

(C) The office may, upon the request of a state agency, 1226
assist the agency with the preparation of any rule that will 1227
affect small businesses. 1228

(D) The director of housing and development ~~services~~ shall 1229
assign employees and furnish equipment and supplies to the 1230
office as the director considers necessary for the proper 1231
performance of the duties assigned to the office. 1232

Sec. 122.081. (A) The office of small business and 1233
entrepreneurship in the department of housing and development 1234
~~services~~ agency shall prepare and publish a "small business 1235
register" or contract with any person as provided in this 1236
section to prepare and publish the register. The small business 1237
register shall contain the following information regarding each 1238
proposed rule recorded by the office of small business and 1239
entrepreneurship: 1240

(1) The title and administrative code rule number of the 1241
proposed rule; 1242

(2) A brief summary of the proposed rule;	1243
(3) The date on which the proposed rule was recorded by the office of small business and entrepreneurship; and	1244 1245
(4) The name, address, and telephone number of an individual or office within the agency <u>department</u> that proposed the rule who can provide information about the proposed rule.	1246 1247 1248
(B) The small business register shall be published on a weekly basis. The information required under division (A) of this section shall be published in the register no later than two weeks after the proposed rule to which the information relates is recorded by the office of small business and entrepreneurship. The office shall furnish the small business register, on a single copy or subscription basis, to any person who requests it and pays a single copy price or subscription rate fixed by the office. The office shall furnish the chairpersons of the standing committees of the senate and house of representatives having jurisdiction over small businesses with free subscriptions to the small business register.	1249 1250 1251 1252 1253 1254 1255 1256 1257 1258 1259 1260
(C) Upon the request of the office of small business and entrepreneurship, the director of administrative services shall, in accordance with the competitive selection procedure of Chapter 125. of the Revised Code, let a contract for the compilation, printing, and distribution of the small business register.	1261 1262 1263 1264 1265 1266
(D) The office of small business and entrepreneurship shall adopt, and may amend or rescind, in accordance with Chapter 119. of the Revised Code, such rules as are necessary to enable it to properly carry out this section.	1267 1268 1269 1270
Sec. 122.082. The department of <u>housing and</u> development	1271

shall provide for low-interest loans to small businesses, as 1272
defined by rules adopted pursuant to the "Small Business Act," 1273
72 Stat. 384 (1972), 15 U.S.C.A. 632, as amended, that are 1274
engaged in the export of goods produced in this state. In 1275
carrying out the purposes of this section, the department shall 1276
develop operating procedures that are essentially the same as 1277
those of the United States export-import bank. 1278

Sec. 122.083. (A) The director of housing and development 1279
shall administer a shovel ready sites program to provide grants 1280
for projects to port authorities and development entities 1281
approved by the director. Grants may be used to pay the costs of 1282
any or all of the following: 1283

(1) Acquisition of property, including options; 1284

(2) Preparation of sites, including brownfield clean-up 1285
activities; 1286

(3) Construction of road, water, telecommunication, and 1287
utility infrastructure; 1288

(4) Payment of professional fees the amount of which shall 1289
not exceed twenty per cent of the grant amount for a project. 1290

(B) The director shall adopt rules in accordance with 1291
Chapter 119. of the Revised Code that establish procedures and 1292
requirements necessary for the administration of the program, 1293
including a requirement that a recipient of a grant enter into 1294
an agreement with the director governing the use of the grant. 1295

Sec. 122.085. As used in sections 122.085 to 122.0820 of 1296
the Revised Code: 1297

(A) (1) "Allowable costs" includes costs related to the 1298
following: 1299

(a) Acquisition of land and buildings;	1300
(b) Building construction;	1301
(c) Making improvements to land and buildings, including the following:	1302 1303
(i) Expanding, reconstructing, rehabilitating, remodeling, renovating, enlarging, modernizing, equipping, and furnishing buildings and structures, including leasehold improvements;	1304 1305 1306
(ii) Site preparation, including wetland mitigation.	1307
(d) Planning or determining feasibility or practicability;	1308
(e) Indemnity or surety bonds and premiums on insurance;	1309
(f) Remediation, in compliance with state and federal environmental protection laws, of environmentally contaminated property on which hazardous substances exist under conditions that have caused or would likely cause the property to be identified as contaminated by the Ohio environmental protection agency or the United States environmental protection agency;	1310 1311 1312 1313 1314 1315
(g) Infrastructure improvements, including the following:	1316
(i) Demolition of buildings and other structures;	1317
(ii) Installation or relocation of water, storm water and sanitary sewer lines, water and waste water treatment facilities, pump stations, and water storage mechanisms and other similar equipment or facilities;	1318 1319 1320 1321
(iii) Construction of roads, bridges, traffic control devices, and parking lots and facilities;	1322 1323
(iv) Construction of utility infrastructure such as natural gas, electric, and telecommunications, including broadband and hookups;	1324 1325 1326

(v) Water and railway access improvements;	1327
(vi) Costs of professional services.	1328
(2) "Allowable costs" do not include administrative costs assessed by or fees paid to the recipient of a grant.	1329 1330
(B) "District public works integrating committees" means those committees established under section 164.04 of the Revised Code.	1331 1332 1333
(C) "Eligible applicant" includes any political subdivision or non-profit <u>nonprofit</u> economic development organization, and, with prior approval of the director of <u>housing and development</u> , private, for-profit entities. "Eligible applicant" does not include public or private institutions of higher education.	1334 1335 1336 1337 1338 1339
(D) "Eligible project" includes projects that, upon completion, will be sites and facilities primarily intended for commercial, industrial, or manufacturing use. "Eligible projects" do not include sites and facilities intended primarily for residential, retail, or government use.	1340 1341 1342 1343 1344
(E) "Professional services" includes legal, environmental, archeological, engineering, architectural, surveying, design, or other similar services performed in conjunction with an eligible project. "Professional services" also includes designs, plans, specifications, surveys, estimates of costs, and other work products.	1345 1346 1347 1348 1349 1350
Sec. 122.086. (A) There is hereby created the job ready site program to provide grants to pay for allowable costs of eligible applicants for eligible projects. The program shall be administered by the department of <u>housing and development</u> . All grants shall be awarded through one of the following two	1351 1352 1353 1354 1355

processes:	1356
(1) The annual competitive process under sections 122.087 to 122.0811, 122.0814, and 122.0815 of the Revised Code;	1357 1358
(2) The discretionary process under sections 122.0812 to 122.0815 of the Revised Code.	1359 1360
(B) The annual competitive process shall be administered by the department of <u>housing and</u> development pursuant to rules adopted by the director of <u>housing and</u> development under Chapter 119. of the Revised Code. The rules shall not establish criteria that have the effect of excluding applications for grants from any county of the state.	1361 1362 1363 1364 1365 1366
(C) The discretionary process shall be administered by the department of <u>housing and</u> development pursuant to guidelines established by the director of <u>housing and</u> development.	1367 1368 1369
Sec. 122.087. The director of <u>housing and</u> development shall establish an annual competitive process for making grants described in section 122.086 of the Revised Code in accordance with rules adopted under that section. At least two-thirds of the amounts that may be distributed as grants each year under the job ready site program shall be distributed under the annual competitive process.	1370 1371 1372 1373 1374 1375 1376
Sec. 122.088. In order to be considered for a grant under the annual competitive process, an eligible applicant shall fill out an application provided by the department of <u>housing and</u> development and shall file it with the district public works integrating committee with jurisdiction over the area in which the eligible project is located.	1377 1378 1379 1380 1381 1382
Sec. 122.089. An eligible applicant shall provide all of the following on the annual competitive process application:	1383 1384

(A) Contact information for the eligible applicant;	1385
(B) A legal description of the property for which the grant is requested;	1386 1387
(C) A summary of the proposed eligible project that includes all of the following:	1388 1389
(1) A general description of the eligible project, including individuals, organizations, or other entities that will play a critical role in the implementation of the project;	1390 1391 1392
(2) An explanation of the need for the eligible project, and the predicted economic impact;	1393 1394
(3) An explanation of the need for a grant from the job ready site program;	1395 1396
(4) The commitments required pursuant to division (A) (3) of section 122.0815 of the Revised Code.	1397 1398
(D) A detailed summary of costs for the eligible project, including supporting documents for cost estimates;	1399 1400
(E) Sources of funding for the eligible project, including documentation verifying the status of those funds;	1401 1402
(F) Summary results of preliminary engineering studies and environmental reviews, if any have been conducted;	1403 1404
(G) A comprehensive marketing plan detailing how the eligible project will be marketed upon completion, if appropriate;	1405 1406 1407
(H) Copies of resolutions or ordinances related to the eligible project, including resolutions or ordinances adopted by the political subdivision with jurisdiction over the geographic area in which the eligible project is located;	1408 1409 1410 1411

(I) Any other information the director of housing and 1412
development requests on the application form. 1413

Sec. 122.0810. (A) Each application for a grant pursuant 1414
to the annual competitive process received by a district public 1415
works integrating committee shall be evaluated by the executive 1416
committee of the district committee. In conducting the 1417
evaluation, the executive committee shall determine whether the 1418
application for the proposed eligible project is complete and 1419
whether the project meets the requirements of section 122.0815 1420
of the Revised Code. If the application is complete and the 1421
eligible project meets the requirements of section 122.0815 of 1422
the Revised Code, the executive committee shall prioritize the 1423
eligible project pursuant to section 122.0816 of the Revised 1424
Code and pursuant to local priorities, as those priorities are 1425
determined by the executive committee, with all other eligible 1426
projects with complete applications that meet the requirements 1427
of section 122.0815 of the Revised Code. If the application is 1428
incomplete or the project does not meet the requirements of 1429
section 122.0815 of the Revised Code, the executive committee 1430
shall notify the applicant of the deficiencies and the period of 1431
time the applicant has to correct the deficiencies and submit 1432
the corrections to the executive committee. Failure to correct 1433
deficiencies within the time designated by the executive 1434
committee shall disqualify the project from consideration for a 1435
grant during the annual competitive process for that year. 1436

The executive committee, by the affirmative vote of a 1437
majority of all its members, shall select up to three eligible 1438
projects from the projects it has prioritized each year pursuant 1439
to the annual competitive process. The executive committee shall 1440
forward the applications and any accompanying information for 1441
each of the selected eligible projects to the department of 1442

housing and development in the time and manner required by the 1443
rules governing the annual competitive process for the job ready 1444
site program. 1445

(B) For a district public works integrating committee that 1446
does not have an executive committee, the full committee shall 1447
perform the functions assigned to the executive committee under 1448
section 122.0816 of the Revised Code and division (A) of this 1449
section. 1450

(C) An executive committee, or a district committee that 1451
does not have an executive committee, may appoint a working 1452
group of committee members and staff to perform the functions of 1453
those committees as provided in this section. 1454

Sec. 122.0811. The department of housing and development 1455
shall evaluate each eligible project selected pursuant to 1456
section 122.0810 of the Revised Code to determine whether the 1457
application for the proposed eligible project is complete and 1458
whether it meets the requirements of section 122.0815 of the 1459
Revised Code. If the application is complete and the project 1460
meets the requirements of section 122.0815 of the Revised Code, 1461
the department shall notify the eligible applicant that the 1462
application is complete and shall prioritize the eligible 1463
project pursuant to section 122.0816 of the Revised Code with 1464
all other eligible projects with complete applications that meet 1465
the requirements. If the application is incomplete or the 1466
project does not meet the requirements of section 122.0815 of 1467
the Revised Code, the department shall notify the applicant of 1468
the deficiencies and the period of time the applicant has to 1469
correct the deficiencies and submit the corrections to the 1470
department. Failure to correct deficiencies within the time 1471
designated by the department shall disqualify the project from 1472

consideration for a grant during the annual competitive process 1473
for that year. 1474

The director, on completion of the evaluations and 1475
prioritization, shall make a recommendation to the controlling 1476
board asking for approval to make grants for the eligible 1477
projects selected by the director. The director shall take into 1478
consideration the geographic diversity of awards when making the 1479
selection of eligible projects to receive grants. 1480

Sec. 122.0812. The director of housing and development 1481
shall establish a discretionary process that permits the 1482
director to make grants described in section 122.086 of the 1483
Revised Code in situations that include those in which the 1484
timing of a proposed eligible project is such that the annual 1485
competitive process is not suitable. The director, as part of 1486
the guidelines established for the discretionary process for the 1487
job ready site program, shall establish all the procedures and 1488
requirements governing application for the discretionary grants. 1489

Sec. 122.0813. On receipt of an application for a 1490
discretionary grant for an eligible project, the director of 1491
housing and development shall evaluate it to determine whether 1492
the application for the proposed eligible project is complete 1493
and whether the eligible project meets the requirements of 1494
section 122.0815 of the Revised Code. If the application is 1495
complete and the project meets the requirements of section 1496
122.0815 of the Revised Code, the director shall make a 1497
recommendation to the controlling board asking for approval to 1498
make the discretionary grant for the eligible project. If the 1499
application is incomplete or the project does not meet the 1500
requirements of section 122.0815 of the Revised Code, the 1501
department shall notify the applicant of the deficiencies and 1502

work with the applicant to correct the deficiencies. If the 1503
deficiencies are corrected, the director shall make a 1504
recommendation to the controlling board asking for approval to 1505
make the discretionary grant for the eligible project. 1506

Sec. 122.0814. If the controlling board approves a grant 1507
for an eligible project pursuant to the annual competitive 1508
process or the discretionary process, the director of housing 1509
and development shall enter into an agreement with the eligible 1510
applicant to provide the grant for the project. The agreement 1511
shall be executed prior to the payment or disbursement of any 1512
funds under the grant and shall contain the following 1513
provisions: 1514

(A) A designation of a single officer or employee of the 1515
eligible applicant who will serve as the manager of the eligible 1516
project; 1517

(B) A detailed description of the scope of the work 1518
required under the eligible project, including anticipated 1519
sources and uses of funds; 1520

(C) A designation of the percentage of the estimated total 1521
cost of the project for which the grant will provide funding, 1522
which shall not exceed seventy-five per cent of the cost; 1523

(D) Provisions for the recovery by the department of 1524
housing and development of grant funds for failure to meet the 1525
terms of the agreement; 1526

(E) A requirement that annual reports be made by the 1527
eligible applicant on the progress of the eligible project and 1528
any other information about the status of the project as 1529
required by the guidelines and rules established for the job 1530
ready site program; 1531

(F) Any other provisions the director determines necessary.	1532 1533
Sec. 122.0815. (A) A project shall meet the following requirements in order to be considered for a grant under the annual competitive process:	1534 1535 1536
(1) The application for the grant is made by an eligible applicant.	1537 1538
(2) The project for which the application is made is an eligible project.	1539 1540
(3) The eligible applicant commits to all the following:	1541
(a) To use the grant to pay only allowable costs for the eligible project;	1542 1543
(b) Not to use the grant to fund more than seventy-five per cent of the total cost of the eligible project;	1544 1545
(c) Not to use more than ten per cent of the grant amount to pay the costs of professional services under the eligible project.	1546 1547 1548
(4) The grant amount requested does not exceed five million dollars.	1549 1550
(5) The eligible applicant and the eligible project comply with any other criteria the director of <u>housing and</u> development determines is necessary.	1551 1552 1553
(B) A project shall meet the requirements described in divisions (A) (1) to (4) of this section in order to be considered for a grant under the discretionary process.	1554 1555 1556
Sec. 122.0816. The department of <u>housing and</u> development and the executive committees of district public works	1557 1558

integrating committees shall apply the following factors to 1559
eligible projects under the annual competitive process to 1560
determine a priority order for the eligible projects subject to 1561
that process: 1562

(A) The potential economic impact of the eligible project; 1563

(B) The potential impact of the eligible project on 1564
economic distress; 1565

(C) The amount of local, federal, and private funding 1566
available for the eligible project; 1567

(D) The demonstrated need for the eligible project; 1568

(E) The strength of the eligible project's marketing plan, 1569
if appropriate; 1570

(F) The level of financial need; 1571

(G) Any other factor the director of housing and 1572
development determines should be considered. 1573

Sec. 122.0817. In accordance with the guidelines 1574
established to govern the discretionary process and the rules 1575
adopted to govern the annual competitive process for the job 1576
ready site program, the director of housing and development 1577
shall publish an annual report that includes the following: 1578

(A) Details on each grant awarded pursuant to the program; 1579

(B) The status of projects funded in previous years; 1580

(C) The amount of grants awarded for projects in 1581
economically distressed areas and, to the extent possible, the 1582
impact of those grants in those areas. 1583

Sec. 122.09. (A) As used in this section: 1584

(1) "Development costs" means expenditures paid or 1585
incurred by the property owner in completing a certified 1586
transformational mixed use development project, including 1587
architectural or engineering fees paid or incurred in connection 1588
with the project and expenses incurred before the date the 1589
project is certified by the tax credit authority under division 1590
(C) of this section. In the case of a certified transformational 1591
mixed use development project that is part of a larger 1592
contiguous project that is planned to be completed in phases, 1593
"development costs" include only expenditures associated with 1594
the portion of the project that is certified by the tax credit 1595
authority and do not include expenditures incurred for other 1596
phases of the project. 1597

(2) "Owner" means a person or persons holding a fee simple 1598
or leasehold interest in real property, including interests in 1599
real property acquired through a capital lease arrangement. 1600
"Owner" does not include the state or a state agency, or any 1601
political subdivision as defined in section 9.23 of the Revised 1602
Code. For the purpose of this division, "fee simple interest," 1603
"leasehold interest," and "capital lease" shall be construed in 1604
accordance with generally accepted accounting principles. 1605

(3) "Transformational mixed use development" means a 1606
project that consists of new construction or the redevelopment, 1607
rehabilitation, expansion, or other improvement of vacant 1608
buildings or structures, or a combination of the foregoing, and 1609
that: 1610

(a) Will have a transformational economic impact on the 1611
development site and the surrounding area; 1612

(b) Integrates some combination of retail, office, 1613
residential, recreation, structured parking, and other similar 1614

uses into one mixed use development; and 1615

(c) Satisfies one of the following criteria: 1616

(i) If the development site is located within ten miles of 1617
a major city, the project includes at least one new or 1618
previously vacant building that is fifteen or more stories in 1619
height or has a floor area of at least three hundred fifty 1620
thousand square feet, or after completion will be the site of 1621
employment accounting for at least four million dollars in 1622
annual payroll, or includes two or more buildings that are 1623
connected to each other, are located on the same parcel or on 1624
contiguous parcels, and that collectively have a floor area of 1625
at least three hundred fifty thousand square feet; 1626

(ii) If the development site is not located within ten 1627
miles of a major city, the project includes at least one new or 1628
previously vacant building that is two or more stories in height 1629
or has a floor area of at least seventy-five thousand square 1630
feet or two or more new buildings that are located on the same 1631
parcel or on contiguous parcels and that collectively have a 1632
floor area of at least seventy-five thousand square feet. 1633

"Transformational mixed use development" may include a 1634
portion of a larger contiguous project that is planned to be 1635
completed in phases as long as the phases collectively meet the 1636
criteria described in division (A) (3) of this section. 1637

(4) "Increase in tax collections" means the difference, if 1638
positive, of the amount of state and local taxes derived from 1639
economic activity occurring within the development site and the 1640
surrounding area during a period of time minus the amount of 1641
such taxes that are estimated to be derived from such economic 1642
activity in that site and surrounding area during the same 1643

period if the transformational mixed use project were not 1644
completed. 1645

(5) "Completion period" means the time period beginning on 1646
the day after a transformational mixed use development is 1647
certified by the tax credit authority and ending on the fifth 1648
anniversary of the day the project is completed. 1649

(6) "Insurance company" means a person subject to the tax 1650
imposed under section 5725.18 or 5729.03 of the Revised Code. 1651

(7) "Contribute capital" means to invest, loan, or donate 1652
cash in exchange for an equity interest in an asset, a debt 1653
instrument, or no consideration. 1654

(8) "Major city" means a municipal corporation that has a 1655
population greater than one hundred thousand. 1656

(9) "Tax credit authority" means the tax credit authority 1657
created under section 122.17 of the Revised Code. 1658

(10) "Adjusted development costs" means the development 1659
costs attributed to a complete transformational mixed use 1660
development project minus the sum of the capital contributions 1661
of any insurance companies that are preliminarily approved for a 1662
tax credit in connection with the same project. 1663

(11) A "property owner's share" of the increase in tax 1664
collections equals the product obtained by multiplying the total 1665
increase in tax collections since the date the transformational 1666
mixed use development project was certified by a fraction, the 1667
numerator of which is the adjusted development costs and the 1668
denominator of which is the actual development costs attributed 1669
to the project. 1670

(12) An "insurance company's share" of the increase in tax 1671

collections equals the product obtained by multiplying the total 1672
increase in tax collections since the date the transformational 1673
mixed use development project was certified by a fraction, the 1674
numerator of which is the insurance company's capital 1675
contribution to the project and the denominator of which is the 1676
actual development costs attributed to the project. 1677

(B) The owner of one or more parcels of land in this state 1678
within which a transformational mixed use development is planned 1679
or an insurance company that contributes capital to be used in 1680
the planning or construction of such a development may apply to 1681
the tax credit authority for certification of the development 1682
and preliminary approval of a tax credit. Each application shall 1683
be filed in the form and manner prescribed by the director of 1684
housing and development and shall, at minimum, include a 1685
development plan comprised of all of the following information: 1686

(1) The location of the development site and an indication 1687
of whether it is located within ten miles of a major city; 1688

(2) A detailed description of the proposed 1689
transformational mixed use development including site plans, 1690
construction drawings, architectural renderings, or other means 1691
sufficient to convey the appearance, size, purposes, capacity, 1692
and scope of the project and, if applicable, previously 1693
completed and future phases of the project; 1694

(3) A viable financial plan that estimates the development 1695
costs that have been or will be incurred in the completion of 1696
the project and that designates a source of financing or a 1697
strategy for obtaining financing; 1698

(4) An estimated schedule for the progression and 1699
completion of the project including, if applicable, previously 1700

completed and future phases of the project; 1701

(5) An assessment of the projected economic impact of the 1702
project on the development site and the surrounding area; 1703

(6) Evidence that the increase in tax collections during 1704
the completion period will exceed ten per cent of the estimated 1705
development costs reported under division (B) (3) of this 1706
section; 1707

(7) If the applicant is an insurance company that is not 1708
the property owner, the amount of the insurance company's 1709
capital contribution to the development and the date on which it 1710
was or will be made; 1711

(8) Evidence that the project will not be completed unless 1712
the applicant receives the credit. 1713

(C) (1) In determining whether to certify a project that is 1714
the subject of an application submitted under division (B) of 1715
this section, the tax credit authority shall consider the 1716
potential impact of the transformational mixed use development 1717
on the development site and the surrounding area in terms of 1718
architecture, accessibility to pedestrians, retail entertainment 1719
and dining sales, job creation, property values, connectivity, 1720
and revenue from sales, income, lodging, and property taxes. The 1721
tax credit authority shall not certify a project unless it 1722
satisfies the following conditions: 1723

(a) The project qualifies as a transformational mixed use 1724
development and satisfies all other criteria prescribed by this 1725
section or by rule of the director of housing and development; 1726

(b) The estimated increase in tax collections during the 1727
completion period exceeds ten per cent of the estimated 1728
development costs for the project reported under division (B) (3) 1729

of this section; 1730

(c) The project will not be completed unless the applicant 1731
receives the credit; 1732

(d) If the development site is located within ten miles of 1733
a major city, the estimated development costs to complete the 1734
project plus, if applicable, the estimated expenditures that 1735
have been or will be incurred to complete all other contiguous 1736
phases of the project, exceed fifty million dollars. 1737

In making its determination of whether or not to approve 1738
an application, the tax credit authority may conduct an 1739
interview of the applicant. 1740

(2) If the tax credit authority approves an application, 1741
the authority shall issue a statement certifying the associated 1742
transformational mixed use development project and preliminarily 1743
approving a tax credit. The statement shall stipulate that 1744
receipt of a tax credit certificate is contingent upon 1745
completion of the transformational mixed use development as 1746
described in the development plan. The statement shall specify 1747
the estimated amount of the tax credit, but state that the 1748
amount of the credit is dependent upon determination of the 1749
actual development costs attributed to the project and, unless 1750
the tax credit authority grants a request by the property owner 1751
under division (F) of this section, of the increase in tax 1752
collections during the completion period. 1753

(3) Except as otherwise provided in this division, if the 1754
applicant is an insurance company that is not the property 1755
owner, the estimated amount of the tax credit shall equal ten 1756
per cent of the insurance company's capital contribution to the 1757
project as reported in the development plan pursuant to division 1758

(B) (7) of this section. Except as otherwise provided in this 1759
division, if the applicant is the property owner, the estimated 1760
amount of the tax credit shall equal ten per cent of the 1761
estimated development costs for the project as reported in the 1762
development plan pursuant to division (B) (3) of this section 1763
minus any estimated credit amounts that have been preliminarily 1764
approved for insurance companies contributing capital to the 1765
project. The estimated credit amounts may be reduced by the tax 1766
credit authority as a condition of certifying the project if 1767
such a reduction is necessary to comply with the limitations on 1768
the amount of credits that may be preliminarily approved as 1769
prescribed by division (C) (5) of this section. The estimated 1770
credit amounts shall not be adjusted after the statement 1771
described in division (C) (2) of this section has been issued. 1772

(4) If the tax credit authority denies an application, the 1773
authority shall notify the applicant of the reason or reasons 1774
for such determination. The authority's determination is final, 1775
but an applicant may revise and resubmit a previously denied 1776
application. 1777

(5) (a) The tax credit authority shall not certify any 1778
transformational mixed use development projects after June 30, 1779
2025. 1780

(b) The tax credit authority may not preliminarily approve 1781
more than one hundred million dollars of estimated tax credits 1782
in each of fiscal years 2022, 2023, 2024, and 2025. 1783

(c) Not more than eighty million dollars of estimated tax 1784
credits in each such fiscal year may be preliminarily approved 1785
in connection with projects that are located within ten miles of 1786
a major city. 1787

(d) Not more than forty million dollars of estimated tax credits may be preliminarily approved in connection with the same transformational mixed use development project.

(6) If the dollar amount of tax credits applied for under division (B) of this section in connection with projects that are located within ten miles of a major city exceeds eighty million dollars for a fiscal year, the tax credit authority shall rank those applications and certify the associated projects in order, starting with the project that presents the best combination of economic value and transformational impact. If the dollar amount of tax credits applied for in connection with projects not located within ten miles of a major city exceeds twenty million dollars for a fiscal year, the tax credit authority shall rank those applications and certify the associated projects in order, starting with the project that presents the best combination of economic value and transformational impact. In either case, the authority shall consider the following factors in ranking the applications:

(a) The projected increase in tax collections during the completion period as a percentage of the total amount of estimated tax credits that would be preliminarily approved in connection with the project;

(b) The economic impact of the project on the development site and the surrounding area and the impact of the project in terms of architecture, accessibility to pedestrians, retail entertainment and dining sales, job creation, property values, and connectivity;

(c) The expeditiousness of the schedule for completing the project, realizing the increase in tax collections, and attaining the economic and other impacts on the development site

and the surrounding area. 1818

(D) Within twelve months of the date a project is 1819
certified, the property owner shall provide the tax credit 1820
authority with an updated schedule for the progression and 1821
completion of the project and documentation sufficient to 1822
demonstrate that construction of the project has begun. If the 1823
property owner does not provide the schedule and documentation 1824
or if construction of the project has not begun within the time 1825
prescribed by this division, the tax credit authority shall 1826
rescind certification of the project and send notice of the 1827
rescission to the property owner and each insurance company that 1828
is preliminarily approved for a tax credit in connection with 1829
the project. A property owner that receives notice of rescission 1830
may submit a new application concerning the same project under 1831
division (B) of this section. 1832

(E) An applicant that is the property owner and is 1833
preliminarily approved for a tax credit under this section may 1834
sell or transfer the rights to that credit to one or more 1835
persons for the purpose of raising capital for the certified 1836
project. The applicant shall notify the tax credit authority 1837
upon selling or transferring the rights to the credit. The 1838
notice shall identify the person or persons to which the credit 1839
was sold or transferred and the credit amount sold or 1840
transferred to each such person. Only an applicant that owns the 1841
property may sell or transfer a credit under this division. A 1842
credit may be divided among multiple purchasers through more 1843
than one transaction but once a particular credit amount is 1844
acquired by a person other than the applicant it may not be sold 1845
or transferred again. 1846

(F) After a transformational mixed use development project 1847

is certified and before it is completed, the property owner may 1848
request that the value of the tax credit certificates awarded in 1849
connection with the project be computed using the alternative 1850
method described in division (I) of this section. The tax credit 1851
authority shall grant the request if the authority determines, 1852
and a third party engaged by the authority at the expense of the 1853
property owner affirms, that it is reasonably certain that the 1854
increase in tax collections will exceed ten per cent of the 1855
estimated development costs within one year after the project is 1856
completed. Otherwise, the authority shall deny the request and 1857
the amount of each credit awarded in connection with the project 1858
shall be computed under division (H) of this section. The 1859
authority's determination under this division shall be delivered 1860
in writing and is final and not appealable. 1861

(G) (1) The property owner shall notify the tax credit 1862
authority upon completion of a certified transformational mixed 1863
use development project. The notification shall include a report 1864
prepared by a third-party certified public accountant that 1865
contains a detailed accounting of the actual development costs 1866
attributed to the project. 1867

(2) Upon receiving such a notice, unless the tax credit 1868
authority has previously granted a request by the property owner 1869
under division (F) of this section, the authority shall 1870
determine the increase in tax collections since the date the 1871
project was certified by consulting with the tax commissioner 1872
and with the tax administrator of any municipal corporation that 1873
levies an income tax within the project site and the surrounding 1874
area. The tax commissioner and the tax administrators that are 1875
consulted pursuant to this division shall provide the tax credit 1876
authority with any information that is necessary to determine 1877
the increase in tax collections. 1878

(3) After determining the increase in tax collections 1879
under division (G) (2) of this section, if required, and 1880
computing the value of the tax credit under division (H) or (I) 1881
of this section, as applicable, the tax credit authority shall 1882
issue a tax credit certificate to each applicant that is 1883
preliminarily approved for a credit associated with the project 1884
or to the person or persons to which such an applicant sold or 1885
transferred the rights to the credit under division (E) of this 1886
section. If the amount of the tax credit awarded to the property 1887
owner is less than the credit amount estimated under division 1888
(C) of this section and the property owner sold or transferred 1889
the rights to the credit, the tax credit authority shall reduce 1890
the amount of each tax credit certificate issued to each 1891
purchaser or recipient on a pro rata basis unless the property 1892
owner requests an alternative allocation of the credit. 1893

(H) (1) Unless the tax credit authority granted a request 1894
by the property owner under division (F) of this section, the 1895
aggregate value of the tax credit certificates issued under 1896
division (G) of this section to the property owner and to any 1897
persons to whom the property owner sold or transferred the 1898
rights to the credit shall equal the lesser of the following: 1899

(a) Ten per cent of the adjusted development costs; 1900

(b) Five per cent of the adjusted development costs plus 1901
any amount by which the property owner's share of the increase 1902
in tax collections since the date the project was certified 1903
exceeds five per cent of the adjusted development costs; 1904

(c) The estimated credit amount specified in the tax 1905
credit authority's statement certifying the project and 1906
preliminarily approving the tax credit under division (C) of 1907
this section. 1908

(2) The value of a tax credit certificate issued under 1909
division (G) of this section to an insurance company that 1910
contributed capital to the project shall equal the lesser of the 1911
following: 1912

(a) Ten per cent of the insurance company's actual capital 1913
contribution; 1914

(b) Five per cent of such capital contribution plus any 1915
amount by which the insurance company's share of the increase in 1916
tax collections since the date the project was certified exceeds 1917
five per cent of the insurance company's capital contribution; 1918

(c) The estimated credit amount specified in the tax 1919
credit authority's statement certifying the project and 1920
preliminarily approving the tax credit under division (C) of 1921
this section. 1922

(I) If the tax credit authority granted a request by the 1923
property owner under division (F) of this section, the value of 1924
the tax credit certificates issued in connection with the 1925
transformational mixed use development project shall be computed 1926
as follows: 1927

(1) For the property owner or any person to which the 1928
property owner sold or transferred the rights to the credit, ten 1929
per cent of the actual development costs attributed to the 1930
project. If the amount of the credit is less than the credit 1931
amount estimated under division (C) of this section and the 1932
property owner sold or transferred the rights to the credit to 1933
more than one person, the authority shall reduce the amount of 1934
each tax credit certificate on a pro rata basis unless the 1935
property owner requests an alternative allocation of the credit. 1936

(2) For an insurance company that contributed capital to 1937

the project, ten per cent of the insurance company's actual 1938
capital contribution. 1939

(J) If the value of a tax credit certificate was computed 1940
under division (H) of this section for a project, the property 1941
owner, on or before the thirtieth day following the first, 1942
second, third, fourth, and fifth anniversaries of the date the 1943
certified transformational mixed use development project is 1944
completed, may request in writing that the tax credit authority 1945
update the increase in tax collections during the completion 1946
period. Upon receiving such a request, the tax credit authority 1947
shall update the increase in tax collections in the same manner 1948
described by division (G) of this section. If the tax credit 1949
authority determines that the value of the tax credit 1950
certificates computed under division (H) of this section would 1951
be greater if computed based on the updated increase in tax 1952
collections, the authority shall issue an additional tax credit 1953
certificate to each person that previously received a 1954
certificate for the project under those divisions. The value of 1955
each additional tax credit certificate shall equal the amount by 1956
which the tax credit certificate computed under division (H) of 1957
this section upon completion of the project would have been 1958
greater had the value of such certificate been computed based on 1959
the updated increase in tax collections, less the value of any 1960
additional tax credit certificates previously issued under this 1961
division to the same person respecting the same project. 1962

(K) The aggregate value of all tax credit certificates 1963
issued under this section for the same transformational mixed 1964
use development project shall not exceed (1) ten per cent of the 1965
actual development costs of that project or (2) the sum of all 1966
estimated credit amounts preliminarily approved by the tax 1967
credit authority in connection with the project. 1968

(L) Issuance of a tax credit certificate under this 1969
section does not represent a verification or certification by 1970
the tax credit authority of the actual development costs of the 1971
project or the capital contributions to the project by an 1972
insurance company. Such amounts are subject to inspection and 1973
examination by the superintendent of insurance. 1974

(M) Upon the issuance of a tax credit certificate under 1975
division (G) or (J) of this section, the tax credit authority 1976
shall certify to the superintendent of insurance (1) the name of 1977
each person that was issued a tax credit certificate, (2) 1978
whether the person is the property owner, an insurance company 1979
that contributed capital to the development, or a person that 1980
acquired the rights to the tax credit certificate from the 1981
property owner, (3) the credit amount shown on each tax credit 1982
certificate, and (4) any other information required by the rules 1983
adopted under this section. A person that holds the rights to a 1984
tax credit certificate issued under this section and that is an 1985
insurance company may claim a tax credit under section 5725.35 1986
or 5729.18 of the Revised Code. 1987

(N) The tax credit authority shall publish information 1988
about each transformational mixed use development on the web 1989
site of the department of housing and development not later than 1990
the first day of August following certification of the project. 1991
The tax credit authority shall update the published information 1992
annually until the project is complete and the credit or credits 1993
are fully claimed. The published information shall include all 1994
of the following: 1995

(1) The location of the transformational mixed use 1996
development and the name by which it is known; 1997

(2) The estimated schedule for progression and completion 1998

of the project included in the development plan pursuant to	1999
division (B) (4) of this section;	2000
(3) The assessment of the projected economic impact of the	2001
project included in the development plan pursuant to division	2002
(B) (5) of this section;	2003
(4) The evidence supporting the estimated increase in tax	2004
collections included in the development plan pursuant to	2005
division (B) (6) of this section, except that the tax credit	2006
authority may omit any proprietary or sensitive information	2007
included in such evidence;	2008
(5) The estimated development costs that have been or will	2009
be incurred in completion of the project and, if applicable, the	2010
amount of the insurance company's capital contribution to the	2011
development and the date on which it was made, as reported in	2012
the development plan pursuant to divisions (B) (3) and (7) of	2013
this section;	2014
(6) A copy of each report submitted to the tax credit	2015
authority by the applicant under division (D) of this section.	2016
(O) The director, in accordance with Chapter 119. of the	2017
Revised Code, shall adopt rules that establish all of the	2018
following:	2019
(1) Forms and procedures by which applicants may apply for	2020
a transformational investment tax credit, and any deadlines for	2021
applying;	2022
(2) Criteria and procedures for reviewing, evaluating,	2023
ranking, and approving applications within the limitations	2024
prescribed by this section, including rules prescribing the	2025
timing and frequency by which the tax credit authority must rank	2026
applications and preliminarily approve tax credits under	2027

division (C) of this section;	2028
(3) Eligibility requirements for obtaining a tax credit certificate under this section;	2029 2030
(4) The form of the tax credit certificate;	2031
(5) Reporting requirements and monitoring procedures;	2032
(6) Procedures for computing the increase in tax collections within the project site and the surrounding area;	2033 2034
(7) Forms and procedures by which property owners may request the alternative method of computing the value of tax credit certificates under division (I) of this section that are awarded in connection with a project and criteria for evaluating and making a determination on such requests;	2035 2036 2037 2038 2039
(8) Any other rules necessary to implement and administer this section.	2040 2041
Sec. 122.10. Each department, bureau, institution, agency, commission, or office of the state government, shall, upon request, furnish to the department of <u>housing and development</u> any information it has available.	2042 2043 2044 2045
The department of <u>housing and development</u> shall cooperate with each department, bureau, institution, agency, commission, or office of the state government and shall furnish any information it has available to such departments, bureaus, institutions, agencies, commissions, or office upon their request.	2046 2047 2048 2049 2050 2051
The department shall coordinate its services and activities with those of state departments, bureaus, agencies, commissions, and offices to the fullest extent possible in order to avoid duplication.	2052 2053 2054 2055

Sec. 122.11. The director of housing and development may 2056
employ and fix the compensation of technical and professional 2057
personnel, who shall be in the unclassified civil service, and 2058
may employ other personnel, who shall be in the classified civil 2059
service, as necessary to carry out the provisions of sections 2060
122.011 to 122.11, 122.17, and 122.18 of the Revised Code. 2061

Sec. 122.121. (A) A local organizing committee, endorsing 2062
municipality, or endorsing county that has entered into a 2063
joinder undertaking with a site selection organization may apply 2064
to the director of housing and development~~services~~, on a form 2065
and in the manner prescribed by the director, for a grant from 2066
the sports event grant fund created under section 122.122 of the 2067
Revised Code with respect to a game to which either of the 2068
following applies: 2069

(1) The organization accepts competitive bids to host the 2070
game. 2071

(2) The game is a one-time centennial commemoration of the 2072
founding of a national football organization, association, or 2073
league. 2074

The amount of the grant shall be based on the projected 2075
incremental increase in the receipts from the tax imposed under 2076
section 5739.02 of the Revised Code within the market area 2077
designated under division (C) of this section, for the two-week 2078
period that ends at the end of the day after the date on which 2079
the game will be held, that is directly attributable, as 2080
determined by the director, to the preparation for and 2081
presentation of the game. The director shall determine the 2082
projected incremental increase in the tax imposed under section 2083
5739.02 of the Revised Code by using a formula approved by the 2084
director in consultation with the tax commissioner. The 2085

application shall include an estimate of the committee's, 2086
municipality's, or county's qualifying costs under the game 2087
support contract. The local organizing committee, endorsing 2088
municipality, or endorsing county is eligible to receive a grant 2089
under this section only if the projected incremental increase in 2090
receipts from the tax imposed under section 5739.02 of the 2091
Revised Code, as determined by the director, exceeds two hundred 2092
fifty thousand dollars. The amount of the grant shall be not 2093
less than fifty per cent of the projected incremental increase 2094
in receipts, as determined by the director, but shall not exceed 2095
the lesser of two million dollars or the amount of the 2096
committee's, municipality's, or county's qualifying costs under 2097
the game support contract. The director shall disburse the grant 2098
to the local organizing committee, endorsing municipality, or 2099
endorsing county from the sports event grant fund. 2100

(B) If the director of housing and development ~~services~~ 2101
approves an application for a local organizing committee, 2102
endorsing municipality, or endorsing county and that local 2103
organizing committee, endorsing municipality, or endorsing 2104
county enters into a joinder agreement with a site selection 2105
organization, the local organizing committee, endorsing 2106
municipality, or endorsing county shall file a copy of the 2107
joinder agreement with the director. The grant shall be used 2108
exclusively by the local organizing committee, endorsing 2109
municipality, or endorsing county to pay its qualifying costs 2110
under the game support contract. 2111

(C) For the purposes of division (A) of this section, the 2112
director of housing and development ~~services~~, in consultation 2113
with the tax commissioner, shall designate the market area for a 2114
game. The market area shall consist of the combined statistical 2115
area, as defined by the United States office of management and 2116

budget, in which an endorsing municipality or endorsing county 2117
is located. 2118

(D) A local organizing committee, endorsing municipality, 2119
or endorsing county shall provide information required by the 2120
director of housing and development ~~services~~ and tax 2121
commissioner to enable the director and commissioner to fulfill 2122
their duties under this section, including annual audited 2123
statements of any financial records required by a site selection 2124
organization; data obtained by the local organizing committee, 2125
endorsing municipality, or endorsing county relating to 2126
attendance at a game and to the economic impact of the game; and 2127
financial records from the committee, municipality, or county 2128
verifying its qualifying costs under the game support contract. 2129
A local organizing committee, an endorsing municipality, or an 2130
endorsing county shall provide an annual audited financial 2131
statement if so required by the director and commissioner, not 2132
later than the end of the fourth month after the date the period 2133
covered by the financial statement ends. 2134

(E) Within thirty days after the game, the local 2135
organizing committee, endorsing municipality, or endorsing 2136
county shall certify to the director of housing and development 2137
~~services~~ a statement of its qualifying costs under the game 2138
support contract and a report about the economic impact of the 2139
game. The certification shall be in the form and substance 2140
required by the director, including, but not limited to, a final 2141
income statement for the event showing total revenue and 2142
expenditures and revenue and expenditures in the market area for 2143
the game, and ticket sales for the game and any related 2144
activities for which admission was charged. The director shall 2145
determine, based on the reported information and the exercise of 2146
reasonable judgment, the incremental increase in receipts from 2147

the tax imposed under section 5739.02 of the Revised Code 2148
directly attributable to the game and the committee's, 2149
municipality's, or county's qualifying costs under the game 2150
support contract. If the actual incremental increase in sales 2151
tax receipts is less than the projected incremental increase in 2152
such receipts, or if the actual qualifying costs are less than 2153
the estimated qualifying costs, the director may require the 2154
local organizing committee, endorsing municipality, or endorsing 2155
county to refund to the state all or a portion of the grant. Any 2156
refund remitted under this division shall be credited to the 2157
sports event grant fund. 2158

(F) No disbursement may be made under this section if the 2159
director of housing and development ~~services~~ determines that it 2160
would be used for the purpose of soliciting the relocation of a 2161
professional sports franchise located in this state. 2162

(G) This section may not be construed as creating or 2163
requiring a state guarantee of obligations imposed on an 2164
endorsing municipality or endorsing county under a game support 2165
contract or any other agreement relating to hosting one or more 2166
games in this state. 2167

Sec. 122.131. There is hereby created the employee 2168
ownership assistance program to be administered by the director 2169
of housing and development. The director may employ any 2170
professional and technical personnel and other employees that 2171
are necessary to comply with sections 122.13 to 122.136 of the 2172
Revised Code. The director shall assist an individual or group 2173
of individuals, who seek assistance in the establishment of an 2174
employee-owned corporation. The director shall inform local 2175
government, business organizations, labor organizations, and 2176
others in the state of the availability of the program and its 2177

services established pursuant to sections 122.13 to 122.136 of the Revised Code.	2178 2179
Sec. 122.132. The director of <u>housing and development</u> shall do all of the following:	2180 2181
(A) Develop, collect, and disseminate information useful to individuals and organizations throughout the state in undertaking or promoting the establishment and successful operation of employee-owned corporations;	2182 2183 2184 2185
(B) Assist in the evaluation of the feasibility and economic vitality of employee-owned corporation proposals received in the employee ownership assistance program;	2186 2187 2188
(C) Provide technical assistance and counseling services to individuals who seek to form an employee-owned corporation;	2189 2190
(D) Provide assistance and counseling in the operation of an employee-owned corporation;	2191 2192
(E) Assist individuals in obtaining financing for the purchase and operation of an employee-owned corporation;	2193 2194
(F) Promote and coordinate the efforts of local, state, federal, or private organizations to assist in the formation or operation of employee-owned corporations;	2195 2196 2197
(G) Recommend appropriate legislative or executive actions to enhance opportunities for employee-owned corporations in this state;	2198 2199 2200
(H) Prescribe all forms for assistance requests and publish materials describing the employee ownership assistance program's services;	2201 2202 2203
(I) Adopt rules under Chapter 119. of the Revised Code for	2204

the conduct of the employee ownership assistance program. 2205

Sec. 122.133. The director of housing and development 2206
shall publicize the availability of the employee ownership 2207
assistance program and its services to local governments and to 2208
business and labor organizations and shall coordinate with local 2209
governments, business and labor organizations, and other state 2210
agencies in obtaining information relating to the possible 2211
relocation of operations or closing of a business establishment. 2212

Sec. 122.134. If the director of housing and development 2213
becomes aware that a business establishment is closing or 2214
relocating operations, the director, pursuant to a request 2215
received under section 122.135 of the Revised Code, may conduct 2216
an initial study of the feasibility of the employees of the 2217
business establishment establishing an employee-owned 2218
corporation to continue the operations of the business 2219
establishment, or to operate another business, and may hold an 2220
informational meeting of representatives of the local community, 2221
the business establishment, representatives of any employee 2222
organization, and affected employees to explain the services 2223
available from the department of housing and development 2224
relative to the formation of an employee-owned corporation. 2225

Sec. 122.135. Any individual, group of individuals, 2226
employees, organization of employees, or local community 2227
affected by any closing or relocation of a business 2228
establishment's operations or the proposed closing or relocation 2229
of a business establishment's operations may request, in a 2230
manner prescribed by the director of housing and development, 2231
assistance in efforts to study the feasibility of the 2232
establishment of an employee-owned corporation and any other 2233
assistance the director may provide pursuant to sections 122.13 2234

to 122.136 of the Revised Code. 2235

Sec. 122.136. The director of housing and development 2236
~~services~~ shall prepare and submit a report to the governor and 2237
the general assembly annually on or before the first day of 2238
August of the services and activities of the employee ownership 2239
assistance program for the preceding calendar year. The director 2240
shall include in the report information regarding the number, 2241
names, and locations of business establishments that have been 2242
or likely will be assisted as employee-owned corporations; 2243
recommendations on how to better operate the program; 2244
information regarding the effectiveness of the program in 2245
maintaining and improving employment in the state; and the 2246
number of individuals affected by the activities of the program. 2247

Sec. 122.14. (A) There is hereby created in the state 2248
treasury the roadwork development fund. The fund shall consist 2249
of the investment earnings of the security deposit fund created 2250
by section 4509.27 of the Revised Code and revenue transferred 2251
to it by the director of budget and management from the highway 2252
operating fund created in section 5735.051 of the Revised Code. 2253
The fund shall be used by the department of housing and 2254
development ~~services agency~~ in accordance with Section 5a of 2255
Article XII, Ohio Constitution, to make road improvements 2256
associated with retaining or attracting business for this state, 2257
including both of the following: 2258

(1) Construction, reconstruction, maintenance, or repair 2259
of public roads that provide access to a public airport or are 2260
located within a public airport; 2261

(2) Construction, reconstruction, maintenance, or repair 2262
of public roads that provide or improve access to tourism 2263
attractions. 2264

(B) All investment earnings of the fund shall be credited 2265
to the fund. 2266

Sec. 122.15. As used in this section and sections 122.151 2267
to 122.156 of the Revised Code: 2268

(A) "Affiliate" means a person that directly, or 2269
indirectly through one or more intermediaries, controls, is 2270
controlled by, or is under common control with another person. 2271
For the purposes of this division, a person is "controlled by" 2272
another person if the controlling person holds, directly or 2273
indirectly, the majority voting or ownership interest in the 2274
controlled person or has control over the day-to-day operations 2275
of the controlled person by contract or by law. 2276

(B) "Border county" means a county in this state that 2277
borders another state. 2278

(C) "Closing date" means the date on which a rural 2279
business growth fund has collected all of the amounts specified 2280
by divisions (G) (1) and (2) of section 122.151 of the Revised 2281
Code. 2282

(D) "Credit-eligible capital contribution" means an 2283
investment of cash by a person subject to the tax imposed by 2284
section 3901.86, 5725.18, 5729.03, or 5729.06 of the Revised 2285
Code in a rural business growth fund that equals the amount 2286
specified on a notice of tax credit allocation issued by the 2287
department of housing and development under division (I) (1) of 2288
section 122.151 of the Revised Code. The investment shall 2289
purchase an equity interest in the fund or purchase, at par 2290
value or premium, a debt instrument issued by the fund that 2291
meets all of the following criteria: 2292

(1) The debt instrument has an original maturity date of 2293

at least five years after the date of issuance. 2294

(2) The debt instrument has a repayment schedule that is 2295
not faster than a level principal amortization over five years. 2296

(3) The debt instrument has no interest, distribution, or 2297
payment features dependent on the fund's profitability or the 2298
success of the fund's growth investments. 2299

(E) "Eligible investment authority" means the amount 2300
stated on the notice issued under division (F) of section 2301
122.151 of the Revised Code certifying the rural business growth 2302
fund. Sixty per cent of a fund's eligible investment authority 2303
shall be comprised of credit-eligible capital contributions. 2304

(F) "Full-time equivalent employee" means the quotient 2305
obtained by dividing the total number of hours for which 2306
employees were compensated for employment over the preceding 2307
twelve-month period by two thousand eighty. 2308

(G) "Growth investment" means any capital or equity 2309
investment in a rural business concern or any loan to a rural 2310
business concern with a stated maturity of at least one year. A 2311
secured loan or the provision of a revolving line of credit to a 2312
rural business concern is a growth investment only if the rural 2313
business growth fund obtains an affidavit from the president or 2314
chief executive officer of the rural business concern attesting 2315
that the rural business concern sought and was denied similar 2316
financing from a commercial bank. 2317

(H) "Operating company" means any business that has its 2318
principal business operations in this state, has fewer than two 2319
hundred fifty employees and not more than fifteen million 2320
dollars in net income for the preceding taxable year, and that 2321
is none of the following: 2322

(1) A country club;	2323
(2) A racetrack or other facility used for gambling;	2324
(3) A store the principal purpose of which is the sale of alcoholic beverages for consumption off premises;	2325 2326
(4) A massage parlor;	2327
(5) A hot tub facility;	2328
(6) A suntan facility;	2329
(7) A business engaged in the development or holding of intangibles for sale;	2330 2331
(8) A private or commercial golf course;	2332
(9) A business that derives or projects to derive fifteen per cent or more of its net income from the rental or sale of real property, except any business that is a special purpose entity principally owned by a principal user of that property formed solely for the purpose of renting, either directly or indirectly, or selling real property back to such principal user if such principal user does not derive fifteen per cent or more of its gross annual revenue from the rental or sale of real property;	2333 2334 2335 2336 2337 2338 2339 2340 2341
(10) A publicly traded business.	2342
For the purposes of this division, "net income" means federal gross income as required to be reported under the Internal Revenue Code less federal and state taxes imposed on or measured by income.	2343 2344 2345 2346
(I) "Population" means that shown by the most recent decennial census or the most recent annual population estimate published or released by the United States census bureau,	2347 2348 2349

whichever is more recent. 2350

(J) A business's "principal business operations" are in 2351
this state if at least eighty per cent of the business's 2352
employees reside in this state, the individuals who receive 2353
eighty per cent of the business's payroll reside in this state, 2354
or the business has agreed to use the proceeds of a growth 2355
investment to relocate at least eighty per cent of its employees 2356
to this state or pay at least eighty per cent of its payroll to 2357
individuals residing in this state. For the purpose of growth 2358
investments by a program two rural business growth fund, a 2359
business's "principal business operations" are also in this 2360
state if it is headquartered in a border county and at least 2361
sixty-five per cent of the business's employees reside in this 2362
state, the individuals who receive sixty-five per cent of the 2363
business's payroll reside in this state, or the business has 2364
agreed to use the proceeds of a growth investment to relocate at 2365
least sixty-five per cent of its employees to this state or pay 2366
at least sixty-five per cent of its payroll to individuals 2367
residing in this state. 2368

(K) "Program one" refers to rural business growth funds 2369
certified by the department of housing and development under 2370
section 122.151 of the Revised Code before ~~the effective date of~~ 2371
~~this amendment~~ September 30, 2021. 2372

(L) "Program two" refers to rural business growth funds 2373
certified by the department of housing and development under 2374
section 122.151 of the Revised Code on or after ~~the effective~~ 2375
~~date of this amendment~~ September 30, 2021. 2376

(M) "Rural area" means any county in this state having a 2377
population less than two hundred thousand. 2378

(N) "Rural business concern" means an operating company 2379
that has its principal business operations located in a rural 2380
area. 2381

(O) "Rural business growth fund" and "fund" mean an entity 2382
certified by the department of housing and development under 2383
section 122.151 of the Revised Code. 2384

(P) "Taxable year" means the calendar year ending on the 2385
thirty-first day of December next preceding the day the annual 2386
statement is required to be returned under section 5725.18 or 2387
5729.02 of the Revised Code. 2388

(Q) "Tier one rural area" means any county in this state 2389
having a population less than two hundred thousand and more than 2390
one hundred fifty thousand. 2391

(R) "Tier two rural area" means any county in this state 2392
having a population of more than seventy-five thousand but not 2393
more than one hundred fifty thousand. 2394

(S) "Tier three rural area" means any county in this state 2395
having a population of not more than seventy-five thousand. 2396

Sec. 122.151. (A) A person that has developed a business 2397
plan to invest in rural business concerns in this state and has 2398
successfully solicited private investors to make credit-eligible 2399
capital contributions in support of the plan may apply to the 2400
department of housing and development for certification as a 2401
rural business growth fund. The application shall include all of 2402
the following: 2403

(1) The total eligible investment authority sought by the 2404
applicant under the business plan; 2405

(2) Documents and other evidence sufficient to prove, to 2406

the satisfaction of the agency, that the applicant meets all of 2407
the following criteria: 2408

(a) The applicant or an affiliate of the applicant is 2409
licensed as a rural business investment company under 7 U.S.C. 2410
2009cc, or as a small business investment company under 15 2411
U.S.C. 681. 2412

(b) As of the date the application is submitted, the 2413
applicant has invested more than one hundred million dollars in 2414
operating companies, including at least fifty million dollars in 2415
operating companies located in rural areas. In computing 2416
investments under this division, the applicant may include 2417
investments made by affiliates of the applicant and investments 2418
made in businesses that are not operating companies but would 2419
qualify as operating companies if the principal business 2420
operations were located in this state. 2421

(3) The industries in which the applicant proposes to make 2422
growth investments and the percentage of the growth investments 2423
that will be made in each industry. The applicant shall identify 2424
each industry by using the codes utilized by the north American 2425
industry classification system. 2426

(4) An estimate of the number of new full-time equivalent 2427
employees and retained full-time equivalent employees that will 2428
result from the applicant's growth investments; 2429

(5) A revenue impact assessment for the applicant's 2430
proposed growth investments prepared by a nationally recognized 2431
third-party independent economic forecasting firm using a 2432
dynamic economic forecasting model. The revenue impact 2433
assessment shall analyze the applicant's business plan over the 2434
ten years following the date the application is submitted to the 2435

agency. 2436

(6) A signed affidavit from each investor successfully 2437
solicited by the applicant to make a credit eligible capital 2438
contribution in support of the business plan. Each affidavit 2439
shall include information sufficient for the agency and the 2440
superintendent of insurance to identify the investor and shall 2441
state the amount of the investor's credit-eligible capital 2442
contribution. 2443

(7) A nonrefundable application fee of five thousand 2444
dollars. 2445

(B) (1) Except as provided in division (B) (2) of this 2446
section, the agency shall review and make a determination with 2447
respect to each application submitted under division (A) of this 2448
section within sixty days of receipt. The agency shall review 2449
and make determinations on the applications in the order in 2450
which the applications are received by the agency. Applications 2451
received by the agency on the same day shall be deemed to have 2452
been received simultaneously. The agency shall approve not more 2453
than seventy-five million dollars in eligible investment 2454
authority and not more than forty-five million dollars in 2455
credit-eligible capital contributions under this section for 2456
program one rural business growth funds. The agency shall 2457
approve not more than seventy-five million dollars in eligible 2458
investment authority and not more than forty-five million 2459
dollars in credit-eligible contributions under this section for 2460
program two rural business growth funds. 2461

(2) If the agency denies an application for certification 2462
as a fund, and approving a subsequently submitted application 2463
would result in exceeding the dollar limitation on eligible 2464
investment authority or credit-eligible contributions prescribed 2465

by division (B) (1) of this section assuming the previously 2466
denied application were completed, clarified, or cured under 2467
division (D) of this section, the agency shall refrain from 2468
making a determination on the subsequently submitted application 2469
until the previously denied application is reconsidered or the 2470
fifteen-day period for submitting additional information 2471
respecting that application has passed, whichever comes first. 2472

(C) The agency shall deny an application submitted under 2473
this section if any of the following are true: 2474

(1) The application is incomplete. 2475

(2) The application fee is not paid in full. 2476

(3) The applicant does not satisfy all the criteria 2477
described in division (A) (2) of this section. 2478

(4) The revenue impact assessment submitted under division 2479
(A) (5) of this section does not demonstrate that the applicant's 2480
business plan will result in a positive economic impact on this 2481
state over a ten-year period that exceeds the cumulative amount 2482
of tax credits that would be issued under section 122.152 of the 2483
Revised Code if the application were approved. 2484

(5) The credit-eligible capital contributions described in 2485
affidavits submitted under division (A) (6) of this section do 2486
not equal sixty per cent of the total amount of eligible 2487
investment authority sought under the applicant's business plan. 2488

(6) The agency has already approved the maximum total 2489
eligible investment authority and credit-eligible capital 2490
contributions allowed under division (B) of this section. 2491

(D) If the agency denies an application under division (C) 2492
of this section, the agency shall send notice of its 2493

determination to the applicant. The notice shall include the 2494
reason or reasons that the application was denied. If the 2495
application was denied for any reason other than the reason 2496
specified in division (C) (6) of this section, the applicant may 2497
provide additional information to the agency to complete, 2498
clarify, or cure defects in the application. The additional 2499
information must be submitted within fifteen days after the date 2500
the notice of denial was dispatched by the agency. If the person 2501
submits additional information within fifteen days, the agency 2502
shall reconsider the application within thirty days after 2503
receiving the additional information. The application shall be 2504
reviewed and considered before any pending application submitted 2505
after the original submission date of the reconsidered 2506
application. If the person does not submit additional 2507
information within fifteen days after dispatch of the notice of 2508
denial, the person may submit a new application with a new 2509
submission date at any time. 2510

(E) If approving multiple simultaneously submitted 2511
applications would result in exceeding the overall eligible 2512
investment limit prescribed by division (B) of this section, the 2513
agency shall proportionally reduce the eligible investment 2514
authority and the credit-eligible capital contributions for each 2515
approved application as necessary to avoid exceeding the limit. 2516

(F) The agency shall not deny a rural business growth fund 2517
application or reduce the requested eligible investment 2518
authority for reasons other than those described in divisions 2519
(C) and (E) of this section. If the agency approves such an 2520
application, the agency shall issue a written notice to the 2521
applicant certifying that the applicant qualifies as a rural 2522
business growth fund and specifying the amount of the 2523
applicant's eligible investment authority. 2524

(G) A fund shall do all of the following within sixty days 2525
after receiving the certification issued under division (F) of 2526
this section: 2527

(1) Collect the credit-eligible capital contributions from 2528
each investor whose affidavit was included in the application. 2529
If the rural business growth fund's requested eligible 2530
investment authority is proportionally reduced under division 2531
(E) of this section, the investor's required credit-eligible 2532
capital contribution shall be reduced by the same proportion. 2533

(2) Collect one or more investments of cash that, when 2534
added to the contributions collected under division (G) (1) of 2535
this section, equal the fund's eligible investment authority. At 2536
least ten per cent of the fund's eligible investment authority 2537
shall be comprised of equity investments contributed directly or 2538
indirectly by affiliates of the fund, including employees, 2539
officers, and directors of such affiliates. 2540

(H) Within sixty-five days after receiving the 2541
certification issued under division (F) (1) of this section, the 2542
fund shall send to the agency documentation sufficient to prove 2543
that the amounts described in divisions (G) (1) and (2) of this 2544
section have been collected. The fund shall identify any 2545
affiliate of an investor described in division (G) (1) of this 2546
section that will seek to claim the credit allowed by section 2547
122.152 of the Revised Code. If the fund fails to fully comply 2548
with division (G) of this section, the fund's certification 2549
shall lapse. 2550

Eligible investment authority and corresponding credit- 2551
eligible capital contributions that lapse under this division do 2552
not count toward limits on total eligible investment authority 2553
and credit-eligible capital contributions prescribed by division 2554

(B) of this section. Once eligible investment authority has 2555
lapsed, the agency shall first award lapsed authority pro rata 2556
to each fund that was awarded less than the requested eligible 2557
investment authority because of the operation of division (E) of 2558
this section. Any remaining eligible investment authority may be 2559
awarded by the agency to new applicants. 2560

(I) After receiving documentation sufficient to prove that 2561
the amounts described in divisions (G) (1) and (2) of this 2562
section have been collected, the agency shall issue the 2563
following notices: 2564

(1) To each investor or affiliate identified in division 2565
(H) of this section, a notice of the amount and utilization 2566
schedule of the tax credits allocated to that investor or 2567
affiliate as a result of its credit-eligible capital 2568
contribution; 2569

(2) To the superintendent of insurance, a notice of the 2570
amount and utilization schedule of the tax credits allocated to 2571
each investor described in division (G) (1) of this section and 2572
any affiliate of such investor who will seek to claim the credit 2573
allowed by section 122.152 of the Revised Code. 2574

(J) Application fees submitted to the agency pursuant to 2575
division (A) (7) of this section shall be credited to the tax 2576
incentives operating fund created under section 122.174 of the 2577
Revised Code, and shall be used by the agency to administer 2578
sections 122.15 to 122.156 of the Revised Code. 2579

Sec. 122.152. (A) There is hereby allowed a nonrefundable 2580
tax credit for owners of tax credit certificates issued by the 2581
department of housing and development ~~services agency~~ under 2582
division (B) of this section. The credit may be claimed against 2583

the tax imposed by section 3901.86, 5725.18, 5729.03, or 5729.06 2584
of the Revised Code. 2585

(B) On the closing date, a taxpayer that made a credit- 2586
eligible capital contribution to a rural business growth fund 2587
shall be eligible for a credit equal to the amount specified in 2588
the notice issued under division (I)(1) of section 122.151 of 2589
the Revised Code. On or before the third, fourth, fifth, and 2590
sixth anniversary dates of the closing date, the ~~agency-~~ 2591
department shall issue a tax credit certificate to the taxpayer 2592
specifying the corresponding anniversary date and a credit 2593
amount equal to one-fourth of the total credit authorized under 2594
this section. The taxpayer or its identified affiliate may claim 2595
the credit amount for the taxable year that includes the date 2596
specified on the certificate. The taxpayer making a credit- 2597
eligible capital contribution and the issuance of a tax credit 2598
certificate by the ~~agency-~~department does not represent a 2599
verification or certification by the ~~agency-~~department of 2600
compliance with the recapture provisions of section 122.153 of 2601
the Revised Code. The tax credit issued under this division is 2602
subject to recapture under section 122.153 of the Revised Code. 2603

(C) The credit shall be claimed in the order required 2604
under section 5725.98 or 5729.98 of the Revised Code as 2605
applicable. If the amount of the credit for a taxable year 2606
exceeds the tax otherwise due for that year, the excess may be 2607
carried forward for not more than four ensuing taxable years. A 2608
taxpayer claiming a credit under this section shall submit a 2609
copy of the tax credit certificate with the taxpayer's annual 2610
statement for each taxable year in which the credit is claimed. 2611

Sec. 122.153. (A) The department of housing and 2612
development shall not be required to issue a tax credit 2613

certificate under section 122.152 of the Revised Code if either 2614
of the following applies: 2615

(1) The credit-eligible capital contribution was made in a 2616
program one rural business growth fund that fails to: 2617

(a) Invest fifty per cent of its eligible investment 2618
authority in growth investments within one year of the closing 2619
date; and 2620

(b) Invest one hundred per cent of its eligible investment 2621
authority in growth investments in this state within two years 2622
of the closing date. 2623

(2) The credit eligible contribution was made in a program 2624
two rural business growth fund that fails to: 2625

(a) Invest twenty-five per cent of its eligible investment 2626
authority in growth investments within one year of the closing 2627
date; 2628

(b) Invest fifty per cent of its eligible investment 2629
authority in growth investments within two years of the closing 2630
date; and 2631

(c) Invest one hundred per cent of its eligible investment 2632
authority in growth investments within three years of the 2633
closing date, including seventy-five per cent of its eligible 2634
investment authority in rural business concerns that have their 2635
principal business operations in tier two or tier three rural 2636
areas, and twenty-five per cent of its eligible investment 2637
authority in rural business concerns that have their principal 2638
business operations in tier three rural areas. The amount by 2639
which a rural business growth fund's growth investments in rural 2640
business concerns that have their principal business operations 2641
in tier one rural areas exceeds twenty-five per cent of the 2642

fund's eligible investment authority shall not count towards the 2643
satisfaction of the requirements prescribed by division (A) (2) 2644
(c) of this section. 2645

(B) The agency shall recapture tax credits claimed under 2646
section 122.152 of the Revised Code if any of the following 2647
occur with respect to the rural business growth fund: 2648

(1) The fund, after investing one hundred per cent of its 2649
eligible investment authority in growth investments in this 2650
state, fails to maintain that investment until the sixth 2651
anniversary of the closing date. For the purposes of this 2652
division, an investment is maintained even if the investment is 2653
sold or repaid so long as the fund reinvests an amount equal to 2654
the capital returned or recovered by the fund from the original 2655
investment, exclusive of any profits realized, in other growth 2656
investments in this state within one year of the receipt of such 2657
capital. 2658

(2) The fund makes a distribution or payment after the 2659
fund complies with division (G) of section 122.151 of the 2660
Revised Code and before the fund decertifies under division (D) 2661
of this section that results in the fund having less than one 2662
hundred per cent of its eligible investment authority invested 2663
in growth investments in this state. 2664

(3) The fund makes a growth investment in a rural business 2665
concern that directly or indirectly through an affiliate owns, 2666
has the right to acquire an ownership interest, makes a loan to, 2667
or makes an investment in the fund, an affiliate of the fund, or 2668
an investor in the fund. Division (A) (3) of this section does 2669
not apply to investments in publicly traded securities by a 2670
rural business concern or an owner or affiliate of a rural 2671
business concern. 2672

Before recapturing one or more tax credits under this 2673
division, the agency shall notify the fund of the reasons for 2674
the pending recapture. If the fund corrects the violations 2675
outlined in the notice to the satisfaction of the agency within 2676
thirty days of the date the notice was dispatched, the agency 2677
shall not recapture the tax credits. 2678

(C) (1) The amount by which one or more growth investments 2679
by a program one rural business growth fund in the same rural 2680
business concern exceeds twenty per cent of the fund's eligible 2681
investment authority shall not be counted as a growth investment 2682
for the purposes of this section. The amount by which one or 2683
more growth investments by a program two rural business growth 2684
fund in the same business concern exceeds five million dollars 2685
shall not be counted as a growth investment for the purposes of 2686
this section. A growth investment returned or repaid by a rural 2687
business concern to a program one or program two rural business 2688
growth fund and then reinvested by the fund in the same rural 2689
business concern does not count as an investment in the same 2690
rural business concern for the purposes of the limitations 2691
prescribed by division (C) (1) of this section. 2692

(2) The aggregate amount of growth investments by all 2693
rural business growth funds in the same rural business concern, 2694
including amounts reinvested in a rural business concern 2695
following a returned or repayment of a growth investment, shall 2696
not exceed fifteen million dollars. 2697

(3) A growth investment in an affiliate of a rural 2698
business concern shall be treated as a growth investment in that 2699
rural business concern for the purposes of division (C) of this 2700
section. 2701

(D) If the agency recaptures a tax credit under this 2702

section, the agency shall notify the superintendent of insurance 2703
of the recapture. The superintendent shall make an assessment 2704
under Chapter 5725. or 5729. of the Revised Code for the amount 2705
of the credit claimed by each certificate owner associated with 2706
the fund before the recapture was finalized. The time 2707
limitations on assessments under those chapters do not apply to 2708
an assessment under this division, but the superintendent shall 2709
make the assessment within one year after the date the agency 2710
notifies the superintendent of the recapture. Following the 2711
recapture of a tax credit under this section, no tax credit 2712
certificate associated with the fund may be utilized. 2713
Notwithstanding division (B) of section 122.152 of the Revised 2714
Code, if a tax credit is recaptured under this section the 2715
agency shall not issue future tax credit certificates to 2716
taxpayers that made credit-eligible capital contributions to the 2717
fund. 2718

(E) (1) On or after the sixth anniversary of the closing 2719
date, a fund that has not committed any of the acts described in 2720
division (B) of this section may apply to the agency to 2721
decertify as a rural business growth fund. The agency shall 2722
respond to the application within sixty days after receiving the 2723
application. In evaluating the application, the fact that no tax 2724
credit has been recaptured with respect to the fund shall be 2725
sufficient evidence to prove that the fund is eligible for 2726
decertification. The agency shall not unreasonably deny an 2727
application submitted under this division. 2728

(2) The agency shall send notice of its determination with 2729
respect to an application submitted under division (E) (1) of 2730
this section to the fund. If the application is denied, the 2731
notice shall include the reason or reasons for the 2732
determination. 2733

(3) The agency shall not recapture a tax credit due to any actions of a fund that occur after the date the fund's application for decertification is approved. Division (E) (3) of this section does not prohibit the agency from recapturing a tax credit due to the actions of a fund that occur before the date the fund's application for decertification is approved, even if those actions are discovered after that date.

Sec. 122.154. (A) Each rural business growth fund shall submit a report to the department of housing and development on or before the first day of each March following the end of the calendar year that includes the closing date until the calendar year after the fund has decertified. The report shall provide an itemization of the fund's growth investments and shall include the following documents and information:

(1) A bank statement evidencing each growth investment;

(2) The name, location, and industry class of each business that received a growth investment from the fund and evidence that the business qualified as a rural business concern at the time the investment was made. If the fund obtained a written opinion from the agency on the business's status as a rural business concern under section 122.156 of the Revised Code, or if the fund makes a written request for such an opinion and the agency failed to respond within thirty days as required by that section, a copy of the agency's favorable opinion or a dated copy of the fund's unanswered request, as applicable, shall be sufficient evidence that the business qualified as a rural business concern at the time the investment was made.

(3) The number of employment positions that existed at each business described in division (A) (2) of this section on the date the business received the growth investment;

(4) The number of new full-time equivalent employees 2764
resulting from each of the fund's growth investments made or 2765
maintained in the preceding calendar year; 2766

(5) Any other information required by the agency. 2767

(B) Each fund shall submit a report to the agency on or 2768
before the fifth business day after the first, second, and for 2769
program two funds, third anniversaries of the closing date that 2770
provides documentation sufficient to prove that the fund has met 2771
the investment thresholds described in division (A) of section 2772
122.153 of the Revised Code and has not implicated any of the 2773
other recapture provisions described in division (B) of that 2774
section. 2775

(C) Each certified rural business growth fund shall pay 2776
the agency an annual fee of twenty thousand dollars. The initial 2777
annual fee required of a fund shall be due and payable to the 2778
agency along with the submission of documentation required under 2779
division (H) of section 122.151 of the Revised Code. Each 2780
subsequent annual fee is due and payable on the last day of 2781
February following the first and each ensuing anniversary of the 2782
closing date. If the fund is required to submit an annual report 2783
under division (A) of this section, the annual fee shall be 2784
submitted along with the report. No fund shall be required to 2785
pay an annual fee after the fund has decertified under section 2786
122.153 of the Revised Code. Annual fees paid to the agency 2787
under this section shall be credited to the tax incentives 2788
operating fund created under section 122.174 of the Revised 2789
Code. 2790

(D) The director of housing and development, after 2791
consultation with the superintendent of insurance and in 2792
accordance with Chapter 119. of the Revised Code, may adopt 2793

rules necessary to implement sections 122.15 to 122.156 of the Revised Code. 2794
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Sec. 122.155. (A) (1) For each calendar year in which a rural business growth fund makes or maintains a growth investment in a rural business concern in this state, the fund shall determine the number of new full-time equivalent employees produced at the business concern as a result of the investment. New full-time equivalent employees shall be computed by subtracting the number of full-time equivalent employees at the rural business concern on the date of the fund's initial growth investment in the rural business concern from the number of full-time equivalent employees at the rural business concern on the last day of the calendar year. If the computation results in a number less than zero, the number of new full-time equivalent employees, produced by the fund's growth investment for that calendar year period shall be zero. Only employees with an hourly wage rate of at least one hundred fifty per cent of the federal minimum wage may be considered in computing the number of new full-time equivalent employees for the purposes of this section. 2796
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(2) A fund may determine and include, for the purposes of this section and section 122.154 of the Revised Code, the number of new full-time equivalent employees produced at a rural business concern after the year in which the fund's growth investment is repaid or redeemed. The new full-time equivalent employees shall be computed in the same manner as in division (A) (1) of this section based on reporting information provided by the rural business concern to the fund. 2814
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(B) After a fund's application for decertification is approved under section 122.153 of the Revised Code, the fund 2822
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shall determine the state reimbursement amount. The state 2824
reimbursement amount shall equal the amount by which the fund's 2825
credit-eligible capital contributions exceed the product 2826
obtained by multiplying thirty thousand dollars by the aggregate 2827
number of new full-time equivalent employees for the fund. If 2828
that product is greater than the fund's credit-eligible capital 2829
contributions, the state reimbursement amount shall equal zero. 2830
In the absence of additional information provided by the fund or 2831
discovered by the agency, the number of new full-time equivalent 2832
employees for the purposes of this division equals the sum of 2833
all new full-time equivalent employees reported by the fund on 2834
the annual reports required under section 122.154 of the Revised 2835
Code. 2836

(C) After the state reimbursement amount is computed under 2837
division (B) of this section, the fund shall not be permitted to 2838
make further distributions to equity holders of the fund, 2839
including investors that are equity holders of the funds without 2840
first remitting the state reimbursement amount to the agency. 2841
All amounts received by the agency under this division shall be 2842
credited to the general revenue fund. 2843

(D) The director of housing and development services, upon 2844
the request of a fund, may waive all or a portion of the 2845
remission required under division (C) of this section if the 2846
director determines, based on an affidavit of the chief 2847
executive officer or president of a rural business concern, that 2848
the growth investments of the fund resulted in the retention of 2849
employment positions that would have otherwise been eliminated 2850
at rural business concerns in this state. The amount waived 2851
shall not exceed the product of thirty thousand dollars 2852
multiplied by the number of retained employment positions 2853
multiplied by the number of years in which the fund made or 2854

maintained a growth investment in the rural business concern 2855
that retained the employment positions. 2856

Sec. 122.156. A rural business growth fund, before 2857
investing in a business, may request a written opinion from the 2858
department of housing and development as to whether the business 2859
qualifies as a rural business concern based on the criteria 2860
prescribed by section 122.15 of the Revised Code. The request 2861
shall be submitted in a form prescribed by rule of the agency. 2862
The agency shall issue a written opinion to the fund within 2863
thirty business days of receiving such a request. 2864
Notwithstanding division (J) of section 122.15 of the Revised 2865
Code, if the agency determines that the business qualifies as a 2866
rural business concern or if the agency fails to timely issue 2867
the written opinion as required under this section, the business 2868
shall be considered a rural business concern for the purposes of 2869
sections 122.15 to 122.156 of the Revised Code. 2870

Sec. 122.16. (A) As used in this section: 2871

(1) "Distressed area" means either a municipal corporation 2872
that has a population of at least fifty thousand according to 2873
the most recent federal decennial census published by the United 2874
States census bureau, or a county, that meets at least two of 2875
the following criteria: 2876

(a) Its average rate of unemployment, during the most 2877
recent five-year period for which local area unemployment 2878
statistics published by the United States bureau of labor 2879
statistics are available, as of the date the most recent federal 2880
decennial census was published, is equal to or greater than one 2881
hundred twenty-five per cent of the average rate of unemployment 2882
for the United States for the same period. 2883

(b) (i) In the case of a county, its per capita personal 2884
income is equal to or less than eighty per cent of the per 2885
capita personal income of the United States as determined by the 2886
most recently available data from the United States department 2887
of commerce, bureau of economic analysis as of the date the most 2888
recent federal decennial census was published. 2889

(ii) In the case of a municipal corporation, its per 2890
capita income is equal to or less than eighty per cent of the 2891
per capita income of the United States as determined by the most 2892
recently available five-year estimates published in the American 2893
community survey as of the date the most recent federal 2894
decennial census was published. 2895

(c) (i) In the case of a county, its ratio of personal 2896
current transfer receipts to total personal income is equal to 2897
or greater than twenty-five per cent, as determined by the most 2898
recently available data from the United States department of 2899
commerce, bureau of economic analysis as of the date the most 2900
recent federal decennial census was published. 2901

(ii) In the case of a municipal corporation, the 2902
percentage of its residents with incomes below the official 2903
poverty line is equal to or greater than twenty per cent as 2904
determined by the most recently available five-year estimates 2905
published in the American community survey as of the date the 2906
most recent federal decennial census was published. 2907

If a federal agency ceases to publish the applicable data 2908
described in division (A) (1) of this section, the director of 2909
housing and development shall designate, on the department of 2910
housing and development's web site, an alternative source of the 2911
applicable data published by a federal agency or, if no such 2912
source is available, another reliable source. 2913

(2) "Eligible area" means a distressed area, a labor surplus area, an inner city area, or a situational distress area. 2914
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(3) "Eligible costs associated with a voluntary action" means costs incurred during the qualifying period in performing a remedy or remedial activities, as defined in section 3746.01 of the Revised Code, and any costs incurred during the qualifying period in performing both a phase I and phase II property assessment, as defined in the rules adopted under section 3746.04 of the Revised Code, provided that the performance of the phase I and phase II property assessment resulted in the implementation of the remedy or remedial activities. 2917
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(4) "Inner city area" means, in a municipal corporation that has a population of at least one hundred thousand and does not meet the criteria of a labor surplus area or a distressed area, targeted investment areas established by the municipal corporation within its boundaries that are comprised of the most recent census block tracts that individually have at least twenty per cent of their population at or below the state poverty level or other census block tracts contiguous to such census block tracts. 2927
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(5) "Labor surplus area" means an area designated as a labor surplus area by the United States department of labor. 2936
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(6) "Official poverty line" has the same meaning as in division (A) of section 3923.51 of the Revised Code. 2938
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(7) "Partner" includes a member of a limited liability company formed under Chapter 1705. or 1706. of the Revised Code or under the laws of any other state if the limited liability 2940
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company is not treated as a corporation for purposes of Chapter 2943
5733. of the Revised Code and is not classified as an 2944
association taxable as a corporation for federal income tax 2945
purposes. 2946

(8) "Partnership" includes a limited liability company 2947
formed under Chapter 1705. or 1706. of the Revised Code or under 2948
the laws of any other state if the limited liability company is 2949
not treated as a corporation for purposes of Chapter 5733. of 2950
the Revised Code and is not classified as an association taxable 2951
as a corporation for federal income tax purposes. 2952

(9) "Qualifying period" means the period that begins July 2953
1, 1996, and ends June 30, 1999. 2954

(10) "S corporation" means a corporation that has made an 2955
election under subchapter S of chapter one of subtitle A of the 2956
Internal Revenue Code for its taxable year under the Internal 2957
Revenue Code; 2958

(11) "Situational distress area" means a county or a 2959
municipal corporation that has experienced or is experiencing a 2960
closing or downsizing of a major employer that will adversely 2961
affect the economy of the county or municipal corporation. In 2962
order for a county or municipal corporation to be designated as 2963
a situational distress area, the governing body of the county or 2964
municipal corporation shall submit a petition to the director of 2965
housing and development in the form prescribed by the director. 2966
A county or municipal corporation may be designated as a 2967
situational distress area for a period not exceeding thirty-six 2968
months. 2969

The petition shall include written documentation that 2970
demonstrates all of the following: 2971

(a) The number of jobs lost by the closing or downsizing;	2972
(b) The impact that the job loss has on the unemployment rate of the county or municipal corporation as measured by the director of job and family services;	2973 2974 2975
(c) The annual payroll associated with the job loss;	2976
(d) The amount of state and local taxes associated with the job loss;	2977 2978
(e) The impact that the closing or downsizing has on the suppliers located in the county or municipal corporation.	2979 2980
(12) "Voluntary action" has the same meaning as in section 3746.01 of the Revised Code.	2981 2982
(13) "Taxpayer" means a corporation subject to the tax imposed by section 5733.06 of the Revised Code or any person subject to the tax imposed by section 5747.02 of the Revised Code.	2983 2984 2985 2986
(14) "Governing body" means the board of county commissioners of a county, the board of township trustees of a township, or the legislative authority of a municipal corporation.	2987 2988 2989 2990
(15) "Eligible site" means property for which a covenant not to sue has been issued under section 3746.12 of the Revised Code.	2991 2992 2993
(16) "American community survey" means the supplementary statistics collected and published annually by the United States census bureau in accordance with 13 U.S.C. 141 and 193.	2994 2995 2996
(B) (1) A taxpayer, partnership, or S corporation that has been issued, under section 3746.12 of the Revised Code, a	2997 2998

covenant not to sue for a site by the director of environmental protection during the qualifying period may apply to the director of housing and development, in the manner prescribed by the director, to enter into an agreement under which the applicant agrees to economically redevelop the site in a manner that will create employment opportunities and a credit will be granted to the applicant against the tax imposed by section 5733.06 or 5747.02 of the Revised Code. The application shall state the eligible costs associated with a voluntary action incurred by the applicant. The application shall be accompanied by proof, in a form prescribed by the director of housing and development, that the covenant not to sue has been issued.

The applicant shall request the certified professional that submitted the no further action letter for the eligible site under section 3746.11 of the Revised Code to submit an affidavit to the director of housing and development verifying the eligible costs associated with the voluntary action at that site.

The director shall review the applications in the order they are received. If the director determines that the applicant meets the requirements of this section, the director may enter into an agreement granting a credit against the tax imposed by section 5733.06 or 5747.02 of the Revised Code. In making the determination, the director may consider the extent to which political subdivisions and other units of government will cooperate with the applicant to redevelop the eligible site. The agreement shall state the amount of the tax credit and the reporting requirements described in division (F) of this section.

(2) The maximum annual amount of credits the director of

housing and development may grant under such agreements shall be 3029
as follows: 3030

1996 \$5,000,000 3031

1997 \$10,000,000 3032

1998 \$10,000,000 3033

1999 \$5,000,000 3034

For any year in which the director of housing and 3035
development does not grant tax credits under this section equal 3036
to the maximum annual amount, the amount not granted for that 3037
year shall be added to the maximum annual amount that may be 3038
granted for the following year. However, the director shall not 3039
grant any tax credits under this section after June 30, 1999. 3040

(C) (1) If the covenant not to sue was issued in connection 3041
with a site that is not located in an eligible area, the credit 3042
amount is equal to the lesser of five hundred thousand dollars 3043
or ten per cent of the eligible costs associated with a 3044
voluntary action incurred by the taxpayer, partnership, or S 3045
corporation. 3046

(2) If a covenant not to sue was issued in connection with 3047
a site that is located in an eligible area, the credit amount is 3048
equal to the lesser of seven hundred fifty thousand dollars or 3049
fifteen per cent of the eligible costs associated with a 3050
voluntary action incurred by the taxpayer, partnership, or S 3051
corporation. 3052

(3) A taxpayer, partnership, or S corporation that has 3053
been issued covenants not to sue under section 3746.12 of the 3054
Revised Code for more than one site may apply to the director of 3055
housing and development to enter into more than one agreement 3056

granting a credit against the tax imposed by section 5733.06 or 3057
5747.02 of the Revised Code. 3058

(4) For each year for which a taxpayer, partnership, or S 3059
corporation has been granted a credit under an agreement entered 3060
into under this section, the director of housing and development 3061
shall issue a certificate to the taxpayer, partnership, or S 3062
corporation indicating the amount of the credit the taxpayer, 3063
the partners of the partnership, or the shareholders of the S 3064
corporation may claim for that year, not including any amount 3065
that may be carried forward from previous years under section 3066
5733.34 of the Revised Code. 3067

(D) (1) Each agreement entered into under this section 3068
shall incorporate a commitment by the taxpayer, partnership, or 3069
S corporation not to permit the use of an eligible site to cause 3070
the relocation of employment positions to that site from 3071
elsewhere in this state, except as otherwise provided in 3072
division (D) (2) of this section. The commitment shall be binding 3073
on the taxpayer, partnership, or S corporation for the lesser of 3074
five years from the date the agreement is entered into or the 3075
number of years the taxpayer, partnership, or S corporation is 3076
entitled to claim the tax credit under the agreement. 3077

(2) An eligible site may be the site of employment 3078
positions relocated from elsewhere in this state if the director 3079
of housing and development determines both of the following: 3080

(a) That the site from which the employment positions 3081
would be relocated is inadequate to meet market and industry 3082
conditions, expansion plans, consolidation plans, or other 3083
business considerations affecting the relocating employer; 3084

(b) That the governing body of the county, township, or 3085

municipal corporation from which the employment positions would 3086
be relocated has been notified of the possible relocation. 3087

For purposes of this section, the movement of an 3088
employment position from one political subdivision to another 3089
political subdivision shall be considered a relocation of an 3090
employment position, but the transfer of an individual employee 3091
from one political subdivision to another political subdivision 3092
shall not be considered a relocation of an employment position 3093
as long as the individual's employment position in the first 3094
political subdivision is refilled. 3095

(E) A taxpayer, partnership, or S corporation that has 3096
entered into an agreement granting a credit against the tax 3097
imposed by section 5733.06 or 5747.02 of the Revised Code that 3098
subsequently recovers in a lawsuit or settlement of a lawsuit at 3099
least seventy-five per cent of the eligible costs associated 3100
with a voluntary action shall not claim any credit amount 3101
remaining, including any amounts carried forward from prior 3102
years, beginning with the taxable year in which the judgment in 3103
the lawsuit is entered or the settlement is finally agreed to. 3104

Any amount of credit that a taxpayer, partnership, or S 3105
corporation may not claim by reason of this division shall not 3106
be considered to have been granted for the purpose of 3107
determining the total amount of credits that may be issued under 3108
division (B) (2) of this section. 3109

(F) Each year for which a taxpayer, partnership, or S 3110
corporation claims a credit under section 5733.34 of the Revised 3111
Code, the taxpayer, partnership, or S corporation shall report 3112
the following to the director of housing and development: 3113

(1) The status of all cost recovery litigation described 3114

in division (E) of this section to which it was a party during 3115
the previous year; 3116

(2) Confirmation that the covenant not to sue has not been 3117
revoked or has not been voided; 3118

(3) Confirmation that the taxpayer, partnership, or S 3119
corporation has not permitted the eligible site to be used in 3120
such a manner as to cause the relocation of employment positions 3121
from elsewhere in this state in violation of the commitment 3122
required under division (D) of this section; 3123

(4) Any other information the director of housing and 3124
development requires to perform the director's duties under this 3125
section. 3126

(G) The director of housing and development shall annually 3127
certify, by the first day of January of each year during the 3128
qualifying period, the eligible areas for the calendar year that 3129
includes that first day of January. 3130

(H) The director of housing and development, in accordance 3131
with Chapter 119. of the Revised Code, shall adopt rules 3132
necessary to implement this section, including rules prescribing 3133
forms required for administering this section. 3134

Sec. 122.17. (A) As used in this section: 3135

(1) "Payroll" means the total taxable income paid by the 3136
employer during the employer's taxable year, or during the 3137
calendar year that includes the employer's tax period, to each 3138
employee or each home-based employee employed in the project to 3139
the extent such payroll is not used to determine the credit 3140
under section 122.171 of the Revised Code. "Payroll" excludes 3141
amounts paid before the day the taxpayer becomes eligible for 3142
the credit and retirement or other benefits paid or contributed 3143

by the employer to or on behalf of employees. 3144

(2) "Baseline payroll" means Ohio employee payroll, except 3145
that the applicable measurement period is the twelve months 3146
immediately preceding the date the tax credit authority approves 3147
the taxpayer's application or the date the tax credit authority 3148
receives the recommendation described in division (C) (2) (a) of 3149
this section, whichever occurs first, multiplied by the sum of 3150
one plus an annual pay increase factor to be determined by the 3151
tax credit authority. 3152

(3) "Ohio employee payroll" means the amount of 3153
compensation used to determine the withholding obligations in 3154
division (A) of section 5747.06 of the Revised Code and paid by 3155
the employer during the employer's taxable year, or during the 3156
calendar year that includes the employer's tax period, to the 3157
following: 3158

(a) An employee employed in the project who is a resident 3159
of this state including a qualifying work-from-home employee not 3160
designated as a home-based employee by an applicant under 3161
division (C) (1) of this section; 3162

(b) An employee employed at the project location who is 3163
not a resident and whose compensation is not exempt from the tax 3164
imposed under section 5747.02 of the Revised Code pursuant to a 3165
reciprocity agreement with another state under division (A) (3) 3166
of section 5747.05 of the Revised Code; 3167

(c) A home-based employee employed in the project. 3168

"Ohio employee payroll" excludes any such compensation to 3169
the extent it is used to determine the credit under section 3170
122.171 of the Revised Code, and excludes amounts paid before 3171
the day the taxpayer becomes eligible for the credit under this 3172

section.	3173
(4) "Excess payroll" means Ohio employee payroll minus baseline payroll.	3174 3175
(5) "Home-based employee" means an employee whose services are performed primarily from the employee's residence in this state exclusively for the benefit of the project and whose rate of pay is at least one hundred thirty-one per cent of the federal minimum wage under 29 U.S.C. 206.	3176 3177 3178 3179 3180
(6) "Full-time equivalent employees" means the quotient obtained by dividing the total number of hours for which employees were compensated for employment in the project by two thousand eighty. "Full-time equivalent employees" excludes hours that are counted for a credit under section 122.171 of the Revised Code.	3181 3182 3183 3184 3185 3186
(7) "Metric evaluation date" means the date by which the taxpayer must meet all of the commitments included in the agreement.	3187 3188 3189
(8) "Qualifying work-from-home employee" means an employee who is a resident of this state and whose services are supervised from the employer's project location and performed primarily from a residence of the employee located in this state.	3190 3191 3192 3193 3194
(9) "Resident" or "resident of this state" means an individual who is a resident as defined in section 5747.01 of the Revised Code.	3195 3196 3197
(10) "Reporting period" means a period corresponding to the annual report required under division (D) (6) of this section.	3198 3199 3200

- (11) "Megaproject" means a project in this state that meets all of the following requirements:
- (a) At least one of the following applies:
- (i) The project requires unique sites, extremely robust utility service, and a technically skilled workforce.
- (ii) The megaproject operator of the project has its corporate headquarters in the United States, incurs more than fifty per cent of its research and development expenses in the United States in the year preceding the date the tax credit authority approves the project for a credit under this section, and builds and operates semiconductor wafer manufacturing factories in this state or intends to do so by the metric evaluation date applicable to the megaproject operator.
- (b) The megaproject operator of the project agrees, in an agreement with the tax credit authority under division (D) of this section, that, on and after the metric evaluation date applicable to the megaproject operator and until the end of the last year for which the megaproject qualifies for the credit authorized under this section, the megaproject operator will compensate the project's employees at an average hourly wage of at least three hundred per cent of the federal minimum wage under 29 U.S.C. 206, exclusive of employee benefits, as determined at the time the tax credit authority approves the project for a credit under this section.
- (c) The megaproject operator agrees, in an agreement with the tax credit authority under division (D) of this section, to satisfy either of the following by the metric evaluation date applicable to the project:
- (i) The megaproject operator makes at least one billion

dollars, as adjusted under division (V) (1) of this section, in 3230
fixed-asset investments in the project. 3231

(ii) The megaproject operator creates at least seventy- 3232
five million dollars, as adjusted under division (V) (1) of this 3233
section, in Ohio employee payroll at the project. 3234

(d) The megaproject operator agrees, in an agreement with 3235
the tax credit authority under division (D) of this section, 3236
that if the project satisfies division (A) (11) (c) (ii) of this 3237
section, then, on and after the metric evaluation date and until 3238
the end of the last year for which the megaproject qualifies for 3239
the credit authorized under this section, the megaproject 3240
operator will maintain at least the amount in Ohio employee 3241
payroll at the project required under that division for each 3242
year in that period. 3243

(12) "Megaproject operator" means a taxpayer that, 3244
separately or collectively with other taxpayers, undertakes and 3245
operates a megaproject. Such a taxpayer becomes a megaproject 3246
operator effective the first day of the calendar year in which 3247
the taxpayer and the tax credit authority enter into an 3248
agreement under division (D) of this section with respect to the 3249
megaproject. More than one taxpayer may be designated by the tax 3250
credit authority as a megaproject operator for the same 3251
megaproject. 3252

(13) "Megaproject supplier" means a supplier in this state 3253
that meets either or both of the following requirements: 3254

(a) The supplier sells tangible personal property directly 3255
to a megaproject operator of a megaproject that satisfies the 3256
criteria described in division (A) (11) (a) (ii) of this section 3257
for use at a megaproject site, provided that such property was 3258

subject to substantial manufacturing, assembly, or processing in 3259
this state at a facility owned or operated by the supplier; 3260

(b) The supplier sells tangible personal property directly 3261
to a megaproject operator for use at a megaproject site, 3262
provided that the supplier agrees, in an agreement with the tax 3263
credit authority under division (D) of this section, to meet all 3264
of the following requirements: 3265

(i) By the metric evaluation date applicable to the 3266
supplier, makes at least one hundred million dollars, as 3267
adjusted under division (V) (2) of this section, in fixed-asset 3268
investments in this state; 3269

(ii) By the metric evaluation date applicable to the 3270
supplier, creates at least ten million dollars, as adjusted 3271
under division (V) (2) of this section, in Ohio employee payroll; 3272

(iii) On and after the metric evaluation date applicable 3273
to the supplier, until the end of the last year for which the 3274
supplier qualifies for the credit authorized under this section, 3275
maintains at least the amount in Ohio employee payroll required 3276
under division (A) (13) (b) (ii) of this section for each year in 3277
that period. 3278

(B) The tax credit authority may make grants under this 3279
section to foster job creation in this state. Such a grant shall 3280
take the form of a refundable credit allowed against the tax 3281
imposed by section 5725.18, 5726.02, 5729.03, 5733.06, 5736.02, 3282
or 5747.02 or levied under Chapter 5751. of the Revised Code. 3283
The credit shall be claimed for the taxable years or tax periods 3284
specified in the taxpayer's agreement with the tax credit 3285
authority under division (D) of this section. With respect to 3286
taxes imposed under section 5726.02, 5733.06, or 5747.02 or 3287

Chapter 5751. of the Revised Code, the credit shall be claimed 3288
in the order required under section 5726.98, 5733.98, 5747.98, 3289
or 5751.98 of the Revised Code. The amount of the credit 3290
available for a taxable year or for a calendar year that 3291
includes a tax period equals the excess payroll for that year 3292
multiplied by the percentage specified in the agreement with the 3293
tax credit authority. 3294

(C) (1) A taxpayer or potential taxpayer who proposes a 3295
project to create new jobs in this state may apply to the tax 3296
credit authority to enter into an agreement for a tax credit 3297
under this section. 3298

An application shall not propose to include both home- 3299
based employees and employees who are not home-based employees 3300
in the computation of Ohio employee payroll for the purposes of 3301
the same tax credit agreement, except that a qualifying work- 3302
from-home employee shall not be considered to be a home-based 3303
employee unless so designated by the applicant. If a taxpayer or 3304
potential taxpayer employs both home-based employees and 3305
employees who are not home-based employees in a project, the 3306
taxpayer shall submit separate applications for separate tax 3307
credit agreements for the project, one of which shall include 3308
home-based employees in the computation of Ohio employee payroll 3309
and one of which shall include all other employees in the 3310
computation of Ohio employee payroll. 3311

The director of housing and development shall prescribe 3312
the form of the application. After receipt of an application, 3313
the authority may enter into an agreement with the taxpayer for 3314
a credit under this section if it determines all of the 3315
following: 3316

(a) The taxpayer's project will increase payroll; 3317

(b) The taxpayer's project is economically sound and will 3318
benefit the people of this state by increasing opportunities for 3319
employment and strengthening the economy of this state; 3320

(c) Receiving the tax credit is a major factor in the 3321
taxpayer's decision to go forward with the project. 3322

(2) (a) A taxpayer that chooses to begin the project prior 3323
to receiving the determination of the authority may, upon 3324
submitting the taxpayer's application to the authority, request 3325
that the chief investment officer of the nonprofit corporation 3326
formed under section 187.01 of the Revised Code and the director 3327
review the taxpayer's application and recommend to the authority 3328
that the taxpayer's application be considered. As soon as 3329
possible after receiving such a request, the chief investment 3330
officer and the director shall review the taxpayer's application 3331
and, if they determine that the application warrants 3332
consideration by the authority, make that recommendation to the 3333
authority not later than six months after the application is 3334
received by the authority. 3335

(b) The authority shall consider any taxpayer's 3336
application for which it receives a recommendation under 3337
division (C) (2) (a) of this section. If the authority determines 3338
that the taxpayer does not meet all of the criteria set forth in 3339
division (C) (1) of this section, the authority and the 3340
department of housing and development shall proceed in 3341
accordance with rules adopted by the director pursuant to 3342
division (I) of this section. 3343

(D) An agreement under this section shall include all of 3344
the following: 3345

(1) A detailed description of the project that is the 3346

subject of the agreement; 3347

(2) (a) The term of the tax credit, which, except as 3348
provided in division (D) (2) (b) or (C) of this section, shall not 3349
exceed fifteen years, and the first taxable year, or first 3350
calendar year that includes a tax period, for which the credit 3351
may be claimed; 3352

(b) If the tax credit is computed on the basis of home- 3353
based employees, the term of the credit shall expire on or 3354
before the last day of the taxable or calendar year ending 3355
before the beginning of the seventh year after September 6, 3356
2012, the effective date of H.B. 327 of the 129th general 3357
assembly. 3358

(c) If the taxpayer is a megaproject operator or a 3359
megaproject supplier that meets the requirements described in 3360
division (A) (13) (b) of this section, the term of the tax credit 3361
shall not exceed thirty years. 3362

(3) A requirement that the taxpayer shall maintain 3363
operations at the project location for at least the greater of 3364
seven years or the term of the credit plus three years; 3365

(4) The percentage, as determined by the tax credit 3366
authority, of excess payroll that will be allowed as the amount 3367
of the credit for each taxable year or for each calendar year 3368
that includes a tax period; 3369

(5) The pay increase factor to be applied to the 3370
taxpayer's baseline payroll; 3371

(6) A requirement that the taxpayer annually shall report 3372
to the director of housing and development full-time equivalent 3373
employees, payroll, Ohio employee payroll, investment, the 3374
provision of health care benefits and tuition reimbursement if 3375

required in the agreement, and other information the director 3376
needs to perform the director's duties under this section; 3377

(7) A requirement that the director of housing and 3378
development annually review the information reported under 3379
division (D)(6) of this section and verify compliance with the 3380
agreement; if the taxpayer is in compliance, a requirement that 3381
the director issue a certificate to the taxpayer stating that 3382
the information has been verified and identifying the amount of 3383
the credit that may be claimed for the taxable or calendar year. 3384
If the taxpayer is a megaproject supplier, the director shall 3385
issue such a certificate to the megaproject supplier and to any 3386
megaproject operator (a) to which the megaproject supplier 3387
directly sells tangible personal property and (b) that is 3388
authorized to claim the credit pursuant to division (D)(10) of 3389
this section. 3390

(8) A provision providing that the taxpayer may not 3391
relocate a substantial number of employment positions from 3392
elsewhere in this state to the project location unless the 3393
director of housing and development determines that the 3394
legislative authority of the county, township, or municipal 3395
corporation from which the employment positions would be 3396
relocated has been notified by the taxpayer of the relocation. 3397

For purposes of this section, the movement of an 3398
employment position from one political subdivision to another 3399
political subdivision shall be considered a relocation of an 3400
employment position unless the employment position in the first 3401
political subdivision is replaced. The movement of a qualifying 3402
work-from-home employee to a different residence located in this 3403
state or to the project location shall not be considered a 3404
relocation of an employment position. 3405

(9) If the tax credit is computed on the basis of home-based employees, that the tax credit may not be claimed by the taxpayer until the taxable year or tax period in which the taxpayer employs at least two hundred employees more than the number of employees the taxpayer employed on June 30, 2011;

(10) If the taxpayer is a megaproject supplier, the percentage of the annual tax credit certified under division (D) (7) of this section, up to one hundred per cent, that may be claimed by each megaproject operator to which the megaproject supplier directly sells tangible personal property, rather than by that megaproject supplier, on the condition that the megaproject operator continues to qualify as a megaproject operator;

(11) If the taxpayer is a megaproject operator or megaproject supplier, a requirement that the taxpayer meet and maintain compliance with all thresholds and requirements to which the taxpayer agreed, pursuant to division (A) (11) or (13) of this section, respectively, as a condition of the operator's project qualifying as a megaproject or the supplier qualifying as a megaproject supplier until the end of the last year for which the taxpayer qualifies for the credit authorized under this section. In each year that a megaproject operator or megaproject supplier is subject to an agreement with the tax credit authority under this section and meets the requirements of this division, the director of housing and development shall issue a certificate to the megaproject operator or megaproject supplier stating that the megaproject operator or megaproject supplier continues to meet those requirements.

(12) If the taxpayer is a megaproject operator, a requirement that the megaproject operator submit, in a form

acceptable to the director of housing and development, an 3436
economic impact report with respect to each megaproject for 3437
which the megaproject operator is designated, summarizing all of 3438
the following for the reporting year: 3439

(a) The aggregate amount of purchases made by the 3440
megaproject operator for such megaproject from megaproject 3441
suppliers; 3442

(b) The aggregate amount of purchases made by the 3443
megaproject operator for such megaproject from suppliers other 3444
than megaproject suppliers; 3445

(c) A summary of the construction activity for any 3446
facilities at the site of the megaproject in that year; 3447

(d) The aggregate amount expended by the megaproject 3448
operator on research and development at the site of the 3449
megaproject in that year; 3450

(e) The number of employees working at the site of the 3451
megaproject and the counties in which those employees reside; 3452

(f) A summary of the supply chain activity in support of 3453
the megaproject, including a list of the twenty-five suppliers 3454
with a physical presence in Ohio from which the megaproject 3455
operator made the most purchases in that year. 3456

The economic impact report shall be due on or before the 3457
first day of July of each year, beginning in the year specified 3458
in the agreement with the tax credit authority. The information 3459
required in the report shall be certified as true and correct by 3460
an officer of the megaproject operator. If there is more than 3461
one megaproject operator designated for a single megaproject, 3462
all of the megaproject operators designated for the megaproject 3463
may jointly submit a single report. Any information contained in 3464

the report is a public record for purposes of section 149.43 of 3465
the Revised Code and shall be published on the department of 3466
housing and development's web site. 3467

(E) (1) If a taxpayer fails to meet or comply with any 3468
condition or requirement set forth in a tax credit agreement, 3469
the tax credit authority may amend the agreement to reduce the 3470
percentage or term of the tax credit. The reduction of the 3471
percentage or term may take effect in the current taxable or 3472
calendar year. 3473

(2) If the tax credit authority determines that a taxpayer 3474
that is a megaproject operator of a megaproject described in 3475
division (A) (11) (a) (ii) of this section is not fully compliant 3476
with the requirements of the agreement, the authority may impose 3477
a recoupment payment on the taxpayer in accordance with the 3478
following: 3479

(a) If, on the metric evaluation date, the taxpayer fails 3480
to substantially meet the capital investment, full-time 3481
equivalent employee, or payroll requirements included in the 3482
agreement, an amount determined at the discretion of the 3483
authority, not to exceed the sum of the following for all years 3484
prior to the metric evaluation date: (i) the amount of taxes 3485
that would have been imposed under Chapters 5739. and 5741. of 3486
the Revised Code in the absence of the agreement, and (ii) the 3487
amount of taxes that would have been imposed under Chapter 5751. 3488
of the Revised Code on receipts realized from sales to the 3489
taxpayer in the absence of the agreement; 3490

(b) If the taxpayer fails to substantially maintain the 3491
capital investment, full-time equivalent employee, or payroll 3492
requirements included in the agreement in any year after the 3493
metric evaluation date, an amount determined at the discretion 3494

of the authority, not to exceed the sum of the following for the 3495
calendar year in which taxpayer failed to meet the requirements: 3496
(i) the amount of taxes that would have been imposed under 3497
Chapters 5739. and 5741. of the Revised Code in the absence of 3498
the agreement, and (ii) the amount of taxes that would have been 3499
imposed under Chapter 5751. of the Revised Code on receipts 3500
realized from sales to the taxpayer in the absence of the 3501
agreement. 3502

(3) The tax credit authority may, subject to any 3503
requirements of the tax credit agreement, take into 3504
consideration the taxpayer's prior performance and any market 3505
conditions impacting the taxpayer when determining the amount of 3506
the recoupment payment described in division (E) (2) of this 3507
section. 3508

(F) Projects that consist solely of point-of-final- 3509
purchase retail facilities are not eligible for a tax credit 3510
under this section. If a project consists of both point-of- 3511
final-purchase retail facilities and nonretail facilities, only 3512
the portion of the project consisting of the nonretail 3513
facilities is eligible for a tax credit and only the excess 3514
payroll from the nonretail facilities shall be considered when 3515
computing the amount of the tax credit. If a warehouse facility 3516
is part of a point-of-final-purchase retail facility and 3517
supplies only that facility, the warehouse facility is not 3518
eligible for a tax credit. Catalog distribution centers are not 3519
considered point-of-final-purchase retail facilities for the 3520
purposes of this division, and are eligible for tax credits 3521
under this section. 3522

(G) Financial statements and other information submitted 3523
to the department of housing and development or the tax credit 3524

authority by an applicant or recipient of a tax credit under 3525
this section, and any information taken for any purpose from 3526
such statements or information, are not public records subject 3527
to section 149.43 of the Revised Code. However, the chairperson 3528
of the authority may make use of the statements and other 3529
information for purposes of issuing public reports or in 3530
connection with court proceedings concerning tax credit 3531
agreements under this section. Upon the request of the tax 3532
commissioner or, if the applicant or recipient is an insurance 3533
company, upon the request of the superintendent of insurance, 3534
the chairperson of the authority shall provide to the 3535
commissioner or superintendent any statement or information 3536
submitted by an applicant or recipient of a tax credit in 3537
connection with the credit. The commissioner or superintendent 3538
shall preserve the confidentiality of the statement or 3539
information. 3540

(H) A taxpayer claiming a credit under this section shall 3541
submit to the tax commissioner or, if the taxpayer is an 3542
insurance company, to the superintendent of insurance, a copy of 3543
the director of housing and development's certificate of 3544
verification under division (D) (7) of this section with the 3545
taxpayer's tax report or return for the taxable year or for the 3546
calendar year that includes the tax period. Failure to submit a 3547
copy of the certificate with the report or return does not 3548
invalidate a claim for a credit if the taxpayer submits a copy 3549
of the certificate to the commissioner or superintendent within 3550
the time prescribed by section 5703.0510 of the Revised Code or 3551
within thirty days after the commissioner or superintendent 3552
requests it. 3553

(I) The director of housing and development, after 3554
consultation with the tax commissioner and the superintendent of 3555

insurance and in accordance with Chapter 119. of the Revised 3556
Code, shall adopt rules necessary to implement this section, 3557
including rules that establish a procedure to be followed by the 3558
tax credit authority and the department of housing and 3559
development in the event the authority considers a taxpayer's 3560
application for which it receives a recommendation under 3561
division (C) (2) (a) of this section but does not approve it. The 3562
rules may provide for recipients of tax credits under this 3563
section to be charged fees to cover administrative costs of the 3564
tax credit program. For the purposes of these rules, a 3565
qualifying work-from-home employee shall be considered to be an 3566
employee employed at the applicant's project location. The fees 3567
collected shall be credited to the tax incentives operating fund 3568
created in section 122.174 of the Revised Code. At the time the 3569
director gives public notice under division (A) of section 3570
119.03 of the Revised Code of the adoption of the rules, the 3571
director shall submit copies of the proposed rules to the 3572
chairpersons of the standing committees on economic development 3573
in the senate and the house of representatives. 3574

(J) For the purposes of this section, a taxpayer may 3575
include a partnership, a corporation that has made an election 3576
under subchapter S of chapter one of subtitle A of the Internal 3577
Revenue Code, or any other business entity through which income 3578
flows as a distributive share to its owners. A partnership, S- 3579
corporation, or other such business entity may elect to pass the 3580
credit received under this section through to the persons to 3581
whom the income or profit of the partnership, S-corporation, or 3582
other entity is distributed. The election shall be made on the 3583
annual report required under division (D) (6) of this section. 3584
The election applies to and is irrevocable for the credit for 3585
which the report is submitted. If the election is made, the 3586

credit shall be apportioned among those persons in the same 3587
proportions as those in which the income or profit is 3588
distributed. 3589

(K) (1) If the director of housing and development 3590
determines that a taxpayer who has received a credit under this 3591
section is not complying with the requirements of the agreement, 3592
the director shall notify the tax credit authority of the 3593
noncompliance. After receiving such a notice, and after giving 3594
the taxpayer an opportunity to explain the noncompliance, the 3595
tax credit authority may require the taxpayer to refund to this 3596
state a portion of the credit in accordance with the following: 3597

(a) If the taxpayer fails to comply with the requirement 3598
under division (D) (3) of this section, an amount determined in 3599
accordance with the following: 3600

(i) If the taxpayer maintained operations at the project 3601
location for a period less than or equal to the term of the 3602
credit, an amount not exceeding one hundred per cent of the sum 3603
of any credits allowed and received under this section; 3604

(ii) If the taxpayer maintained operations at the project 3605
location for a period longer than the term of the credit, but 3606
less than the greater of seven years or the term of the credit 3607
plus three years, an amount not exceeding seventy-five per cent 3608
of the sum of any credits allowed and received under this 3609
section. 3610

(b) If, on the metric evaluation date, the taxpayer fails 3611
to substantially meet the job creation, payroll, or investment 3612
requirements included in the agreement, an amount determined at 3613
the discretion of the authority; 3614

(c) If the taxpayer fails to substantially maintain the 3615

number of new full-time equivalent employees or amount of 3616
payroll required under the agreement at any time during the term 3617
of the agreement after the metric evaluation date, an amount 3618
determined at the discretion of the authority. 3619

(2) If a taxpayer files for bankruptcy and fails as 3620
described in division (K) (1) (a), (b), or (c) of this section, 3621
the director may immediately commence an action to recoup an 3622
amount not exceeding one hundred per cent of the sum of any 3623
credits received by the taxpayer under this section. 3624

(3) In determining the portion of the tax credit to be 3625
refunded to this state, the tax credit authority shall consider 3626
the effect of market conditions on the taxpayer's project and 3627
whether the taxpayer continues to maintain other operations in 3628
this state. After making the determination, the authority shall 3629
certify the amount to be refunded to the tax commissioner or 3630
superintendent of insurance, as appropriate. If the amount is 3631
certified to the commissioner, the commissioner shall make an 3632
assessment for that amount against the taxpayer under Chapter 3633
5726., 5733., 5736., 5747., or 5751. of the Revised Code. If the 3634
amount is certified to the superintendent, the superintendent 3635
shall make an assessment for that amount against the taxpayer 3636
under Chapter 5725. or 5729. of the Revised Code. The time 3637
limitations on assessments under those chapters do not apply to 3638
an assessment under this division, but the commissioner or 3639
superintendent, as appropriate, shall make the assessment within 3640
one year after the date the authority certifies to the 3641
commissioner or superintendent the amount to be refunded. Within 3642
ninety days after certifying the amount to be refunded, if 3643
circumstances have changed, the authority may adjust the amount 3644
to be refunded and certify the adjusted amount to the 3645
commissioner or superintendent. The authority may only adjust 3646

the amount to be refunded one time and only if the amount 3647
initially certified by the authority has not been repaid, in 3648
whole or in part, by the taxpayer or certified to the attorney 3649
general for collection under section 131.02 of the Revised Code. 3650

(L) On or before the first day of August each year, the 3651
director of housing and development shall submit a report to the 3652
governor, the president of the senate, and the speaker of the 3653
house of representatives on the tax credit program under this 3654
section. The report shall include information on the number of 3655
agreements that were entered into under this section during the 3656
preceding calendar year, a description of the project that is 3657
the subject of each such agreement, and an update on the status 3658
of projects under agreements entered into before the preceding 3659
calendar year. 3660

(M) There is hereby created the tax credit authority, 3661
which consists of the director of housing and development and 3662
four other members appointed as follows: the governor, the 3663
president of the senate, and the speaker of the house of 3664
representatives each shall appoint one member who shall be a 3665
specialist in economic development; the governor also shall 3666
appoint a member who is a specialist in taxation. Terms of 3667
office shall be for four years. Each member shall serve on the 3668
authority until the end of the term for which the member was 3669
appointed. Vacancies shall be filled in the same manner provided 3670
for original appointments. Any member appointed to fill a 3671
vacancy occurring prior to the expiration of the term for which 3672
the member's predecessor was appointed shall hold office for the 3673
remainder of that term. Members may be reappointed to the 3674
authority. Members of the authority shall receive their 3675
necessary and actual expenses while engaged in the business of 3676
the authority. The director of housing and development shall 3677

serve as chairperson of the authority, and the members annually 3678
shall elect a vice-chairperson from among themselves. Three 3679
members of the authority constitute a quorum to transact and 3680
vote on the business of the authority. The majority vote of the 3681
membership of the authority is necessary to approve any such 3682
business, including the election of the vice-chairperson. 3683

The director of housing and development may appoint a 3684
professional employee of the department of housing and 3685
development to serve as the director's substitute at a meeting 3686
of the authority. The director shall make the appointment in 3687
writing. In the absence of the director from a meeting of the 3688
authority, the appointed substitute shall serve as chairperson. 3689
In the absence of both the director and the director's 3690
substitute from a meeting, the vice-chairperson shall serve as 3691
chairperson. 3692

(N) For purposes of the credits granted by this section 3693
against the taxes imposed under sections 5725.18 and 5729.03 of 3694
the Revised Code, "taxable year" means the period covered by the 3695
taxpayer's annual statement to the superintendent of insurance. 3696

(O) On or before the first day of March of each of the 3697
five calendar years beginning with 2014, each taxpayer subject 3698
to an agreement with the tax credit authority under this section 3699
on the basis of home-based employees shall report the number of 3700
home-based employees and other employees employed by the 3701
taxpayer in this state to the department of housing and 3702
development. 3703

(P) On or before the first day of January of 2019, the 3704
director of housing and development shall submit a report to the 3705
governor, the president of the senate, and the speaker of the 3706
house of representatives on the effect of agreements entered 3707

into under this section in which the taxpayer included home- 3708
based employees in the computation of income tax revenue, as 3709
that term was defined in this section prior to the amendment of 3710
this section by H.B. 64 of the 131st general assembly. The 3711
report shall include information on the number of such 3712
agreements that were entered into in the preceding six years, a 3713
description of the projects that were the subjects of such 3714
agreements, and an analysis of nationwide home-based employment 3715
trends, including the number of home-based jobs created from 3716
July 1, 2011, through June 30, 2017, and a description of any 3717
home-based employment tax incentives provided by other states 3718
during that time. 3719

(Q) The director of housing and development may require 3720
any agreement entered into under this section for a tax credit 3721
computed on the basis of home-based employees to contain a 3722
provision that the taxpayer makes available health care benefits 3723
and tuition reimbursement to all employees. 3724

(R) Original agreements approved by the tax credit 3725
authority under this section in 2014 or 2015 before September 3726
29, 2015, may be revised at the request of the taxpayer to 3727
conform with the amendments to this section and sections 3728
5733.0610, 5736.50, 5747.058, and 5751.50 of the Revised Code by 3729
H.B. 64 of the 131st general assembly, upon mutual agreement of 3730
the taxpayer and the department of housing and development, and 3731
approval by the tax credit authority. 3732

(S) (1) As used in division (S) of this section: 3733

(a) "Eligible agreement" means an agreement approved by 3734
the tax credit authority under this section on or before 3735
December 31, 2013. 3736

(b) "Income tax revenue" has the same meaning as under 3737
this section as it existed before September 29, 2015, the 3738
effective date of the amendment of this section by H.B. 64 of 3739
the 131st general assembly. 3740

(2) In calendar year 2016 and thereafter, the tax credit 3741
authority shall annually determine a withholding adjustment 3742
factor to be used in the computation of income tax revenue for 3743
eligible agreements. The withholding adjustment factor shall be 3744
a numerical percentage that equals the percentage that employer 3745
income tax withholding rates have been increased or decreased as 3746
a result of changes in the income tax rates prescribed by 3747
section 5747.02 of the Revised Code by amendment of that section 3748
taking effect on or after June 29, 2013. 3749

(3) Except as provided in division (S) (4) of this section, 3750
for reporting periods ending in 2015 and thereafter for 3751
taxpayers subject to eligible agreements, the tax credit 3752
authority shall adjust the income tax revenue reported on the 3753
taxpayer's annual report by multiplying the withholding 3754
adjustment factor by the taxpayer's income tax revenue and doing 3755
one of the following: 3756

(a) If the income tax rates prescribed by section 5747.02 3757
of the Revised Code have decreased by amendment of that section 3758
taking effect on or after June 29, 2013, add the product to the 3759
taxpayer's income tax revenue. 3760

(b) If the income tax rates prescribed by section 5747.02 3761
of the Revised Code have increased by amendment of that section 3762
taking effect on or after June 29, 2013, subtract the product 3763
from the taxpayer's income tax revenue. 3764

(4) Division (S) (3) of this section shall not apply unless 3765

all of the following apply for the reporting period with respect 3766
to the eligible agreement: 3767

(a) The taxpayer has achieved one hundred per cent of the 3768
new employment commitment identified in the agreement. 3769

(b) If applicable, the taxpayer has achieved one hundred 3770
per cent of the new payroll commitment identified in the 3771
agreement. 3772

(c) If applicable, the taxpayer has achieved one hundred 3773
per cent of the investment commitment identified in the 3774
agreement. 3775

(5) Failure by a taxpayer to have achieved any of the 3776
applicable commitments described in divisions (S) (4) (a) to (c) 3777
of this section in a reporting period does not disqualify the 3778
taxpayer for the adjustment under division (S) of this section 3779
for an ensuing reporting period. 3780

(T) For reporting periods ending in calendar year 2020 or 3781
thereafter, any taxpayer may include qualifying work-from-home 3782
employees in its report required under division (D) (6) of this 3783
section, and the compensation of such employees shall qualify as 3784
Ohio employee payroll under division (A) (3) (a) of this section, 3785
even if the taxpayer's application to the tax credit authority 3786
to enter into an agreement for a tax credit under this section 3787
was approved before September 29, 2017, the effective date of 3788
the amendment of this section by H.B. 49 of the 132nd general 3789
assembly. 3790

(U) The director of housing and development shall notify 3791
the tax commissioner if the director determines that a 3792
megaproject operator or megaproject supplier is not in 3793
compliance with the agreement pursuant to a review conducted 3794

under division (D) (11) of this section.	3795
(V) Beginning in 2025 and in each fifth calendar year	3796
thereafter, the tax commissioner shall adjust the following	3797
amounts in September of that year:	3798
(1) The fixed-asset investment threshold described in	3799
division (A) (11) (c) (i) of this section and the Ohio employee	3800
payroll threshold described in division (A) (11) (c) (ii) of this	3801
section by completing the following calculations:	3802
(a) Determine the percentage increase in the gross	3803
domestic product deflator determined by the bureau of economic	3804
analysis of the United States department of commerce from the	3805
first day of January of the fifth preceding calendar year to the	3806
last day of December of the preceding calendar year;	3807
(b) Multiply that percentage increase by the fixed-asset	3808
investment threshold and the Ohio employee payroll threshold for	3809
the current year;	3810
(c) Add the resulting products to the corresponding fixed-	3811
asset investment threshold and Ohio employee payroll threshold	3812
for the current year;	3813
(d) Round the resulting fixed-asset investment sum to the	3814
nearest multiple of ten million dollars and the Ohio employee	3815
payroll sum to the nearest multiple of one million dollars.	3816
(2) The fixed-asset investment threshold described in	3817
division (A) (13) (b) (i) of this section and the Ohio employee	3818
payroll threshold described in division (A) (13) (b) (ii) of this	3819
section by completing the calculations described in divisions	3820
(V) (1) (a) to (c) of this section and rounding the resulting	3821
fixed-asset investment sum to the nearest multiple of one	3822
million dollars and the Ohio employee payroll sum to the nearest	3823

multiple of one hundred thousand dollars. 3824

The commissioner shall certify the amount of the 3825
adjustments under divisions (V) (1) and (2) of this section to 3826
the director of housing and development and to the tax credit 3827
authority not later than the first day of December of the year 3828
the commissioner computes the adjustment. Each certified amount 3829
applies to the ensuing calendar year and each calendar year 3830
thereafter until the tax commissioner makes a new adjustment. 3831
The tax commissioner shall not calculate a new adjustment in any 3832
year in which the resulting amount from the adjustment would be 3833
less than the corresponding amount for the current year. 3834

Sec. 122.171. (A) As used in this section: 3835

(1) "Capital investment project" means a plan of 3836
investment at a project site for the acquisition, construction, 3837
renovation, or repair of buildings, machinery, or equipment, or 3838
for capitalized costs of basic research and new product 3839
development determined in accordance with generally accepted 3840
accounting principles, but does not include any of the 3841
following: 3842

(a) Payments made for the acquisition of personal property 3843
through operating leases; 3844

(b) Project costs paid before January 1, 2002; 3845

(c) Payments made to a related member as defined in 3846
section 5733.042 of the Revised Code or to a consolidated 3847
elected taxpayer or a combined taxpayer as defined in section 3848
5751.01 of the Revised Code. 3849

(2) "Eligible business" means a taxpayer and its related 3850
members with Ohio operations that had a capital investment 3851
project reviewed and approved by the tax credit authority as 3852

provided in divisions (C), (D), and (E) of this section and that 3853
satisfies either of the following requirements: 3854

(a) If engaged at the project site primarily in 3855
significant corporate administrative functions, as defined by 3856
the director of housing and development by rule, the taxpayer 3857
meets both of the following criteria: 3858

(i) The taxpayer either is located in a foreign trade 3859
zone, employs at least five hundred full-time equivalent 3860
employees, or has an annual Ohio employee payroll of at least 3861
thirty-five million dollars at the time the tax credit authority 3862
grants the tax credit under this section; 3863

(ii) The taxpayer makes or causes to be made payments for 3864
the capital investment project of at least twenty million 3865
dollars in the aggregate at the project site during a period of 3866
three consecutive calendar years including the calendar year 3867
that includes a day of the taxpayer's taxable year or tax period 3868
with respect to which the credit is granted. 3869

(b) If engaged at the project site primarily as a 3870
manufacturer, the taxpayer makes or causes to be made payments 3871
for the capital investment project at the project site during a 3872
period of three consecutive calendar years, including the 3873
calendar year that includes a day of the taxpayer's taxable year 3874
or tax period with respect to which the credit is granted, in an 3875
amount that in the aggregate equals or exceeds the lesser of the 3876
following: 3877

(i) Fifty million dollars; 3878

(ii) Five per cent of the net book value of all tangible 3879
personal property used at the project site as of the last day of 3880
the three-year period in which the capital investment payments 3881

are made. 3882

(3) "Full-time equivalent employees" means the quotient 3883
obtained by dividing the total number of hours for which 3884
employees were compensated for employment in the project by two 3885
thousand eighty. "Full-time equivalent employees" shall exclude 3886
hours that are counted for a credit under section 122.17 of the 3887
Revised Code. 3888

(4) "Ohio employee payroll" has the same meaning as in 3889
section 122.17 of the Revised Code. 3890

(5) "Manufacturer" has the same meaning as in section 3891
5739.011 of the Revised Code. 3892

(6) "Project site" means an integrated complex of 3893
facilities in this state, as specified by the tax credit 3894
authority under this section, within a fifteen-mile radius where 3895
a taxpayer is primarily operating as an eligible business. 3896

(7) "Related member" has the same meaning as in section 3897
5733.042 of the Revised Code as that section existed on the 3898
effective date of its amendment by Am. Sub. H.B. 215 of the 3899
122nd general assembly, September 29, 1997. 3900

(8) "Taxable year" includes, in the case of a domestic or 3901
foreign insurance company, the calendar year ending on the 3902
thirty-first day of December preceding the day the 3903
superintendent of insurance is required to certify to the 3904
treasurer of state under section 5725.20 or 5729.05 of the 3905
Revised Code the amount of taxes due from insurance companies. 3906

(9) "Foreign trade zone" means a general purpose foreign 3907
trade zone or a special purpose subzone for which, pursuant to 3908
19 U.S.C. 81a, as amended, a permit for foreign trade zone 3909
status has been granted and remains active, including special 3910

purpose subzones for which a permit has been granted and remains 3911
active. 3912

(B) The tax credit authority created under section 122.17 3913
of the Revised Code may grant a nonrefundable tax credit to an 3914
eligible business under this section for the purpose of 3915
fostering job retention in this state. Upon application by an 3916
eligible business and upon consideration of the determination of 3917
the director of budget and management, tax commissioner, and the 3918
superintendent of insurance in the case of an insurance company, 3919
the recommendation and determination of the director of housing 3920
and development under division (C)(1) of this section, and a 3921
review of the criteria described in division (C)(2) of this 3922
section, the tax credit authority may grant the credit against 3923
the tax imposed by section 5725.18, 5726.02, 5729.03, 5733.06, 3924
5736.02, 5747.02, or 5751.02 of the Revised Code. 3925

The credit authorized in this section may be granted for a 3926
period up to fifteen taxable years or, in the case of the tax 3927
levied by section 5736.02 or 5751.02 of the Revised Code, for a 3928
period of up to fifteen calendar years. The credit amount for a 3929
taxable year or a calendar year that includes the tax period for 3930
which a credit may be claimed equals the Ohio employee payroll 3931
for that year multiplied by the percentage specified in the 3932
agreement with the tax credit authority. The credit shall be 3933
claimed in the order required under section 5725.98, 5726.98, 3934
5729.98, 5733.98, 5747.98, or 5751.98 of the Revised Code. In 3935
determining the percentage and term of the credit, the tax 3936
credit authority shall consider both the number of full-time 3937
equivalent employees and the value of the capital investment 3938
project. The credit amount may not be based on the Ohio employee 3939
payroll for a calendar year before the calendar year in which 3940
the tax credit authority specifies the tax credit is to begin, 3941

and the credit shall be claimed only for the taxable years or 3942
tax periods specified in the eligible business' agreement with 3943
the tax credit authority. In no event shall the credit be 3944
claimed for a taxable year or tax period terminating before the 3945
date specified in the agreement. 3946

If a credit allowed under this section for a taxable year 3947
or tax period exceeds the taxpayer's tax liability for that year 3948
or period, the excess may be carried forward for the three 3949
succeeding taxable or calendar years, but the amount of any 3950
excess credit allowed in any taxable year or tax period shall be 3951
deducted from the balance carried forward to the succeeding year 3952
or period. 3953

(C) (1) A taxpayer that proposes a capital investment 3954
project to retain jobs in this state may apply to the tax credit 3955
authority to enter into an agreement for a tax credit under this 3956
section. The director of housing and development shall prescribe 3957
the form of the application. After receipt of an application, 3958
the authority shall forward copies of the application to the 3959
director of budget and management, the tax commissioner, and the 3960
superintendent of insurance in the case of an insurance company, 3961
each of whom shall review the application to determine the 3962
economic impact the proposed project would have on the state and 3963
the affected political subdivisions and shall submit a summary 3964
of their determinations to the authority. The authority shall 3965
also forward a copy of the application to the director of 3966
housing and development, who shall review the application to 3967
determine the economic impact the proposed project would have on 3968
the state and the affected political subdivisions and shall 3969
submit a summary of the director's determinations and 3970
recommendations to the authority. 3971

(2) The director of housing and development, in reviewing applications and making recommendations to the tax credit authority, and the authority, in selecting taxpayers with which to enter into an agreement under division (D) of this section, shall give priority to applications that meet one or more of the following criteria, with greater priority given to applications that meet more of the criteria: (a) Within the preceding five years, the applicant has not received a credit under this section or section 122.17 of the Revised Code for a project at the same project site as that proposed in the application.

(b) The applicant is not currently receiving a credit under this section or section 122.17 of the Revised Code.

(c) The applicant has operated at the project site for at least the preceding ten years.

(d) The project involves a significant upgrade of the project site, rather than only routine maintenance of existing facilities, such as an increase in capacity of a facility, new product development, or technology upgrades or other facility modernization.

(e) The applicant intends to use machinery, equipment, and materials supplied by Ohio businesses in the project when possible.

(D) Upon review and consideration of the determinations, recommendations, and criteria described in division (C) of this section, the tax credit authority may enter into an agreement with the taxpayer for a credit under this section if the authority determines all of the following:

(1) The taxpayer's capital investment project will result in the retention of employment in this state.

(2) The taxpayer is economically sound and has the ability to complete the proposed capital investment project. 4001
4002

(3) The taxpayer intends to and has the ability to maintain operations at the project site for at least the greater of (a) the term of the credit plus three years, or (b) seven years. 4003
4004
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(4) Receiving the credit is a major factor in the taxpayer's decision to begin, continue with, or complete the project. 4007
4008
4009

(E) An agreement under this section shall include all of the following: 4010
4011

(1) A detailed description of the project that is the subject of the agreement, including the amount of the investment, the period over which the investment has been or is being made, the number of full-time equivalent employees at the project site, and the anticipated Ohio employee payroll to be generated. 4012
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(2) The term of the credit, the percentage of the tax credit, the maximum annual value of tax credits that may be allowed each year, and the first year for which the credit may be claimed. 4018
4019
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4021

(3) A requirement that the taxpayer maintain operations at the project site for at least the greater of (a) the term of the credit plus three years, or (b) seven years. 4022
4023
4024

(4) (a) If the taxpayer is engaged at the project site primarily in significant corporate administrative functions, a requirement that the taxpayer either retain at least five hundred full-time equivalent employees at the project site and within this state for the entire term of the credit, maintain an 4025
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annual Ohio employee payroll of at least thirty-five million 4030
dollars for the entire term of the credit, or remain located in 4031
a foreign trade zone for the entire term of the credit; 4032

(b) If the taxpayer is engaged at the project site 4033
primarily as a manufacturer, a requirement that the taxpayer 4034
maintain at least the number of full-time equivalent employees 4035
specified in the agreement pursuant to division (E) (1) of this 4036
section at the project site and within this state for the entire 4037
term of the credit. 4038

(5) A requirement that the taxpayer annually report to the 4039
director of housing and development full-time equivalent 4040
employees, Ohio employee payroll, capital investment, and other 4041
information the director needs to perform the director's duties 4042
under this section. 4043

(6) A requirement that the director of housing and 4044
development annually review the annual reports of the taxpayer 4045
to verify the information reported under division (E) (5) of this 4046
section and compliance with the agreement. Upon verification, 4047
the director shall issue a certificate to the taxpayer stating 4048
that the information has been verified and identifying the 4049
amount of the credit for the taxable year or calendar year that 4050
includes the tax period. In determining the number of full-time 4051
equivalent employees, no position shall be counted that is 4052
filled by an employee who is included in the calculation of a 4053
tax credit under section 122.17 of the Revised Code. 4054

(7) A provision providing that the taxpayer may not 4055
relocate a substantial number of employment positions from 4056
elsewhere in this state to the project site unless the director 4057
of housing and development determines that the taxpayer notified 4058
the legislative authority of the county, township, or municipal 4059

corporation from which the employment positions would be 4060
relocated. 4061

For purposes of this section, the movement of an 4062
employment position from one political subdivision to another 4063
political subdivision shall be considered a relocation of an 4064
employment position unless the movement is confined to the 4065
project site. The transfer of an employment position from one 4066
political subdivision to another political subdivision shall not 4067
be considered a relocation of an employment position if the 4068
employment position in the first political subdivision is 4069
replaced by another employment position. 4070

(8) A waiver by the taxpayer of any limitations periods 4071
relating to assessments or adjustments resulting from the 4072
taxpayer's failure to comply with the agreement. 4073

(F) If a taxpayer fails to meet or comply with any 4074
condition or requirement set forth in a tax credit agreement, 4075
the tax credit authority may amend the agreement to reduce the 4076
percentage or term of the credit. The reduction of the 4077
percentage or term may take effect in the current taxable or 4078
calendar year. 4079

(G) Financial statements and other information submitted 4080
to the department of housing and development or the tax credit 4081
authority by an applicant for or recipient of a tax credit under 4082
this section, and any information taken for any purpose from 4083
such statements or information, are not public records subject 4084
to section 149.43 of the Revised Code. However, the chairperson 4085
of the authority may make use of the statements and other 4086
information for purposes of issuing public reports or in 4087
connection with court proceedings concerning tax credit 4088
agreements under this section. Upon the request of the tax 4089

commissioner, or the superintendent of insurance in the case of 4090
an insurance company, the chairperson of the authority shall 4091
provide to the commissioner or superintendent any statement or 4092
other information submitted by an applicant for or recipient of 4093
a tax credit in connection with the credit. The commissioner or 4094
superintendent shall preserve the confidentiality of the 4095
statement or other information. 4096

(H) A taxpayer claiming a tax credit under this section 4097
shall submit to the tax commissioner or, in the case of an 4098
insurance company, to the superintendent of insurance, a copy of 4099
the director of housing and development's certificate of 4100
verification under division (E) (6) of this section with the 4101
taxpayer's tax report or return for the taxable year or for the 4102
calendar year that includes the tax period. Failure to submit a 4103
copy of the certificate with the report or return does not 4104
invalidate a claim for a credit if the taxpayer submits a copy 4105
of the certificate to the commissioner or superintendent within 4106
the time prescribed by section 5703.0510 of the Revised Code or 4107
within thirty days after the commissioner or superintendent 4108
requests it. 4109

(I) For the purposes of this section, a taxpayer may 4110
include a partnership, a corporation that has made an election 4111
under subchapter S of chapter one of subtitle A of the Internal 4112
Revenue Code, or any other business entity through which income 4113
flows as a distributive share to its owners. A partnership, S- 4114
corporation, or other such business entity may elect to pass the 4115
credit received under this section through to the persons to 4116
whom the income or profit of the partnership, S-corporation, or 4117
other entity is distributed. The election shall be made on the 4118
annual report required under division (E) (5) of this section. 4119
The election applies to and is irrevocable for the credit for 4120

which the report is submitted. If the election is made, the 4121
credit shall be apportioned among those persons in the same 4122
proportions as those in which the income or profit is 4123
distributed. 4124

(J) (1) If the director of housing and development 4125
determines that a taxpayer that received a certificate under 4126
division (E) (6) of this section is not complying with the 4127
requirements of the agreement, the director shall notify the tax 4128
credit authority of the noncompliance. After receiving such a 4129
notice, and after giving the taxpayer an opportunity to explain 4130
the noncompliance, the authority may terminate the agreement and 4131
require the taxpayer, or any related member or members that 4132
claimed the tax credit under division (N) of this section, to 4133
refund to the state all or a portion of the credit claimed in 4134
previous years, as follows: 4135

(a) If the taxpayer fails to comply with the requirement 4136
under division (E) (3) of this section, an amount determined in 4137
accordance with the following: 4138

(i) If the taxpayer maintained operations at the project 4139
site for less than or equal to the term of the credit, an amount 4140
not to exceed one hundred per cent of the sum of any tax credits 4141
allowed and received under this section. 4142

(ii) If the taxpayer maintained operations at the project 4143
site longer than the term of the credit, but less than the 4144
greater of seven years or the term of the credit plus three 4145
years, the amount required to be refunded shall not exceed 4146
seventy-five per cent of the sum of any tax credits allowed and 4147
received under this section. 4148

(b) If the taxpayer fails to substantially, satisfy the 4149

employment, payroll, or location requirements required under the 4150
agreement, as prescribed under division (E) (4) (a) or (b), as 4151
applicable to the taxpayer, at any time during the term of the 4152
agreement or during the post-term reporting period, an amount 4153
determined at the discretion of the authority. 4154

(2) If a taxpayer files for bankruptcy and fails as 4155
described in division (J) (1) (a) or (b) of this section, the 4156
director may immediately commence an action to recoup an amount 4157
not exceeding one hundred per cent of the sum of any credits 4158
received by the taxpayer under this section. 4159

(3) In determining the portion of the credit to be 4160
refunded to this state, the authority shall consider the effect 4161
of market conditions on the taxpayer's project and whether the 4162
taxpayer continues to maintain other operations in this state. 4163
After making the determination, the authority shall certify the 4164
amount to be refunded to the tax commissioner or the 4165
superintendent of insurance. If the taxpayer, or any related 4166
member or members who claimed the tax credit under division (N) 4167
of this section, is not an insurance company, the commissioner 4168
shall make an assessment for that amount against the taxpayer 4169
under Chapter 5726., 5733., 5736., 5747., or 5751. of the 4170
Revised Code. If the taxpayer, or any related member or members 4171
that claimed the tax credit under division (N) of this section, 4172
is an insurance company, the superintendent of insurance shall 4173
make an assessment under section 5725.222 or 5729.102 of the 4174
Revised Code. The time limitations on assessments under those 4175
chapters and sections do not apply to an assessment under this 4176
division, but the commissioner or superintendent shall make the 4177
assessment within one year after the date the authority 4178
certifies to the commissioner or superintendent the amount to be 4179
refunded. Within ninety days after certifying the amount to be 4180

refunded, if circumstances have changed, the authority may 4181
adjust the amount to be refunded and certify the adjusted amount 4182
to the commissioner or superintendent. The authority may only 4183
adjust the amount to be refunded one time and only if the amount 4184
initially certified by the authority has not been repaid, in 4185
whole or in part, by the taxpayer or certified to the attorney 4186
general for collection under section 131.02 of the Revised Code. 4187

(K) The director of housing and development, after 4188
consultation with the tax commissioner and the superintendent of 4189
insurance and in accordance with Chapter 119. of the Revised 4190
Code, shall adopt rules necessary to implement this section. The 4191
rules may provide for recipients of tax credits under this 4192
section to be charged fees to cover administrative costs of the 4193
tax credit program. The fees collected shall be credited to the 4194
tax incentives operating fund created in section 122.174 of the 4195
Revised Code. At the time the director gives public notice under 4196
division (A) of section 119.03 of the Revised Code of the 4197
adoption of the rules, the director shall submit copies of the 4198
proposed rules to the chairpersons of the standing committees on 4199
economic development in the senate and the house of 4200
representatives. 4201

(L) On or before the first day of August of each year, the 4202
director of housing and development shall submit a report to the 4203
governor, the president of the senate, and the speaker of the 4204
house of representatives on the tax credit program under this 4205
section. The report shall include information on the number of 4206
agreements that were entered into under this section during the 4207
preceding calendar year, a description of the project that is 4208
the subject of each such agreement, and an update on the status 4209
of projects under agreements entered into before the preceding 4210
calendar year. 4211

(M) The aggregate amount of nonrefundable tax credits 4212
issued under this section during any calendar year for capital 4213
investment projects reviewed and approved by the tax credit 4214
authority may not exceed the following amounts: 4215

(1) For 2010, thirteen million dollars; 4216

(2) For 2011 through 2023, the amount of the limit for the 4217
preceding calendar year plus thirteen million dollars; 4218

(3) For 2024 and each year thereafter, one hundred ninety- 4219
five million dollars. 4220

The limitations in division (M) of this section do not 4221
apply to credits for capital investment projects approved by the 4222
tax credit authority before July 1, 2009. 4223

(N) This division applies only to an eligible business 4224
that is part of an affiliated group that includes a diversified 4225
savings and loan holding company or a grandfathered unitary 4226
savings and loan holding company, as those terms are defined in 4227
section 5726.01 of the Revised Code. Notwithstanding any 4228
contrary provision of the agreement between such an eligible 4229
business and the tax credit authority, any credit granted under 4230
this section against the tax imposed by section 5725.18, 4231
5729.03, 5733.06, 5747.02, or 5751.02 of the Revised Code to the 4232
eligible business, at the election of the eligible business and 4233
without any action by the tax credit authority, may be shared 4234
with any member or members of the affiliated group that includes 4235
the eligible business, which member or members may claim the 4236
credit against the taxes imposed by section 5725.18, 5726.02, 4237
5729.03, 5733.06, 5747.02, or 5751.02 of the Revised Code. 4238
Credits shall be claimed by the eligible business in sequential 4239
order, as applicable, first claiming the credits to the fullest 4240

extent possible against the tax that the certificate holder is 4241
subject to, then against the tax imposed by, sequentially, 4242
section 5729.03, 5725.18, 5747.02, 5751.02, and lastly 5726.02 4243
of the Revised Code. The credits may be allocated among the 4244
members of the affiliated group in such manner as the eligible 4245
business elects, but subject to the sequential order required 4246
under this division. This division applies to credits granted 4247
before, on, or after March 27, 2013, the effective date of H.B. 4248
510 of the 129th general assembly. Credits granted before that 4249
effective date that are shared and allocated under this division 4250
may be claimed in those calendar years in which the remaining 4251
taxable years specified in the agreement end. 4252

As used in this division, "affiliated group" means a group 4253
of two or more persons with fifty per cent or greater of the 4254
value of each person's ownership interests owned or controlled 4255
directly, indirectly, or constructively through related 4256
interests by common owners during all or any portion of the 4257
taxable year, and the common owners. "Affiliated group" 4258
includes, but is not limited to, any person eligible to be 4259
included in a consolidated elected taxpayer group under section 4260
5751.011 of the Revised Code or a combined taxpayer group under 4261
section 5751.012 of the Revised Code. 4262

(O) (1) As used in division (O) of this section: 4263

(a) "Eligible agreement" means an agreement approved by 4264
the tax credit authority under this section on or before 4265
December 31, 2013. 4266

(b) "Reporting period" means a period corresponding to the 4267
annual report required under division (E) (5) of this section. 4268

(c) "Income tax revenue" has the same meaning as under 4269

division (S) of section 122.17 of the Revised Code. 4270

(2) In calendar year 2016 and thereafter, the tax credit 4271
authority shall annually determine a withholding adjustment 4272
factor to be used in the computation of income tax revenue for 4273
eligible agreements. The withholding adjustment factor shall be 4274
a numerical percentage that equals the percentage that employer 4275
income tax withholding rates have been increased or decreased as 4276
a result of changes in the income tax rates prescribed by 4277
section 5747.02 of the Revised Code by amendment of that section 4278
taking effect on or after June 29, 2013. 4279

(3) Except as provided in division (O)(4) of this section, 4280
for reporting periods ending in 2015 and thereafter for 4281
taxpayers subject to eligible agreements, the tax credit 4282
authority shall adjust the income tax revenue reported on the 4283
taxpayer's annual report by multiplying the withholding 4284
adjustment factor by the taxpayer's income tax revenue and doing 4285
one of the following: 4286

(a) If the income tax rates prescribed by section 5747.02 4287
of the Revised Code have decreased by amendment of this section 4288
taking effect on or after June 29, 2013, add the product to the 4289
taxpayer's income tax revenue. 4290

(b) If the income tax rates prescribed by section 5747.02 4291
of the Revised Code have increased by amendment of this section 4292
taking effect on or after June 29, 2013, subtract the product 4293
from the taxpayer's income tax revenue. 4294

(4) Division (O)(3) of this section shall not apply unless 4295
all of the following apply with respect to the eligible 4296
agreement: 4297

(a) If applicable, the taxpayer has achieved one hundred 4298

per cent of the job retention commitment identified in the 4299
agreement. 4300

(b) If applicable, the taxpayer has achieved one hundred 4301
per cent of the payroll retention commitment identified in the 4302
agreement." 4303

(c) If applicable, the taxpayer has achieved one hundred 4304
per cent of the investment commitment identified in the 4305
agreement. 4306

(5) Failure by a taxpayer to have achieved any of the 4307
applicable commitments described in divisions (O) (4) (a) to (c) 4308
of this section in a reporting period does not disqualify the 4309
taxpayer for the adjustment under division (O) of this section 4310
for an ensuing reporting period. 4311

Sec. 122.172. (A) As used in this section, "tax liability" 4312
means the tax owed under section 5733.06 or 5747.02 of the 4313
Revised Code after allowance of all nonrefundable credits and 4314
prior to the allowance of all refundable credits. The tax owed 4315
under section 5733.06 of the Revised Code shall take into 4316
account any adjustments to such tax required by division (G) of 4317
section 5733.01 of the Revised Code that apply prior to 4318
allowance of refundable credits. 4319

(B) (1) The director of housing and development shall 4320
administer the manufacturing equipment grant program to provide 4321
grants for new manufacturing machinery and equipment qualifying 4322
for the grant under section 122.173 of the Revised Code. Except 4323
as provided in division (C) of this section, the grants apply to 4324
the taxes imposed by sections 5733.06 and 5747.02 of the Revised 4325
Code for taxable years ending on or after July 1, 2005. 4326

(2) To claim a grant, a taxpayer satisfying the 4327

requirements of section 122.173 of the Revised Code shall 4328
complete a grant request form, as prescribed by the director in 4329
consultation with the tax commissioner, and shall file the form 4330
with the tax return for the taxable year for which the grant is 4331
claimed. In no event shall the grant reduce a taxpayer's tax 4332
liability below the minimum tax owed for the taxable year. The 4333
grant request form shall provide the information required to 4334
allow the grant for the taxable year and is subject to audit by 4335
the director and the commissioner. Any portion of the grant in 4336
excess of the taxpayer's tax liability shall not be refundable 4337
but may be carried forward as provided in section 122.173 of the 4338
Revised Code. Upon the director's request, the commissioner 4339
shall provide completed grant request forms filed under this 4340
section to the director in a mutually agreed upon format. 4341

(C) If a taxpayer is required to repay any credit allowed 4342
under section 5733.33 of the Revised Code for a taxable year 4343
ending prior to July 1, 2005, for a reason not specified in 4344
Chapter 5733. or 5747. of the Revised Code, a grant shall be 4345
available for that taxable year under section 122.173 of the 4346
Revised Code to the extent provided in that section. 4347

(D) Any tax liability under section 5733.06 or 5747.02 of 4348
the Revised Code that is underpaid as the result of an improper 4349
claim for a grant under this section may be assessed by the tax 4350
commissioner in the manner provided by section 5733.11 or 4351
5747.11 of the Revised Code. 4352

Sec. 122.173. (A) As used in this section: 4353

(1) "Manufacturing machinery and equipment" means engines 4354
and machinery, and tools and implements, of every kind used, or 4355
designed to be used, in refining and manufacturing. 4356

"Manufacturing machinery and equipment" does not include 4357

property acquired after December 31, 1999, that is used: 4358

(a) For the transmission and distribution of electricity; 4359

(b) For the generation of electricity, if fifty per cent 4360
or more of the electricity that the property generates is 4361
consumed, during the one-hundred-twenty-month period commencing 4362
with the date the property is placed in service, by persons that 4363
are not related members to the person who generates the 4364
electricity. 4365

(2) "New manufacturing machinery and equipment" means 4366
manufacturing machinery and equipment, the original use in this 4367
state of which commences with the taxpayer or with a partnership 4368
of which the taxpayer is a partner. "New manufacturing machinery 4369
and equipment" does not include property acquired after December 4370
31, 1999, that is used: 4371

(a) For the transmission and distribution of electricity; 4372

(b) For the generation of electricity, if fifty per cent 4373
or more of the electricity that the property generates is 4374
consumed, during the one-hundred-twenty-month period commencing 4375
with the date the property is placed in service, by persons that 4376
are not related members to the person who generates the 4377
electricity. 4378

(3) (a) "Purchase" has the same meaning as in section 4379
179(d) (2) of the Internal Revenue Code. 4380

(b) For purposes of this section, any property that is not 4381
manufactured or assembled primarily by the taxpayer is 4382
considered purchased at the time the agreement to acquire the 4383
property becomes binding. Any property that is manufactured or 4384
assembled primarily by the taxpayer is considered purchased at 4385
the time the taxpayer places the property in service in the 4386

county for which the taxpayer will calculate the county excess amount. 4387
4388

(c) Notwithstanding section 179(d) of the Internal Revenue Code, a taxpayer's direct or indirect acquisition of new manufacturing machinery and equipment is not purchased on or after July 1, 1995, if the taxpayer, or a person whose relationship to the taxpayer is described in subparagraphs (A), (B), or (C) of section 179(d)(2) of the Internal Revenue Code, had directly or indirectly entered into a binding agreement to acquire the property at any time prior to July 1, 1995. 4389
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(4) "Qualifying period" means the period that begins July 1, 1995, and ends June 30, 2005. 4397
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(5) "County average new manufacturing machinery and equipment investment" means either of the following: 4399
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(a) The average annual cost of new manufacturing machinery and equipment purchased for use in the county during baseline years, in the case of a taxpayer that was in existence for more than one year during baseline years. 4401
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(b) Zero, in the case of a taxpayer that was not in existence for more than one year during baseline years. 4405
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(6) "Partnership" includes a limited liability company formed under former Chapter 1705. ~~or of the Revised Code as that chapter existed prior to February 11, 2022, Chapter 1706.~~ of the Revised Code, or under the laws of any other state, provided that the company is not classified for federal income tax purposes as an association taxable as a corporation. 4407
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(7) "Partner" includes a member of a limited liability company formed under former Chapter 1705. ~~or of the Revised Code as that chapter existed prior to February 11, 2022, Chapter~~ 4413
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1706. of the Revised Code, or under the laws of any other state, 4416
provided that the company is not classified for federal income 4417
tax purposes as an association taxable as a corporation. 4418

(8) "Distressed area" has the same meaning as in section 4419
122.16 of the Revised Code. 4420

(9) "Eligible area" means a distressed area, a labor 4421
surplus area, an inner city area, or a situational distress 4422
area. 4423

(10) "Inner city area" means, in a municipal corporation 4424
that has a population of at least one hundred thousand and does 4425
not meet the criteria of a labor surplus area or a distressed 4426
area, targeted investment areas established by the municipal 4427
corporation within its boundaries that are comprised of the most 4428
recent census block tracts that individually have at least 4429
twenty per cent of their population at or below the state 4430
poverty level or other census block tracts contiguous to such 4431
census block tracts. 4432

(11) "Labor surplus area" means an area designated as a 4433
labor surplus area by the United States department of labor. 4434

(12) "Official poverty line" has the same meaning as in 4435
division (A) of section 3923.51 of the Revised Code. 4436

(13) "Situational distress area" means a county or a 4437
municipal corporation that has experienced or is experiencing a 4438
closing or downsizing of a major employer that will adversely 4439
affect the county's or municipal corporation's economy. In order 4440
to be designated as a situational distress area, for a period 4441
not to exceed thirty-six months, the county or municipal 4442
corporation may petition the director of housing and 4443
development. The petition shall include written documentation 4444

that demonstrates all of the following adverse effects on the	4445
local economy:	4446
(a) The number of jobs lost by the closing or downsizing;	4447
(b) The impact that the job loss has on the county's or	4448
municipal corporation's unemployment rate as measured by the	4449
state director of job and family services;	4450
(c) The annual payroll associated with the job loss;	4451
(d) The amount of state and local taxes associated with	4452
the job loss;	4453
(e) The impact that the closing or downsizing has on	4454
suppliers located in the county or municipal corporation.	4455
(14) "Cost" has the same meaning and limitation as in	4456
section 179(d) (3) of the Internal Revenue Code.	4457
(15) "Baseline years" means:	4458
(a) Calendar years 1992, 1993, and 1994, with regard to a	4459
grant claimed for the purchase during calendar year 1995, 1996,	4460
1997, or 1998 of new manufacturing machinery and equipment;	4461
(b) Calendar years 1993, 1994, and 1995, with regard to a	4462
grant claimed for the purchase during calendar year 1999 of new	4463
manufacturing machinery and equipment;	4464
(c) Calendar years 1994, 1995, and 1996, with regard to a	4465
grant claimed for the purchase during calendar year 2000 of new	4466
manufacturing machinery and equipment;	4467
(d) Calendar years 1995, 1996, and 1997, with regard to a	4468
grant claimed for the purchase during calendar year 2001 of new	4469
manufacturing machinery and equipment;	4470
(e) Calendar years 1996, 1997, and 1998, with regard to a	4471

grant claimed for the purchase during calendar year 2002 of new manufacturing machinery and equipment; 4472
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(f) Calendar years 1997, 1998, and 1999, with regard to a grant claimed for the purchase during calendar year 2003 of new manufacturing machinery and equipment; 4474
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(g) Calendar years 1998, 1999, and 2000, with regard to a grant claimed for the purchase during calendar year 2004 of new manufacturing machinery and equipment; 4477
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(h) Calendar years 1999, 2000, and 2001, with regard to a grant claimed for the purchase on or after January 1, 2005, and on or before June 30, 2005, of new manufacturing machinery and equipment. 4480
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(16) "Related member" has the same meaning as in section 5733.042 of the Revised Code. 4484
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(17) "Qualifying controlled group" has the same meaning as in section 5733.04 of the Revised Code. 4486
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(18) "Tax liability" has the same meaning as in section 122.172 of the Revised Code. 4488
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(B) (1) Subject to divisions (I) and (J) of this section, a grant is allowed against the tax imposed by section 5733.06 or 5747.02 of the Revised Code for a taxpayer that purchases new manufacturing machinery and equipment during the qualifying period, provided that the new manufacturing machinery and equipment are installed in this state not later than June 30, 2006. 4490
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(2) (a) Except as otherwise provided in division (B) (2) (b) of this section, a grant may be claimed under this section in excess of one million dollars only if the cost of all 4497
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4499

manufacturing machinery and equipment owned in this state by the 4500
taxpayer claiming the grant on the last day of the calendar year 4501
exceeds the cost of all manufacturing machinery and equipment 4502
owned in this state by the taxpayer on the first day of that 4503
calendar year. 4504

As used in division (B) (2) (a) of this section, "calendar 4505
year" means the calendar year in which the machinery and 4506
equipment for which the grant is claimed was purchased. 4507

(b) Division (B) (2) (a) of this section does not apply if 4508
the taxpayer claiming the grant applies for and is issued a 4509
waiver of the requirement of that division. A taxpayer may apply 4510
to the director of housing and development for such a waiver in 4511
the manner prescribed by the director, and the director may 4512
issue such a waiver if the director determines that granting the 4513
grant is necessary to increase or retain employees in this 4514
state, and that the grant has not caused relocation of 4515
manufacturing machinery and equipment among counties within this 4516
state for the primary purpose of qualifying for the grant. 4517

(C) (1) Except as otherwise provided in division (C) (2) and 4518
division (I) of this section, the grant amount is equal to seven 4519
and one-half per cent of the excess of the cost of the new 4520
manufacturing machinery and equipment purchased during the 4521
calendar year for use in a county over the county average new 4522
manufacturing machinery and equipment investment for that 4523
county. 4524

(2) Subject to division (I) of this section, as used in 4525
division (C) (2) of this section, "county excess" means the 4526
taxpayer's excess cost for a county as computed under division 4527
(C) (1) of this section. 4528

Subject to division (I) of this section, a taxpayer with a county excess, whose purchases included purchases for use in any eligible area in the county, the grant amount is equal to thirteen and one-half per cent of the cost of the new manufacturing machinery and equipment purchased during the calendar year for use in the eligible areas in the county, provided that the cost subject to the thirteen and one-half per cent rate shall not exceed the county excess. If the county excess is greater than the cost of the new manufacturing machinery and equipment purchased during the calendar year for use in eligible areas in the county, the grant amount also shall include an amount equal to seven and one-half per cent of the amount of the difference.

(3) If a taxpayer is allowed a grant for purchases of new manufacturing machinery and equipment in more than one county or eligible area, it shall aggregate the amount of those grants each year.

(4) Except as provided in division (J) of this section, the taxpayer shall claim one-seventh of the grant amount for the taxable year ending in the calendar year in which the new manufacturing machinery and equipment is purchased for use in the county by the taxpayer or partnership. One-seventh of the taxpayer grant amount is allowed for each of the six ensuing taxable years. Except for carried-forward amounts, the taxpayer is not allowed any grant amount remaining if the new manufacturing machinery and equipment is sold by the taxpayer or partnership or is transferred by the taxpayer or partnership out of the county before the end of the seven-year period unless, at the time of the sale or transfer, the new manufacturing machinery and equipment has been fully depreciated for federal income tax purposes.

(5) (a) A taxpayer that acquires manufacturing machinery 4560
and equipment as a result of a merger with the taxpayer with 4561
whom commenced the original use in this state of the 4562
manufacturing machinery and equipment, or with a taxpayer that 4563
was a partner in a partnership with whom commenced the original 4564
use in this state of the manufacturing machinery and equipment, 4565
is entitled to any remaining or carried-forward grant amounts to 4566
which the taxpayer was entitled. 4567

(b) A taxpayer that enters into an agreement under 4568
division (C) (3) of section 5709.62 of the Revised Code and that 4569
acquires manufacturing machinery or equipment as a result of 4570
purchasing a large manufacturing facility, as defined in section 4571
5709.61 of the Revised Code, from another taxpayer with whom 4572
commenced the original use in this state of the manufacturing 4573
machinery or equipment, and that operates the large 4574
manufacturing facility so purchased, is entitled to any 4575
remaining or carried-forward grant amounts to which the other 4576
taxpayer who sold the facility would have been entitled under 4577
this section had the other taxpayer not sold the manufacturing 4578
facility or equipment. 4579

(c) New manufacturing machinery and equipment is not 4580
considered sold if a pass-through entity transfers to another 4581
pass-through entity substantially all of its assets as part of a 4582
plan of reorganization under which substantially all gain and 4583
loss is not recognized by the pass-through entity that is 4584
transferring the new manufacturing machinery and equipment to 4585
the transferee and under which the transferee's basis in the new 4586
manufacturing machinery and equipment is determined, in whole or 4587
in part, by reference to the basis of the pass-through entity 4588
that transferred the new manufacturing machinery and equipment 4589
to the transferee. 4590

(d) Division (C) (5) of this section applies only if the 4591
acquiring taxpayer or transferee does not sell the new 4592
manufacturing machinery and equipment or transfer the new 4593
manufacturing machinery and equipment out of the county before 4594
the end of the seven-year period to which division (C) (4) of 4595
this section refers. 4596

(e) Division (C) (5) (b) of this section applies only to the 4597
extent that the taxpayer that sold the manufacturing machinery 4598
or equipment, upon request, timely provides to the tax 4599
commissioner any information that the tax commissioner considers 4600
to be necessary to ascertain any remaining or carried-forward 4601
amounts to which the taxpayer that sold the facility would have 4602
been entitled under this section had the taxpayer not sold the 4603
manufacturing machinery or equipment. Nothing in division (C) (5) 4604
(b) or (e) of this section shall be construed to allow a 4605
taxpayer to claim any grant amount with respect to the acquired 4606
manufacturing machinery or equipment that is greater than the 4607
amount that would have been available to the other taxpayer that 4608
sold the manufacturing machinery or equipment had the other 4609
taxpayer not sold the manufacturing machinery or equipment. 4610

(D) The taxpayer shall claim the grant allowed by this 4611
section in the manner provided by section 122.172 of the Revised 4612
Code. Any portion of the grant in excess of the taxpayer's tax 4613
liability for the taxable year shall not be refundable but may 4614
be carried forward for the next three consecutive taxable years. 4615

(E) A taxpayer purchasing new manufacturing machinery and 4616
equipment and intending to claim the grant shall file, with the 4617
director of housing and development, a notice of intent to claim 4618
the grant on a form prescribed by the director of housing and 4619
development. The director of housing and development shall 4620

inform the tax commissioner of the notice of intent to claim the 4621
grant. No grant may be claimed under this section for any 4622
manufacturing machinery and equipment with respect to which a 4623
notice was not filed by the date of a timely filed return, 4624
including extensions, for the taxable year that includes 4625
September 30, 2005, but a notice filed on or before such date 4626
under division (E) of section 5733.33 of the Revised Code of the 4627
intent to claim the credit under that section also shall be 4628
considered a notice of the intent to claim a grant under this 4629
section. 4630

(F) The director of housing and development shall annually 4631
certify, by the first day of January of each year during the 4632
qualifying period, the eligible areas for the tax grant for the 4633
calendar year that includes that first day of January. The 4634
director shall send a copy of the certification to the tax 4635
commissioner. 4636

(G) New manufacturing machinery and equipment for which a 4637
taxpayer claims the credit under section 5733.31 or 5733.311 of 4638
the Revised Code shall not be considered new manufacturing 4639
machinery and equipment for purposes of the grant under this 4640
section. 4641

(H) (1) Notwithstanding sections 5733.11 and 5747.13 of the 4642
Revised Code, but subject to division (H) (2) of this section, 4643
the tax commissioner may issue an assessment against a person 4644
with respect to a grant claimed under this section for new 4645
manufacturing machinery and equipment described in division (A) 4646
(1) (b) or (2) (b) of this section, if the machinery or equipment 4647
subsequently does not qualify for the grant. 4648

(2) Division (H) (1) of this section shall not apply after 4649
the twenty-fourth month following the last day of the period 4650

described in divisions (A) (1) (b) and (2) (b) of this section. 4651

(I) Notwithstanding any other provision of this section to 4652
the contrary, in the case of a qualifying controlled group, the 4653
grant available under this section to a taxpayer or taxpayers in 4654
the qualifying controlled group shall be computed as if all 4655
corporations in the group were a single corporation. The grant 4656
shall be allocated to such a taxpayer or taxpayers in the group 4657
in any amount elected for the taxable year by the group. The 4658
election shall be revocable and amendable during the period 4659
described in division (B) of section 5733.12 of the Revised 4660
Code. 4661

This division applies to all purchases of new 4662
manufacturing machinery and equipment made on or after January 4663
1, 2001, and to all baseline years used to compute any grant 4664
attributable to such purchases; provided, that this division may 4665
be applied solely at the election of the qualifying controlled 4666
group with respect to all purchases of new manufacturing 4667
machinery and equipment made before that date, and to all 4668
baseline years used to compute any grant attributable to such 4669
purchases. The qualifying controlled group at any time may elect 4670
to apply this division to purchases made prior to January 1, 4671
2001, subject to the following: 4672

(1) The election is irrevocable; 4673

(2) The election need not accompany a timely filed report, 4674
but the election may accompany a subsequently filed but timely 4675
application for refund, a subsequently filed but timely amended 4676
report, or a subsequently filed but timely petition for 4677
reassessment. 4678

(J) Except as provided in division (B) of section 122.172 4679

of the Revised Code, no grant under this section may be claimed 4680
for any taxable year for which a credit is allowed under section 4681
5733.33 of the Revised Code. If the tax imposed by section 4682
5733.06 of the Revised Code for which a grant is allowed under 4683
this section has been prorated under division (G)(2) of section 4684
5733.01 of the Revised Code, the grant shall be prorated by the 4685
same percentage as the tax. 4686

Sec. 122.174. There is hereby created in the state 4687
treasury the tax incentives operating fund. The fund shall 4688
consist of any amounts appropriated to it and money credited to 4689
the fund pursuant to section 122.151, 122.154, 122.17, 122.171, 4690
122.175, 122.85, 122.86, 3735.672, 5709.68, or 5725.33 of the 4691
Revised Code. The director of housing and development services 4692
shall use money in the fund to pay expenses related to the 4693
administration of (A) the business services division of the 4694
department of housing and development ~~services agency~~ and (B) 4695
the programs described in those sections. 4696

Sec. 122.175. (A) As used in this section: 4697

(1) "Capital investment project" means a plan of 4698
investment at a project site for the acquisition, construction, 4699
renovation, expansion, replacement, or repair of a computer data 4700
center or of computer data center equipment, but does not 4701
include any of the following: 4702

(a) Project costs paid before a date determined by the tax 4703
credit authority for each capital investment project; 4704

(b) Payments made to a related member as defined in 4705
section 5733.042 of the Revised Code or to a consolidated 4706
elected taxpayer or a combined taxpayer as defined in section 4707
5751.01 of the Revised Code. 4708

(2) "Computer data center" means a facility used or to be used primarily to house computer data center equipment used or to be used in conducting one or more computer data center businesses, as determined by the tax credit authority.

(3) "Computer data center business" means, as may be further determined by the tax credit authority, a business that provides electronic information services as defined in division (Y) (1) (c) of section 5739.01 of the Revised Code, or that leases a facility to one or more such businesses. "Computer data center business" does not include providing electronic publishing as defined in that section.

(4) "Computer data center equipment" means tangible personal property used or to be used for any of the following:

(a) To conduct a computer data center business, including equipment cooling systems to manage the performance of computer data center equipment;

(b) To generate, transform, transmit, distribute, or manage electricity necessary to operate the tangible personal property used or to be used in conducting a computer data center business;

(c) As building and construction materials sold to construction contractors for incorporation into a computer data center.

(5) "Eligible computer data center" means a computer data center that satisfies all of the following requirements:

(a) One or more taxpayers operating a computer data center business at the project site will, in the aggregate, make payments for a capital investment project of at least one hundred million dollars at the project site during one of the

following cumulative periods: 4738

(i) For projects beginning in 2013, six consecutive 4739
calendar years; 4740

(ii) For projects beginning in 2014, four consecutive 4741
calendar years; 4742

(iii) For projects beginning in or after 2015, three 4743
consecutive calendar years. 4744

(b) One or more taxpayers operating a computer data center 4745
business at the project site will, in the aggregate, pay annual 4746
compensation that is subject to the withholding obligation 4747
imposed under section 5747.06 of the Revised Code of at least 4748
one million five hundred thousand dollars to employees employed 4749
at the project site for each year of the agreement beginning on 4750
or after the first day of the twenty-fifth month after the 4751
agreement was entered into under this section. 4752

(6) "Person" has the same meaning as in section 5701.01 of 4753
the Revised Code. 4754

(7) "Project site," "related member," and "tax credit 4755
authority" have the same meanings as in sections 122.17 and 4756
122.171 of the Revised Code. 4757

(8) "Taxpayer" means any person subject to the taxes 4758
imposed under Chapters 5739. and 5741. of the Revised Code. 4759

(B) The tax credit authority may completely or partially 4760
exempt from the taxes levied under Chapters 5739. and 5741. of 4761
the Revised Code the sale, storage, use, or other consumption of 4762
computer data center equipment used or to be used at an eligible 4763
computer data center. Any such exemption shall extend to charges 4764
for the delivery, installation, or repair of the computer data 4765

center equipment subject to the exemption under this section. 4766

(C) A taxpayer that proposes a capital improvement project 4767
for an eligible computer data center in this state may apply to 4768
the tax credit authority to enter into an agreement under this 4769
section authorizing a complete or partial exemption from the 4770
taxes imposed under Chapters 5739. and 5741. of the Revised Code 4771
on computer data center equipment purchased by the applicant or 4772
any other taxpayer that operates a computer data center business 4773
at the project site and used or to be used at the eligible 4774
computer data center. The director of housing and development 4775
~~services~~ shall prescribe the form of the application. After 4776
receipt of an application, the authority shall forward copies of 4777
the application to the director of budget and management and the 4778
tax commissioner, each of whom shall review the application to 4779
determine the economic impact that the proposed eligible 4780
computer data center would have on the state and any affected 4781
political subdivisions and submit to the authority a summary of 4782
their determinations. The authority shall also forward a copy of 4783
the application to the director of housing and development 4784
~~services~~ who shall review the application to determine the 4785
economic impact that the proposed eligible computer data center 4786
would have on the state and the affected political subdivisions 4787
and shall submit a summary of their determinations and 4788
recommendations to the authority. 4789

(D) Upon review and consideration of such determinations 4790
and recommendations, the tax credit authority may enter into an 4791
agreement with the applicant and any other taxpayer that 4792
operates a computer data center business at the project site for 4793
a complete or partial exemption from the taxes imposed under 4794
Chapters 5739. and 5741. of the Revised Code on computer data 4795
center equipment used or to be used at an eligible computer data 4796

center if the authority determines all of the following: 4797

(1) The capital investment project for the eligible 4798
computer data center will increase payroll and the amount of 4799
income taxes to be withheld from employee compensation pursuant 4800
to section 5747.06 of the Revised Code. 4801

(2) The applicant is economically sound and has the 4802
ability to complete or effect the completion of the proposed 4803
capital investment project. 4804

(3) The applicant intends to and has the ability to 4805
maintain operations at the project site for the term of the 4806
agreement. 4807

(4) Receiving the exemption is a major factor in the 4808
applicant's decision to begin, continue with, or complete the 4809
capital investment project. 4810

(E) An agreement entered into under this section shall 4811
include all of the following: 4812

(1) A detailed description of the capital investment 4813
project that is the subject of the agreement, including the 4814
amount of the investment, the period over which the investment 4815
has been or is being made, the annual compensation to be paid by 4816
each taxpayer subject to the agreement to its employees at the 4817
project site, and the anticipated amount of income taxes to be 4818
withheld from employee compensation pursuant to section 5747.06 4819
of the Revised Code. 4820

(2) The percentage of the exemption from the taxes imposed 4821
under Chapters 5739. and 5741. of the Revised Code for the 4822
computer data center equipment used or to be used at the 4823
eligible computer data center, the length of time the computer 4824
data center equipment will be exempted, and the first date on 4825

which the exemption applies. 4826

(3) A requirement that the computer data center remain an 4827
eligible computer data center during the term of the agreement 4828
and that the applicant maintain operations at the eligible 4829
computer data center during that term. An applicant does not 4830
violate the requirement described in division (E) (3) of this 4831
section if the applicant ceases operations at the eligible 4832
computer data center during the term of the agreement but 4833
resumes those operations within eighteen months after the date 4834
of cessation. The agreement shall provide that, in such a case, 4835
the applicant and any other taxpayer that operates a computer 4836
data center business at the project site shall not claim the tax 4837
exemption authorized in the agreement for any purchase of 4838
computer data center equipment made during the period in which 4839
the applicant did not maintain operations at the eligible 4840
computer data center. 4841

(4) A requirement that, for each year of the term of the 4842
agreement beginning on or after the first day of the twenty- 4843
fifth month after the date the agreement was entered into, one 4844
or more taxpayers operating a computer data center business at 4845
the project site will, in the aggregate, pay annual compensation 4846
that is subject to the withholding obligation imposed under 4847
section 5747.06 of the Revised Code of at least one million five 4848
hundred thousand dollars to employees at the eligible computer 4849
data center. 4850

(5) A requirement that each taxpayer subject to the 4851
agreement annually report to the director of housing and 4852
development ~~services~~ employment, tax withholding, capital 4853
investment, and other information required by the director to 4854
perform the director's duties under this section. 4855

(6) A requirement that the director of housing and 4856
development ~~services~~ annually review the annual reports of each 4857
taxpayer subject to the agreement to verify the information 4858
reported under division (E) (5) of this section and compliance 4859
with the agreement. Upon verification, the director shall issue 4860
a certificate to each such taxpayer stating that the information 4861
has been verified and that the taxpayer remains eligible for the 4862
exemption specified in the agreement. 4863

(7) A provision providing that the taxpayers subject to 4864
the agreement may not relocate a substantial number of 4865
employment positions from elsewhere in this state to the project 4866
site unless the director of housing and development ~~services~~ 4867
determines that the appropriate taxpayer notified the 4868
legislative authority of the county, township, or municipal 4869
corporation from which the employment positions would be 4870
relocated. For purposes of this paragraph, the movement of an 4871
employment position from one political subdivision to another 4872
political subdivision shall be considered a relocation of an 4873
employment position unless the movement is confined to the 4874
project site. The transfer of an employment position from one 4875
political subdivision to another political subdivision shall not 4876
be considered a relocation of an employment position if the 4877
employment position in the first political subdivision is 4878
replaced by another employment position. 4879

(8) A waiver by each taxpayer subject to the agreement of 4880
any limitations periods relating to assessments or adjustments 4881
resulting from the taxpayer's failure to comply with the 4882
agreement. 4883

(F) The term of an agreement under this section shall be 4884
determined by the tax credit authority, and the amount of the 4885

exemption shall not exceed one hundred per cent of such taxes 4886
that would otherwise be owed in respect to the exempted computer 4887
data center equipment. 4888

(G) If any taxpayer subject to an agreement under this 4889
section fails to meet or comply with any condition or 4890
requirement set forth in the agreement, the tax credit authority 4891
may amend the agreement to reduce the percentage of the 4892
exemption or term during which the exemption applies to the 4893
computer data center equipment used or to be used by the 4894
noncompliant taxpayer at an eligible computer data center. The 4895
reduction of the percentage or term may take effect in the 4896
current calendar year. 4897

(H) Financial statements and other information submitted 4898
to the department of housing and development ~~services~~ or the tax 4899
credit authority by an applicant for or recipient of an 4900
exemption under this section, and any information taken for any 4901
purpose from such statements or information, are not public 4902
records subject to section 149.43 of the Revised Code. However, 4903
the chairperson of the authority may make use of the statements 4904
and other information for purposes of issuing public reports or 4905
in connection with court proceedings concerning tax exemption 4906
agreements under this section. Upon the request of the tax 4907
commissioner, the chairperson of the authority shall provide to 4908
the tax commissioner any statement or other information 4909
submitted by an applicant for or recipient of an exemption under 4910
this section. The tax commissioner shall preserve the 4911
confidentiality of the statement or other information. 4912

(I) The tax commissioner shall issue a direct payment 4913
permit under section 5739.031 of the Revised Code to each 4914
taxpayer subject to an agreement under this section. Such direct 4915

payment permit shall authorize the taxpayer to pay any sales and 4916
use taxes due on purchases of computer data center equipment 4917
used or to be used in an eligible computer data center and to 4918
pay any sales and use taxes due on purchases of tangible 4919
personal property or taxable services other than computer data 4920
center equipment used or to be used in an eligible computer data 4921
center directly to the tax commissioner. Each such taxpayer 4922
shall pay pursuant to such direct payment permit all sales tax 4923
levied on such purchases under sections 5739.02, 5739.021, 4924
5739.023, and 5739.026 of the Revised Code and all use tax 4925
levied on such purchases under sections 5741.02, 5741.021, 4926
5741.022, and 5741.023 of the Revised Code, consistent with the 4927
terms of the agreement entered into under this section. 4928

During the term of an agreement under this section each 4929
taxpayer subject to the agreement shall submit to the tax 4930
commissioner a return that shows the amount of computer data 4931
center equipment purchased for use at the eligible computer data 4932
center, the amount of tangible personal property and taxable 4933
services other than computer data center equipment purchased for 4934
use at the eligible computer data center, the amount of tax 4935
under Chapter 5739. or 5741. of the Revised Code that would be 4936
due in the absence of the agreement under this section, the 4937
exemption percentage for computer data center equipment 4938
specified in the agreement, and the amount of tax due under 4939
Chapter 5739. or 5741. of the Revised Code as a result of the 4940
agreement under this section. Each such taxpayer shall pay the 4941
tax shown on the return to be due in the manner and at the times 4942
as may be further prescribed by the tax commissioner. Each such 4943
taxpayer shall include a copy of the director of ~~development~~ 4944
~~services'~~ housing and development's certificate of verification 4945
issued under division (E) (6) of this section. Failure to submit 4946

a copy of the certificate with the return does not invalidate 4947
the claim for exemption if the taxpayer submits a copy of the 4948
certificate to the tax commissioner within the time prescribed 4949
by section 5703.0510 of the Revised Code. 4950

(J) If the director of housing and development services 4951
determines that one or more taxpayers received an exemption from 4952
taxes due on the purchase of computer data center equipment 4953
purchased for use at a computer data center that no longer 4954
complies with the requirement under division (E)(3) of this 4955
section, the director shall notify the tax credit authority and, 4956
if applicable, the taxpayer that applied to enter the agreement 4957
for the exemption under division (C) of this section of the 4958
noncompliance. After receiving such a notice, and after giving 4959
each taxpayer subject to the agreement an opportunity to explain 4960
the noncompliance, the authority may terminate the agreement and 4961
require each such taxpayer to pay to the state all or a portion 4962
of the taxes that would have been owed in regards to the exempt 4963
equipment in previous years, all as determined under rules 4964
adopted pursuant to division (K) of this section. In determining 4965
the portion of the taxes that would have been owed on the 4966
previously exempted equipment to be paid to this state by a 4967
taxpayer, the authority shall consider the effect of market 4968
conditions on the eligible computer data center, whether the 4969
taxpayer continues to maintain other operations in this state, 4970
and, with respect to agreements involving multiple taxpayers, 4971
the taxpayer's level of responsibility for the noncompliance. 4972
After making the determination, the authority shall certify to 4973
the tax commissioner the amount to be paid by each taxpayer 4974
subject to the agreement. The tax commissioner shall make an 4975
assessment for that amount against each such taxpayer under 4976
Chapter 5739. or 5741. of the Revised Code. The time limitations 4977

on assessments under those chapters do not apply to an 4978
assessment under this division, but the tax commissioner shall 4979
make the assessment within one year after the date the authority 4980
certifies to the tax commissioner the amount to be paid by the 4981
taxpayer. 4982

(K) The director of housing and development~~services~~, 4983
after consultation with the tax commissioner and in accordance 4984
with Chapter 119. of the Revised Code, shall adopt rules 4985
necessary to implement this section. The rules may provide for 4986
recipients of tax exemptions under this section to be charged 4987
fees to cover administrative costs incurred in the 4988
administration of this section. The fees collected shall be 4989
credited to the tax incentives operating fund created in section 4990
122.174 of the Revised Code. At the time the director gives 4991
public notice under division (A) of section 119.03 of the 4992
Revised Code of the adoption of the rules, the director shall 4993
submit copies of the proposed rules to the chairpersons of the 4994
standing committees on economic development in the senate and 4995
the house of representatives. 4996

(L) On or before the first day of August of each year, the 4997
director of housing and development ~~services~~ shall submit a 4998
report to the governor, the president of the senate, and the 4999
speaker of the house of representatives on the tax exemption 5000
authorized under this section. The report shall include 5001
information on the number of agreements that were entered into 5002
under this section during the preceding calendar year, a 5003
description of the eligible computer data center that is the 5004
subject of each such agreement, and an update on the status of 5005
eligible computer data centers under agreements entered into 5006
before the preceding calendar year. 5007

(M) A taxpayer may be made a party to an existing 5008
agreement entered into under this section by the tax credit 5009
authority and another taxpayer or group of taxpayers. In such a 5010
case, the taxpayer shall be entitled to all benefits and bound 5011
by all obligations contained in the agreement and all 5012
requirements described in this section. When an agreement 5013
includes multiple taxpayers, each taxpayer shall be entitled to 5014
a direct payment permit as authorized in division (I) of this 5015
section. 5016

Sec. 122.176. (A) For purposes of this section: 5017

(1) "Vacant commercial space" means space that has been 5018
unoccupied and available for use in a trade or business for the 5019
twelve months immediately preceding the lease or purchase date 5020
described in division (B) of this section, located in either of 5021
the following: 5022

(a) A building, seventy-five per cent or more of the 5023
square footage of which has been unoccupied and available for 5024
use in a trade or business for the twelve months immediately 5025
preceding the initial lease or purchase date described in 5026
division (B) of this section; 5027

(b) A business park, seventy-five per cent or more of the 5028
square footage of which has been unoccupied and available for 5029
use in a trade or business for the twelve months immediately 5030
preceding the initial lease or purchase date described in 5031
division (B) of this section. 5032

For the purpose of determining whether a building, the 5033
construction of which is not complete, has been unoccupied for 5034
the required length of time, the building first becomes 5035
"unoccupied" when its construction discontinues as determined by 5036

the person who owned the property at that time. 5037

(2) "Business park" means two or more buildings located on 5038
the same or adjacent parcels held under common ownership. 5039

(3) "Building" means a building as defined in section 5040
3781.06 of the Revised Code the construction of which is at 5041
least eighty-five per cent complete and that may be lawfully 5042
occupied. 5043

(4) "Qualifying employee" means an employee employed by an 5044
employer, provided the employee is employed at the vacant 5045
commercial space for a minimum of forty hours per week and has 5046
been so employed for at least one year, the employer pays the 5047
employee at a wage rate equal to or greater than the minimum 5048
wage rate applicable under Chapter 4111. of the Revised Code, 5049
employment of the employee increases the employer's payroll 5050
above the employer's base employment threshold, and the employee 5051
had not been employed by the employer within sixty days before 5052
the date the employer purchases or enters into a lease for a 5053
vacant commercial space. 5054

(5) "Base employment threshold" means the total payroll of 5055
the employer on the date the employer purchases or enters into a 5056
lease for a vacant commercial space. 5057

(B) This section does not apply to the federal government, 5058
the state, the state's political subdivisions, or nonprofit 5059
organizations. 5060

An employer required to deduct and withhold income tax 5061
from an employee's compensation under section 5747.06 and remit 5062
such amounts under section 5747.07 of the Revised Code may apply 5063
to the director of housing and development for a grant from the 5064
vacant facilities grant fund, provided that, on or after ~~the~~ 5065

~~effective date of this section as enacted by H.B. 18 of the~~ 5066
~~129th general assembly August 6, 2012,~~ the employer occupies 5067
under a lease or purchases vacant commercial space at which the 5068
employer employs at least fifty employees or at least fifty per 5069
cent of its employees who are employed in this state. An 5070
employer may qualify for the grant only once. The amount of the 5071
grant awarded under this section shall be five hundred dollars 5072
for each qualifying employee. No grant application shall be 5073
accepted by the director three years or later after ~~the~~ 5074
~~effective date of this section August 6, 2012.~~ 5075

An employer does not qualify for a grant under this 5076
section if, during the year of the employer's application, the 5077
employer is eligible to claim a tax credit or other incentive 5078
under an agreement with the tax credit authority. 5079

The director shall prescribe application materials and 5080
explanations. An employer applying for a grant under this 5081
section shall submit the following with the employer's 5082
application to the director: 5083

(1) An affidavit from the person who, in the case of a 5084
lease of vacant commercial space, owns the property or, in the 5085
case of a purchase, is the most recent owner of the property 5086
indicating that the building meets the requirements of a vacant 5087
commercial space; 5088

(2) Payroll records indicating, for each qualifying 5089
employee, that the employee was employed for one year or longer 5090
at the vacant commercial space; 5091

(3) Quarterly reports of wage information submitted by the 5092
employer to the department of job and family services pursuant 5093
to section 4141.20 of the Revised Code indicating the employer's 5094

qualifying employees and the employer's base employment 5095
threshold; 5096

(4) A statement that the employer agrees to provide to the 5097
director any receipts, invoices, or similar documents 5098
demonstrating that the employer used the grant for the 5099
activities described in division (C) of this section. 5100

Upon receipt of an application, the director shall review 5101
the application and attached materials and approve the 5102
application if, to the director's satisfaction, the employer 5103
fulfills all the grant requirements of this section, and if, in 5104
the judgment of the director, the unencumbered balance in the 5105
vacant facilities grant fund is sufficient to fund the amount of 5106
the grant. Upon approval of a grant application, the director 5107
shall authorize the award of the grant from the vacant 5108
facilities grant fund to the employer. 5109

(C) An employer receiving a grant under this section from 5110
the vacant facilities grant fund must use the grant for the 5111
acquisition, construction, enlargement, improvement, or 5112
equipment of property, structures, equipment, and facilities 5113
used by the employer in business at the vacant commercial space 5114
occupied by the employer. 5115

(D) An employer may claim a grant under this section with 5116
respect to a building, the construction of which is not 5117
complete, only if the employer submits both of the following 5118
with the employer's application: 5119

(1) A copy of a certificate of occupancy from the 5120
appropriate building authority indicating that the building may 5121
lawfully be occupied pursuant to ~~chapters~~ Chapters 3781. and 5122
3791. of the Revised Code; 5123

(2) An affidavit from the person who owned the property at 5124
the time construction discontinued indicating the date 5125
construction discontinued. 5126

(E) There is hereby created in the state treasury the 5127
vacant facilities grant fund, which shall consist of money 5128
appropriated to the fund by the general assembly. Money in the 5129
fund shall be used solely for the purposes of this section. 5130

Sec. 122.177. (A) As used in this section: 5131

(1) "Business" means a sole proprietorship, a corporation 5132
for profit, or a pass-through entity as defined in section 5133
5733.04 of the Revised Code. 5134

(2) "Career exploration internship" means a paid 5135
employment relationship between a student intern and a business 5136
in which the student intern acquires education, instruction, and 5137
experience relevant to the student intern's career aspirations. 5138

(3) "Student intern" means an individual who, at the time 5139
the business applies for a grant under division (B) of this 5140
section, meets both of the following criteria: 5141

(a) The individual is entitled to attend school in this 5142
state. 5143

(b) The individual is either between sixteen and eighteen 5144
years of age or is enrolled in grade eleven or twelve. 5145

(B) There is hereby created in the department of housing 5146
and development services agency the career exploration 5147
internship program to award grants to businesses that employ a 5148
student intern in a career exploration internship. To qualify 5149
for a grant under the program, the career exploration internship 5150
shall be at least twenty weeks in duration and include at least 5151

two hundred hours of paid work and instruction in this state. To 5152
obtain a grant, the business shall apply to the department of 5153
housing and development ~~services agency~~ before the starting date 5154
of the career exploration internship. The application shall 5155
include all of the following: 5156

(1) A brief description of the career exploration 5157
internship; 5158

(2) A signed statement by the student intern briefly 5159
describing the student intern's career aspirations and how the 5160
student intern believes this career exploration internship may 5161
help achieve those aspirations; 5162

(3) A signed statement by a principal or guidance 5163
counselor at the student intern's school or, in the case of a 5164
home schooled student, an individual responsible for 5165
administering instruction to the student intern, acknowledging 5166
that the employment opportunity qualifies as a career 5167
exploration internship and expressing intent to advise the 5168
student intern as provided in division (E) of this section; 5169

(4) The name, address, and telephone number of the 5170
business; 5171

(5) Any other information required by the department of 5172
housing and development ~~services agency~~. 5173

(C) (1) The department of housing and development ~~services~~ 5174
~~agency~~ shall review and make a determination with respect to 5175
each application submitted under division (B) of this section in 5176
the order in which the application is received. The ~~agency~~ 5177
department shall not approve any application under this section 5178
that is received by the ~~agency~~ department later than June 25, 5179
2017, or that was submitted by a business that does not have 5180

substantial operations in this state. The ~~agency-department~~ may 5181
not otherwise deny an application unless the application is 5182
incomplete, the proposed employment relationship does not 5183
qualify as a career exploration internship for which a grant may 5184
be awarded under this section, the business is ineligible to 5185
receive a grant under division (D) (1) of this section, or the 5186
~~agency-department~~ determines that approving the application 5187
would cause the amount that could be awarded to exceed the 5188
amount of money in the career exploration internship fund. 5189

(2) The ~~agency-department~~ shall send written notice of its 5190
determination to the applicant within thirty days after 5191
receiving the application. If the ~~agency-department~~ determines 5192
that the application shall not be approved, the notice shall 5193
include the reasons for such determination. 5194

(3) The ~~agency's-department's~~ determination is final and 5195
may not be appealed for any reason. A business may submit a new 5196
or amended application under division (B) of this section at any 5197
time before or after receiving notice under division (C) (2) of 5198
this section. 5199

(D) (1) In any calendar year, the department of housing and 5200
development ~~services-agency~~ shall not award grants under this 5201
section to any business that has received grants for three 5202
career exploration internships in that calendar year. The ~~agency-~~ 5203
department shall not award a grant to a business unless the 5204
~~agency-department~~ receives a report from the business within 5205
thirty days after the end of the career exploration internship 5206
or thirteen months after the approval of the application, 5207
whichever comes first, that includes all of the following: 5208

(a) The date the student intern began the internship; 5209

(b) The date the internship ended or a statement that the student will continue to be employed by the business; 5210
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(c) The total number of hours during the internship that the student intern was employed by the business; 5212
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(d) The total wages paid by the business to the student intern during the internship; 5214
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(e) A signed statement by the student intern briefly describing the duties performed during the internship and the skills and experiences gained throughout the internship; 5216
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(f) Any other information required by the agency~~department~~. 5219
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(2) If the agency~~department~~ receives the report and determines that it contains all of the information and the statement required by division (D) (1) of this section and that the career exploration internship described in the report complies with all the provisions of this section, the agency~~department~~ shall award a grant to the business. The amount of the grant shall equal the lesser of the following: 5221
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(a) Fifty per cent of the wages paid by the business to the student intern for the first twelve months following the date the application was approved; 5228
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(b) Five thousand dollars. 5231

(E) The student intern and the principal, guidance counselor, or other qualified individual who signed the statement described in division (B) (3) of this section shall meet at least once in the thirty days following the end of the career exploration internship or in the thirteenth month following the start of the career exploration internship, 5232
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whichever comes first. The purpose of the meeting is to discuss 5238
the student intern's experiences during the career exploration 5239
internship, consider the practical applications of these 5240
experiences to the student intern's career aspirations, and to 5241
establish or confirm goals for the student intern. If 5242
practicable, the meeting shall be in person. Otherwise, the 5243
meeting may be conducted over the telephone. 5244

(F) A business that receives a grant under this section 5245
may submit a new application under division (B) of this section 5246
for another career exploration internship with the same student 5247
intern. Such an application does not have to include the 5248
statements otherwise required by divisions (B)(2) and (3) of 5249
this section. 5250

(G) Annually, on the first day of August until August 5251
2017, the department of housing and development ~~services~~ ~~agency~~ 5252
shall compile a report indicating the number of career 5253
exploration internships approved by the ~~agency~~ department under 5254
this section, the statements issued by the student interns under 5255
divisions (B)(2) and (D)(1)(e) of this section, the number of 5256
student interns that continued employment with the business 5257
after the termination of the career exploration internship, and 5258
the total amount of grants awarded under this section. The 5259
report shall not disclose any student interns' personally 5260
identifiable information. The ~~agency~~ department shall provide 5261
copies of the report to the governor, the speaker and minority 5262
leader of the house of representatives, and the president and 5263
minority leader of the senate. 5264

(H) The department of housing and development ~~services~~ 5265
~~agency~~ may adopt rules necessary to administer this section in 5266
accordance with Chapter 119. of the Revised Code. 5267

(I) The career exploration internship fund is hereby 5268
created in the state treasury. The fund shall consist of a 5269
portion of the proceeds from the upfront license fees paid for 5270
the casino facilities authorized under Section 6(C) of Article 5271
XV, Ohio Constitution. Money in the fund shall be used by the 5272
department of housing and development ~~services agency~~ to provide 5273
grants under this section. 5274

Sec. 122.178. (A) As used in this section, 5275
"microcredential" means an industry-recognized credential or 5276
certificate that an applicant may complete in not more than one 5277
year and that is approved by the chancellor of higher education. 5278

(B) There is hereby created the TechCred program to 5279
reimburse employers from appropriations made for that purpose 5280
for training costs for prospective and incumbent employees to 5281
earn a microcredential. The department of housing and 5282
development, in consultation with the governor's office of 5283
workforce transformation and the department of higher education, 5284
shall develop the program. 5285

(C) (1) An employer seeking to participate in the program 5286
shall submit an application to the director of housing and 5287
development during an application period established by the 5288
director. The employer shall include in the application all of 5289
the following information: 5290

(a) Proof that the employer is registered to do business 5291
in this state; 5292

(b) Proof that the employer is current on all tax 5293
obligations to the state; 5294

(c) Proof that the employer is in compliance with all 5295
environmental regulations applicable to the employer; 5296

(d) The name of the training provider from which a prospective or incumbent employee will receive the training and earn the microcredential;	5297 5298 5299
(e) The cost of the training;	5300
(f) The positions for which earning the microcredential will make a prospective or incumbent employee qualified or the occupational skill set that the prospective or incumbent employee will acquire on completing the training;	5301 5302 5303 5304
(g) The address of the facility or location at which the prospective or incumbent employee is expected to be employed after completing the training;	5305 5306 5307
(h) Any other information the director requires.	5308
(2) In addition to the information required under division (C) (1) of this section, an employer seeking to participate in the program also may submit any of the following information the employer wishes to provide to the director:	5309 5310 5311 5312
(a) The estimated wage after completing the training and earning the microcredential;	5313 5314
(b) The employer's certification as a minority business enterprise under section 122.921 of the Revised Code or certification as an EDGE business enterprise under section 122.922 of the Revised Code if applicable;	5315 5316 5317 5318
(c) The demographic information of the employer, including race and gender;	5319 5320
(d) Any demographic information of a prospective or incumbent employee that the employee provides to the employer, including race and gender;	5321 5322 5323

(e) Any other information the employer wishes to provide to the director. 5324
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(D) (1) The director shall consider all applications submitted during an application period after the application period ends. The director shall consider the following factors in determining whether to approve an application: 5326
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(a) The duration of the training program; 5330

(b) The cost of the training; 5331

(c) A prospective or incumbent employee's estimated wage after completing the training and earning the microcredential; 5332
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(d) Whether approving an application will promote regional diversity in apportioning reimbursements uniformly across the state; 5334
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(e) Any other factors the director considers relevant in determining whether to approve an application. 5337
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(2) The chancellor of higher education shall establish a list of approved microcredentials. The director shall not approve an application submitted under division (C) of this section unless the microcredentials identified in the application are included in the chancellor's list. Not later than ninety days after April 14, 2020, the director shall create a list of training providers that offer a microcredential included in the chancellor's list. Thereafter, the director shall annually update the list of training providers. 5339
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(3) If the director approves an employer's application for participation in the program, the approval is valid as long as the employer maintains accurate application information under division (C) (1) of this section with the director. The employer 5348
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shall submit the updated information to the director at the 5352
beginning of the third fiscal year the employer participates in 5353
the program and every other subsequent fiscal year thereafter. 5354

(4) The director shall not approve an application for 5355
participation in the program if the employer has violated 5356
Chapter 4111. of the Revised Code within the four fiscal years 5357
immediately preceding the date of application. 5358

(E) (1) Each participating employer seeking reimbursement 5359
for training costs for a prospective or incumbent employee shall 5360
submit an application to the director that includes all of the 5361
following information for each prospective or incumbent 5362
employee: 5363

(a) The prospective or incumbent employee's name and 5364
position, if applicable, at the time of submitting the 5365
application; 5366

(b) The actual amount the employer paid to the training 5367
provider for the training; 5368

(c) Evidence that the prospective or incumbent employee 5369
earned a microcredential; 5370

(d) Evidence that the prospective or incumbent employee is 5371
a resident of this state. 5372

(2) The amount of the reimbursement shall be not more than 5373
two thousand dollars for each microcredential a prospective or 5374
incumbent employee receives. 5375

(F) No participating employer shall require a prospective 5376
or incumbent employee who receives a microcredential because the 5377
employer participated in and received a reimbursement through 5378
the employer's participation in the TechCred program to accept 5379

or continue employment with the employer. 5380

(G) For the purposes of determining regional diversity 5381
under this section, the following constitute the regions of the 5382
state: 5383

(1) The counties of Allen, Crawford, Defiance, Fulton, 5384
Hancock, Hardin, Henry, Lucas, Ottawa, Paulding, Putnam, 5385
Sandusky, Seneca, Van Wert, Williams, Wood, and Wyandot are one 5386
region; 5387

(2) The counties of Ashland, Ashtabula, Columbiana, 5388
Cuyahoga, Erie, Geauga, Huron, Lake, Lorain, Mahoning, Medina, 5389
Portage, Richland, Stark, Summit, Trumbull, Tuscarawas, and 5390
Wayne are one region; 5391

(3) The counties of Auglaize, Champaign, Clark, Clinton, 5392
Darke, Fayette, Greene, Mercer, Miami, Montgomery, Preble, and 5393
Shelby are one region; 5394

(4) The counties of Delaware, Fairfield, Franklin, Knox, 5395
Licking, Logan, Madison, Marion, Morrow, Pickaway, and Union are 5396
one region; 5397

(5) The counties of Adams, Athens, Gallia, Highland, 5398
Hocking, Jackson, Lawrence, Meigs, Pike, Ross, Scioto, and 5399
Vinton are one region; 5400

(6) The counties of Belmont, Carroll, Coshocton, Guernsey, 5401
Harrison, Holmes, Jefferson, Monroe, Morgan, Muskingum, Noble, 5402
Perry, and Washington are one region; 5403

(7) The counties of Brown, Butler, Clermont, Hamilton, and 5404
Warren are one region. 5405

(H) (1) The director shall do both of the following 5406
regarding the operation of the program: 5407

(a) Create an application to participate in the program	5408
and an application for reimbursement;	5409
(b) Create an internet web site with the applications for	5410
and information regarding the program created in this section.	5411
(2) The governor's office of workforce transformation	5412
shall include on the office's internet web site either of the	5413
following:	5414
(a) The applications for and information regarding the	5415
program created in this section;	5416
(b) An internet link to the internet web site created	5417
under division (H) (1) (b) of this section.	5418
(I) The director may adopt rules in accordance with	5419
Chapter 119. of the Revised Code regarding the operation of the	5420
program as the director considers necessary to administer the	5421
program, including establishing priority guidelines for	5422
approving applications under division (D) of this section.	5423
Sec. 122.179. (A) As used in this section:	5424
"Charitable organization" has the same meaning as in	5425
section 1716.01 of the Revised Code.	5426
"Independent college or university" means a nonprofit	5427
institution of higher education that has a certificate of	5428
authorization under Chapter 1713. of the Revised Code.	5429
"Industry sector partnership" means a workforce	5430
collaborative that organizes key leaders and stakeholders of an	5431
industry cluster into a working group that focuses on achieving	5432
a shared goal of meeting the industry cluster's human resources	5433
needs.	5434

"Ohio technical center" has the same meaning as in section 5435
3333.94 of the Revised Code. 5436

"Sector partnership network" means a regional or statewide 5437
workforce collaborative that organizes multiple industry sector 5438
partnerships into a working group that focuses on achieving a 5439
shared goal of meeting the human resources needs of a region or 5440
statewide. 5441

"State board" and "local board" have the same meanings as 5442
in section 6301.01 of the Revised Code. 5443

"State institution of higher education" has the same 5444
meaning as in section 3345.011 of the Revised Code. 5445

(B) A collaboration of multiple employers of an industry 5446
cluster may organize and lead an industry sector partnership by 5447
convening or acting in partnership with representatives of 5448
businesses, employers, or other institutions of an industry 5449
cluster, including small- and medium-sized employers where 5450
practicable, and a collaboration of multiple industry sector 5451
partnerships may convene or act in partnership together as a 5452
sector partnership network. An industry sector partnership may 5453
include representatives of one or more of the following: 5454

(1) A school district; 5455

(2) A state institution of higher education; 5456

(3) An Ohio technical center; 5457

(4) An independent college or university; 5458

(5) The state or a local government; 5459

(6) A state or local economic or workforce development 5460
agency; 5461

(7) A state board or local board;	5462
(8) The department of job and family services;	5463
(9) A business, trade, or industry association;	5464
(10) A charitable organization;	5465
(11) An economic development organization;	5466
(12) A nonprofit or community-based organization or intermediary;	5467 5468
(13) The Ohio state university extension division established under section 3335.16 of the Revised Code or the central state university extension program;	5469 5470 5471
(14) Any other organization that the industry sector partnership considers necessary to further the shared goal of meeting the industry cluster's human resources needs.	5472 5473 5474
(C) The director of <u>housing and development</u> services , in consultation with the governor's office of workforce transformation, shall develop a grant program to support industry sector partnerships and sector partnership networks. An industry sector partnership or sector partnership network may use a grant awarded under this section to do any of the following:	5475 5476 5477 5478 5479 5480 5481
(1) Hire employees to coordinate industry sector partnership or sector partnership network activities;	5482 5483
(2) Develop curricula or other educational resources to support the industry sector partnership or sector partnership network;	5484 5485 5486
(3) Market the industry sector partnership or sector partnership network and opportunities the industry sector	5487 5488

partnership or sector partnership network creates for workforce development activities;	5489 5490
(4) Any other activity the director has approved in rules adopted under division (E) of this section.	5491 5492
(D) The director shall do both of the following:	5493
(1) Establish a system for evaluating and scoring grant applications, which prioritizes collaborative community-based solutions, including sector partnership networks;	5494 5495 5496
(2) Award a grant to an industry sector partnership or a sector partnership network that submits a complete application for funding describing the activities in division (C) of this section the partnership or network will use the funds to support and meets the scoring criteria established under division (D) (1) of this section.	5497 5498 5499 5500 5501 5502
(E) The director may adopt rules in accordance with Chapter 119. of the Revised Code as the director considers necessary to administer the grant program.	5503 5504 5505
Sec. 122.1710. (A) As used in this section:	5506
(1) "Low-income individual" has the same meaning as "low-income person" in section 122.66 of the Revised Code.	5507 5508
(2) "Microcredential" has the same meaning as in section 122.178 of the Revised Code.	5509 5510
(3) "OhioMeansJobs web site" has the same meaning as in section 6301.01 of the Revised Code.	5511 5512
(4) "Partially unemployed" and "totally unemployed" have the same meanings as in section 4141.01 of the Revised Code.	5513 5514
(5) "Training provider" means all of the following:	5515

- (a) A state institution of higher education as defined in section 3345.011 of the Revised Code; 5516
5517
- (b) An Ohio technical center as defined in section 3333.94 of the Revised Code; 5518
5519
- (c) A private business or institution that offers training to allow an individual to earn one or more microcredentials. 5520
5521
- (B) There is hereby created the individual microcredential assistance program to reimburse training providers for training costs for individuals to earn a microcredential. The department of housing and development, in consultation with the governor's office of workforce transformation, shall administer the program. 5522
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- (C) A training provider seeking to participate in the program shall submit an application to the director of housing and development. The training provider shall include in the application all of the following information: 5528
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5531
- (1) The number of microcredentials the training provider will seek a reimbursement for and the names of the microcredentials; 5532
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- (2) The cost of the training for each microcredential; 5535
- (3) The total amount of the reimbursement the training provider will seek; 5536
5537
- (4) The training provider's plan to provide opportunities for individuals who are low income, partially unemployed, or totally unemployed to participate in a training program and receive a microcredential; 5538
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- (5) Any other information the director requires. 5542

(D) (1) The director shall consider the following factors 5543
in determining whether to approve an application submitted under 5544
division (C) of this section: 5545

(a) The duration of the training program; 5546

(b) The cost of the training; 5547

(c) Whether approving an application will promote regional 5548
diversity in apportioning reimbursements uniformly across the 5549
state; 5550

(d) The training provider's commitment to providing 5551
opportunities for individuals who are low income, partially 5552
unemployed, or totally unemployed to participate in a training 5553
program and receive a microcredential. 5554

(2) In determining regional diversity under division (D) 5555
(1) (c) of this section, the director shall use the regions 5556
established under division (G) of section 122.178 of the Revised 5557
Code. 5558

(3) The director shall not approve an application 5559
submitted under this section if either of the following apply: 5560

(a) The microcredentials identified in the application are 5561
not included in the list the chancellor of higher education 5562
establishes under section 122.178 of the Revised Code. 5563

(b) The training provider has violated Chapter 4111. of 5564
the Revised Code within the four fiscal years immediately 5565
preceding the date of application. 5566

(4) The director shall notify a training provider in 5567
writing of the director's decision to approve or deny the 5568
training provider's application to participate in the program. 5569

(E) A participating training provider shall not charge an individual participating in a training program to earn a microcredential for which the training provider is seeking a reimbursement for either of the following:

(1) Any costs associated with the individual's participation in the training program;

(2) Any costs to the training provider resulting from an individual not completing the training program.

(F) (1) Each participating training provider seeking reimbursement for training costs for one or more microcredentials earned by one or more individuals in a training program shall submit an application to the director after the individual or individuals have earned a microcredential. The training provider shall include in the reimbursement application all of the following information:

(a) The actual cost for the training provider to provide each individual with the training;

(b) Evidence that each individual earned a microcredential;

(c) Any demographic information of each individual that the individual provides to the training provider, including race and gender.

(2) The amount of the reimbursement shall be not more than three thousand dollars for each microcredential an individual receives. A participating training provider may not receive a reimbursement for any additional individual who earns a microcredential beyond the number of microcredentials included in the application under division (C) of this section. A participating training provider may receive a total

reimbursement of five hundred thousand dollars in a fiscal year. 5599

(3) A training provider may request that an individual 5600
participating in the training provider's program provide 5601
demographic information to the training provider, including race 5602
and gender. An individual is not required to provide that 5603
information. 5604

(G) The director shall do both of the following regarding 5605
the operation of the program: 5606

(1) Create an application to participate in the program 5607
and an application for reimbursement; 5608

(2) Create and distribute a survey to each individual who 5609
successfully earned a microcredential because of a reimbursement 5610
to a training provider under this section inquiring as to the 5611
individual's occupation and wages at the time of completing the 5612
survey. 5613

(H) The director shall include on the internet web site 5614
maintained by the department, and the governor's office of 5615
workforce transformation shall include on the office's internet 5616
web site and the OhioMeansJobs web site, all of the content 5617
created under division (G) of this section. 5618

(I) The director may adopt rules in accordance with 5619
Chapter 119. of the Revised Code as the director considers 5620
necessary to implement this section, including establishing 5621
priority guidelines for approving applications under division 5622
(D) of this section. 5623

(J) Any personal information of an individual the director 5624
receives in connection with the individual microcredential 5625
assistance program created under this section is not a public 5626
record for purposes of section 149.43 of the Revised Code. 5627

However, the director may use the information as necessary to 5628
complete the reports required under section 122.1711 of the 5629
Revised Code. 5630

Sec. 122.1711. (A) Beginning on the first day of August 5631
immediately following ~~the effective date of this section~~ April 5632
14, 2020, and every August first thereafter, the director of 5633
housing and development services shall submit to the general 5634
assembly a written report that compiles and includes information 5635
required in this section regarding the programs created under 5636
sections 122.178, 122.179, and 122.1710 of the Revised Code. 5637

(1) For the TechCred program created under section 122.178 5638
of the Revised Code, the director shall include in the report 5639
required under division (A) of this section all of the following 5640
information: 5641

(a) The average per cent rate change of wages during the 5642
previous year, if any, for prospective or incumbent employees 5643
who earned a microcredential categorized by microcredentials 5644
earned in each region and statewide; 5645

(b) The average per cent rate change of wages during the 5646
previous years, if any, for prospective or incumbent employees 5647
who earned a microcredential categorized by the region in which 5648
employees reside and statewide; 5649

(c) The average annual wages paid to positions for which 5650
holding a microcredential or having the occupational skills 5651
acquired through obtaining a microcredential is required, 5652
categorized by each region and statewide; 5653

(d) The rate of change during the previous year of 5654
unemployment categorized by each region and statewide; 5655

(e) A list of the microcredentials established by the 5656

chancellor of higher education under section 122.178 of the Revised Code categorized by each region and statewide; 5657
5658

(f) A demographic analysis of employees who earned a microcredential under the TechCred program based on the race and gender of each employee; 5659
5660
5661

(g) A demographic analysis of employers who received a reimbursement through the TechCred program based on the race and gender of each employer; 5662
5663
5664

(h) Any other information the director wishes to include. 5665

(2) For the individual microcredential assistance program created under section 122.1710 of the Revised Code, the director shall include in the report required under division (A) of this section all of the following information: 5666
5667
5668
5669

(a) The information required under divisions (A) (1) (a) to (c) of this section, except that the information shall represent the individuals who successfully earned a microcredential because of a reimbursement to a training provider under the individual microcredential assistance program; 5670
5671
5672
5673
5674

(b) A demographic analysis of individuals who earned a microcredential under the individual microcredential assistance program based on the race and gender of each individual; 5675
5676
5677

(c) An analysis of the results of the surveys the director distributed under division (G) of section 122.1710 of the Revised Code categorized by each region and statewide; 5678
5679
5680

(d) The rate of completion for each approved microcredential categorized by region and statewide; 5681
5682

(e) Any other information the director wishes to include. 5683

(3) For the grant program to support industry sector 5684
partnerships and sector partnership networks created under 5685
section 122.179 of the Revised Code, the director shall include 5686
in the report required under division (A) of this section all of 5687
the following information: 5688

(a) A list, categorized by region and statewide, of each 5689
industry sector partnership and sector partnership network to 5690
which a grant was awarded under section 122.179 of the Revised 5691
Code; 5692

(b) A list detailing the member composition of each 5693
industry sector partnership and sector partnership network to 5694
which a grant was awarded under section 122.179 of the Revised 5695
Code, including each employer and representative of an industry 5696
cluster; 5697

(c) Information regarding the activities described in 5698
division (C) of section 122.179 of the Revised Code for which 5699
industry sector partnerships and sector partnership networks 5700
used grants awarded under that section. 5701

(B) In reporting on regional information under this 5702
section, the director shall use the regions established under 5703
section 122.178 of the Revised Code. 5704

(C) The director shall include in the report under 5705
division (A) of this section any information the director 5706
receives under division (C) (2) (b), (c), or (d) of section 5707
122.178 of the Revised Code or division (F) (1) (c) of section 5708
122.1710 of the Revised Code. 5709

(D) The director shall market the programs created under 5710
sections 122.178, 122.179, and 122.1710 of the Revised Code. 5711

Sec. 122.18. (A) As used in this section: 5712

- (1) "Facility" means all real property and interests in real property owned by either of the following:
- (a) A landlord and leased to a tenant pursuant to a project that is the subject of an agreement under this section;
- (b) The United States or any department, agency, or instrumentality of the United States.
- (2) "Full-time employee" has the same meaning as under section 122.17 of the Revised Code.
- (3) "Landlord" means a county or municipal corporation, or a corporate entity that is an instrumentality of a county or municipal corporation and that is not subject to the tax imposed by section 5733.06 or 5747.02 of the Revised Code.
- (4) "New employee" means a full-time employee first employed by, or under or pursuant to a contract with, the tenant in the project that is the subject of the agreement after a landlord enters into an agreement with the tax credit authority under this section.
- (5) "New income tax revenue" means the total amount withheld under section 5747.06 of the Revised Code by the tenant or tenants at a facility during a year from the compensation of new employees for the tax levied under Chapter 5747. of the Revised Code.
- (6) "Retained income tax revenue" means the total amount withheld under section 5747.06 of the Revised Code from employees retained at an existing facility recommended for closure to the base realignment and closure commission in the United States department of defense.
- (7) "Tenant" means the United States, any department,

agency, or instrumentality of the United States, or any person 5741
under contract with the United States or any department, agency, 5742
or instrumentality of the United States. 5743

(B) The tax credit authority may enter into an agreement 5744
with a landlord under which an annual payment equal to the new 5745
income tax revenue or retained income tax revenue, as 5746
applicable, or the amount called for under division (D) (3) or 5747
(4) of this section shall be made to the landlord from moneys of 5748
this state that were not raised by taxation, and shall be 5749
credited by the landlord to the rental owing from the tenant to 5750
the landlord for a facility. 5751

(C) A landlord that proposes a project to create new jobs 5752
in this state or retain jobs in this state at an existing 5753
facility recommended for closure or realignment to the base 5754
realignment and closure commission in the United States 5755
department of defense may apply to the tax credit authority to 5756
enter into an agreement for annual payments under this section. 5757
The director of housing and development shall prescribe the form 5758
of the application. After receipt of an application, the 5759
authority may enter into an agreement with the landlord for 5760
annual payments under this section if it determines all of the 5761
following: 5762

(1) The project will create new jobs in this state or 5763
retain jobs at a facility recommended for closure or realignment 5764
to the base realignment and closure commission in the United 5765
States department of defense. 5766

(2) The project is economically sound and will benefit the 5767
people of this state by increasing opportunities for employment 5768
and strengthening the economy of this state. 5769

(3) Receiving the annual payments will be a major factor 5770
in the decision of the landlord and tenant to go forward with 5771
the project. 5772

(D) An agreement with a landlord for annual payments shall 5773
include all of the following: 5774

(1) A description of the project that is the subject of 5775
the agreement; 5776

(2) The term of the agreement, which shall not exceed 5777
twenty years; 5778

(3) Based on the estimated new income tax revenue or 5779
retained income tax revenue, as applicable, to be derived from 5780
the facility at the time the agreement is entered into, 5781
provision for a guaranteed payment to the landlord commencing 5782
with the issuance by the landlord of any bonds or other forms of 5783
financing for the construction of the facility and continuing 5784
for the term approved by the authority; 5785

(4) Provision for offsets to this state of the annual 5786
payment in years in which such annual payment is greater than 5787
the guaranteed payment of amounts previously paid by this state 5788
to the landlord in excess of the new income tax revenue or 5789
retained income tax revenue, as applicable, by reason of the 5790
guaranteed payment; 5791

(5) A specific method for determining how many new 5792
employees are employed during a year; 5793

(6) A requirement that the landlord annually shall obtain 5794
from the tenant and report to the director of housing and 5795
development the number of new employees and the new income tax 5796
revenue withheld in connection with the new employees, or the 5797
number of retained employees and the retained income tax revenue 5798

withheld in connection with the retained employees, as 5799
applicable, and any other information the director needs to 5800
perform the director's duties under this section; 5801

(7) A requirement that the director of housing and 5802
development annually shall verify the amounts reported under 5803
division (D)(6) of this section, and after doing so shall issue 5804
a certificate to the landlord stating that the amounts have been 5805
verified. 5806

(E) The director of housing and development, in accordance 5807
with Chapter 119. of the Revised Code, shall adopt rules 5808
necessary to implement this section. 5809

Sec. 122.19. As used in sections 122.19 to 122.22 of the 5810
Revised Code: 5811

(A) "Distressed area" has the same meaning as in section 5812
122.16 of the Revised Code. 5813

(B) "Eligible applicant" means any of the following that 5814
are designated by the legislative authority of a county, 5815
township, or municipal corporation as provided in division (B) 5816
(1) of section 122.22 of the Revised Code: 5817

(1) A port authority as defined in division (A) of section 5818
4582.01 or division (A) of section 4582.21 of the Revised Code; 5819

(2) A community improvement corporation as described in 5820
section 1724.01 of the Revised Code; 5821

(3) A community-based organization or action group that 5822
provides social services and has experience in economic 5823
development; 5824

(4) Any other nonprofit economic development entity; 5825

(5) A county, township, or municipal corporation if it designates itself. 5826
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(C) "Eligible area" means a distressed area, a labor surplus area, an inner city area, or a situational distress area, as designated annually by the director of housing and development under division (A) of section 122.21 of the Revised Code. 5828
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(D) "Governing body" means, in the case of a county, the board of county commissioners; in the case of a municipal corporation, the legislative authority; and in the case of a township, the board of township trustees. 5833
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(E) "Infrastructure improvements" includes site preparation, including building demolition and removal; retention ponds and flood and drainage improvements; streets, roads, bridges, and traffic control devices; parking lots and facilities; water and sewer lines and treatment plants; gas, electric, and telecommunications hook-ups; and waterway and railway access improvements. 5837
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(F) "Inner city area" means, in a municipal corporation that has a population of at least one hundred thousand and does not meet the criteria of a labor surplus area or a distressed area, targeted investment areas established by the municipal corporation within its boundaries that are comprised of the most recent census block tracts that individually have at least twenty per cent of their population at or below the state poverty level, or other census block tracts contiguous to such census block tracts. 5844
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(G) "Labor surplus area" means an area designated as a labor surplus area by the United States department of labor. 5853
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(H) "Official poverty line" has the same meaning as in 5855
division (A) of section 3923.51 of the Revised Code. 5856

(I) "Redevelopment plan" means a plan that includes all of 5857
the following: a plat; a land use description; identification of 5858
all utilities and infrastructure needed to develop the property, 5859
including street connections; highway, rail, air, or water 5860
access; utility connections; water and sewer treatment 5861
facilities; storm drainage; and parking, and any other elements 5862
required by a rule adopted by the director of housing and 5863
development under division (B) of section 122.21 of the Revised 5864
Code. 5865

(J) "Situational distress area" means a county or a 5866
municipal corporation that has experienced or is experiencing a 5867
closing or downsizing of a major employer that will adversely 5868
affect the county's or municipal corporation's economy. In order 5869
to be designated as a situational distress area for a period not 5870
to exceed thirty-six months, the county or municipal corporation 5871
may petition the director of housing and development. The 5872
petition shall include documentation that demonstrates all of 5873
the following: 5874

(1) The number of jobs lost by the closing or downsizing; 5875

(2) The impact that the job loss has on the county's or 5876
municipal corporation's unemployment rate as measured by the 5877
Ohio department of job and family services; 5878

(3) The annual payroll associated with the job loss; 5879

(4) The amount of state and local taxes associated with 5880
the job loss; 5881

(5) The impact that the closing or downsizing has on the 5882
suppliers located in the county or municipal corporation. 5883

Sec. 122.20. (A) The urban and rural initiative grant 5884
program is hereby created to promote economic development and 5885
improve the economic welfare of the people of the state, which 5886
shall be accomplished by the department of housing and 5887
development awarding grants to eligible applicants for use in an 5888
eligible area for any of the following purposes: 5889

(1) Land acquisition; 5890

(2) Infrastructure improvements; 5891

(3) Voluntary actions undertaken on property eligible for 5892
the voluntary action program created under Chapter 3746. of the 5893
Revised Code; 5894

(4) Renovation of existing structures. 5895

(B) The total amount of grants awarded under the program 5896
shall not exceed two million dollars. No grant shall be awarded 5897
without the prior approval of the controlling board. 5898

(C) As a condition of receiving a grant under this 5899
section, and except as provided in division (D) of this section, 5900
an applicant shall agree not to permit the use of a site that is 5901
developed or improved with such grant moneys to cause the 5902
relocation of jobs to that site from elsewhere in this state. 5903

(D) A site developed or improved with grant moneys awarded 5904
under this section may be the site of jobs relocated from 5905
elsewhere in this state if the director of housing and 5906
development does all of the following: 5907

(1) Makes a written determination that the site from which 5908
the jobs would be relocated is inadequate to meet market or 5909
industry conditions, expansion plans, consolidation plans, or 5910
other business considerations affecting the relocating employer; 5911

(2) Provides a copy of the determination required by 5912
division (D)(1) of this section to the members of the general 5913
assembly whose legislative districts include the site from which 5914
the jobs would be relocated, and to the joint legislative 5915
committee on tax incentives; 5916

(3) Determines that the governing body of the area from 5917
which the jobs would be relocated has been notified in writing 5918
by the relocating company of the possible relocation. 5919

(E) No eligible applicant that receives from the program 5920
any grant of money for land acquisition, infrastructure 5921
improvements, or renovation of existing structures in order to 5922
develop an industrial park site for a distressed area, labor 5923
surplus area, or situational distress area as defined in section 5924
122.19 of the Revised Code that also is a distressed area, labor 5925
surplus area, or situational distress area as defined in section 5926
122.23 of the Revised Code shall use the money to compete 5927
against any existing Ohio industrial parks. 5928

(F) An eligible applicant that receives a grant from the 5929
program shall not be precluded from being considered for or 5930
participating in other financial assistance programs offered by 5931
the department of housing and development, the Ohio 5932
environmental protection agency, or the Ohio water development 5933
authority. 5934

Sec. 122.21. In administering the urban and rural 5935
initiative grant program created under section 122.20 of the 5936
Revised Code, the director of housing and development shall do 5937
all of the following: 5938

(A) Designate, within three months after the publication 5939
of each decennial census by the United States census bureau, the 5940

entities that constitute the eligible areas in this state; 5941

(B) Adopt rules in accordance with Chapter 119. of the 5942
Revised Code establishing procedures and forms by which eligible 5943
applicants in eligible areas may apply for a grant, which 5944
procedures shall include a requirement that the applicant file a 5945
redevelopment plan; standards and procedures for reviewing 5946
applications and awarding grants; procedures for distributing 5947
grants to recipients; procedures for monitoring the use of 5948
grants by recipients; requirements, procedures, and forms by 5949
which recipients who have received grants shall report their use 5950
of that assistance; and standards and procedures for terminating 5951
and requiring repayment of grants in the event of their improper 5952
use. The rules adopted under this division shall comply with 5953
sections 122.19 to 122.22 of the Revised Code and shall include 5954
a rule requiring that an eligible applicant who receives a grant 5955
from the program provide a matching contribution of at least 5956
twenty-five per cent of the amount of the grant awarded to the 5957
eligible applicant. 5958

The rules shall require that any eligible applicant for a 5959
grant for land acquisition demonstrate to the director that the 5960
property to be acquired meets all state environmental 5961
requirements and that utilities for that property are available 5962
and adequate. The rules shall require that any eligible 5963
applicant for a grant for property eligible for the voluntary 5964
action program created under Chapter 3746. of the Revised Code 5965
receive disbursement of grant moneys only after receiving a 5966
covenant not to sue from the director of environmental 5967
protection under section 3746.12 of the Revised Code and shall 5968
require that those moneys be disbursed only as reimbursement of 5969
actual expenses incurred in the undertaking of the voluntary 5970
action. The rules shall require that whenever any money is 5971

granted for land acquisition, infrastructure improvements, or 5972
renovation of existing structures in order to develop an 5973
industrial park site for a distressed area, labor surplus area, 5974
or situational distress area as defined in section 122.19 of the 5975
Revised Code that also is a distressed area, labor surplus area, 5976
or situational distress area as defined in section 122.23 of the 5977
Revised Code, a substantial portion of the site be used for 5978
manufacturing, distribution, high technology, research and 5979
development, or other businesses in which a majority of the 5980
product or service produced is exported out of the state. Any 5981
retail use at the site shall not constitute a primary use but 5982
only a use incidental to other eligible uses. The rules shall 5983
require that whenever any money is granted for land acquisition, 5984
infrastructure improvements, and renovation of existing 5985
structures in order to develop an industrial park site for a 5986
distressed area, labor surplus area, or situational distress 5987
area as defined in section 122.19 of the Revised Code that also 5988
is a distressed area, labor surplus area, or situational 5989
distress area as defined in section 122.23 of the Revised Code, 5990
the applicant for the grant shall verify to the department of 5991
housing and development the existence of a local economic 5992
development planning committee in a municipal corporation, 5993
county, or township whose territory includes the eligible area. 5994
The committee shall consist of members of the public and private 5995
sectors who live in that municipal corporation, county, or 5996
township. The local economic development planning committee 5997
shall prepare and submit to the department a five-year economic 5998
development plan for that municipal corporation, county, or 5999
township that identifies, for the five-year period covered by 6000
the plan, the economic development strategies of a municipal 6001
corporation, county, or township whose territory includes the 6002
proposed industrial park site. The economic development plan 6003

shall describe in detail how the proposed industrial park would 6004
complement other current or planned economic development 6005
programs for that municipal corporation, county, or township, 6006
including, but not limited to, workforce development 6007
initiatives, business retention and expansion efforts, small 6008
business development programs, and technology modernization 6009
programs. 6010

(C) Report to the governor, president of the senate, 6011
speaker of the house of representatives, and minority leaders of 6012
the senate and the house of representatives by the first day of 6013
August of each year on the activities carried out under the 6014
program during the preceding calendar year. The report shall 6015
include the total number of grants made that year, and, for each 6016
individual grant awarded, the following: the amount and 6017
recipient, the eligible applicant, the purpose for awarding the 6018
grant, the number of firms or businesses operating at the 6019
awarded site, the number of employees employed by each firm or 6020
business, any excess capacity at an industrial park site, and 6021
any additional information the director declares to be relevant. 6022

(D) Inform local governments and others in the state of 6023
the availability of grants under section 122.20 of the Revised 6024
Code; 6025

(E) Annually compile, pursuant to rules adopted by the 6026
director of housing and development in accordance with Chapter 6027
119. of the Revised Code, using pertinent information submitted 6028
by any municipal corporation, county, or township, a list of 6029
industrial parks located in the state. The list shall include 6030
the following information, expressed if possible in terms 6031
specified in the director's rules adopted under this division: 6032
location of each industrial park site, total acreage of each 6033

park site, total occupancy of each park site, total capacity for 6034
new business at each park site, total capacity of each park site 6035
for sewer, water, and electricity, a contact person for each 6036
park site, and any additional information the director declares 6037
to be relevant. Once the list is compiled, the director shall 6038
make it available to the governor, president of the senate, 6039
speaker of the house of representatives, and minority leaders of 6040
the senate and the house of representatives. 6041

Sec. 122.22. (A) In order to be eligible for a grant under 6042
section 122.20 of the Revised Code, the applicant shall 6043
demonstrate both of the following to the director of housing and 6044
development: 6045

(1) That the applicant is proposing to carry out the 6046
purposes described in section 122.20 of the Revised Code in an 6047
entity that has been designated as an eligible area by the 6048
director of housing and development under division (A) of 6049
section 122.21 of the Revised Code; 6050

(2) The applicant's capacity to undertake and oversee the 6051
project, as evidenced by documentation of the applicant's past 6052
performance in economic development projects. 6053

(B) In order for an applicant to be eligible for a grant 6054
under section 122.20 of the Revised Code, the governing body of 6055
the entity that has been designated as an eligible area by the 6056
director of housing and development in accordance with division 6057
(A) of section 122.21 of the Revised Code shall, by resolution 6058
or ordinance, do all of the following: 6059

(1) Designate the applicant that will carry out the 6060
purposes described in section 122.20 of the Revised Code and 6061
that qualifies as one of the five categories of eligible 6062

applicant listed in division (B) of section 122.19 of the Revised Code; (2) Specify the eligible area's financial participation in the project; (3) Include a marketing strategy to be utilized in administering the project that includes details used in past successful projects; (4) Identify a management plan for the project. (C) A governing body may designate the political subdivision it governs to be an eligible applicant. (D) In order to be eligible for a grant under section 122.20 of the Revised Code for land acquisition, infrastructure improvements, or renovation of existing structures in order to develop an industrial park site for a distressed area, labor surplus area, or situational distress area as defined in section 122.19 of the Revised Code that also is a distressed area, labor surplus area, or situational distress area as defined in section 122.23 of the Revised Code, an applicant must be approved as a grant applicant by resolution of the legislative authority of each county containing any area that has been designated as an eligible area by the director of housing and development under division (A) of section 122.21 of the Revised Code and whose governing body has designated the applicant to seek a grant for any of these purposes on behalf of the eligible area. The director shall adopt rules in accordance with Chapter 119. of the Revised Code establishing criteria for the legislative authority to use in determining whether to approve a qualified applicant. **Sec. 122.23.** As used in sections 122.23 to 122.27 of the

Revised Code: 6092

(A) "Distressed area" means a county with a population of 6093
less than one hundred twenty-five thousand according to the most 6094
recent federal decennial census published by the United States 6095
census bureau that meets at least two of the following criteria: 6096

(1) Its average rate of unemployment, during the most 6097
recent five-year period for which local area unemployment 6098
statistics published by the United States bureau of labor 6099
statistics are available, as of the date the most recent federal 6100
decennial census was published, is equal to or greater than one 6101
hundred twenty-five per cent of the average rate of unemployment 6102
for the United States for the same period. 6103

(2) It has a per capita personal income equal to or less 6104
than eighty per cent of the per capita personal income of the 6105
United States as determined by the most recently available data 6106
from the United States department of commerce, bureau of 6107
economic analysis as of the date the most recent federal 6108
decennial census was published. 6109

(3) Its ratio of personal current transfer receipts to 6110
total personal income is equal to or greater than twenty-five 6111
per cent, as determined by the most recently available data from 6112
the United States department of commerce, bureau of economic 6113
analysis as of the date the most recent federally decennial 6114
census was published. 6115

If a federal agency ceases to publish the applicable data 6116
described in division (A) of this section, the director of 6117
housing and development shall designate, on the department of 6118
housing and development's web site, an alternative source of the 6119
applicable data published by a federal agency or, if no such 6120

source is available, another reliable source. 6121

(B) "Eligible applicant" means any of the following that 6122
is designated by the governing body of an eligible area as 6123
provided in division (B)(1) of section 122.27 of the Revised 6124
Code: 6125

(1) A port authority as defined in division (A) of section 6126
4582.01 or division (A) of section 4582.21 of the Revised Code; 6127

(2) A community improvement corporation as defined in 6128
section 1724.01 of the Revised Code; 6129

(3) A community-based organization or action group that 6130
provides social services and has experience in economic 6131
development; 6132

(4) Any other nonprofit economic development entity; 6133

(5) A private developer that previously has not received 6134
financial assistance under section 122.24 of the Revised Code in 6135
the current biennium and that has experience and a successful 6136
history in industrial development. 6137

(C) "Eligible area" means a distressed area, a labor 6138
surplus area, a rural area, or a situational distress area, as 6139
designated by the director of housing and development pursuant 6140
to division (A) of section 122.25 of the Revised Code. 6141

(D) "Labor surplus area" means an area designated as a 6142
labor surplus area by the United States department of labor. 6143

(E) "Official poverty line" has the same meaning as in 6144
division (A) of section 3923.51 of the Revised Code. 6145

(F) "Situational distress area" means a county that has a 6146
population of less than one hundred twenty-five thousand, or a 6147

municipal corporation in such a county, that has experienced or 6148
is experiencing a closing or downsizing of a major employer that 6149
will adversely affect the county's or municipal corporation's 6150
economy. In order to be designated as a situational distress 6151
area for a period not to exceed thirty-six months, the county or 6152
municipal corporation may petition the director of housing and 6153
development. The petition shall include documentation that 6154
demonstrates all of the following: 6155

(1) The number of jobs lost by the closing or downsizing; 6156

(2) The impact that the job loss has on the county's or 6157
municipal corporation's unemployment rate as measured by the 6158
director of job and family services; 6159

(3) The annual payroll associated with the job loss; 6160

(4) The amount of state and local taxes associated with 6161
the job loss; 6162

(5) The impact that the closing or downsizing has on the 6163
suppliers located in the rural county or municipal corporation. 6164

(G) "Governing body" means, in the case of a county, the 6165
board of county commissioners; in the case of a municipal 6166
corporation, the legislative authority; and in the case of a 6167
township, the board of township trustees. 6168

(H) "Infrastructure improvements" includes site 6169
preparation, including building demolition and removal; 6170
retention ponds and flood and drainage improvements; streets, 6171
roads, bridges, and traffic control devices; parking lots and 6172
facilities; water and sewer lines and treatment plants; gas, 6173
electric, and telecommunications hook-ups; and waterway and 6174
railway access improvements. 6175

(I) "Private developer" means any individual, firm, 6176
corporation, or entity, other than a nonprofit entity, limited 6177
profit entity, or governmental entity. 6178

(J) "Rural area" means any Ohio county that was an 6179
eligible area immediately prior to September 30, 2021, and any 6180
other Ohio county that is not designated as part of a 6181
metropolitan statistical area by the United States office of 6182
management and budget. 6183

Sec. 122.24. To promote economic development in rural 6184
areas and to improve the economic welfare of the people of the 6185
state, the director of housing and development shall administer 6186
the rural industrial park loan program, which is hereby 6187
established in accordance with Ohio Constitution, Article VIII, 6188
Section 13, to assist eligible applicants in financing the 6189
development and improvement of industrial parks by providing 6190
financial assistance in the form of loans and loan guarantees 6191
for land acquisition; constructing, reconstructing, 6192
rehabilitating, remodeling, renovating, enlarging, or improving 6193
industrial park buildings; and infrastructure improvements. 6194

This program shall not be used to compete against existing 6195
Ohio industrial parks. 6196

An eligible applicant receiving assistance under the rural 6197
industrial park program is not precluded from further 6198
participation in this or any other department of housing and 6199
development financial program, except that a private developer 6200
that previously has received financial assistance under this 6201
section is precluded from further participation in the rural 6202
industrial park loan program. 6203

Sec. 122.25. (A) In administering the program established 6204

under section 122.24 of the Revised Code, the director of 6205
housing and development shall do all of the following: 6206

(1) Designate, within three months after the publication 6207
of each decennial census by the United States census bureau, the 6208
entities that constitute the eligible areas in this state as 6209
defined in section 122.23 of the Revised Code; 6210

(2) Inform local governments and others in the state of 6211
the availability of the program and financial assistance 6212
established under sections 122.23 to 122.27 of the Revised Code; 6213

(3) Report to the governor, president of the senate, 6214
speaker of the house of representatives, and minority leaders of 6215
the senate and the house of representatives by the first day of 6216
August of each year on the activities carried out under the 6217
program during the preceding calendar year. The report shall 6218
include the number of loans made that year and the amount and 6219
recipient of each loan. 6220

(4) Work in conjunction with conventional lending 6221
institutions, local revolving loan funds, private investors, and 6222
other private and public financing sources to provide loans or 6223
loan guarantees to eligible applicants; 6224

(5) Establish fees, charges, interest rates, payment 6225
schedules, local match requirements, and other terms and 6226
conditions for loans and loan guarantees provided under the 6227
program; 6228

(6) Require each applicant to demonstrate the suitability 6229
of any site for the assistance sought; that the site has been 6230
surveyed, that the site has adequate or available utilities, and 6231
that there are no zoning restrictions, environmental 6232
regulations, or other matters impairing the use of the site for 6233

the purpose intended; 6234

(7) Require each applicant to provide a marketing plan and 6235
management strategy for the project; 6236

(8) Adopt rules establishing all of the following: 6237

(a) Forms and procedures by which eligible applicants may 6238
apply for assistance; 6239

(b) Criteria for reviewing, evaluating, and ranking 6240
applications, and for approving applications that best serve the 6241
goals of the program; 6242

(c) Reporting requirements and monitoring procedures; 6243

(d) Guidelines regarding situations in which industrial 6244
parks would be considered to compete against one another for the 6245
purposes of division (B) (2) of section 122.27 of the Revised 6246
Code; 6247

(e) Any other rules necessary to implement and administer 6248
the program. 6249

(B) The director may adopt rules establishing requirements 6250
governing the use of any industrial park site receiving 6251
assistance under section 122.24 of the Revised Code, such that a 6252
certain portion of the site must be used for manufacturing, 6253
distribution, high technology, research and development, or 6254
other businesses wherein a majority of the product or service 6255
produced is exported out of the state. 6256

(C) As a condition of receiving assistance under section 6257
122.24 of the Revised Code, and except as provided in division 6258
(D) of this section, an applicant shall agree, for a period of 6259
five years, not to permit the use of a site that is developed or 6260
improved with such assistance to cause the relocation of jobs to 6261

that site from elsewhere in the state. 6262

(D) A site developed or improved with assistance under 6263
section 122.24 of the Revised Code may be the site of jobs 6264
relocated from elsewhere in the state if the director does all 6265
of the following: 6266

(1) Makes a written determination that the site from which 6267
the jobs would be relocated is inadequate to meet market or 6268
industry conditions, expansion plans, consolidation plans, or 6269
other business considerations affecting the relocating employer; 6270

(2) Provides a copy of the determination required by 6271
division (D)(1) of this section to the members of the general 6272
assembly whose legislative districts include the site from which 6273
the jobs would be relocated; 6274

(3) Determines that the governing body of the area from 6275
which the jobs would be relocated has been notified in writing 6276
by the relocating company of the possible relocation. 6277

(E) The director shall obtain the approval of the 6278
controlling board for any loan or loan guarantee provided under 6279
sections 122.23 to 122.27 of the Revised Code. 6280

Sec. 122.26. The rural industrial park loan fund is hereby 6281
created in the state treasury for the purposes of the program 6282
established under section 122.24 of the Revised Code. The 6283
director of housing and development services shall deposit money 6284
received for the purposes of that section to the credit of the 6285
fund. 6286

Sec. 122.27. (A) In order to be eligible for financial 6287
assistance under section 122.24 of the Revised Code, an 6288
applicant shall demonstrate to the director of housing and 6289
development the applicant's capacity to undertake and oversee 6290

the project, as evidenced by documentation of the applicant's 6291
past performance in economic development projects. 6292

(B) In order for an applicant to be eligible for financial 6293
assistance under section 122.24 of the Revised Code, both of the 6294
following apply: 6295

(1) The governing body of the entity that has been 6296
designated as an eligible area by the director of housing and 6297
development under division (A) of section 122.25 of the Revised 6298
Code, by resolution or ordinance, shall designate the applicant 6299
that will carry out the project for the purposes described in 6300
section 122.24 of the Revised Code and specify the eligible 6301
area's financial participation in the project. 6302

(2) The board of county commissioners of a county that has 6303
been designated as an eligible area by the director of housing 6304
and development under division (A) (1) of section 122.25 of the 6305
Revised Code shall certify, by resolution, that no existing 6306
industrial park is located in the county that would compete 6307
against an industrial park that would be developed and improved 6308
in the county through the use of financial assistance provided 6309
to the applicant under the rural industrial park loan program. 6310
Guidelines regarding situations in which industrial parks would 6311
be considered to compete against one another shall be 6312
established by rule in accordance with division (A) (8) (d) of 6313
section 122.25 of the Revised Code. However, an existing 6314
industrial park owner's consent to the new industrial park is 6315
sufficient to demonstrate noncompetition. 6316

(C) Solely for the purpose of applying for assistance for 6317
infrastructure improvements, a governing body may designate 6318
itself as an eligible applicant. 6319

Sec. 122.30. The director of housing and development 6320
~~services~~ is vested with the powers and duties provided in 6321
sections 122.28 and 122.30 to 122.36 of the Revised Code, to 6322
promote the welfare of the people of the state through the 6323
interaction of the business and industrial community and 6324
educational institutions in the development of new technology 6325
and enterprise. 6326

(A) It is necessary for the state to establish the 6327
programs created pursuant to sections 122.28 and 122.30 to 6328
122.36 of the Revised Code to accomplish the following purposes 6329
which are determined to be essential: 6330

(1) Improve the existing industrial and agricultural base 6331
of the state; 6332

(2) Improve the economy of the state by providing 6333
employment, increasing productivity, and slowing the rate of 6334
inflation; 6335

(3) Develop markets worldwide for the products of the 6336
state's natural resources and agricultural and manufacturing 6337
industries; 6338

(4) Maintain a high standard of living for the people of 6339
the state. 6340

(B) The director shall do all of the following: 6341

(1) Receive applications for assistance under sections 6342
122.28 and 122.30 to 122.36 of the Revised Code; 6343

(2) Make a determination whether to approve the 6344
application for assistance; 6345

(3) Transmit determinations to approve assistance 6346
exceeding forty thousand dollars to the controlling board, 6347

together with any information the controlling board requires, 6348
for the board's review and decision as to whether to approve the 6349
assistance; 6350

(4) Gather and disseminate information and conduct 6351
hearings, conferences, seminars, investigations, and special 6352
studies on problems and programs concerning industrial research 6353
and new technology and their commercial applications in the 6354
state; 6355

(5) Establish an annual program to recognize the 6356
accomplishments and contributions of individuals and 6357
organizations in the development of industrial research and new 6358
technology in the state; 6359

(6) Stimulate both public and industrial awareness and 6360
interest in industrial research and development of new 6361
technology primarily in the areas of industrial processes, 6362
implementation, energy, agribusiness, medical technology, 6363
avionics, and food processing; 6364

(7) Develop and implement comprehensive and coordinated 6365
policies, programs, and procedures promoting industrial research 6366
and new technology; 6367

(8) Propose appropriate legislation or executive actions 6368
to stimulate the development of industrial research and new 6369
technology by enterprises and individuals; 6370

(9) Encourage and facilitate contracts between industry, 6371
agriculture, educational institutions, federal agencies, and 6372
state agencies, with special emphasis on industrial research and 6373
new technology by small businesses and agribusiness; 6374

(10) Participate with any state agency in developing 6375
specific programs and goals to assist in the development of 6376

industrial research and new technology and monitor performance; 6377

(11) Assist enterprises in obtaining alternative forms of 6378
governmental or commercial financing for industrial research and 6379
new technology; 6380

(12) Assist enterprises or individuals in the 6381
implementation of new programs and policies and the expansion of 6382
existing programs to provide an atmosphere conducive to 6383
increased cooperation among and participation by individuals, 6384
enterprises, and educational institutions engaged in industrial 6385
research and the development of new technology; 6386

(13) Advertise, prepare, print, and distribute books, 6387
maps, pamphlets, and other information; 6388

(14) Include in the director's annual report to the 6389
governor and the general assembly a report on the activities for 6390
the preceding calendar year under sections 122.28 and 122.30 to 6391
122.36 of the Revised Code; 6392

(15) Approve the expenditure of money appropriated by the 6393
general assembly for the purpose of sections 122.28 and 122.30 6394
to 122.36 of the Revised Code; 6395

(16) Identify and implement federal research and 6396
development programs which would link Ohio's industrial base, 6397
research facilities, and natural resources; 6398

(17) Employ and fix the compensation of technical and 6399
professional personnel, who shall be in the unclassified civil 6400
service, and employ other personnel, who shall be in the 6401
classified civil service, as necessary to carry out the 6402
provisions of sections 122.28 and 122.30 to 122.36 of the 6403
Revised Code. 6404

Sec. 122.31. All expenses and obligations incurred by the 6405
director of housing and development ~~services~~ in carrying out the 6406
director's powers and duties under sections 122.28 and 122.30 to 6407
122.36 of the Revised Code, are payable from revenues or other 6408
receipts or income from grants, gifts, contributions, 6409
compensation, reimbursement, and funds established in accordance 6410
with those sections or general revenue funds appropriated by the 6411
general assembly for operating expenses of the director. 6412

Sec. 122.32. The director of housing and development 6413
~~services~~, on behalf of the programs authorized pursuant to 6414
sections 122.28 and 122.30 to 122.36 of the Revised Code, may 6415
receive and accept grants, gifts, and contributions of money, 6416
property, labor, and other things of value to be held, used, and 6417
applied only for the purpose for which the grants, gifts, and 6418
contributions are made, from individuals, private and public 6419
corporations, from the United States or any agency of the United 6420
States, and from any political subdivision of the state. The 6421
director may agree to repay any contribution of money or to 6422
return any property contributed or its value at times, in 6423
amounts, and on terms and conditions excluding the payment of 6424
interest as the director determines at the time the contribution 6425
is made. The director may evidence the obligation by written 6426
contracts, subject to section 122.31 of the Revised Code, 6427
provided that the director shall not thereby incur indebtedness 6428
of or impose liability upon the state or any political 6429
subdivision. 6430

Sec. 122.33. The director of housing and development 6431
~~services~~ shall administer the following programs: 6432

(A) The industrial technology and enterprise development 6433
grant program, to provide capital to acquire, construct, 6434

enlarge, improve, or equip and to sell, lease, exchange, and 6435
otherwise dispose of property, structures, equipment, and 6436
facilities within the state. 6437

Such funding may be made to enterprises that propose to 6438
develop new products or technologies when the director finds all 6439
of the following factors to be present: 6440

(1) The undertaking will benefit the people of the state 6441
by creating or preserving jobs and employment opportunities or 6442
improving the economic welfare of the people of the state, and 6443
promoting the development of new technology. 6444

(2) There is reasonable assurance that the potential 6445
royalties to be derived from the sale of the product or process 6446
described in the proposal will be sufficient to repay the 6447
funding pursuant to sections 122.28 and 122.30 to 122.36 of the 6448
Revised Code and that, in making the agreement, as it relates to 6449
patents, copyrights, and other ownership rights, there is 6450
reasonable assurance that the resulting new technology will be 6451
utilized to the maximum extent possible in facilities located in 6452
Ohio. 6453

(3) The technology and research to be undertaken will 6454
allow enterprises to compete more effectively in the 6455
marketplace. Grants of capital may be in such form and 6456
conditioned upon such terms as the director deems appropriate. 6457

(B) The industrial technology and enterprise resources 6458
program to provide for the collection, dissemination, and 6459
exchange of information regarding equipment, facilities, and 6460
business planning consultation resources available in business, 6461
industry, and educational institutions and to establish methods 6462
by which small businesses may use available facilities and 6463

resources. The methods may include, but need not be limited to, 6464
leases reimbursing the educational institutions for their actual 6465
costs incurred in maintaining the facilities and agreements 6466
assigning royalties from development of successful products or 6467
processes through the use of the facilities and resources. The 6468
director shall operate this program in conjunction with the 6469
board of regents. 6470

(C) The Thomas Alva Edison grant program to provide grants 6471
to foster research, development, or technology transfer efforts 6472
involving enterprises and educational institutions that will 6473
lead to the creation of jobs. 6474

(1) Grants may be made to a nonprofit organization or a 6475
public or private educational institution, department, college, 6476
institute, faculty member, or other administrative subdivision 6477
or related entity of an educational institution when the 6478
director finds that the undertaking will benefit the people of 6479
the state by supporting research in advanced technology areas 6480
likely to improve the economic welfare of the people of the 6481
state through promoting the development of new commercial 6482
technology. 6483

(2) Grants may be made in a form and conditioned upon 6484
terms as the director considers appropriate. 6485

(3) Grants made under this program shall in all instances 6486
be in conjunction with a contribution to the project by a 6487
cooperating enterprise which maintains or proposes to maintain a 6488
relevant research, development, or manufacturing facility in the 6489
state, by a nonprofit organization, or by an educational 6490
institution or related entity; however, funding provided by an 6491
educational institution or related entity shall not be from 6492
general revenue funds appropriated by the Ohio general assembly. 6493

No grant made under this program shall exceed the contribution 6494
made by the cooperating enterprise, nonprofit organization, or 6495
educational institution or related entity. The director may 6496
consider cooperating contributions in the form of state of the 6497
art new equipment or in other forms provided the director 6498
determines that the contribution is essential to the successful 6499
implementation of the project. The director may adopt rules or 6500
guidelines for the valuation of contributions of equipment or 6501
other property. 6502

(4) The director may determine fields of research from 6503
which grant applications will be accepted under this program. 6504

Sec. 122.35. All moneys received under sections 122.28 and 6505
122.30 to 122.36 of the Revised Code are trust funds to be held 6506
and applied solely as provided in those sections and section 6507
166.03 of the Revised Code. All moneys, except when deposited 6508
with the treasurer of the state, shall be kept and secured in 6509
depositories as selected by the director of housing and 6510
development ~~services~~ in the manner provided in sections 135.01 6511
to 135.21 of the Revised Code, insofar as those sections are 6512
applicable. All moneys held by the director in trust to carry 6513
out the purposes of sections 122.28 and 122.30 to 122.36 of the 6514
Revised Code shall be used as provided in sections 122.28 and 6515
122.30 to 122.36 of the Revised Code and at no time be part of 6516
other public funds. 6517

Sec. 122.36. Any materials or data submitted to, made 6518
available to, or received by the director of housing and 6519
development ~~services~~ or the controlling board, to the extent 6520
that the material or data consist of trade secrets, as defined 6521
in section 1333.61 of the Revised Code, or commercial or 6522
financial information, regarding projects are not public records 6523

for the purposes of section 149.43 of the Revised Code. 6524

Sec. 122.37. (A) There is hereby created in the department 6525
of housing and development services~~agency~~ the steel futures 6526
program, for the purpose of preserving and improving the 6527
existing industrial base of the state, improving the economy of 6528
the state by providing employment, increased productivity, and 6529
ensuring continued technological development consistent with 6530
these goals, and maintaining a high standard of living for the 6531
people of this state. The steel futures program may be 6532
supplemental to any other enterprise assistance program 6533
administered by the director of housing and development 6534
~~services~~, and shall be administered so as to provide financial 6535
and technical assistance to increase the competitiveness of 6536
existing steel and steel-related industries in this state, and 6537
to encourage establishment and development of new industries of 6538
this type within the state. 6539

The director shall develop a strategy for financial and 6540
technical assistance to steel and steel-related industries in 6541
the state, which shall include investment policies with regard 6542
to these industries. 6543

(B) In administering the program, the director may consult 6544
with appropriate representatives of steel and steel-related 6545
industries, appropriate representatives of any union that 6546
represents workers in these industries, and other persons with 6547
expert knowledge in these industries. 6548

(C) The director of housing and development services shall 6549
consult with the chairperson of the public utilities commission 6550
to foster development of public and private cooperative efforts 6551
that result in energy savings and reduced energy costs for steel 6552
and steel-related industries. 6553

(D) Assistance may be made available to steel and steel- 6554
related industries undertaking projects the director determines 6555
to have long-term implications for and broad applicability to 6556
the economy of this state when the director finds: 6557

(1) The undertaking of projects by the industries will 6558
benefit the people of the state by creating or preserving jobs 6559
and employment opportunities or improving the economic welfare 6560
of the people of this state, and promoting development of new 6561
technology or improving application of existing steel and steel- 6562
related technology. 6563

(2) The undertaking of projects by the industries will 6564
allow them to compete more effectively in the marketplace. 6565

(E) Projects eligible to receive assistance under the 6566
steel futures program may include, but are not limited to, the 6567
following areas: 6568

(1) Research and development specifically related to steel 6569
and steel-related industries and feasibility studies for 6570
business development within these industries; 6571

(2) Employee training; 6572

(3) Labor and management relations; and 6573

(4) Technology-driven capital investment. 6574

(F) Financial and technical assistance may be in the form 6575
and conditioned upon terms as the director considers 6576
appropriate. 6577

(G) No later than the first day of August of each year, 6578
the director shall submit a report to the general assembly 6579
describing projects of the steel futures program, results 6580
obtained from completed projects of the program, and program 6581

projects for the next fiscal year. 6582

Sec. 122.38. (A) As used in this section: 6583

(1) "Small business enterprise" means any person with a 6584
principal place of business or research in the state, who meets 6585
the definition of a "small business concern" as defined in 13 6586
C.F.R. 121.7 (a), as amended. 6587

(2) "Eligible educational institution" means any 6588
educational institution that disseminates information, conducts 6589
educational or technical seminars and meetings, or provides 6590
other services of value or interest to small business 6591
enterprises. 6592

(3) "Eligible organization" means any organization, 6593
representing the interest of small business enterprises or areas 6594
of technological research, that disseminates information, 6595
conducts educational or technical seminars and meetings, or 6596
provides other services of value or interest to small business 6597
enterprises. 6598

(B) There is hereby created in the department of housing 6599
and development the small business innovation research grant 6600
program for the purpose of providing educational, technical, and 6601
financial assistance to: 6602

(1) Any small business enterprise engaging in or intending 6603
to engage in technological research that the director of housing 6604
and development determines to be innovative and in the broad and 6605
long-term interest of the economy of the state; 6606

(2) Any eligible educational institution; 6607

(3) Any eligible organization. 6608

(C) The director may provide educational, technical, and 6609

financial assistance to small business enterprises, eligible 6610
educational institutions, and eligible organizations. Any 6611
assistance shall be in the form and conditioned upon terms the 6612
director considers appropriate. 6613

(D) The director shall: 6614

(1) Establish the procedures by which small business 6615
enterprises, eligible educational institutions, and eligible 6616
organizations may apply for assistance under this section; 6617

(2) Collect, prepare, and disseminate information, 6618
describing the types of assistance offered under the program and 6619
describing relevant federal programs and services to small 6620
business enterprises, eligible educational institutions, and 6621
eligible organizations as the director considers appropriate; 6622

(3) Adopt rules for the administration of this section, in 6623
accordance with Chapter 119. of the Revised Code. 6624

Sec. 122.401. There is hereby established the Ohio 6625
residential broadband expansion grant program within the 6626
department of housing and development~~services agency~~. The 6627
agency department shall administer and provide staff assistance 6628
for the program. The agency department shall be responsible for 6629
receiving and reviewing applications for program grants and for 6630
sending completed applications to the broadband expansion 6631
program authority for final review and award of program grants. 6632

Sec. 122.403. (A) (1) There is hereby created, within the 6633
department of housing and development, the broadband expansion 6634
program authority, which shall consist of the director of 6635
housing and development or the director's designee, the director 6636
of the office of InnovateOhio or the director's designee, and 6637
three other members as follows: one member appointed by the 6638

president of the senate, one member appointed by the speaker of 6639
the house of representatives, and one member appointed by the 6640
governor. 6641

(2) Appointed members shall have expertise in broadband 6642
infrastructure and technology. Appointed members may not be 6643
affiliated with or employed by the broadband industry or in a 6644
position to benefit from a program grant. 6645

(B) Appointed members shall serve four year terms and are 6646
eligible for reappointment. 6647

(C) Vacancies shall be filled in the same manner as 6648
provided for original appointments. Any member appointed to fill 6649
a vacancy occurring prior to the expiration of the term for 6650
which the member's predecessor was appointed shall hold office 6651
for the remainder of that term. 6652

(D) (1) (a) Beginning on January 1, 2022, and ending on 6653
December 31, 2025, appointed members shall receive a monthly 6654
stipend as calculated under section 145.016 of the Revised Code 6655
in an amount that will qualify each member for one year of 6656
retirement service credit under the Ohio public employees 6657
retirement system for each year of service as a member of the 6658
authority during that period. 6659

(b) Notwithstanding the requirement of section 145.58 of 6660
the Revised Code that eligibility for health care coverage 6661
provided under that section be based on years and types of 6662
service credit in accordance with rules adopted by the public 6663
employees retirement board, if the board provides health care 6664
coverage under that section, no service credit earned for 6665
service as a member of the authority shall be considered for 6666
purposes of determining eligibility for coverage under that 6667

section. 6668

(c) Members shall receive reimbursement for their 6669
necessary and actual expenses incurred in performing the 6670
business of the authority. The reimbursements constitute, as 6671
applicable, administrative costs of the Ohio residential 6672
broadband expansion grant program. 6673

(2) An appointed member of the authority who is currently 6674
serving as an administrative department head under section 6675
121.03 of the Revised Code is not eligible to receive a stipend 6676
under division (A) of this section. 6677

(3) The ~~agency~~ department of housing and development shall 6678
be responsible for paying all reimbursements for meals and 6679
expenses under this section and, for the period beginning on 6680
January 1, 2022, and ending on December 31, 2025, all stipends 6681
under this section. 6682

(E) The director of housing and development, or the 6683
director's designee, shall serve as chairperson of the 6684
authority. The members of the authority annually shall elect a 6685
vice-chairperson from the members of the authority. Three 6686
members of the authority constitute a quorum to transact and 6687
vote on the business of the authority. An affirmative vote of 6688
three members is necessary to approve any business, including 6689
the election of the vice-chairperson. 6690

(F) The assignment of designees by the director of housing 6691
and development and the director of InnovateOhio shall be made 6692
in writing. If the director of housing and development assigns a 6693
designee to serve on the authority, the director shall appoint a 6694
professional employee of the department of housing and 6695
development to serve as the director's designee at authority 6696

meetings. In the absence of the director of housing and 6697
development or the director's designee, the vice-chairperson of 6698
the authority shall serve as chairperson of authority meetings. 6699

(G) The authority is not an agency for purposes of 6700
sections 101.82 to 101.87 of the Revised Code. 6701

Sec. 122.406. The broadband expansion program authority 6702
shall consider each application for a program grant that the 6703
department of housing and development ~~services agency~~ has 6704
reviewed and sent to it. The authority shall score all 6705
applications according to the scoring system established under 6706
section 122.4040 of the Revised Code and award program grants 6707
based on that system according to sections 122.4043 and 122.4044 6708
of the Revised Code. 6709

Sec. 122.4017. (A) The broadband expansion program 6710
authority shall award program grants under the Ohio residential 6711
broadband expansion grant program using funds from the Ohio 6712
residential broadband expansion grant program fund created in 6713
section 122.4037 of the Revised Code and other funds 6714
appropriated by the general assembly. 6715

(B) If an appropriation for the program includes funds 6716
that are not state funds or if the director of housing and 6717
development receives funds that are in the form of a gift, 6718
grant, or contribution to the broadband expansion grant program 6719
fund, the broadband expansion program authority shall award 6720
those funds as described in sections 122.40 to 122.4077 of the 6721
Revised Code, except as provided in division (C) of this 6722
section. 6723

(C) If the use of the funds described in division (B) of 6724
this section is contingent upon meeting application, scoring, or 6725

other requirements that are different from program requirements 6726
under sections 122.40 to 122.4077 of the Revised Code, the 6727
department of housing and development shall adopt the 6728
requirements and publish a description of the different 6729
requirements with the program application as required under 6730
section 122.4040 of the Revised Code. 6731

Sec. 122.4018. (A) Each fiscal year, the department of 6732
housing and development ~~services agency~~ shall fund program 6733
grants until funds for that fiscal year are no longer available. 6734

(B) Any application pending at the end of the fiscal year 6735
shall be deemed denied, but may be refiled in a subsequent 6736
fiscal year provided that all information in the application is 6737
still current or has been updated. 6738

Sec. 122.4019. (A) (1) Each fiscal year, the department of 6739
housing and development shall accept applications for program 6740
grants. 6741

(2) To apply for a program grant, a broadband provider 6742
shall submit an application to the department on a form 6743
prescribed by the department and shall provide the information 6744
required under section 122.4020 of the Revised Code. The form 6745
shall include a statement informing the applicant that failure 6746
to comply with the program or to meet the required tier two 6747
broadband service proposed in the application may require the 6748
refund of all or a portion of the program grant awarded for the 6749
project. 6750

(3) Applications may be submitted in person or by 6751
certified mail or electronic mail, or uploaded to a designated 6752
department web site for applications. 6753

(B) Applications shall be accepted during a submission 6754

period specified by the broadband expansion program authority. 6755
Each submission period shall be at least sixty but not more than 6756
ninety days. Each fiscal year there shall be not more than two 6757
submission periods. 6758

(C) The department shall publish information from 6759
submitted applications on the department's web site as follows: 6760

(1) Not later than five days after the close of the 6761
submission period in which the application is made, the 6762
department shall publish, for each completed application, the 6763
list of eligible addresses included with the completed 6764
applications under division (A) (1) (a) of section 122.4020 of the 6765
Revised Code. 6766

(2) Not later than thirty-five days after the close of the 6767
submission period in which the application is made, the 6768
department shall publish all information from each completed 6769
application that it determines is not confidential under section 6770
122.4023 of the Revised Code. 6771

(D) If an application is incomplete, the department shall 6772
notify the broadband provider that submitted the application. 6773
The notification shall list what information is incomplete and 6774
shall describe the procedure for refiling a completed 6775
application. 6776

(E) The department shall review an application determined 6777
incomplete under division (D) of this section as provided in 6778
sections 122.4019 to 122.4036 of the Revised Code if the 6779
application is completed and refiled: 6780

(1) Before the end of the submission period described 6781
under division (B) of this section; or 6782

(2) Not later than fourteen days after the end of the 6783

submission period described under division (B) of this section, 6784
if the department, for good cause shown, has granted the 6785
broadband provider an extension period of not more than fourteen 6786
days in which to file the completed application. 6787

(F) The department shall deny an incomplete application if 6788
the broadband provider fails to complete and refile it within 6789
the applicable submission period or extension period. 6790
Applications that are denied shall not be published on the 6791
department's web site. 6792

(G) To facilitate the challenge process, after publication 6793
of all applications, the department shall publish a provisional 6794
scoring for applications based on the scoring criteria in 6795
section 122.4041 of the Revised Code. The department shall 6796
publish the provisional scoring on its web site not later than 6797
fifteen business days after all applications have been accepted 6798
as complete under this section. The authority shall neither vote 6799
on, nor make awards based on, the provisional scoring. 6800

Sec. 122.4020. (A) An application for a program grant 6801
under the Ohio residential broadband expansion grant program 6802
shall include, at a minimum, the following information for an 6803
eligible project: 6804

(1) The location and description of the project, 6805
including: 6806

(a) The residential addresses in the unserved or tier one 6807
areas where tier two broadband service will be available 6808
following completion of the project; 6809

(b) A notarized letter of intent that the broadband 6810
provider will provide access to tier two broadband service to 6811
all of the residential addresses listed in the project; 6812

(c) A notarized letter of intent by the broadband provider 6813
that none of the funds provided by the program grant will be 6814
used to extend or deploy facilities to any residential addresses 6815
other than those in the unserved or tier one areas that are part 6816
of the project. 6817

(2) The amount of the broadband funding gap and the amount 6818
of state funds requested; 6819

(3) The amount of any financial or in-kind contributions 6820
to be used towards the broadband funding gap and identification 6821
of the contribution sources, which may include, but are not 6822
limited to, any combination of the following: 6823

(a) Funds that the broadband provider is willing to 6824
contribute to the broadband funding gap; 6825

(b) Funds received or approved under any other federal or 6826
state government grant or loan program; 6827

(c) General revenue funds of a municipal corporation, 6828
township, or county comprising the area of the eligible project; 6829

(d) Other discretionary funds of the municipal 6830
corporation, township, or county comprising the area of the 6831
eligible project; 6832

(e) Any alternate payment terms that the broadband 6833
provider and any legislative authority in which the project is 6834
located have negotiated and agreed to pursuant to section 6835
122.4025 of the Revised Code; 6836

(f) Contributions or grants from individuals, 6837
organizations, or companies; 6838

(g) Property tax assessments made by the municipal 6839
corporation under Chapter 727. of the Revised Code, township 6840

under section 505.881 of the Revised Code, or county under 6841
section 303.251 of the Revised Code. 6842

(4) The source and amount of any financial or in-kind 6843
contributions received or approved for any part of the overall 6844
eligible project cost, but not applied to the broadband funding 6845
gap; 6846

(5) A description of, or documentation demonstrating, the 6847
broadband provider's managerial and technical expertise and 6848
experience with broadband service projects; 6849

(6) Whether the broadband provider plans to use wired, 6850
wireless, or satellite technology to complete the project; 6851

(7) A description of the scalability of the project; 6852

(8) The megabit-per-second broadband download and upload 6853
speeds planned for the project; 6854

(9) A description of the broadband provider's customer 6855
service capabilities, including any locally based call centers 6856
or customer service offices; 6857

(10) A copy of the broadband provider's general customer 6858
service policies, including any policy to credit customers for 6859
service outages or the provider's failure to keep scheduled 6860
appointments for service; 6861

(11) The length of time that the broadband provider has 6862
been operating in the state; 6863

(12) Proof that the broadband provider has the financial 6864
stability to complete the project; 6865

(13) A projected construction timetable, including the 6866
anticipated date of the provision of tier two broadband service 6867

access within the project; 6868

(14) A description of anticipated or preliminary 6869
government authorizations, permits, and other approvals required 6870
in connection with the project, and an estimated timetable for 6871
the acquisition of such approvals; 6872

(15) A notification from the broadband provider informing 6873
the department of housing and development of any information 6874
contained in the application, or within related documents 6875
submitted with it, that the provider considers proprietary or a 6876
trade secret; 6877

(16) A notarized statement that the broadband provider 6878
accepts the condition that noncompliance with Ohio residential 6879
broadband expansion grant program requirements may require the 6880
provider to refund all or part of any program grant the provider 6881
receives; 6882

(17) A brief description of any arrangements, including 6883
any subleases of infrastructure or joint ownership arrangements 6884
that the broadband provider that submitted the application has 6885
entered into, or plans to enter into, with another broadband 6886
provider, an electric cooperative, or an electric distribution 6887
utility, to enable the offering of tier two broadband service 6888
under the project; 6889

(18) Other relevant information that the department 6890
determines is necessary and prescribes by rule; 6891

(19) Any other information the broadband provider 6892
considers necessary. 6893

(B) To meet the requirement to provide proof of financial 6894
responsibility in the application, the broadband provider may 6895
submit publicly available financial statements with its 6896

application. 6897

Sec. 122.4023. Pursuant to rules adopted under section 6898
122.4077 of the Revised Code, the department of housing and 6899
~~development services agency~~ shall evaluate the information and 6900
documents submitted by a broadband provider in an application 6901
under section 122.4013 of the Revised Code or by a challenging 6902
provider under section 122.4030 of the Revised Code. The 6903
evaluation shall determine whether the information and documents 6904
are proprietary or constitute a trade secret. Upon receipt of 6905
the information and documents, the ~~agency~~ department shall keep 6906
them confidential and shall not publish them on the ~~agency's~~ 6907
department's web site, unless the ~~agency~~ department finds that 6908
any information or document is not proprietary or a trade 6909
secret. Any information or document found not to be proprietary 6910
or a trade secret under this section shall not be considered 6911
confidential and shall be published on the ~~agency~~ department web 6912
site as is required for an application under division (C) (2) of 6913
section 122.4019 of the Revised Code. 6914

Sec. 122.4024. The department of housing and development 6915
~~services agency~~ shall establish an automatic notification 6916
process through which interested parties may receive electronic 6917
mail notifications when the ~~agency~~ department publishes 6918
application and other information on its web site pursuant to 6919
sections 122.40 to 122.4077 of the Revised Code. 6920

Sec. 122.4030. (A) As used in section 122.4023 and 6921
sections 122.4030 to 122.4035 of the Revised Code, "challenging 6922
provider" means either of the following: 6923

(1) A broadband provider that provides tier two broadband 6924
service within or directly adjacent to an eligible project; 6925

(2) A municipal electric utility that provides tier two broadband service to an area within the eligible project that is within the geographic area served by the municipal electric utility.

(B) (1) (a) A challenging provider may challenge, in writing, all or part of a completed application for a program grant for the project not later than sixty-five days after the provisional application scoring has been published on the web site as required under section 122.4019 of the Revised Code.

(b) The department of housing and development, for good cause shown, may grant the broadband provider an extension of not more than fourteen days in which to submit a challenge.

(2) The challenging provider shall provide its complete challenge to the department, by electronic mail or such other means as may be established by the department. Within ten business days of its receipt of a challenge, the department shall provide, by electronic mail or such other means as may be established by the department, a complete copy of such challenge to the applicant whose application is the subject of a challenge.

(C) No challenge to an application may be accepted before the completed application is published in its entirety on the department's web site pursuant to division (C) (2) of section 122.4019 of the Revised Code.

Sec. 122.4031. (A) To successfully challenge an application, a challenging provider shall provide sufficient evidence to the department of housing and development demonstrating that all or part of a project under the application is ineligible for a grant. The challenge shall, at

minimum, include the following information: 6955

(1) Sufficient evidence disputing the notarized letter of 6956
intent submitted with the application that the eligible project 6957
contains eligible addresses; 6958

(2) Sufficient evidence attesting to the challenging 6959
provider's existing or planned offering of tier two broadband 6960
service to all or part of the eligible project, which evidence 6961
shall include the following: 6962

(a) With regard to existing tier two broadband service, a 6963
signed, notarized statement submitted by the challenging 6964
provider that sufficiently identifies the part of the eligible 6965
project to which the challenging provider offers broadband 6966
service and the aggregate number of eligible addresses to which 6967
the challenging provider offers tier two broadband service; 6968

(b) With regard to the planned provision of tier two 6969
broadband service by a challenging provider as described in 6970
division (B) of section 122.4016 of the Revised Code, both of 6971
the following: 6972

(i) A signed, notarized statement submitted by the 6973
challenging provider that sufficiently identifies the part of 6974
the eligible project to which the challenging provider will 6975
offer tier two broadband service; 6976

(ii) A summary of the construction efforts that includes 6977
the dates when tier two broadband construction is expected to be 6978
completed and when tier two broadband service will first be 6979
offered to the part of the eligible project being challenged. 6980

(B) To demonstrate that all or part of a project under the 6981
application is ineligible for a grant, a challenging provider 6982
shall present shapefile data and residential addresses 6983

identifying each challenged residential address and the basis 6984
for such challenge. Census block or census tract level data 6985
shall not be acceptable as evidence of ineligibility of all or 6986
part of a project. 6987

(C) The department shall reject any challenge regarding a 6988
residential address where the provision of tier two broadband 6989
service is planned to be provided if the challenging provider 6990
has also submitted an application for funding for the same 6991
residential address. 6992

Sec. 122.4032. If an application filed during an 6993
application submission period established by the department of 6994
housing and development under section 122.4019 of the Revised 6995
Code is not challenged pursuant to sections 122.4030 to 122.4035 6996
of the Revised Code, the lack of a challenge does not do either 6997
of the following: 6998

(A) Create a presumption that residential addresses 6999
included in an application submitted in a subsequent submission 7000
period are eligible addresses under the Ohio residential 7001
broadband expansion grant program; 7002

(B) Prohibit a challenging provider from filing a 7003
challenge to an application that is being refiled during a 7004
subsequent submission period. 7005

Sec. 122.4033. (A) Not later than thirty days after 7006
receipt of a challenge under sections 122.4030 to 122.4035 of 7007
the Revised Code, the broadband expansion program authority may 7008
do either of the following: 7009

(1) Suspend, subject to division (B) of this section, all 7010
or part of the application; 7011

(2) Reject the challenge, approve the application, and 7012

proceed with the application process. 7013

(B) The authority shall allow the broadband provider that 7014
submitted the application being challenged to revise the 7015
application consistent with sections 122.40 to 122.4077 of the 7016
Revised Code, if the authority upholds a challenge to all or 7017
part of the application. 7018

(C) The authority shall notify both the broadband provider 7019
that submitted the application and the challenging provider of 7020
any decision made under this section by providing a copy of the 7021
decision by certified mail or electronic mail. The authority 7022
shall update the status of the application on the department of 7023
housing and development ~~services agency~~ web site. 7024

Sec. 122.4034. (A) If the broadband expansion program 7025
authority suspends all or part of an application, the broadband 7026
provider that submitted the application may revise and resubmit 7027
the application not later than fourteen days after receiving the 7028
suspension notification sent by the authority pursuant to 7029
section 122.4033 of the Revised Code. The broadband provider may 7030
request, and the authority may grant for good cause shown, an 7031
extension period of not more than fourteen days in which the 7032
broadband provider may resubmit the application. 7033

(B) When revising the application, the broadband provider 7034
shall not expand the scope or impact of the original 7035
application, nor shall the provider add any new residential 7036
addresses to the eligible project. 7037

(C) The broadband provider shall provide a copy of the 7038
revised application to the authority by electronic mail or by 7039
uploading it to the department of housing and development's 7040
designated web site for applications. The department shall 7041

publish the revised application on the department's public web 7042
site and provide the application to the challenging provider by 7043
electronic mail or such other means as may be established by the 7044
department, provided that any information determined to be 7045
proprietary or a trade secret under section 122.4023 of the 7046
Revised Code is redacted. 7047

(D) Any failure to respond to the notification or properly 7048
revise the application to the authority's satisfaction shall be 7049
considered a withdrawal of the application. 7050

Sec. 122.4035. Upon receipt of a revised application under 7051
section 122.4034 of the Revised Code, the broadband expansion 7052
program authority shall review the revised application and 7053
decide whether to accept it or uphold the challenge under 7054
sections 122.4030 to 122.4035 of the Revised Code within 7055
fourteen days. The authority shall provide a copy of its 7056
decision to both the broadband provider that submitted the 7057
revised application and the challenging provider by certified 7058
mail or electronic mail and shall update the status of the 7059
application on the ~~development services agency's~~ department of 7060
housing and development's web site. The decision shall be 7061
considered final, and further challenges to the revised 7062
application are prohibited. 7063

Sec. 122.4036. If the broadband expansion program 7064
authority upholds a challenge to an application under sections 7065
122.4030 to 122.4035 of the Revised Code and the challenging 7066
provider fails to provide tier two broadband service as 7067
described in the challenge, the challenging provider, after a 7068
reasonable opportunity to be heard, may be required to do either 7069
or both of the following, in addition to being subject to other 7070
remedies available under the law: 7071

(A) Pay to the department of housing and development 7072
~~services agency~~ the amount of the original broadband funding gap 7073
described in section 122.4020 of the Revised Code for the 7074
application that was challenged; 7075

(B) Comply with the requirements of any other penalties 7076
prescribed by ~~agency~~ department rule and imposed after 7077
consultation with the authority. 7078

Sec. 122.4037. Any gift, grant, and contribution received 7079
by the director of housing and development for the Ohio 7080
residential broadband expansion grant program and any money 7081
collected under section 122.4036 of the Revised Code shall be 7082
deposited into the Ohio residential broadband expansion grant 7083
program fund, which is hereby created in the state treasury. All 7084
amounts in the fund, including interest earned on those amounts, 7085
shall be used by the department of housing and development 7086
exclusively for grants under sections 122.40 to 122.4077 of the 7087
Revised Code. 7088

Sec. 122.4040. The department of housing and development, 7089
in consultation with the broadband expansion program authority, 7090
shall establish a scoring system to evaluate and select 7091
applications for program grants. The scoring system shall be 7092
available on the department's web site at least thirty days 7093
before the beginning of the application submission period set by 7094
the department by rule. A description of any differences in 7095
application, scoring system, or other program requirements 7096
adopted under division (C) of section 122.4017 of the Revised 7097
Code shall be available with the application on the department's 7098
web site at least thirty days before the beginning of the 7099
application submission period. 7100

Sec. 122.4043. (A) The broadband expansion program 7101

authority shall award program grants under the Ohio residential 7102
broadband expansion grant program after reviewing applications 7103
sent to the authority by the department of housing and 7104
~~development services agency~~. Awards shall be granted after the 7105
authority scores applications based on the scoring system under 7106
sections 122.4040 and 122.4041 of the Revised Code. 7107

(B) In awarding program grants, the authority shall 7108
consider all regulatory obligations under applicable law. The 7109
authority may not consider any of the following: 7110

(1) Proposed project conditions that require open access 7111
networks or that establish a specific rate, service, or other 7112
obligation not specified for the Ohio residential broadband 7113
expansion grant program; 7114

(2) Factors that would constrain a broadband provider that 7115
receives a grant from offering or providing tier two broadband 7116
service in the same manner as the service is offered by 7117
broadband providers in other areas of the state without funding 7118
from the Ohio residential broadband expansion grant program. 7119

(C) Upon making the program grant awards, the authority 7120
shall notify the broadband providers that submitted applications 7121
of the award decisions. The authority shall publish the program 7122
grant awards on the ~~agency's~~ department's web site. 7123

Sec. 122.4044. After the broadband expansion program 7124
authority awards a program grant under section 122.4043 of the 7125
Revised Code, the department of housing and development ~~services~~ 7126
~~agency~~ shall disburse the program grant as follows: 7127

(A) A portion of the program grant, not to exceed thirty 7128
per cent, shall be disbursed before construction of the project 7129
begins. 7130

(B) A portion of the program grant, not to exceed sixty per cent, shall be disbursed through periodic payments over the course of construction of the eligible project as determined by the ~~agency~~ department by rules adopted under section 122.4077 of the Revised Code.

(C) The remaining portion shall be disbursed not later than sixty days after the broadband provider notifies the authority that it has completed construction of the project.

Sec. 122.4045. (A) The department of housing and development may, through an independent third party, conduct speed verification tests of an eligible project that receives a program grant. Such tests shall occur as follows:

(1) After the construction is complete, but prior to the final disbursement made under division (C) of section 122.4044 of the Revised Code to verify that tier two broadband service is being offered;

(2) At any time during the reporting period required under division (B) of section 122.4070 of the Revised Code, after receiving a complaint concerning a residential address that is part of the eligible project.

(B) To evaluate compliance with tier two broadband service standards, speed verification tests conducted under this section shall be conducted on at least two different days and at two different times on each of those days.

(C) The ~~agency~~ department may withhold payments under this section for failure to meet at least the minimum speeds required under division (A) (8) of section 122.4020 of the Revised Code. Payments may be held until such speeds are achieved.

Sec. 122.4046. (A) If the department of housing and

development ~~services agency~~ determines that a broadband provider 7160
that has been awarded a program grant under the Ohio residential 7161
broadband expansion grant program has not complied with the 7162
requirements of the program, the ~~agency department~~ shall notify 7163
the provider of the noncompliance. In accordance with rules 7164
adopted by the ~~agency department~~ under section 122.4077 of the 7165
Revised Code, the ~~agency department~~ shall give the provider an 7166
opportunity to explain or cure the noncompliance. 7167

(B) After reviewing the broadband provider's explanation 7168
or effort to cure the noncompliance, the following shall apply: 7169

(1) The ~~agency department~~ may require the provider to 7170
refund an amount equal to all, or a portion of, the amount of 7171
the program grant awarded to the provider, as determined by the 7172
~~agency department~~. 7173

(2) The ~~agency department~~ may require the broadband 7174
provider to refund to the appropriate municipal corporation, 7175
township, or county the entire amount of general revenue funds 7176
or other discretionary funds that it contributed toward the 7177
broadband funding gap under division (A) (3) (c) or (d) of section 7178
122.4020 of the Revised Code. 7179

(C) Not more than thirty days after the ~~agency's~~ 7180
~~department's~~ decision requiring a refund for program 7181
noncompliance or a failure to explain or cure it, the broadband 7182
provider shall pay the refund required under division (B) of 7183
this section. Payments shall be made directly to the municipal 7184
corporation, township, or county that contributed funds toward 7185
the broadband funding gap. 7186

Sec. 122.4050. Upon adoption of a resolution, a board of 7187
county commissioners may request the department of housing and 7188

development ~~services agency~~ to solicit applications from 7189
broadband providers for program grants under the Ohio 7190
residential broadband expansion grant program for eligible 7191
projects in the municipal corporations and townships of the 7192
county. 7193

A request made by a county shall identify, to the extent 7194
possible, the residential addresses in unserved or tier one 7195
areas of the county and provide a point of contact at the county 7196
and the municipal corporations and townships in which the 7197
addresses are located. The request may include any relevant 7198
information, documents, or materials that may be helpful for an 7199
application. 7200

Sec. 122.4051. Upon receipt of a request from a board of 7201
county commissioners pursuant to section 122.4050 of the Revised 7202
Code, the department of housing and development ~~services agency~~ 7203
shall solicit, on behalf of the county, applications for program 7204
grants for eligible projects under the Ohio residential 7205
broadband expansion grant program. Not later than seven days 7206
after receipt of the request, the ~~agency department~~ shall make 7207
the request, and any accompanying information submitted with the 7208
request, available for review on the ~~agency's department's~~ web 7209
site. The request shall remain available on the web site for a 7210
period not to exceed two years. 7211

Sec. 122.4055. The department of housing and development 7212
~~services agency~~ shall not be responsible for any failure by a 7213
broadband provider to respond to a request made by the ~~agency~~ 7214
department pursuant to section 122.4051 of the Revised Code or 7215
to submit an application for a program grant under the Ohio 7216
residential broadband expansion grant program. 7217

Sec. 122.4063. (A) Nothing in sections 122.40 to 122.4077 7218

of the Revised Code entitles the state of Ohio, the department 7219
of housing and development~~services agency~~, the broadband 7220
expansion program authority, or any other governmental entity to 7221
any ownership or other rights to broadband infrastructure 7222
constructed by a broadband provider pursuant to a program grant 7223
awarded to an eligible project. 7224

(B) Nothing in sections 122.40 to 122.4077 of the Revised 7225
Code prevents an assignment, sale, change in ownership, or other 7226
similar transaction associated with broadband infrastructure 7227
constructed by a broadband provider pursuant to a program grant 7228
awarded to an eligible project. No assignment, sale, change in 7229
ownership, or other similar transaction relieves the successor 7230
of any obligation under sections 122.40 to 122.4077 of the 7231
Revised Code. 7232

Sec. 122.4070. (A) Each broadband provider that receives a 7233
program grant shall submit to the department of housing and 7234
development ~~services agency~~ an annual progress report on the 7235
status of the deployment of the broadband network described in 7236
the eligible project for which the program grant award was made. 7237

(B) The broadband provider shall submit an operational 7238
report with the ~~agency~~ department not later than sixty days 7239
after the completion of the project and annually thereafter for 7240
a period of four years. 7241

Sec. 122.4071. (A) The reports required under section 7242
122.4070 of the Revised Code and except as provided in section 7243
122.4075 of the Revised Code, all information and documents in 7244
them shall be in a format specified by the department of housing 7245
and development and shall be publicly available on the 7246
department's web site. 7247

(B) In each report, the broadband provider shall include 7248
an account of how program grant funds have been used and the 7249
project's progress toward fulfilling the objectives for which 7250
the program grant was awarded. The reports, at a minimum, shall 7251
include the following: 7252

(1) The number of residential addresses that have access 7253
to tier two broadband services as a result of the eligible 7254
project; 7255

(2) The number of residential addresses that are not 7256
funded directly by the grant program but have access to tier two 7257
broadband service as a result of the eligible project; 7258

(3) The upstream and downstream speed of the broadband 7259
service provided; 7260

(4) The average price of broadband service; 7261

(5) The number of broadband service subscriptions 7262
attributable to the program grant. 7263

Sec. 122.4073. The department of housing and development 7264
~~services agency~~ may set a due date for the reports required 7265
under section 122.4070 of the Revised Code and, for good cause 7266
shown, may grant extensions of the report due dates. 7267

Sec. 122.4075. Reports required under section 122.4070 of 7268
the Revised Code, and all information and documents in them, 7269
shall be maintained on a confidential basis by the department of 7270
housing and development ~~services agency~~ and shall not be 7271
published on the ~~agency's department's~~ web site until the ~~agency-~~ 7272
department determines what information or documents are not 7273
confidential pursuant to section 122.4023 of the Revised Code. 7274

Sec. 122.4076. (A) The broadband expansion program 7275

authority shall complete an annual report for the Ohio residential broadband expansion grant program. The report shall evaluate the success of the program grants awarded under section 122.4043 of the Revised Code in making tier two broadband services available to unserved and tier one areas. The report shall include the following information:

- (1) The number of applications received;
- (2) The number of applications that received program grants;
- (3) The amount of broadband infrastructure constructed for eligible projects;
- (4) The number of residential addresses receiving, for that year, tier two broadband service for the first time under the program;
- (5) Findings and recommendations that have been agreed to by a majority of the authority members.

(B) The report shall be published on the department of housing and development's web site and shall be included as part of the department's annual report filed under section 121.18 of the Revised Code. The authority shall present the report annually to the governor and the general assembly not later than the first of December of each calendar year.

Sec. 122.4077. (A) The department of housing and development ~~services agency~~ shall adopt rules for the Ohio residential broadband expansion grant program. The rules shall establish an application form and application procedures for the program and procedures for periodic program grant disbursements.

(B) The rules may include the following:

(1) Requirements for a program application in addition to the requirements described in section 122.4020 of the Revised Code;	7304 7305 7306
(2) Procedures for and circumstances under which partial funding of applications is permitted;	7307 7308
(3) Procedures for broadband expansion program authority meetings, extension periods for applications and application challenges, hearings, and opportunities for public comment.	7309 7310 7311
(C) The agency <u>department</u> may adopt rules and procedures to implement sections 122.4051, 122.4053, and 122.4055 of the Revised Code.	7312 7313 7314
(D) Rules adopted under this section are not subject to section 121.95 of the Revised Code.	7315 7316
(E) The agency <u>department</u> and the authority are not subject to division (F) of section 121.95 of the Revised Code regarding the development and adoption of rules pursuant to this section.	7317 7318 7319 7320
Sec. 122.41. The director of <u>housing and development services</u> is invested with the powers and duties provided in Chapter 122. of the Revised Code, in order to promote the welfare of the people of the state, to stabilize the economy, to provide employment, to assist in the development within the state of industrial, commercial, distribution, and research activities required for the people of the state, and for their gainful employment, or otherwise to create or preserve jobs and employment opportunities, or improve the economic welfare of the people of the state, and also to assist in the financing of air, water, or thermal pollution control facilities and solid waste disposal facilities by mortgage insurance as provided in section	7321 7322 7323 7324 7325 7326 7327 7328 7329 7330 7331 7332

122.451 of the Revised Code. It is hereby determined that the 7333
accomplishment of such purposes is essential so that the people 7334
of the state may maintain their present high standards in 7335
comparison with the people of other states and so that 7336
opportunities for employment and for favorable markets for the 7337
products of the state's natural resources, agriculture, and 7338
manufacturing shall be improved and that it is necessary for the 7339
state to establish the programs authorized pursuant to Chapter 7340
122. of the Revised Code and invest the director of housing and 7341
development ~~services~~ with the powers and duties provided in 7342
Chapter 122. of the Revised Code. The powers granted to the 7343
director by Chapter 165. of the Revised Code are independent of 7344
and in addition and alternate to, and are not limited or 7345
restricted by, Chapter 122. of the Revised Code. 7346

Sec. 122.42. (A) The director of housing and development 7347
shall do all of the following: 7348

(1) Receive applications for assistance under sections 7349
122.39 and 122.41 to 122.62 of the Revised Code; 7350

(2) Make a final determination whether to approve the 7351
application for assistance; 7352

(3) Transmit determinations to approve assistance to the 7353
controlling board together with any information the controlling 7354
board requires for the board's review and decision as to whether 7355
to approve the assistance; 7356

(4) Issue revenue bonds of the state through the treasurer 7357
of state, as necessary, payable solely from revenues and other 7358
sources as provided in sections 122.39 and 122.41 to 122.62 of 7359
the Revised Code. 7360

(B) The director may do all of the following: 7361

(1) Fix the rate of interest and charges to be made upon 7362
or with respect to moneys loaned by the director and the terms 7363
upon which mortgages and lease rentals may be guaranteed and the 7364
rates of charges to be made for the loans and guarantees and to 7365
make provisions for the operation of the funds established by 7366
the director in accordance with this section and sections 7367
122.54, 122.55, 122.56, and 122.57 of the Revised Code; 7368

(2) Loan moneys from the fund established in accordance 7369
with section 122.54 of the Revised Code pursuant to and in 7370
compliance with sections 122.39 and 122.41 to 122.62 of the 7371
Revised Code; 7372

(3) Acquire in the name of the director any property of 7373
any kind or character in accordance with sections 122.39 and 7374
122.41 to 122.62 of the Revised Code, by purchase, purchase at 7375
foreclosure, or exchange on such terms and in such manner as the 7376
director considers proper; 7377

(4) Make and enter into all contracts and agreements 7378
necessary or incidental to the performance of the director's 7379
duties and the exercise of the director's powers under sections 7380
122.39 and 122.41 to 122.62 of the Revised Code; 7381

(5) Maintain, protect, repair, improve, and insure any 7382
property which the director has acquired and dispose of the same 7383
by sale, exchange, or lease for the consideration and on the 7384
terms and in the manner as the director considers proper, but is 7385
not authorized to operate any such property as a business except 7386
as the lessor of the property; 7387

(6) (a) When the cost of any contract for the maintenance, 7388
protection, repair, or improvement of any property held by the 7389
director other than compensation for personal services involves 7390

an expenditure of more than one thousand dollars, the director 7391
shall make a written contract with the lowest responsive and 7392
responsible bidder in accordance with section 9.312 of the 7393
Revised Code after advertisement for not less than two 7394
consecutive weeks in a newspaper of general circulation in the 7395
county where such contract, or some substantial part of it, is 7396
to be performed, and in such other publications as the director 7397
determines, which notice shall state the general character of 7398
the work and the general character of the materials to be 7399
furnished, the place where plans and specifications may be 7400
examined, and the time and place of receiving bids. 7401

(b) Each bid for a contract for the construction, 7402
demolition, alteration, repair, or reconstruction of an 7403
improvement shall contain the full name of every person 7404
interested in it and meet the requirements of section 153.54 of 7405
the Revised Code. 7406

(c) Each bid for a contract, except as provided in 7407
division (B) (6) (b) of this section, shall contain the full name 7408
of every person interested in it and shall be accompanied by 7409
bond or certified check on a solvent bank, in such amount as the 7410
director considers sufficient, that if the bid is accepted a 7411
contract will be entered into and the performance of the 7412
proposal secured. 7413

(d) The director may reject any and all bids. 7414

(e) A bond with good and sufficient surety, approved by 7415
the director, shall be required of every contractor awarded a 7416
contract except as provided in division (B) (6) (b) of this 7417
section, in an amount equal to at least fifty per cent of the 7418
contract price, conditioned upon faithful performance of the 7419
contract. 7420

(7) Employ financial consultants, appraisers, consulting engineers, superintendents, managers, construction and accounting experts, attorneys, and other employees and agents as are necessary in the director's judgment and fix their compensation;

(8) Assist qualified persons in the coordination and formation of a small business development company, having a statewide area of operation, conditional upon the company's agreeing to seek to obtain certification from the federal small business administration as a certified statewide development company and participation in the guaranteed loan program administered by the small business administration pursuant to the Act of July 2, 1980, 94 Stat. 837, 15 U.S.C.A. 697. During the initial period of formation of the statewide small business development company, the director shall provide technical and financial expertise, legal and managerial assistance, and other services as are necessary and proper to enable the company to obtain and maintain federal certification and participation in the federal guaranteed loan program. The director may charge a fee, in such amount and on such terms and conditions as the director determines necessary and proper, for assistance and services provided pursuant to division (B) (8) of this section.

Persons chosen by the director to receive assistance in the formation of a statewide small business development company pursuant to division (B) (8) of this section shall make a special effort to use their participation in the federal guaranteed loan program to assist small businesses which are minority business enterprises as defined in division (E) of section 122.71 of the Revised Code. The director, with the assistance of the minority business development division of the department of housing and development, shall provide technical and financial expertise,

legal and managerial assistance, and other services in such a 7452
manner to enable the development company to provide assistance 7453
to small businesses which are minority business enterprises, and 7454
shall make available to the development company information 7455
pertaining to assistance available to minority business 7456
enterprises under programs established pursuant to sections 7457
122.71 to 122.83, 122.87 to 122.89, 122.92 to 122.94, 122.921, 7458
and 125.081 of the Revised Code. 7459

(9) Receive and accept grants, gifts, and contributions of 7460
money, property, labor, and other things of value to be held, 7461
used, and applied only for the purpose for which such grants, 7462
gifts, and contributions are made, from individuals, private and 7463
public corporations, from the United States or any agency of the 7464
United States, from the state or any agency of the state, and 7465
from any political subdivision of the state, and may agree to 7466
repay any contribution of money or to return any property 7467
contributed or the value of the property at such times, in such 7468
amounts, and on such terms and conditions, excluding the payment 7469
of interest, as the director determines at the time such 7470
contribution is made, and may evidence such obligations by 7471
notes, bonds, or other written instruments; 7472

(10) Establish with the treasurer of state the funds 7473
provided in sections 122.54, 122.55, 122.56, and 122.57 of the 7474
Revised Code, in addition to such funds as the director 7475
determines are necessary or proper; 7476

(11) Do all acts and things necessary or proper to carry 7477
out the powers expressly granted and the duties imposed in 7478
sections 122.39 and 122.41 to 122.62 and Chapter 163. of the 7479
Revised Code. 7480

(C) All expenses and obligations incurred by the director 7481

in carrying out the director's powers and in exercising the 7482
director's duties under sections 122.39 and 122.41 to 122.62 of 7483
the Revised Code, shall be payable solely from the proceeds of 7484
revenue bonds issued pursuant to those sections, from revenues 7485
or other receipts or income of the director, from grants, gifts, 7486
and contributions, or funds established in accordance with those 7487
sections. Those sections do not authorize the director to incur 7488
indebtedness or to impose liability on the state or any 7489
political subdivision of the state. 7490

(D) Financial statements and financial data submitted to 7491
the director by any corporation, partnership, or person in 7492
connection with a loan application, or any information taken 7493
from such statements or data for any purpose, shall not be open 7494
to public inspection. 7495

Sec. 122.43. The director of housing and development 7496
~~services~~, with controlling board approval, may lend funds which 7497
are obtained from the sale of revenue bonds issued by the 7498
treasurer of state pursuant to sections 122.39 and 122.41 to 7499
122.62 of the Revised Code, from revenues or other receipts or 7500
income of the director, or funds established in accordance with 7501
sections 122.39 and 122.41 to 122.62 of the Revised Code, and 7502
from grants, gifts, and contributions subject to any provisions 7503
of resolutions authorizing the revenue bonds or of trust 7504
agreements securing such bonds, to community improvement 7505
corporations and Ohio development corporations and other 7506
corporations, partnerships, and persons for the purpose of 7507
procuring or improving real or personal property, or both, for 7508
the establishment, location, or expansion of industrial, 7509
distribution, commercial, or research facilities in the state, 7510
and to community improvement corporations and Ohio development 7511
corporations for the purpose of loaning funds to other 7512

corporations, partnerships, and persons for the purpose of 7513
procuring or improving real or personal property, or both, for 7514
the establishment, location, or expansion of industrial, 7515
distribution, commercial, or research facilities in the state, 7516
if the director finds that: 7517

(A) The project is economically sound and will benefit the 7518
people of the state by increasing opportunities for employment 7519
and strengthening the economy of the state; 7520

(B) The proposed borrower, if other than a community 7521
improvement corporation or an Ohio development corporation, is 7522
unable to finance the proposed project through ordinary 7523
financial channels upon reasonable terms and at comparable 7524
interest rates, or the borrower, if a community improvement 7525
corporation or an Ohio development corporation, should not, in 7526
the opinion of the director, be required to finance the proposed 7527
project without a loan from the director; 7528

(C) The value of the project is, or upon completion 7529
thereof will be, at least equal to the total amount of the money 7530
expended in such procurement or improvement of which amount one 7531
or more financial institutions have loaned or invested not less 7532
than forty per cent; 7533

(D) The amount to be loaned by the director will not 7534
exceed fifty per cent of the total amount expended in the 7535
procurement or improvement of the project; 7536

(E) The amount to be loaned by the director will be 7537
adequately secured by a first or second mortgage upon the 7538
project, and by mortgages, leases, liens, assignments, or 7539
pledges on or of such other property or contracts as the 7540
director shall require and that such mortgage will not be 7541

subordinate to any other liens or mortgages except the liens 7542
securing loans or investments made by financial institutions 7543
referred to in division (C) of this section, and the liens 7544
securing loans previously made by any financial institution in 7545
connection with the procurement or expansion of all or part of a 7546
project. 7547

In no event may the director lend funds under the 7548
authority of this section for the purpose of procuring or 7549
improving motor vehicles, power driven vehicles, office 7550
equipment, raw materials, small tools, supplies, inventories, or 7551
accounts receivable. 7552

Sec. 122.44. Fees, charges, rates of interest, times of 7553
payment of interest and principal, and other terms, conditions, 7554
and provisions of the loans made by the director of housing and 7555
development services pursuant to sections 122.39 and 122.41 to 7556
122.62 of the Revised Code shall be such as the director 7557
determines to be appropriate and in furtherance of the purpose 7558
for which the loans are made, but the mortgage lien securing any 7559
money loaned by the director may be subordinate to the mortgage 7560
lien securing any money loaned or invested by a financial 7561
institution, but shall be superior to that securing any money 7562
loaned or expended by any other corporation or person. The funds 7563
used in making such loans shall be disbursed upon order of the 7564
director. 7565

Sec. 122.45. The director of housing and development, with 7566
controlling board approval, may lend funds to any county, 7567
municipal corporation, or township or any other political 7568
subdivision of the state for the purpose of expediting the 7569
creation, location, or expansion of industrial, distribution, 7570
commercial, or research facilities in the state by the 7571

construction or installation of streets, sidewalks, storm 7572
sewers, sanitary sewers and sewage disposal works, water lines, 7573
and water supply facilities which such subdivisions are 7574
authorized by law to construct or install, and the acquisition 7575
of lands or easements for such purposes, if the director finds 7576
that: 7577

(A) A plan for the use of the money so loaned in 7578
connection with the creation, location, or expansion of such a 7579
facility is economically sound and will benefit the people of 7580
the state by increasing opportunities for employment and 7581
strengthening the economy; 7582

(B) The proposed borrower is unable to procure the money 7583
for the aforesaid use within the time required in order to 7584
secure the desired creation, location, or expansion of such 7585
facilities; 7586

(C) An agreement for repayment of the money loaned with 7587
interest thereon has been made by such subdivision evidenced by 7588
its notes, bonds, or by written contract, payable, however, only 7589
from moneys payable to such subdivision by a community 7590
improvement corporation, an Ohio development corporation, or 7591
other corporation, partnership, or person, or any combination 7592
thereof; 7593

(D) There is adequate assurance that the moneys payable by 7594
such corporation or person to such subdivision will be paid as 7595
they fall due and will be payable at such times as are necessary 7596
to provide such subdivision with moneys sufficient to pay its 7597
loan to the director as it falls due. 7598

The rates of interest and times of payment of interest and 7599
principal and other terms, conditions, and provisions of the 7600

loans shall be such as the director determines to be appropriate 7601
and in furtherance of the purpose for which the loans are made. 7602
The funds used in making such loans shall be disbursed upon 7603
order of the director. 7604

Any subdivision intending to borrow funds from the 7605
director pursuant to this section may agree with a community 7606
improvement corporation, an Ohio development corporation, 7607
partnership, or other corporation or person, or any combination 7608
thereof, to construct any one or more of the improvements for 7609
which such funds are to be borrowed in return for a commitment, 7610
satisfactory to both such subdivision and the director, to make 7611
available to such subdivision sufficient moneys to discharge its 7612
loan from the director as it falls due. 7613

Any subdivision to which such a loan is made may issue to 7614
the director its notes or bonds for the repayment of such loan, 7615
or may by written contract agree to repay such loan provided 7616
that the obligation to pay is limited to the moneys received by 7617
the subdivision from such corporation, partnership, or person 7618
and is not an obligation for which the faith or credit or taxing 7619
power of the subdivision is pledged. 7620

Any subdivision ~~receiving~~ receiving such a loan may 7621
construct or cause to be constructed the improvements for which 7622
such loan is made in the manner provided by law or charter for 7623
the making of contracts for such improvements, and may, if no 7624
special assessments are to be levied against benefited 7625
properties, dispense with all notices to the public or to 7626
property owners and all hearings otherwise required with respect 7627
to the making of such improvements, and in such case no 7628
resolution or order determining to make the improvement shall be 7629
subject to any appeal. 7630

Sec. 122.451. Upon application of any person, partnership, 7631
or corporation, or upon application of any community improvement 7632
corporation organized as provided in section 1724.01 of the 7633
Revised Code, the director of housing and development, with 7634
controlling board approval, may, pledging therefor moneys in the 7635
mortgage insurance fund created by section 122.561 of the 7636
Revised Code, insure or make advance commitments to insure not 7637
more than ninety per cent of any mortgage payments required. 7638
Before insuring any such mortgage payments the director shall 7639
determine that: 7640

(A) The project, in accordance with Section 13 of Article 7641
VIII, Ohio Constitution, will create or preserve jobs and 7642
employment opportunities, or improve the economic welfare of the 7643
people of the state, or be an air quality facility, waste water 7644
facility, or solid waste facility, as defined in section 7645
3706.01, 6121.01, or 6123.01 of the Revised Code. 7646

(B) The principal obligation, including initial service 7647
charges and appraisal, inspection, and other fees approved by 7648
the director, does not exceed one hundred per cent of the cost 7649
of the project. 7650

(C) The mortgage has a satisfactory maturity date in no 7651
case later than twenty-five years from the date of the 7652
insurance. 7653

(D) The mortgagor is responsible and able to meet the 7654
payments under the mortgage. 7655

(E) The mortgage contains complete amortization provisions 7656
satisfactory to the director requiring periodic payments by the 7657
mortgagor which may include principal and interest payments, 7658
cost of local property taxes and assessments, land lease 7659

rentals, if any, and hazard insurance on the property and such 7660
mortgage insurance premiums as are required under section 7661
122.561 of the Revised Code, all as the director from time to 7662
time prescribes or approves. 7663

(F) The mortgage is in such form and contains such terms 7664
and provisions with respect to property insurance, repairs, 7665
alterations, payment of taxes and assessments, default reserves, 7666
delinquency charges, default remedies, anticipation of maturity, 7667
additional and secondary liens, and other matters as the 7668
director may prescribe. 7669

The director may take assignments of insured mortgages and 7670
other forms of security and may take title by foreclosure or 7671
conveyance to any project when an insured mortgage loan thereon 7672
is clearly in default and when in the opinion of the director 7673
such acquisition is necessary to safeguard the mortgage 7674
insurance fund, and may sell, or on a temporary basis lease or 7675
rent, such project. 7676

Sec. 122.46. The director of housing and development may 7677
purchase real property, and personal property in connection 7678
therewith, in the state from funds available ~~to him~~ for that 7679
purpose if ~~he~~ the director finds that: 7680

(A) Such property is owned by the United States, or an 7681
agency or instrumentality thereof, or by the state or an agency, 7682
instrumentality, or subdivision thereof; 7683

(B) Such property is, or after improvement will be, useful 7684
for industrial, commercial, distribution, or research facilities 7685
in the state; 7686

(C) Utilization of such property in the creation, 7687
location, or expansion of such facilities is economically sound 7688

and will benefit the people of the state by increasing 7689
opportunities for employment and strengthening the economy. 7690

The conveyance of such property by an agency, 7691
instrumentality, or subdivision of the state may be made without 7692
advertising for bids and on the terms and in the manner 7693
established by such agency, instrumentality, or subdivision and 7694
provided further that if the property is to be conveyed by the 7695
state of Ohio, the director of the department of the state 7696
having jurisdiction or supervision of such property shall 7697
determine if the property is required by such department and if 7698
determined not to be required, shall, with the approval of the 7699
governor and the controlling board, convey such property to the 7700
director of housing and development at its fair market value as 7701
fixed by an appraisal by three disinterested persons appointed 7702
by the director of administrative services and the deed therefor 7703
shall be prepared and recorded pursuant to section 5301.13 of 7704
the Revised Code and the proceeds from such sale shall be paid 7705
into the state treasury to the credit of the appropriate fund. 7706
Such a conveyance shall transfer all interest of the state in 7707
the property. 7708

The director may improve any property acquired under this 7709
section and may construct and equip buildings, structures, and 7710
other facilities thereon for industrial, commercial, 7711
distribution, or research facilities. It is not intended hereby 7712
to authorize the director ~~himself~~ to operate any such 7713
industrial, commercial, distribution, or research facilities. 7714

Such property, or parts thereof, may be sold by the 7715
director or may be leased by ~~it~~ the director at such times and in 7716
such manner as the director determines and at such price or on 7717
such rentals as the director determines to be fair and 7718

reasonable. 7719

Such lease may provide for improvements to be made by the 7720
lessee at its expense, all of which shall immediately become the 7721
property of the director. Movable personal property of the 7722
lessee shall remain its property. 7723

The director shall determine the amount to be paid in the 7724
acquisition and improvement of such property, the price and 7725
terms of sale, and the rents and other terms of any lease 7726
including an option to purchase the leased property. 7727
Disbursement of funds shall be made upon order of the director. 7728
All leases, contracts, agreements, and deeds shall be executed 7729
by the director in the manner and by ~~his~~ the director's agents 7730
as ~~he~~ the director provides. 7731

Sec. 122.47. At the request of the director of housing and 7732
development, the treasurer of state shall issue revenue bonds of 7733
the state for the purpose of acquiring moneys for the purposes 7734
of this chapter, which moneys shall be credited by the treasurer 7735
of state as the director of housing and development shall 7736
determine to and among the funds established in accordance with 7737
or pursuant to sections 122.35, 122.42, 122.54, 122.55, 122.56, 7738
122.561, and 122.57 of the Revised Code. The principal of and 7739
interest on such revenue bonds shall be payable solely from the 7740
sinking funds established in accordance with section 122.57 of 7741
the Revised Code at the times and in the order and manner 7742
provided in the bond issuing proceedings or in any trust 7743
agreements securing such bonds, and shall be secured by the 7744
revenue bond guaranty fund established in accordance with 7745
section 122.571 of the Revised Code and shall also be secured by 7746
moneys in the other funds established by the director to the 7747
extent and on the terms ~~he~~ the director specifies and by 7748

covenants of the director ~~that he will~~ to so manage the loans 7749
and leases and fix interest rates, charges, and rentals so as to 7750
assure receipt of net income and revenue sufficient to provide 7751
for the payment of the principal of and the interest on the 7752
revenue bonds. 7753

Sec. 122.48. Each issue of revenue bonds issued by the 7754
treasurer of state pursuant to sections 122.39 and 122.41 to 7755
122.62 of the Revised Code, shall be dated, shall bear interest 7756
at a rate or rates or at a variable rate, as provided in or 7757
authorized by the proceedings authorizing or providing for the 7758
terms and conditions of the revenue bonds, shall mature at such 7759
time or times, not to exceed forty years from date, as 7760
determined by the director of housing and development ~~services~~ 7761
and may be made redeemable before maturity at the option of the 7762
director at such price or prices and under such terms and 7763
conditions as are fixed by the director prior to the issuance of 7764
the bonds. The director shall determine the form of the bonds, 7765
including any interest coupons to be attached thereto, and the 7766
denomination or denominations of the bonds and the place or 7767
places of payment of principal and interest, which may be at any 7768
bank or trust company within or without the state. 7769

The bonds shall be executed by the signature or facsimile 7770
signature of the treasurer of state, the official seal or a 7771
facsimile thereof of the state shall be affixed thereto and 7772
attested by the treasurer of state or designated treasurer of 7773
state, and any coupons attached thereto shall bear the facsimile 7774
signature of the treasurer of state. In case the person whose 7775
signature, or a facsimile of whose signature, appears on any 7776
bonds or coupons ceases to be such officer before delivery of 7777
bonds or in case such person was not at the date of such bonds 7778
or coupons such officer but at the actual date of execution of 7779

such bonds or coupons was the proper officer, such signature or 7780
facsimile shall nevertheless be valid and sufficient for all 7781
purposes the same as if the person had remained in office until 7782
such delivery. 7783

All revenue bonds issued under sections 122.39 and 122.41 7784
to 122.62 of the Revised Code, shall be negotiable instruments. 7785
The bonds may be issued in coupon or in registered form or both, 7786
as the treasurer determines. Provision may be made for the 7787
registration of any coupon bonds as to the principal alone and 7788
also as to both principal and interest, and for the reconversion 7789
into coupon bonds of any bonds registered as to both principal 7790
and interest. The treasurer of state may sell such bonds in the 7791
manner and for the price the treasurer of state determines to be 7792
for the best interest of the state. 7793

Prior to the preparation of definitive bonds, the 7794
treasurer of state may, under like restrictions, issue interim 7795
receipts or temporary bonds, with or without coupons, 7796
exchangeable for definitive bonds when such bonds have been 7797
executed and are available for delivery. The treasurer of state 7798
may also provide for the replacement of any bonds which become 7799
mutilated or are destroyed, stolen, or lost. Bonds may be issued 7800
under sections 122.39 and 122.41 to 122.62 of the Revised Code, 7801
without obtaining the consent of any department, division, 7802
commission, board, bureau, or agency of the state, and without 7803
any other proceeding or the happening of any other conditions or 7804
things than those proceedings, conditions, or things which are 7805
specifically required by such sections. 7806

Sec. 122.49. The proceeds of each issue of revenue bonds 7807
issued pursuant to sections 122.39 and 122.41 to 122.62 of the 7808
Revised Code shall be used for the making of loans authorized in 7809

sections 122.43 and 122.45 of the Revised Code, for the purchase 7810
and improvement of property authorized in section 122.46 of the 7811
Revised Code, for insuring mortgage payments authorized in 7812
section 122.451 of the Revised Code, and for the crediting into 7813
and among the funds established in accordance with sections 7814
122.35, 122.54, 122.55, 122.56, 122.561, and 122.57 of the 7815
Revised Code, but subject to such conditions, limitations, and 7816
covenants with the purchasers and holders of the bonds as shall 7817
be provided for in the bond authorization proceedings and in the 7818
trust agreement securing the same. 7819

Provision shall be made by the director of housing and 7820
~~development services~~ for the payment of the expenses of the 7821
director in operating the assistance programs authorized under 7822
this chapter in such manner and to such extent as shall be 7823
determined by the director. 7824

Sec. 122.52. The director of housing and development 7825
~~services~~ may provide for the issuance of revenue refunding bonds 7826
of the state by the treasurer of state, payable solely from the 7827
sinking funds established in accordance with section 122.51 of 7828
the Revised Code at the times and in the order and manner 7829
provided by the director and in any trust agreement securing 7830
such bonds and shall also be secured by moneys in the other 7831
funds established pursuant to sections 122.39 and 122.41 to 7832
122.62 of the Revised Code to the extent and on the terms 7833
specified by the director, for the purpose of refunding any 7834
revenue bonds then outstanding which have been issued under 7835
sections 122.39 and 122.41 to 122.62 of the Revised Code, 7836
including the payment of any redemption premium thereon and any 7837
interest accrued or to accrue to the date of redemption of such 7838
bonds. The issuance of such bonds, the maturities and other 7839
details thereof, the rights of the holders thereof, and the 7840

rights, duties, and obligations of the director and treasurer of 7841
state in respect to such bonds shall be governed by such 7842
sections insofar as they are applicable. 7843

Sec. 122.53. In the discretion of the treasurer of state, 7844
any bonds issued under sections 122.39 and 122.41 to 122.62 of 7845
the Revised Code, may be secured by a trust agreement between 7846
the treasurer of state and a corporate trustee, which trustee 7847
may be any trust company or bank having the powers of a trust 7848
company within or without the state. 7849

Any such trust agreement may pledge or assign payments of 7850
principal of and interest on loans, charges, fees, and other 7851
revenue to be received by the director of housing and 7852
~~development services~~, all rentals received under leases made by 7853
the director, and all proceeds of the sale or other disposition 7854
of property held by the director, and may provide for the 7855
holding in trust by the trustee to the extent provided for in 7856
the proceedings authorizing such bonds, of all such moneys and 7857
moneys otherwise payable into the mortgage guarantee fund 7858
created by section 122.56 of the Revised Code, and all moneys 7859
otherwise payable into the mortgage insurance fund created by 7860
section 122.561 of the Revised Code, and of moneys payable into 7861
the sinking fund or funds referred to in section 122.57 of the 7862
Revised Code, but shall not convey or mortgage any of the real 7863
or personal property held by the director or any part thereof. 7864
Any such trust agreement, or any proceedings providing for the 7865
issuance of such bonds, may contain such provisions for 7866
protecting and enforcing the rights and remedies of the 7867
bondholders as are reasonable and proper and not in violation of 7868
law, including covenants setting forth the duties of the 7869
director in relation to the acquisition of property, and the 7870
construction, improvement, maintenance, repair, operation, and 7871

insurance of facilities, the making of loans and leases and the 7872
terms and provisions thereof, and the custody, safeguarding, 7873
investment, and application of all moneys, and provisions for 7874
the employment of consulting engineers or other consultants in 7875
connection with the making of loans and leases and the 7876
construction or operation of any facility. Any bank or trust 7877
company incorporated under the laws of this state which may act 7878
as trustee or as depository of the proceeds of bonds or of 7879
revenue may furnish such indemnifying bonds or may pledge such 7880
securities as are required by the treasurer of state. Any such 7881
trust agreement may set forth the rights and remedies of the 7882
bondholders and of the trustee, and may restrict the individual 7883
right of action by bondholders as is customary in trust 7884
agreements or trust indentures securing bonds or debentures of 7885
corporations. Such trust agreement may contain such other 7886
provisions as the treasurer of state deems reasonable and proper 7887
for the security of the bondholders. All expenses incurred by 7888
the treasurer of state in carrying out the provisions of any 7889
such trust agreement shall be treated as a part of the cost of 7890
the operation of the assistance programs authorized pursuant to 7891
Chapter 122. of the Revised Code. Any such trust agreement may 7892
provide the method whereby general administrative overhead 7893
expense of the director with respect to those assistance 7894
programs shall be allocated among the funds established pursuant 7895
to Chapter 122. of the Revised Code with respect to the 7896
operating expenses of the director payable out of the income of 7897
the assistance programs. 7898

Sec. 122.54. The direct loan program fund is hereby 7899
created within the state treasury, to consist of money 7900
appropriated for the purpose of making loans authorized under 7901
sections 122.43 and 122.45 of the Revised Code, money from the 7902

proceeds of the sale of any issue of its revenue bonds to the 7903
extent and subject to the conditions provided in the proceedings 7904
authorizing such bonds or in the trust agreement securing such 7905
bonds, all grants, gifts, and contributions made to the director 7906
of housing and development for such purpose, and all other 7907
moneys designated by ~~him~~ the director for the purpose of making 7908
loans or required to be used for such purpose by the provisions 7909
of any proceedings authorizing an issue of revenue bonds or 7910
trust agreement securing such bonds. All moneys received from 7911
repayments of loans authorized pursuant to sections 122.43 and 7912
122.45 of the Revised Code or received in the event of a default 7913
on any such loans shall be deposited in the general revenue 7914
fund. 7915

Sec. 122.55. The purchase fund of the director of housing 7916
and development is hereby created to consist of all money 7917
allocated by the director for the purchase and improvement of 7918
property authorized to be purchased under section 122.46 of the 7919
Revised Code from the proceeds of the sale of any issue of 7920
revenue bonds to the extent and subject to the conditions 7921
provided in the proceedings authorizing such bonds or in the 7922
trust agreements securing such bonds, all grants, gifts, and 7923
contributions made to the director for such purpose, and all 7924
other moneys designated by ~~him~~ the director for the purpose of 7925
the acquisition and improvement of property. 7926

Sec. 122.56. The mortgage guarantee fund of the director 7927
of housing and development is hereby created to consist of all 7928
grants, gifts, and contributions of moneys or rights to moneys 7929
made to the director for such fund, all moneys and rights to 7930
moneys lawfully designated for or deposited in such fund, all 7931
guarantee fees charged and collected as provided in this 7932
section, and all moneys and rights to moneys lawfully allocated 7933

by the director to such fund from the proceeds of the sale of 7934
any issue of revenue bonds. Moneys or rights to ~~money~~ moneys 7935
shall be used for the guaranty of the payment of the loans made 7936
under sections 122.43 and 122.45 of the Revised Code, or for the 7937
guaranty of the payment of the rentals payable under the lease 7938
made under the authority of section 122.46 of the Revised Code, 7939
or for the guaranty of the payment of rentals payable under a 7940
lease made under authority of section 165.02 of the Revised 7941
Code, or of rentals payable under a lease made under authority 7942
of section 761.02 of the Revised Code, or a sublease made 7943
pursuant to such lease, to the extent and subject to the 7944
conditions provided in the proceedings authorizing such guaranty 7945
or the proceedings authorizing such bonds or in the trust 7946
agreement securing such bonds. The director shall fix charges 7947
for the guaranty of payment of the loans made under sections 7948
122.43 and 122.45 of the Revised Code and for the guaranty of 7949
the payment of the rentals payable under the leases made by the 7950
authority under section 122.46 of the Revised Code. Such charges 7951
shall be payable at such times and place and in such manner as 7952
may be prescribed by the director. In the event that the 7953
principal obligation of any loan is paid in full prior to the 7954
maturity date or in the event that purchase option of any lease 7955
is exercised prior to the end of the term thereof, the director 7956
may require the payment of an adjusted charge in such amount as 7957
~~he~~ the director determines to be equitable, and may refund from 7958
the mortgage guarantee fund such portion of charges theretofore 7959
paid as the director determines to be equal to the unearned 7960
portion thereof. 7961

Sec. 122.561. The mortgage insurance fund of the director 7962
of housing and development ~~services~~ is hereby created to consist 7963
of all money allocated by the director from the proceeds of the 7964

sale of any issue of revenue bonds, to the extent and subject to 7965
the conditions provided in the proceedings authorizing such 7966
bonds or in the trust agreements securing such bonds, for the 7967
purpose of insuring mortgage payments pursuant to section 7968
122.451 of the Revised Code, all grants and contributions made 7969
to the director for such purpose, all moneys deposited or 7970
credited to the mortgage insurance fund pursuant to section 7971
169.05 of the Revised Code, all other moneys and property 7972
designated by the director and by law for such purpose, all 7973
mortgage insurance premiums charged and collected as provided in 7974
this section, and all receipts and proceeds from the sale, 7975
disposal, lease, or rental of real or personal property which 7976
the director may hold as a result of a default in an insured 7977
mortgage. The director shall fix mortgage insurance premiums for 7978
the insurance of mortgage payments pursuant to section 122.451 7979
of the Revised Code, to be computed as a percentage of the 7980
principal obligation of the mortgage outstanding at the 7981
beginning of each mortgage year. Such insurance premiums shall 7982
not be more than three per cent per annum of the outstanding 7983
principal obligation, and shall be calculated on the basis of 7984
all pertinent available data. Such premiums shall be payable by 7985
the mortgagors or the mortgagees in such manner as is prescribed 7986
by the director. The amount of premium need not be uniform among 7987
the various mortgages insured. The director may provide for the 7988
custody, investment, and use of the unclaimed funds trust fund 7989
created by section 169.05 of the Revised Code and all mortgage 7990
insurance premiums, including the payment therefrom of the 7991
expenses and costs of the director in insuring mortgage payments 7992
pursuant to section 122.451 of the Revised Code. Any financial 7993
statements or financial data submitted to the director or the 7994
controlling board in connection with any application for the 7995
insurance of mortgage payments, or any information taken from 7996

such statements or data, is not open to public inspection. 7997

Sec. 122.57. All payments of principal of and interest on 7998
the loans made by the director of housing and development 7999
~~services~~, all rentals received under leases made by the 8000
director, and all proceeds of the sale or other disposition of 8001
property held by the director shall be placed in separate 8002
sinking funds to the extent provided in the proceedings 8003
authorizing revenue bonds which are hereby pledged to and 8004
charged with the payment of interest on, principal of and 8005
redemption premium on, the revenue bonds issued pursuant to 8006
sections 122.39 and 122.41 to 122.62 of the Revised Code to the 8007
extent provided in the proceedings authorizing and the trust 8008
agreements securing such bonds. The moneys therein in excess of 8009
the amounts required by the bond proceedings and trust 8010
agreements and all payments not so required to be paid into such 8011
sinking funds shall be retained or placed in such fund or in the 8012
other funds provided for by sections 122.35, 122.42, 122.54, 8013
~~122.42~~, 122.55, 122.56, 122.561, and 122.57 of the Revised Code 8014
as the director shall determine, and shall be available for the 8015
uses for which such funds are established. 8016

Sec. 122.571. In addition to the separate sinking funds 8017
created under section 122.57 of the Revised Code, there is 8018
hereby created the revenue bond guaranty fund to consist of all 8019
money allocated by the director of housing and development to 8020
guarantee payment of interest on, principal of and redemption 8021
premium on, the revenue bonds issued by the director under 8022
Chapter 122. of the Revised Code, all grants, gifts, and 8023
contributions made to the director for such purpose, and all 8024
money and property provided by law for such purpose. 8025

Sec. 122.58. Moneys in the funds established pursuant to 8026

Chapter 122. of the Revised Code, except as otherwise provided 8027
in any proceedings authorizing revenue bonds or in any trust 8028
agreement securing such bonds, in excess of current needs, may 8029
be invested in notes, bonds, or other obligations which are 8030
direct obligations of or are guaranteed by the United States, in 8031
certificates of deposit or other withdrawable accounts of banks, 8032
trust companies, and building and loan or savings and loan 8033
associations organized under the laws of the state or the United 8034
States, or in the manner provided in any agreement entered into 8035
pursuant to section 169.05 of the Revised Code. 8036

Income from all such investments of moneys in any fund 8037
shall be credited to such funds as the director of housing and 8038
development determines subject to the provisions of any bond 8039
issuance proceedings or trust agreement, and such investments 8040
may be sold at such time as the director shall determine, 8041
provided certificates of deposit or other withdrawable accounts 8042
may be sold only in accordance with division (B) of section 8043
169.05 or divisions (E) and (F) of section 169.08 of the Revised 8044
Code. 8045

Sec. 122.59. In the event of a default with respect to any 8046
loan or lease, the director of housing and development shall 8047
take such action as ~~he~~the director deems proper in the 8048
circumstances to enforce and protect the rights of the director, 8049
and such action as may be required by the provisions of any 8050
proceedings authorizing the revenue bonds or of any trust 8051
agreement securing such bonds, which may include any appropriate 8052
action at law or in equity, enforcement or waiver of any 8053
provision of any mortgage or security agreement or lease, or 8054
reinstatement of any forfeited or cancelled right, title, or 8055
privilege. Notwithstanding any such action, the director shall 8056
transfer from the mortgage guarantee fund created by section 8057

122.56 of the Revised Code to the sinking fund or funds referred 8058
to in section 122.57 of the Revised Code amounts not greater 8059
than the amounts which would have been paid upon such loan or 8060
under such lease but for such default, at the time or times when 8061
such amounts would have been paid but for such defaults, to the 8062
extent provided in the proceedings authorizing and the trust 8063
agreements securing such bonds, to be held and applied as other 8064
moneys in the sinking fund, and shall make such other transfers 8065
and take such other action as shall be required of the director 8066
by any such bond issuance proceedings or trust agreement. 8067

Sec. 122.60. As used in sections 122.60 to 122.605 of the 8068
Revised Code: 8069

(A) "Capital access loan" means a loan made by a 8070
participating financial institution to an eligible business that 8071
may be secured by a deposit of money from the fund into the 8072
participating financial institution's program reserve account. 8073

(B) "Eligible business" means a for-profit business 8074
entity, or a nonprofit entity, that had total annual sales in 8075
its most recently completed fiscal year of less than ten million 8076
dollars and that has a principal place of for-profit business or 8077
nonprofit entity activity within the state, the operation of 8078
which, alone or in conjunction with other facilities, will 8079
create new jobs or preserve existing jobs and employment 8080
opportunities and will improve the economic welfare of the 8081
people of the state. As used in this division, "new jobs" does 8082
not include existing jobs transferred from another facility 8083
within the state, and "existing jobs" means only existing jobs 8084
at facilities within the same municipal corporation or township 8085
in which the project, activity, or enterprise that is the 8086
subject of a capital access loan is located. 8087

(C) "Financial institution" means any bank, trust company, savings bank, or savings and loan association that is chartered by and has a significant presence in the state, or any national bank, federal savings and loan association, or federal savings bank that has a significant presence in the state.

(D) "Fund" means the capital access loan program fund.

(E) "Minority business supplier development council" has the same meaning as in section 122.71 of the Revised Code.

(F) "Participating financial institution" means a financial institution that has a valid, current participation agreement with the department of housing and development.

(G) "Participation agreement" means the agreement between a financial institution and the department under which a financial institution may participate in the program.

(H) "Passive real estate ownership" means the ownership of real estate for the sole purpose of deriving income from it by speculation, trade, or rental.

(I) "Program" means the capital access loan program created under section 122.602 of the Revised Code.

(J) "Program reserve account" means a dedicated account at each participating financial institution that is the property of the state and may be used by the participating financial institution only for the purpose of recovering a claim under section 122.604 of the Revised Code arising from a default on a loan made by the participating financial institution under the program.

Sec. 122.601. There is hereby created in the state treasury the capital access loan program fund. The fund shall

consist of money deposited into it from the minority business 8116
enterprise loan fund pursuant to section 122.80 of the Revised 8117
Code and the facilities establishment fund pursuant to section 8118
166.03 of the Revised Code and all money deposited into it 8119
pursuant to section 122.602 of the Revised Code. The total 8120
amount of money deposited into the fund from the minority 8121
business enterprise loan fund or the facilities establishment 8122
fund shall not exceed three million dollars during any 8123
particular fiscal year of the department of housing and 8124
development. 8125

The department shall disburse money from the fund only to 8126
pay the operating costs of the program, including the 8127
administrative costs incurred by the department in connection 8128
with the program, and only in keeping with the purposes 8129
specified in sections 122.60 to 122.605 of the Revised Code. 8130

Sec. 122.602. (A) There is hereby created in the 8131
department of housing and development the capital access loan 8132
program to assist participating financial institutions in making 8133
program loans to eligible businesses that face barriers in 8134
accessing working capital and obtaining fixed asset financing. 8135
In administering the program, the director of housing and 8136
development may do any of the following: 8137

(1) Receive and accept grants, gifts, and contributions of 8138
money, property, labor, and other things of value to be held, 8139
used, and applied only for the purpose for which the grants, 8140
gifts, and contributions are made, from individuals, private and 8141
public corporations, the United States or any agency of the 8142
United States, the state or any agency of the state, or any 8143
political subdivision of the state; 8144

(2) Agree to repay any contribution of money or return any 8145

property contributed or the value of that property at the times, 8146
in the amounts, and on the terms and conditions, excluding the 8147
payment of interest, that the director consents to at the time a 8148
contribution is made; and evidence obligations by notes, bonds, 8149
or other written instruments; 8150

(3) Adopt rules under Chapter 119. of the Revised Code to 8151
carry out the purposes of the program specified in sections 8152
122.60 to 122.605 of the Revised Code; 8153

(4) Engage in all other acts, and enter into contracts and 8154
execute all instruments, necessary or appropriate to carry out 8155
the purposes specified in sections 122.60 to 122.605 of the 8156
Revised Code. 8157

(B) The director shall determine the eligibility of a 8158
financial institution to participate in the program and may set 8159
a limit on the number of financial institutions that may 8160
participate in the program. 8161

(C) To be considered eligible by the director to 8162
participate in the program, a financial institution shall enter 8163
into a participation agreement with the department that sets out 8164
the terms and conditions under which the department will deposit 8165
moneys from the fund into the financial institution's program 8166
reserve account, specifies the criteria for loan qualification 8167
under the program, and contains any additional terms the 8168
director considers necessary. 8169

(D) After receiving the certification required under 8170
division (C) of section 122.603 of the Revised Code, the 8171
director may disburse moneys from the fund to a participating 8172
financial institution for deposit in its program reserve account 8173
if the director determines that the capital access loan involved 8174

meets all of the following criteria:	8175
(1) It will be made to an eligible business.	8176
(2) It will be used by the eligible business for a project, activity, or enterprise that fosters economic development.	8177 8178 8179
(3) It will not be made in order to enroll in the program prior debt that is not covered under the program and that is owed or was previously owed by an eligible business to the financial institution.	8180 8181 8182 8183
(4) It will not be utilized for a project or development related to the on-site construction or purchase of residential housing.	8184 8185 8186
(5) It will not be used to finance passive real estate ownership.	8187 8188
(6) It conforms to the requirements of divisions (E), (F), (G), (H), and (I) of this section, and to the rules adopted by the director under division (A) (3) of this section.	8189 8190 8191
(E) The director shall not approve a deposit amount from the fund for a capital access loan to an eligible business that exceeds two hundred fifty thousand dollars for working capital or five hundred thousand dollars for the purchase of fixed assets. An eligible business may apply for the maximum deposit amount for both working capital and the purchase of fixed assets in the same capital access loan enrollment.	8192 8193 8194 8195 8196 8197 8198
(F) A financial institution may apply to the director for the approval of a capital access loan to any business that is owned or operated by a person that has previously defaulted under any state financial assistance program.	8199 8200 8201 8202

(G) Eligible businesses that apply for a capital access loan shall comply with section 9.66 of the Revised Code. 8203
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(H) A financial institution may apply to the director for the approval of a capital access loan that refinances a nonprogram loan made by another financial institution. 8205
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(I) The director shall not approve a capital access loan that refinances a nonprogram loan made by the same financial institution, unless the amount of the refinanced loan exceeds the existing debt, in which case only the amount exceeding the existing debt is eligible for a loan under the program. 8208
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Sec. 122.603. (A) (1) Upon approval by the director of housing and development and after entering into a participation agreement with the department of housing and development a participating financial institution making a capital access loan shall establish a program reserve account. The account shall be an interest-bearing account and shall contain only moneys deposited into it under the program and the interest payable on the moneys in the account. 8213
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(2) All interest payable on the moneys in the program reserve account shall be added to the moneys and held as an additional loss reserve. The director may require that a portion or all of the accrued interest so held in the account be released to the department. If the director causes a release of accrued interest, the director shall deposit the released amount into the capital access loan program fund created in section 122.601 of the Revised Code. The director shall not require the release of that accrued interest more than twice in a fiscal year. 8221
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(B) When a participating financial institution makes a 8231

capital access loan, it shall require the eligible business to 8232
pay to the participating financial institution a fee in an 8233
amount that is not less than one and one-half per cent, and not 8234
more than three per cent, of the principal amount of the loan. 8235
The participating financial institution shall deposit the fee 8236
into its program reserve account, and it also shall deposit into 8237
the account an amount of its own funds equal to the amount of 8238
the fee. The participating financial institution may recover 8239
from the eligible business all or part of the amount that the 8240
participating financial institution is required to deposit into 8241
the account under this division in any manner agreed to by the 8242
participating financial institution and the eligible business. 8243

(C) For each capital access loan made by a participating 8244
financial institution, the participating financial institution 8245
shall certify to the director, within a period specified by the 8246
director, that the participating financial institution has made 8247
the loan. The certification shall include the amount of the 8248
loan, the amount of the fee received from the eligible business, 8249
the amount of its own funds that the participating financial 8250
institution deposited into its program reserve account to 8251
reflect that fee, and any other information specified by the 8252
director. The certification also shall indicate if the eligible 8253
business receiving the capital access loan is a minority 8254
business enterprise as defined in section 122.71 of the Revised 8255
Code or certified by the minority business supplier development 8256
council. 8257

(D) (1) (a) Upon receipt of each of the first three 8258
certifications from a participating financial institution made 8259
under division (C) of this section and subject to section 8260
122.602 of the Revised Code, the director shall disburse to the 8261
participating financial institution from the capital access loan 8262

program fund an amount not to exceed fifty per cent of the 8263
principal amount of the particular capital access loan for 8264
deposit into the participating financial institution's program 8265
reserve account. Thereafter, upon receipt of a certification 8266
from that participating financial institution made under 8267
division (C) of this section and subject to section 122.602 of 8268
the Revised Code, the director shall disburse to the 8269
participating financial institution from the capital access loan 8270
program fund an amount equal to ten per cent of the principal 8271
amount of the particular capital access loan for deposit into 8272
the participating financial institution's program reserve 8273
account. 8274

(b) Notwithstanding division (D) (1) (a) of this section, 8275
and subject to section 122.602 of the Revised Code, upon receipt 8276
of any certification from a participating financial institution 8277
made under division (C) of this section with respect to a 8278
capital access loan made to an eligible business that is a 8279
minority business enterprise, the director shall disburse to the 8280
participating financial institution from the capital access loan 8281
program fund an amount not to exceed eighty per cent of the 8282
principal amount of the particular capital access loan for 8283
deposit into the participating financial institution's program 8284
reserve account. 8285

(2) The disbursement of moneys from the fund to a 8286
participating financial institution does not require approval 8287
from the controlling board. 8288

(E) If the amount in a program reserve account exceeds an 8289
amount equal to thirty-three per cent of a participating 8290
financial institution's outstanding capital access loans, the 8291
department may cause the withdrawal of the excess amount and the 8292

deposit of the withdrawn amount into the capital access loan program fund. 8293
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(F) (1) The department may cause the withdrawal of the total amount in a participating financial institution's program reserve account if any of the following applies: 8295
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(a) The financial institution is no longer eligible to participate in the program. 8298
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(b) The participation agreement expires without renewal by the department or the financial institution. 8300
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(c) The financial institution has no outstanding capital access loans. 8302
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(d) The financial institution has not made a capital access loan within the preceding twenty-four months. 8304
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(2) If the department causes a withdrawal under division (F) (1) of this section, the department shall deposit the withdrawn amount into the capital access loan program fund. 8306
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Sec. 122.604. (A) If a participating financial institution determines that a portion or all of a capital access loan is uncollectible, it may submit a claim to the department of housing and development for approval of the release of moneys from its program reserve account. 8309
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(B) The claim may include the amount of principal plus accrued interest owed. The amount of principal included in the claim may not exceed the principal amount covered by the program. The amount of accrued interest included in the claim may not exceed the accrued interest attributable to the covered principal amount. 8314
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(C) The participating financial institution shall 8320

determine the timing and amount of delinquency on a capital 8321
access loan in a manner consistent with the participating 8322
financial institution's normal method for making these 8323
determinations on similar nonprogram loans. 8324

(D) If the participating financial institution files two 8325
or more claims at the same time or approximately the same time 8326
and there are insufficient funds in its program reserve account 8327
at that time to cover the entire amount of the claims, the 8328
participating financial institution may specify an order of 8329
priority in which the department shall approve the release of 8330
funds from the account in relation to the claims. 8331

(E) If subsequent to the payment of a claim, a 8332
participating financial institution recovers from an eligible 8333
business any amount covered by the paid claim, the participating 8334
financial institution shall promptly deposit the amount 8335
recovered into its program reserve account, less any reasonable 8336
expenses incurred. 8337

Sec. 122.605. Each participating financial institution 8338
shall submit an annual report to the department of housing and 8339
development on or before the thirty-first day of March of each 8340
year. The report shall include or be accompanied by all of the 8341
following: 8342

(A) Information regarding the participating financial 8343
institution's outstanding capital access loans, its capital 8344
access loan losses, and other related matters that the 8345
department considers appropriate; 8346

(B) A statement of the total amount of the participating 8347
financial institution's capital access loans for which the 8348
department has made disbursements from the fund under the 8349

program; 8350

(C) A copy of the participating financial institution's 8351
most recent financial statement. 8352

Sec. 122.61. The exercise of the powers granted by 8353
sections 122.39 and 122.41 to 122.62 of the Revised Code, will 8354
be in all respects for the benefit of the people of the state, 8355
for the increase of their commerce and prosperity, and for the 8356
improvement of conditions of employment, and will constitute the 8357
performance of essential governmental functions; therefore the 8358
director of housing and development services shall not be 8359
required to pay any taxes upon any property or assets held by 8360
the director, or upon any property acquired or used by the 8361
director under sections 122.39 and 122.41 to 122.62 of the 8362
Revised Code, or upon the income therefrom, provided, such 8363
exemption shall not apply to any property held by the director 8364
while it is in the possession of a private person, partnership, 8365
or corporation and used for private purposes for profit. The 8366
bonds, notes, or other obligations issued under such sections, 8367
their transfer, and the income therefrom, including any profit 8368
made on the sale thereof, shall at all times be free from 8369
taxation within the state. 8370

Sec. 122.62. All moneys received under sections 122.39 and 8371
122.41 to 122.62 of the Revised Code as proceeds from the sale 8372
of bonds are trust funds. All moneys received under those 8373
sections shall be held and applied solely as provided in such 8374
sections and section 166.03 of the Revised Code. All such 8375
moneys, except as otherwise provided in any proceedings 8376
authorizing revenue bonds or in any trust agreement securing 8377
such bonds or except when deposited with the treasurer of state, 8378
or except as they may be invested pursuant to section 122.58 of 8379

the Revised Code, shall be kept in depositories as selected by 8380
the director of housing and development services—in the manner 8381
provided in sections 135.01 to 135.21 of the Revised Code, 8382
insofar as such sections are applicable, and the deposits shall 8383
be secured as provided in sections 135.01 to 135.21 of the 8384
Revised Code. The proceedings authorizing the issuance of bonds 8385
of any issue or the trust agreement securing such bonds shall 8386
provide that any official to whom, or any bank or trust company 8387
to which, such moneys are paid, shall act as trustee of such 8388
moneys and hold and apply them for the purposes of sections 8389
122.39 and 122.41 to 122.62 of the Revised Code, subject to such 8390
rules as such sections and such bond issuance proceedings or 8391
trust agreement provide. 8392

Sec. 122.63. The department of housing and development 8393
shall: 8394

(A) Provide technical assistance to sponsors, homeowners, 8395
private developers, contractors, and other appropriate persons 8396
on matters relating to housing needs and the development, 8397
construction, financing, operation, management, and evaluation 8398
of housing developments; 8399

(B) Carry out continuing studies and analyses of the 8400
housing needs of this state and, after conducting public 8401
hearings, prepare annually a plan of housing needs, primarily 8402
for the use of the department. The plan, copies of which shall 8403
be filed with the speaker of the house of representatives and 8404
the president of the senate for distribution to the members of 8405
the general assembly, shall: 8406

(1) Establish areawide housing needs, including existing 8407
and projected needs for the provision of an adequate supply of 8408
decent, safe, and sanitary housing for low- and moderate-income 8409

persons, including housing that may require utilization of state 8410
or federal assistance; 8411

(2) Establish priorities for housing needs, taking into 8412
account the availability of and need for conserving land and 8413
other natural resources; 8414

(3) Be coordinated with other housing and related planning 8415
of the state and of regional planning agencies. 8416

(C) Carry out the provisions of Chapter 3735. of the 8417
Revised Code relating to metropolitan housing authorities; 8418

(D) Carry out the provisions of sections 174.01 to 174.07 8419
of the Revised Code relating to the low- and moderate-income 8420
housing trust fund. 8421

Sec. 122.631. (A) As used in sections 122.631 to 122.633 8422
of the Revised Code: 8423

(1) "Electing subdivision," "county land reutilization 8424
corporation," and "land reutilization program" have the same 8425
meanings as in section 5722.01 of the Revised Code. 8426

(2) "Manufactured home" has the same meaning as in section 8427
3781.06 of the Revised Code, and "mobile home" has the same 8428
meaning as in section 4501.01 of the Revised Code. 8429

(3) "Qualifying residential property" means ~~single-family-~~ 8430
~~residential property, including a~~ a single unit of single-family 8431
residential property that has at least eight hundred square feet 8432
of habitable space and is either a stand-alone unit or in a 8433
multi-unit property containing not more than ten single-family 8434
residential units. "Qualifying residential property" excludes 8435
mobile homes but includes both of the following: 8436

(a) A manufactured home; 8437

(b) A single unit in a multi-unit property containing not more than ten units but excluding manufactured homes, that has at least one thousand square feet of habitable space per unit that has other nonresidential units or uses. Such nonresidential units or uses are not qualifying residential property. 8438
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(4) "Qualifying median income" means eighty-one hundred twenty per cent of median income for the county where qualifying residential property is located, as determined by the director of housing and development pursuant to section 174.04 of the Revised Code. 8444
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(5) "Qualifying financial literacy counseling" means a homeownership course with a curriculum that includes basic home maintenance training and financial literacy. 8449
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(6) "Qualifying counseling provider" means an individual, business, nonprofit organization, or political subdivision, including an agency or instrumentality thereof, that is licensed, certified, or authorized to provide homeownership counseling and financial literacy as one of its primary functions, including housing counselors certified by the United States department of housing and urban development or the Ohio housing financing agency. 8452
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(B) There is created in the department of housing and development the welcome home Ohio (WHO) program to administer the grants authorized by this section and section ~~163.632~~ 122.632 of the Revised Code and the tax credits authorized by section 122.633 of the Revised Code. The department shall create and maintain a list of qualifying residential property ~~to for~~ which ~~the deed restriction a mortgage~~ described in division (D) (4) of this section, division (B) (4) of section 122.632, or 8460
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division (C) (4) of section 122.633 of the Revised Code ~~applies~~is 8468
held. That list is not a public record for purposes of section 8469
149.43 of the Revised Code. 8470

(C) An electing subdivision or county land reutilization 8471
corporation may apply to the director of housing and development 8472
for a grant from the welcome home Ohio fund, which is created in 8473
the state treasury, to pay or defer the cost of purchasing 8474
qualifying residential property for incorporation into the 8475
electing subdivision's or county land reutilization 8476
corporation's land reutilization program. Up to two thousand 8477
dollars of each grant may be used to fund the qualifying 8478
financial literacy counseling required under division (D) (6) of 8479
this section. To the extent that funding is available in that 8480
fund, the director may award grants to electing subdivisions and 8481
county land reutilization corporations that make such an 8482
application and agree to comply with division (D) of this 8483
section. 8484

(D) The director of housing and development shall require 8485
all applicants for a grant authorized by division (C) of this 8486
section to agree, as part of the application, to all of the 8487
following: 8488

(1) That grant funds shall only be used to pay the cost of 8489
purchasing qualifying residential property; 8490

(2) That qualifying residential property on which grant 8491
funds are spent shall be held until sold to an individual or 8492
individuals who, inclusively: 8493

(a) Have annual income that is not more than the 8494
qualifying median income; 8495

(b) Demonstrate the financial means to purchase the 8496

qualifying residential property; 8497

(c) Agree to maintain ownership of the qualifying 8498
residential property, occupy it as a primary residence, and not 8499
to rent any portion of the property to another individual for 8500
use as a dwelling, for at least ~~five~~three years following the 8501
date of purchase; 8502

(d) Agree not to sell the qualifying residential property, 8503
within ~~twenty~~fifteen years after the date of the sale, to any 8504
purchaser except an individual or individuals who have annual 8505
income that is not more than the qualifying median income; 8506

(e) Agree to pay a penalty to the director of housing and 8507
development for violation of the agreement required by division 8508
(D) (2) (c) of this section that, ~~subject to divisions (F) (2) and~~ 8509
~~(3) of this section,~~ equals ~~ninety thousand dollars~~the amount of 8510
the grant attributable to the property, less ~~eighteen thousand~~ 8511
~~dollars~~one-third of that amount multiplied by the number of 8512
full years the individual or individuals owned the property; 8513

(f) Agree that the director of housing and development is 8514
a third-party beneficiary of the purchase agreement; 8515

(g) Agree to participate in the applicant's qualifying 8516
financial literacy program; 8517

(h) Agree to ~~annually~~ certify to the director of housing 8518
and development ~~or the director's designee,~~ upon the request of 8519
the director anytime during the period described by division (D) 8520
(2) (c) of this section, that the individual or individuals own 8521
and occupy the qualifying residential property, and that no part 8522
of the property is being rented to another individual for use as 8523
a dwelling. 8524

(3) That qualifying residential property on which grant 8525

funds are spent shall be sold for not more than ~~one two~~ hundred 8526
~~eighty twenty~~ thousand dollars per property. 8527

(4) That qualifying residential property on which grant 8528
funds are spent shall not be sold without a ~~deed restriction~~ 8529
~~prohibiting promissory note, secured by a mortgage, both~~ 8530
executed by the purchaser in favor of the director of housing 8531
and development. The note shall require a payment to the 8532
director of housing and development upon the sale of the 8533
property to a person that is not an individual or individuals 8534
who have annual income that is not more than the qualifying 8535
median income for ~~twenty fifteen~~ years after the date of the 8536
property's first transfer from the applicant following the use 8537
of grant funds. The payment shall be the amount of the grant 8538
attributable to the property, less one-fifteenth of that amount 8539
multiplied by the number of full years the individual or 8540
individuals owned the property. The mortgage shall be 8541
subordinate to any mortgage securing a note executed by the 8542
purchaser to purchase the property. The director of housing and 8543
development may execute any documents necessary to recognize 8544
that subordination or wholly or partially forgive amounts due on 8545
a note executed pursuant to this division if doing so does not 8546
grant a purchaser an undue windfall or hinder the WHO program's 8547
objectives of increasing the supply of safe and affordable 8548
owner-occupied housing. The director shall allow a subsequent 8549
purchaser that is an individual or individuals who have annual 8550
income that is not more than the qualifying median income to 8551
assume liability on the note when purchasing the property. 8552

(5) That the applicant shall repay all grant funds not 8553
expended to purchase qualifying residential property or to fund 8554
the qualifying financial literacy counseling required by 8555
division (D) (6) of this section and all grant funds expended to 8556

purchase qualifying residential property that is not sold to an 8557
individual or individuals who meet the requirements described in 8558
division (D) (2) of this section or that is sold without the ~~deed~~ 8559
~~restriction promissory note and mortgage~~ described in division 8560
(D) (4) of this section. 8561

(6) That the applicant shall provide qualifying financial 8562
literacy counseling, ~~over a minimum of one year, delivered by a~~ 8563
qualifying counseling provider, to each purchaser of qualifying 8564
residential property on which grant funds are spent. An 8565
applicant may provide information regarding its qualifying 8566
financial literacy program to the director of housing and 8567
development for review as part of the application or prior to 8568
application. ~~Financial-Qualifying financial~~ literacy counseling 8569
provided by the applicant to the same purchaser, in accordance 8570
with division (B) (6) of section 122.632 of the Revised Code or 8571
division (C) (5) of section 122.633 of the Revised Code, 8572
satisfies the requirements of division (D) (6) of this section. 8573

(7) That the applicant shall report to the department of 8574
housing and development the date when the qualifying residential 8575
property that is the subject of the application is sold by the 8576
applicant. 8577

~~(E) The director of development has authority and standing~~ 8578
~~to sue for the enforcement of a deed restriction described in~~ 8579
~~division (D) (4) of this section.~~ 8580

~~(F) (1)~~ An electing subdivision or county land 8581
reutilization corporation may apply for, and the director of 8582
housing and development may award both a grant under this 8583
section for the purchase of qualifying residential property, and 8584
either a grant under section 122.632 of the Revised Code, or a 8585
tax credit under section 122.633 of the Revised Code, to 8586

rehabilitate or construct the same qualifying residential 8587
property. 8588

~~(2) If an electing subdivision or county land 8589
reutilization is awarded a grant under this section and a grant 8590
under section 122.632 of the Revised Code for the same 8591
qualifying residential property, and the individual or 8592
individuals who purchase the property violate both of the 8593
agreements required by division (D) (2) (c) of this section and 8594
division (B) (2) (c) of section 122.632 of the Revised Code, only 8595
the penalty described by division (B) (2) (c) of section 122.632 8596
of the Revised Code applies. 8597~~

~~(3) If an electing subdivision or county land 8598
reutilization is awarded a grant under this section and a tax 8599
credit under section 122.633 of the Revised Code for the same 8600
qualifying residential property, and the individual or 8601
individuals who purchase the property violate both of the 8602
agreements required by division (D) (2) (c) of this section and 8603
division (C) (2) (a) of section 122.633 of the Revised Code, only 8604
the greater of the penalties described in divisions (D) (2) (c) of 8605
this section and division (C) (2) (c) of section 122.633 of the 8606
Revised Code applies. 8607~~

~~(G) (1) (F) (1)~~ The director may adopt rules in accordance 8608
with Chapter 119. Of the Revised Code as necessary to administer 8609
the grant program. Such rules may include the following: 8610

(a) Application forms, deadlines, and procedures; 8611

(b) Criteria for evaluating and prioritizing applications; 8612

(c) Guidelines for promoting an even geographic 8613
distribution of grants throughout the state; 8614

(d) Guidelines to determine the value of qualifying 8615

residential property located in a building with other uses and 8616
the total value of that building. 8617

(2) Any grants repaid under this section shall be credited 8618
to the welcome home Ohio fund. 8619

Sec. 122.632. (A) An electing subdivision or county land 8620
reutilization corporation may apply to the director of housing 8621
and development for a grant from the welcome home Ohio fund 8622
created in section 122.631 of the Revised Code to pay or defer 8623
the cost to rehabilitate or construct qualifying residential 8624
property held by the electing subdivision's or county land 8625
reutilization corporation's land reutilization program. To the 8626
extent that funding is available, in that fund the director may 8627
award grants to electing subdivisions and county land 8628
reutilization corporations that make such an application and 8629
agree to comply with division (B) of this section, with a 8630
maximum grant of ~~thirty-ninety~~ thousand dollars per qualifying 8631
residential property. 8632

(B) The director of housing and development shall require 8633
all applicants for a grant authorized by division (A) of this 8634
section to agree, as part of the application, to all of the 8635
following: 8636

(1) That grant funds shall ~~only~~ be used to pay the cost of 8637
rehabilitation or construction of qualifying residential 8638
property and all work will be completed according to all 8639
applicable construction and design standards~~+~~. Up to two 8640
thousand dollars of each grant may be used to fund the 8641
qualifying financial literacy counseling required under division 8642
(B) (6) of this section. If grant funds are spent to construct or 8643
rehabilitate a qualifying residential property described in 8644
division (A) (3) (b) of section 122.631 of the Revised Code, then 8645

no portion of the funds shall be spent to construct or 8646
rehabilitate portions of the building that are for 8647
nonresidential uses, except for common areas used by the 8648
residential units and improvements that serve both the 8649
residential units and the other portions of the building. 8650

(2) That qualifying residential property on which grant 8651
funds are spent shall be held until sold to an individual or 8652
individuals who, inclusively: 8653

(a) Have annual income that is not more than the 8654
qualifying median income; 8655

(b) Demonstrate the financial means to purchase the 8656
qualifying residential property; 8657

(c) Agree to maintain ownership of the qualifying 8658
residential property, occupy it as a primary residence, and not 8659
to rent any portion of the property to another individual for 8660
use as a dwelling, for at least ~~five~~three years following the 8661
date of purchase; 8662

(d) Agree not to sell the qualifying residential property, 8663
within ~~twenty~~fifteen years after the date of the sale, to any 8664
purchaser except an individual or individuals who have annual 8665
income that is not more than the qualifying median income; 8666

(e) Agree to pay a penalty to the director of housing and 8667
development for violation of the agreement required by division 8668
(B) (2) (c) of this section that, ~~subject to division (F) (2) of~~ 8669
~~section 122.631 of the Revised Code, equals ninety thousand~~ 8670
~~dollars~~the amount of the grant attributable to the property, 8671
less eighteen thousand dollars one-third of that amount 8672
multiplied by the number of full years the individual or 8673
individuals owned the property. 8674

(f) Agree that the director of housing and development is 8675
a third-party beneficiary of the purchase agreement; 8676

(g) Agree to participate in the applicant's qualifying 8677
financial literacy program; 8678

(h) Agree to ~~annually~~ certify to the director of housing 8679
and development ~~or the director's designee, upon the request of~~ 8680
the director anytime during the period described by division (B) 8681
(2) (c) of this section, that the individual or individuals own 8682
and occupy the qualifying residential property, and that no part 8683
of the property is being rented to another individual for use as 8684
a dwelling. 8685

(3) That qualifying residential property on which grant 8686
funds are spent shall be sold for not more than ~~one~~ two hundred 8687
~~eighty~~ twenty thousand dollars per property. 8688

(4) That qualifying residential property on which grant 8689
funds are spent shall not be sold without a ~~deed restriction~~ 8690
~~prohibiting promissory note, secured by a mortgage, both~~ 8691
executed by the purchaser in favor of the director of housing 8692
and development. The note shall require a payment to the 8693
director of housing and development upon the sale of the 8694
property to a person that is not an individual or individuals 8695
who have annual income that is not more than the median income 8696
for ~~twenty~~ fifteen years after the date of the property's first 8697
transfer from the applicant following the use of grant funds~~r~~. 8698
The payment shall be the amount of the grant attributable to the 8699
property, less one-fifteenth of that amount multiplied by the 8700
number of full years the individual or individuals owned the 8701
property. The mortgage shall be subordinate to any mortgage 8702
securing a note executed by the purchaser to purchase the 8703
property. The director of housing and development may execute 8704

any documents necessary to recognize that subordination or 8705
wholly or partially forgive amounts due on a note executed 8706
pursuant to this division if doing so does not grant a purchaser 8707
an undue windfall or hinder the WHO program's objectives of 8708
increasing the supply of safe and affordable owner-occupied 8709
housing. The director shall allow a subsequent purchaser that is 8710
an individual or individuals who have annual income that is not 8711
more than the qualifying median income to assume liability on 8712
the note when purchasing the property. 8713

(5) That the applicant shall repay all grant funds 8714
expended on any expenses other than the construction or 8715
rehabilitation of qualifying residential property or financial 8716
literacy counseling required under division (B) (6) of this 8717
section, or on qualifying residential property that is not sold 8718
to an individual or individuals who meet the requirements 8719
described in division (B) (2) of this section or that is sold 8720
without the ~~deed restriction promissory note and mortgage~~ 8721
described in division (B) (4) of this section; 8722

(6) That the applicant shall provide financial qualifying 8723
literacy counseling, ~~over a minimum of one year,~~ delivered by 8724
the qualifying counseling provider, to each purchaser of 8725
qualifying residential property on which grant funds are spent. 8726
An applicant may provide information regarding its qualifying 8727
financial literacy program to the director of housing and 8728
development for review as part of the application or prior to 8729
application; 8730

(7) That the applicant shall report to the department of 8731
housing and development the date when the qualifying residential 8732
property that is the subject of the application is sold by the 8733
applicant. 8734

(8) That, if grant funds are received, the qualifying residential property that is the subject of the application shall not be the subject of an application for a tax credit under section 122.633 of the Revised Code.

~~(C) The director of development is granted authority and standing to sue for the enforcement of a deed restriction described in division (B) (4) of this section.~~

~~(D) (1) (C) (1)~~ The director may adopt rules in accordance with Chapter 119. of the Revised Code as necessary to administer the grant program. Such rules may include the following:

(a) Application forms, deadlines, and procedures;

(b) Criteria for evaluating and prioritizing applications;

(c) Guidelines for promoting an even geographic distribution of grants throughout the state;

(d) Guidelines to determine the value of qualifying residential property located in a building with other uses and the total value of that building.

(2) Any grants repaid under this section shall be credited to the welcome home Ohio fund.

Sec. 122.633. (A) As used in this section, "eligible developer" means any of the following:

(1) A nonprofit corporation, as defined in section 1702.01 of the Revised Code, based in this state with a primary activity of the development and preservation of affordable housing;

(2) A limited partnership or domestic limited partnership, as defined in section 1782.01 of the Revised Code, in which a general partner is a nonprofit corporation based in this state,

a primary activity of which is the development and preservation 8762
of affordable housing; 8763

(3) A limited liability company, as defined in section 8764
1706.01 of the Revised Code, in which the manager is a nonprofit 8765
corporation based in this state, a primary activity of which is 8766
the development and preservation of affordable housing; 8767

(4) A community improvement corporation, as defined in 8768
section 1724.01 of the Revised Code, or a community urban 8769
redevelopment corporation, as defined in section 1728.01 of the 8770
Revised Code. 8771

(B) An electing subdivision or eligible developer that 8772
rehabilitates or constructs a unit of qualifying residential 8773
property and sells the property to an individual or individuals 8774
for the individual's or individuals' occupancy may apply to the 8775
director of housing and development for a nonrefundable credit 8776
against the tax levied under section 5726.02 or 5747.02 of the 8777
Revised Code, provided the rehabilitation or construction and 8778
the sale comply with division (C) of this section. The credit 8779
application shall be made on forms prescribed by the director. 8780
The credit shall equal ninety thousand dollars or ~~one-third~~ 8781
ninety per cent of the cost to rehabilitate or construct the 8782
property, whichever is less. 8783

(C) An application for a credit authorized by division ~~(C)~~ 8784
(B) of this section shall certify all of the following: 8785

(1) That the rehabilitation or construction of qualifying 8786
residential property that is the subject of the application was 8787
completed according to all applicable construction and design 8788
standards; 8789

(2) That each qualifying residential property that is the 8790

subject of the application was sold to an individual or 8791
individuals who have annual income that is not more than the 8792
qualifying median income, demonstrated the financial means to 8793
purchase the qualifying residential property, and agreed to all 8794
of the following in the purchase agreement: 8795

(a) To maintain ownership of the qualifying residential 8796
property, occupy it as a primary residence, and not to rent any 8797
portion of the property to another individual for use as a 8798
dwelling, for at least ~~five~~three years following the date of 8799
purchase; 8800

(b) Not to sell the qualifying residential property to a 8801
purchaser other than an individual or individuals who have 8802
annual income that is no more than the qualifying median income 8803
for at least ~~twenty~~fifteen years after the date of purchase; 8804

(c) To pay a penalty to the director of housing and 8805
development for violation of the agreement required by division 8806
(C) (2) (a) of this section that, ~~subject to division (F) (3) of~~ 8807
~~section 122.631 of the Revised Code,~~ equals the total amount of 8808
the tax credit authorized by this section and attributable to 8809
the qualifying residential property purchased by the individual, 8810
reduced by ~~twenty per cent~~one-third of that amount for each 8811
full year the individual or individuals owned the property; 8812

(d) That the director of housing and development is a 8813
third-party beneficiary of the purchase agreement; 8814

(e) To participate in the applicant's qualifying financial 8815
literacy program; 8816

(f) Agree to ~~annually~~ certify to the director of housing 8817
and development ~~or the director's designee,~~ upon the request of 8818
the director anytime during the period described by division (C) 8819

(2) (a) of this section, that the individual or individuals own 8820
and occupy the qualifying residential property, and that no part 8821
of the property is being rented to another individual for use as 8822
a dwelling. 8823

(3) That the qualifying residential property that is the 8824
subject of the application was sold for not more than ~~one-two~~ 8825
hundred ~~eighty-twenty~~ thousand dollars; 8826

(4) That the purchaser of the qualifying residential 8827
property that is the subject of the application ~~was transferred-~~ 8828
~~with a deed restriction prohibiting~~ executed a promissory note, 8829
conditional upon the award of a tax credit authorized by 8830
division (B) of this section and secured by a mortgage to be 8831
recorded only upon such award, in favor of the director of 8832
housing and development. The note shall require a payment to the 8833
director of housing and development upon the sale of the 8834
property to a person other than an individual or individuals who 8835
have annual income that is not more than the qualifying median 8836
income for at least ~~twenty-fifteen~~ years after the date of 8837
transfer. The payment shall be the amount of the tax credit 8838
attributable to the property, less one-fifteenth of that amount 8839
multiplied by the number of full years the individual or 8840
individuals owned the property. The mortgage shall be 8841
subordinate to any mortgage securing a note executed by the 8842
purchaser to purchase the property. The director of housing and 8843
development may execute any documents necessary to recognize 8844
that subordination or wholly or partially forgive amounts due on 8845
a note executed pursuant to this division if doing so does not 8846
grant a purchaser an undue windfall or hinder the WHO program's 8847
objectives of increasing the supply of safe and affordable 8848
owner-occupied housing. The director shall allow a subsequent 8849
purchaser that is an individual or individuals who have annual 8850

income that is not more than the qualifying median income to 8851
assume liability on the note when purchasing the property. 8852

(5) That the applicant provides ~~a minimum of one year of~~ 8853
qualifying financial literacy counseling, delivered by a 8854
qualifying counseling provider, to each purchaser of qualifying 8855
residential property that is the subject of the application. An 8856
applicant may provide information regarding its qualifying 8857
financial literacy program to the director of housing and 8858
development for review as part of the application or prior to 8859
application~~;~~. 8860

(6) That the applicant shall report to the department of 8861
housing and development the date when the qualifying residential 8862
property that is the subject of the application is sold by the 8863
applicant. 8864

(7) That the qualifying residential property that is the 8865
subject of the application was not rehabilitated or constructed 8866
using grant funds received under section 122.632 of the Revised 8867
Code. 8868

~~(D) The director of development is granted authority and~~ 8869
~~standing to sue for the enforcement of a deed restriction~~ 8870
~~described in division (C) (4) of this section.~~ 8871

~~(E) (1) (D) (1)~~ Subject to division ~~(E) (2) (D) (2)~~ of this 8872
section, if the director determines that the applicant qualifies 8873
for a credit under this section, the director shall issue a tax 8874
credit certificate to the applicant identified with a unique 8875
number and listing the amount of the credit that is eligible to 8876
be transferred or claimed pursuant to division ~~(E) (3) (D) (3)~~ or 8877
~~(F) (E)~~ of this section. 8878

(2) The total amount of tax credits issued by the director 8879

under this section shall not exceed twenty-five million dollars 8880
in any fiscal year, and no tax credits shall be issued after 8881
June 30, 2025. 8882

(3) A person granted a certificate pursuant to division 8883
~~(E) (1)~~ (D) (1) of this section may claim the credit against the 8884
tax levied under section 5726.02 of the Revised Code or against 8885
the person's aggregate tax liability under section 5747.02 of 8886
the Revised Code for the taxable year in which the certificate 8887
is issued. The taxpayer shall claim the credit in the order 8888
prescribed by section 5726.98 or 5747.98 of the Revised Code, as 8889
applicable. Any unused amount may be carried forward for the 8890
following five taxable years. If the person is a pass-through 8891
entity, any taxpayer that is a direct or indirect investor in 8892
the pass-through entity on the last day of the entity's taxable 8893
year may claim the taxpayer's proportionate or distributive 8894
share of the credit against the taxpayer's aggregate amount of 8895
tax levied under section 5747.02 of the Revised Code. 8896

A taxpayer claiming a credit under this section shall 8897
submit a copy of the certificate with the taxpayer's return or 8898
report. 8899

~~(F)~~ (E) A person granted a certificate pursuant to 8900
division ~~(E) (1)~~ (D) (1) of this section may transfer the right to 8901
claim all or part of the credit reflected on the certificate to 8902
another person. 8903

To effectuate the transfer, the transferor shall notify 8904
the tax commissioner, in writing, that the transferor is 8905
transferring the right to claim all or part of the remaining 8906
credit stated on the certificate. The transferor shall identify 8907
in that notification the certificate's number, the name and the 8908
tax identification number of the transferee, the amount of the 8909

remaining credit transferred to the transferee, and, if 8910
applicable, the amount of remaining credit retained by the 8911
transferor. 8912

The transferee may claim the amount of the credit received 8913
under this division against the tax levied under section 5726.02 8914
of the Revised Code or against the person's aggregate tax 8915
liability under section 5747.02 of the Revised Code for the 8916
taxable year in the same manner and for the same taxable years 8917
as it may be claimed by a person under division ~~(E) (3)~~ (D) (3) of 8918
this section. 8919

Any person to which a credit has been transferred under 8920
this division may transfer the right to claim all or part of the 8921
transferred credit amount to any other person, in the same 8922
manner prescribed by this division for the initial transfer, 8923
including that any such transfer be reported by the transferor 8924
to the tax commissioner as described in this division. 8925

Transferring a credit under this division does not extend 8926
the taxable years for which the credit may be claimed or number 8927
of years for which the unclaimed credit amount may be carried 8928
forward. 8929

~~(G)~~ (F) The director may adopt rules in accordance with 8930
Chapter 119. of the Revised Code as necessary to administer the 8931
tax credits authorized by this section. Such rules may include 8932
the following: 8933

- (1) Application forms, deadlines, and procedures; 8934
- (2) Criteria for evaluating and prioritizing applications; 8935
- (3) Guidelines for promoting an even geographic 8936
distribution of credits throughout the state. 8937

Sec. 122.634. (A) For the purposes of this section, 8938
"accessory dwelling unit" means a self-contained dwelling unit, 8939
to which all of the following apply: 8940

(1) The unit is designed for occupancy by one family for 8941
living and sleeping purposes; 8942

(2) The unit provides complete independent living 8943
facilities, including its own entrance, kitchen, bathroom, and 8944
sleeping area; 8945

(3) The unit is located on the same lot as a larger 8946
single-family dwelling that serves as the principal use of the 8947
lot; 8948

(4) The use of the unit is subordinate and incidental to 8949
the larger single-family dwelling. 8950

(B) The department of housing and development shall 8951
create, publish, and maintain the Ohio housing toolkit on the 8952
department's publicly accessible web site. The toolkit shall 8953
include resources to support local government officials and 8954
housing stakeholders in navigating housing development and 8955
community planning, including all of the following: 8956

(1) An interface that identifies and links to all local 8957
comprehensive plans and zoning codes that apply to a particular 8958
address entered by the user; 8959

(2) Expert guidance and best practices for navigating 8960
local comprehensive plans and zoning codes, including project 8961
checklists and templates for permit applications; 8962

(3) A standardized zoning code framework that may be used 8963
by local governments as a model to streamline the zoning process 8964
and facilitate the development of housing projects; 8965

(4) Information and guidance specific to alternative forms of housing, such as accessory dwelling units, tiny homes, modular housing, and manufactured housing, including a list of political subdivisions in this state that allow alternative forms of housing, by type, and links to local building, zoning, and fire code provisions specific to alternative forms of housing. 8966
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(C) The department shall establish an administrative support hotline to provide guidance, best practices, and technical support for local governments in adopting, implementing, and managing new or amended zoning codes. 8973
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Sec. 122.635. (A) The department of housing and development shall create, publish, and maintain the Ohio housing dashboard on the department's publicly accessible web site. At minimum, the dashboard shall include data for all of the following: 8977
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(1) Home prices; 8982

(2) Rental rates and rental vacancy rates; 8983

(3) Housing inventory levels; 8984

(4) Homeownership rates; 8985

(5) Foreclosure rates; 8986

(6) Population growth. 8987

(B) The department shall format the Ohio housing dashboard in a manner that allows users to sort data based on location, age, race and ethnicity, household size, employment status, and household income. 8988
8989
8990
8991

(C) The dashboard shall include a description of the data 8992

sources and methodology used to complete the dashboard. 8993

Sec. 122.64. (A) There is hereby established in the 8994
department of housing and development ~~services agency~~ a business 8995
services division. The division shall be supervised by a deputy 8996
director appointed by the director of housing and development 8997
~~services.~~ 8998

The division is responsible for the administration of the 8999
state economic development financing programs established 9000
pursuant to sections 122.17 and 122.18, sections 122.39 and 9001
122.41 to 122.62, and Chapter 166. of the Revised Code. 9002

(B) The director of housing and development ~~services~~ 9003
shall: 9004

(1) Receive applications for assistance pursuant to 9005
sections 122.39 and 122.41 to 122.62 and Chapter 166. of the 9006
Revised Code. The director shall process the applications. 9007

(2) With the approval of the director of administrative 9008
services, establish salary schedules for employees of the 9009
various positions of employment with the division and assign the 9010
various positions to those salary schedules; 9011

(3) Employ and fix the compensation of financial 9012
consultants, appraisers, consulting engineers, superintendents, 9013
managers, construction and accounting experts, attorneys, and 9014
other agents for the assistance programs authorized pursuant to 9015
sections 122.17 and 122.18, sections 122.39 and 122.41 to 9016
122.62, and Chapter 166. of the Revised Code as are necessary; 9017

(4) Supervise the administrative operations of the 9018
division; 9019

(5) On or before the first day of October in each year, 9020

make an annual report of the activities and operations under 9021
assistance programs authorized pursuant to sections 122.39 and 9022
122.41 to 122.62 and Chapter 166. of the Revised Code for the 9023
preceding fiscal year to the governor and the general assembly. 9024
Each such report shall set forth a complete operating and 9025
financial statement covering such activities and operations 9026
during the year in accordance with generally accepted accounting 9027
principles and shall be audited by a certified public 9028
accountant. The director of housing and development services— 9029
shall transmit a copy of the audited financial report to the 9030
office of budget and management. 9031

Sec. 122.641. (A) (1) There is hereby created the lakes in 9032
economic distress revolving loan program to assist businesses 9033
and other entities that are adversely affected due to economic 9034
circumstances that result in the declaration of a lake as an 9035
area under economic distress by the director of natural 9036
resources under division (A) (2) of this section. The director of 9037
housing and development services shall administer the program. 9038

(2) The director of natural resources shall do both of the 9039
following: 9040

(a) Declare a lake as an area under economic distress. The 9041
director shall declare a lake as an area under economic distress 9042
based solely on environmental or safety issues, including the 9043
closure of a dam for safety reasons. 9044

(b) Subsequently declare a lake as an area no longer under 9045
economic distress when the environmental or safety issues, as 9046
applicable, have been resolved. 9047

(B) There is hereby created in the state treasury the 9048
lakes in economic distress revolving loan fund. The fund shall 9049

consist of money appropriated to it, all payments of principal 9050
and interest on loans made from the fund, and all investment 9051
earnings on money in the fund. The director of housing and 9052
development ~~services~~ shall use money in the fund to make loans 9053
under this section, provided that the loans shall be zero 9054
interest loans during the time that an applicable lake has been 9055
declared an area under economic distress under division (A) (2) 9056
(a) of this section. 9057

(C) The director shall adopt rules in accordance with 9058
Chapter 119. of the Revised that do both of the following: 9059

(1) Establish requirements and procedures for the making 9060
of loans under this section, including all of the following: 9061

(a) Eligibility criteria; 9062

(b) Application procedures; 9063

(c) Criteria for approval or disapproval of loans, 9064
including a stipulation that an applicant must demonstrate that 9065
the loan will help to achieve long-term economic stability in 9066
the area; 9067

(d) Criteria for repayment of the loans, including the 9068
establishment of an interest rate that does not exceed two 9069
points less than prime after an applicable lake has been 9070
declared as an area no longer under economic distress under 9071
division (A) (2) (b) of this section. 9072

The eligibility criteria established by the director shall 9073
not require applicants to experience a reduction in gross 9074
revenue for a defined period of greater than ten per cent. 9075

Any material provided to the department of housing and 9076
development ~~services agency~~ by an applicant is not a public 9077

record for the purposes of section 149.43 of the Revised Code 9078
and shall remain confidential. 9079

(2) Establish any other provisions necessary to administer 9080
this section. 9081

(D) In administering the program, the director shall 9082
assist businesses and other entities in determining the amount 9083
of loans needed. 9084

Sec. 122.6510. (A) As used in this section, "federal act" 9085
means the "Small Business Liability Relief and Brownfields 9086
Revitalization Act," 115 Stat. 2356 (2002), 42 U.S.C. 9601 and 9087
9604. 9088

(B) There is hereby created in the state treasury the 9089
Brownfields Revolving Loan Fund. The Fund shall consist of all 9090
moneys received by the state from repayments of loans made under 9091
the terms of the federal act, and any other money transferred to 9092
the Fund. The Fund may be used to make grants and loans by the 9093
~~Director of Development Services~~director of housing and 9094
development. All investment earnings of the Fund shall be 9095
credited to the Fund. 9096

(C) The Director shall administer moneys received into the 9097
Fund and comply with all requirements imposed by the federal act 9098
in administering the funds. 9099

(D) The Director may establish a schedule of fees and 9100
charges payable by loan recipients to the Director for the 9101
administration of this section. 9102

Sec. 122.6511. (A) As used in this section and section 9103
122.6512 of the Revised Code: 9104

(1) "Brownfield" means an abandoned, idled, or under-used 9105

industrial, commercial, or institutional property where 9106
expansion or redevelopment is complicated by known or potential 9107
releases of hazardous substances or petroleum. 9108

(2) "Lead entity" means the award recipient and the 9109
responsible party with whom the department of housing and 9110
development executes a grant agreement for the grant funds. 9111

(3) "Remediation" means any action to contain, remove, or 9112
dispose of hazardous substances or petroleum at a brownfield. 9113
"Cleanup or remediation" includes the acquisition of a 9114
brownfield, demolition performed at a brownfield, and the 9115
installation or upgrade of the minimum amount of infrastructure 9116
that is necessary to make a brownfield operational for economic 9117
development activity. 9118

(4) "County land reutilization corporation" has the same 9119
meaning as in section 1724.01 of the Revised Code. 9120

(B) (1) There is hereby created the brownfield remediation 9121
program to award grants for the remediation of brownfield sites 9122
throughout Ohio. The program shall be administered by the 9123
director of housing and development pursuant to this section and 9124
rules adopted pursuant to division (B) (2) of this section. 9125

(2) The director shall adopt rules, under Chapter 119. of 9126
the Revised Code, for the administration of the program. The 9127
rules shall include provisions for determining project and 9128
project sponsor eligibility, program administration, and any 9129
other provisions the director finds necessary. 9130

(3) The director shall ensure that the program is 9131
operational and accepting proposals for grants not later than 9132
ninety days after September 30, 2021. 9133

(4) To streamline funding through the program, each county 9134

shall have one lead entity designated in accordance with the 9135
following: 9136

(a) If the county has a population of less than one 9137
hundred thousand according to the most recent federal decennial 9138
census, the director shall select the lead entity from a list of 9139
recommendations made by the board of county commissioners of the 9140
county. The board shall submit a lead entity letter of intent 9141
and any other documentation required by the director in order 9142
for the director to select a lead entity for that county. 9143

(b) If the county has a population of one hundred thousand 9144
or more according to the most recent federal decennial census 9145
and the county does not have a county land reutilization 9146
corporation, the director shall select the lead entity from a 9147
list of recommendations made by the board of county 9148
commissioners of the county. The board shall submit a lead 9149
entity letter of intent and any other documentation required by 9150
the director in order for the director to select a lead entity 9151
for that county. 9152

(c) If the county has a population of one hundred thousand 9153
or more according to the most recent federal decennial census 9154
and the county has a county land reutilization corporation, the 9155
county land reutilization corporation is the lead entity for 9156
that county. 9157

(5) The lead entity of each county shall submit all grant 9158
applications for that county. The lead entity shall submit with 9159
a grant application any agreements executed between the lead 9160
entity with other recipients that will receive grant money 9161
through the lead entity, if applicable. Such recipients may 9162
include local governments, nonprofit organizations, community 9163
development corporations, regional planning commissions, county 9164

land reutilization corporations, and community action agencies. 9165

(C) (1) There is hereby created in the state treasury the 9166
brownfield remediation fund. The fund shall consist of moneys 9167
appropriated to it by the general assembly, and investment 9168
earnings on moneys in the fund shall be credited to the fund. 9169

The director shall reserve funds from each appropriation 9170
to the fund to each county in the state. The amount reserved 9171
shall be one million dollars per county, or, if an appropriation 9172
is less than eighty-eight million dollars, a proportionate 9173
amount to each county. Amounts reserved pursuant to this section 9174
are reserved for one calendar year from the date of the 9175
appropriation. After one calendar year, the funds shall be 9176
available pursuant to division (D) of this section. 9177

(2) A lead entity may submit an initial grant application 9178
for the use of funds reserved under division (C) (1) of this 9179
section to the director. The lead entity may later submit an 9180
amended application to the director, and the director may accept 9181
and approve that application for use of funds up to the amount 9182
reserved for that county. 9183

(D) Funds from an appropriation not reserved under 9184
division (C) (1) of this section shall be available for grants to 9185
projects located anywhere in the state, and grants from those 9186
funds shall be awarded to qualifying projects on a first-come, 9187
first-served basis. Grants awarded pursuant to this division 9188
shall be limited to seventy-five per cent of a project's total 9189
cost. 9190

Sec. 122.6512. (A) (1) There is hereby created the building 9191
demolition and site revitalization program to award grants for 9192
the demolition of commercial and residential buildings and 9193

revitalization of surrounding properties on sites that are not 9194
brownfields. The program shall be administered by the director 9195
of housing and development pursuant to this section and rules 9196
adopted pursuant to division (A) (2) of this section. 9197

(2) The director shall adopt rules, under Chapter 119. of 9198
the Revised Code, for the administration of the program. The 9199
rules shall include provisions for determining project and 9200
project sponsor eligibility, program administration, and any 9201
other provisions the director finds necessary. 9202

(3) The director shall ensure that the program is 9203
operational and accepting proposals for grants not later than 9204
ninety days after September 30, 2021. 9205

(4) To streamline funding through the program, each county 9206
shall have one lead entity designated in accordance with the 9207
following: 9208

(a) If the county has a population of less than one 9209
hundred thousand according to the most recent federal decennial 9210
census, the director shall select the lead entity from a list of 9211
recommendations made by the board of county commissioners of the 9212
county. The board shall submit a lead entity letter of intent 9213
and any other documentation required by the director in order 9214
for the director to select a lead entity for that county. 9215

(b) If the county has a population of one hundred thousand 9216
or more according to the most recent federal decennial census 9217
and the county does not have a county land reutilization 9218
corporation, the director shall select the lead entity from a 9219
list of recommendations made by the board of county 9220
commissioners of the county. The board shall submit a lead 9221
entity letter of intent and any other documentation required by 9222

the director in order for the director to select a lead entity 9223
for that county. 9224

(c) If the county has a population of one hundred thousand 9225
or more according to the most recent federal decennial census 9226
and the county has a county land reutilization corporation, the 9227
county land reutilization corporation is the lead entity for 9228
that county. 9229

(5) The lead entity of each county shall submit all grant 9230
applications for that county. The lead entity shall submit with 9231
a grant application any agreements executed between the lead 9232
entity with other recipients that will receive grant money 9233
through the lead entity, if applicable. Such recipients may 9234
include local governments, nonprofit organizations, community 9235
development corporations, regional planning commissions, county 9236
land reutilization corporations, and community action agencies. 9237

(B) (1) There is hereby created in the state treasury the 9238
building demolition and site revitalization fund. The fund shall 9239
consist of moneys appropriated to it by the general assembly, 9240
and investment earnings on moneys in the fund shall be credited 9241
to the fund. 9242

(2) The director shall reserve funds from each 9243
appropriation to the fund to each county in the state. The 9244
amount reserved shall be five hundred thousand dollars per 9245
county, or, if an appropriation is less than forty-four million 9246
dollars, a proportionate amount to each county. Amounts reserved 9247
pursuant to this section are reserved for one calendar year from 9248
the date of the appropriation. After one calendar year, the 9249
funds shall be available pursuant to division (B) (3) of this 9250
section. 9251

(3) Funds from an appropriation not reserved under 9252
division (B) (2) of this section shall be available for grants to 9253
projects located anywhere in the state, and grants from those 9254
funds shall be awarded to qualifying projects on a first-come, 9255
first-served basis. Grants awarded pursuant to this division 9256
shall be limited to seventy-five per cent of a project's total 9257
cost. 9258

Sec. 122.67. There is hereby created in the department of 9259
housing and development ~~services agency~~ the community services 9260
division. The director of housing and development ~~services~~ shall 9261
employ and fix the compensation of professional and technical 9262
unclassified personnel as necessary to carry out the provisions 9263
of sections 122.66 to 122.701 of the Revised Code. 9264

Sec. 122.68. The community services division shall: 9265

(A) Administer all federal funds appropriated to the state 9266
from the "Community Services Block Grant Act," 95 Stat. 511, 42 9267
U.S.C.A. 9901, and comply with requirements imposed by that act 9268
in its application for, and administration of, the funds; 9269

(B) Designate community action agencies to receive 9270
community services block grant funds; 9271

(C) (1) Subject to division (C) (2) of this section, 9272
disburse at least ninety-one per cent of the funds received in 9273
the state from the "Community Services Block Grant Act" to 9274
community action agencies that comply with the requirements of 9275
section 122.69 of the Revised Code and migrant and seasonal farm 9276
worker organizations that are not designated community action 9277
agencies but which provide the services described in division 9278
(B) (1) of section 122.69 of the Revised Code; 9279

(2) Disburse at least four and one-half per cent of the 9280

funds received in the state from the "Community Services Block Grant Act" to one or more nonprofit organizations to which both of the following apply:

(a) The organization or organizations were incorporated under the laws of this state before January 1, 2015.

(b) The primary purpose of the organization or organizations is to provide training and technical assistance to community action agencies that comply with the requirements of section 122.69 of the Revised Code.

(D) Provide technical assistance to community action agencies to improve program planning, development, and administration;

(E) Conduct yearly performance assessments, according to criteria determined by department of housing and development services agency rule, to determine whether community action agencies are in compliance with section 122.69 of the Revised Code;

(F) Annually prepare and submit to the United States secretary of health and human services, the governor, the president of the Ohio senate, and the speaker of the Ohio house of representatives, a comprehensive report that includes:

(1) Certification that all community action agencies designated to receive funds from the "Community Services Block Grant Act" are in compliance with section 122.69 of the Revised Code;

(2) A program plan for the next federal fiscal year that has been made available for public inspection and that details how community services block grant funds will be disbursed and used during that fiscal year;

(3) Information detailing how funds were expended for the 9310
current fiscal year; 9311

(4) An audit of community services block grant 9312
expenditures for the preceding federal fiscal year that is 9313
conducted in accordance with generally accepted accounting 9314
principles by an independent auditing firm that has no 9315
connection with any community action agency receiving community 9316
services block grant funds or with any employee of the division. 9317

(G) Serve as a statewide advocate for social and economic 9318
opportunities for low-income persons. 9319

Sec. 122.681. (A) Except as permitted by this section, or 9320
when required by federal law, no person or government entity 9321
shall solicit, release, disclose, receive, use, or knowingly 9322
permit or participate in the use of any information regarding an 9323
individual receiving assistance pursuant to a community services 9324
division program under sections 122.66 to 122.702 of the Revised 9325
Code for any purpose not directly related to the administration 9326
of a division assistance program. 9327

(B) To the extent permitted by federal law, the division, 9328
and any entity that receives division funds to administer a 9329
division program to assist individuals, shall release 9330
information regarding an individual assistance recipient to the 9331
following: 9332

(1) A government entity responsible for administering the 9333
assistance program for purposes directly related to the 9334
administration of the program; 9335

(2) A law enforcement agency for the purpose of any 9336
investigation, prosecution, or criminal or civil proceeding 9337
relating to the administration of the assistance program; 9338

(3) A government entity responsible for administering a children's protective services program, for the purpose of protecting children;

(4) Any appropriate person in compliance with a search warrant, subpoena, or other court order.

(C) To the extent permitted by federal law and section 1347.08 of the Revised Code, the division, and any entity administering a division program, shall provide access to information regarding an individual assistance recipient to all of the following:

(1) The individual assistance recipient;

(2) The authorized representative of the individual assistance recipient;

(3) The legal guardian of the individual assistance recipient;

(4) The attorney of the individual assistance recipient.

(D) To the extent permitted by federal law, the division, and any entity administering a division program, may do either of the following:

(1) Release information about an individual assistance recipient if the recipient gives voluntary, written authorization;

(2) Release information regarding an individual assistance recipient to a state, federal, or federally assisted program that provides cash or in-kind assistance or services directly to individuals based on need.

(E) The community services division, or an entity

administering a division program, shall provide, at no cost, a 9366
copy of each written authorization to the individual who signed 9367
it. 9368

(F) The department of housing and development services 9369
~~agency~~ may adopt rules defining who may serve as an individual 9370
assistance recipient's authorized representative for purposes of 9371
division (C) (2) of this section. 9372

Sec. 122.69. (A) Any nonprofit agency or organization 9373
seeking designation as a community action agency by the 9374
community services division shall obtain the endorsement of the 9375
chief elected officials of at least two-thirds of the municipal 9376
corporations and the counties within the community to be served 9377
by the agency or organization. 9378

(B) Any nonprofit agency or organization that receives the 9379
endorsement provided for in division (A) of this section shall 9380
be designated by the division as the community action agency for 9381
the community it serves and shall receive community services 9382
block grant funds for any period of time that the nonprofit 9383
agency or organization: 9384

(1) Provides a range of services and opportunities having 9385
a measurable and potentially major impact on the causes of 9386
poverty in the community or those areas of the community where 9387
poverty is a particularly acute problem. These activities may 9388
include but shall not be limited to: 9389

(a) Providing activities designed to assist low-income 9390
persons, including low-income persons who are elderly and who 9391
have disabilities, to: 9392

(i) Secure and maintain meaningful employment, training, 9393
work experience, and unsubsidized employment; 9394

(ii) Attain an adequate education;	9395
(iii) Make better use of available income;	9396
(iv) Obtain and maintain adequate housing and a suitable living environment;	9397 9398
(v) Obtain emergency assistance through loans or grants to meet immediate and urgent individual and family needs, including the need for health services, nutritious food, housing, and employment-related assistance;	9399 9400 9401 9402
(vi) Remove obstacles and solve personal and family problems that block the achievement of self-sufficiency;	9403 9404
(vii) Achieve greater participation in the affairs of the community;	9405 9406
(viii) Undertake family planning, consistent with personal and family goals and religious and moral convictions;	9407 9408
(ix) Obtain energy assistance, conservation, and weatherization services.	9409 9410
(b) Providing, on an emergency basis, supplies and services, nutritious foodstuffs, and related services necessary to counteract conditions of starvation and malnutrition among low-income persons;	9411 9412 9413 9414
(c) Coordinating and establishing links between government and other social services programs to assure the effective delivery of services to low-income individuals;	9415 9416 9417
(d) Providing child care services, nutrition and health services, transportation services, alcoholism and narcotic addiction prevention and rehabilitation services, youth development services, and community services to persons who are	9418 9419 9420 9421

elderly and who have disabilities; 9422

(e) Encouraging entities in the private sector to 9423
participate in efforts to ameliorate poverty in the community. 9424

(2) Annually submits to the division a program plan and 9425
budget for use of community services block grant funds for the 9426
next federal fiscal year. At least ten days prior to its 9427
submission to the division, a copy of the program plan and 9428
budget shall be made available to the chief elected officials of 9429
the municipal corporations and counties within the service area 9430
in order to provide them the opportunity to review and comment 9431
upon such plan and budget. 9432

(3) Composes its board of directors in compliance with 9433
section (c) (3) of section 675 of the "Community Services Block 9434
Grant Act," 95 Stat. 1609, 42 U.S.C.A. 9904, except that the 9435
board shall consist of not less than fifteen nor more than 9436
thirty-three members; 9437

(4) Complies with the prohibitions against discrimination 9438
and political activity, as provided in the "Community Services 9439
Block Grant Act"; 9440

(5) Complies with fiscal and program requirements 9441
established by department of housing and development services- 9442
agency-rule. 9443

Sec. 122.70. The board of directors of a community action 9444
agency shall: 9445

(A) Select, appoint, and may remove the executive director 9446
of the community action agency; 9447

(B) Approve contracts, annual program budgets, and 9448
policies of the community action agency; 9449

(C) Advise the elected officials of any political 9450
subdivision located within its service area, and state and 9451
federal elected officials who represent its service area, of the 9452
nature and extent of poverty within its community, and advise 9453
them of any needed changes; 9454

(D) Convene public meetings to provide community members 9455
the opportunity to comment on public policies and programs to 9456
reduce poverty; 9457

(E) Annually evaluate the policies and programs of the 9458
community action agency according to criteria determined by 9459
department of housing and development services agency rule; 9460

(F) Submit the results of the evaluation required by 9461
division (E) of this section, along with recommendations for 9462
improved administration of the community action agency, to the 9463
community services division; 9464

(G) Adopt a code of ethics for the board of directors and 9465
the employees of the community action agency; 9466

(H) Adopt written policies describing all of the 9467
following: 9468

(1) How the community action agency is to expend and 9469
distribute the community services block grant funds that it 9470
receives from the division under sections 122.68 and 122.69 of 9471
the Revised Code; 9472

(2) The salary, benefits, travel expenses, and any other 9473
compensation that persons are to receive for serving on the 9474
community action agency's board of directors; 9475

(3) The operating procedures to be used by the board to 9476
conduct its meetings, to vote on all official business it 9477

considers, and to provide notice of its meetings. 9478

(I) Provide for the posting of notices in a conspicuous 9479
place indicating that the code of ethics described in division 9480
(G) of this section and the policies described in division (H) 9481
of this section are available for public inspection at the 9482
community action agency during normal business hours. 9483

Sec. 122.701. (A) Prior to designating a new community 9484
action agency or rescinding a community action agency's 9485
designation, the community services division shall: 9486

(1) Determine whether a community action agency is in 9487
compliance with section 122.69 of the Revised Code; 9488

(2) Consult with the chief elected officials of political 9489
subdivisions located within a community action agency's service 9490
area, and, in designating a new community action agency, obtain 9491
their endorsement of the agency in accordance with division (A) 9492
of section 122.69 of the Revised Code; 9493

(3) Hold at least one public meeting within a community 9494
action agency's service area for the purpose of allowing 9495
citizens to comment on the community action agency's delivery of 9496
services; 9497

(4) Evaluate the proposed service area of the community 9498
action agency, and, as may be necessary, modify the boundaries 9499
of the service area so that low-income persons in the area are 9500
adequately and efficiently served. 9501

(B) After providing notice and hearing pursuant to 9502
sections 119.01 to 119.13 of the Revised Code, the director of 9503
housing and development~~services~~: 9504

(1) May rescind the designation of a community action 9505

agency after finding that the agency is not in compliance with 9506
any or all of the provisions of section 122.69 of the Revised 9507
Code; 9508

(2) Shall rescind the designation of a community action 9509
agency upon notification from the chief elected officials of 9510
more than one-half of the municipal corporations and the 9511
counties within a community currently served by a community 9512
action agency that such agency is not endorsed by them and after 9513
finding that the agency is not in compliance with section 122.69 9514
of the Revised Code. 9515

Any agency whose designation is rescinded pursuant to this 9516
section may appeal from an order rescinding such designation 9517
pursuant to section 119.12 of the Revised Code. 9518

Sec. 122.71. As used in sections 122.71 to 122.83 of the 9519
Revised Code: 9520

(A) "Financial institution" means any banking corporation, 9521
trust company, insurance company, savings and loan association, 9522
building and loan association, or corporation, partnership, 9523
federal lending agency, foundation, or other institution engaged 9524
in lending or investing funds for industrial or business 9525
purposes. 9526

(B) "Project" means any real or personal property 9527
connected with or being a part of an industrial, distribution, 9528
commercial, or research facility to be acquired, constructed, 9529
reconstructed, enlarged, improved, furnished, or equipped, or 9530
any combination thereof, with the aid provided under sections 9531
122.71 to 122.83 of the Revised Code, for industrial, 9532
commercial, distribution, and research development of the state. 9533

(C) "Mortgage" means the lien imposed on a project by a 9534

mortgage on real property, or by financing statements on 9535
personal property, or a combination of a mortgage and financing 9536
statements when a project consists of both real and personal 9537
property. 9538

(D) "Mortgagor" means the principal user of a project or 9539
the person, corporation, partnership, or association 9540
unconditionally guaranteeing performance by the principal user 9541
of its obligations under the mortgage. 9542

(E)(1) "Minority business enterprise" means an individual 9543
who is a United States citizen and owns and controls a business, 9544
or a partnership, corporation, or joint venture of any kind that 9545
is owned and controlled by United States citizens, which citizen 9546
or citizens are residents of this state and are members of one 9547
of the following economically disadvantaged groups: Blacks or 9548
African Americans, American Indians, Hispanics or Latinos, and 9549
Asians. 9550

(2) "Owned and controlled" means that at least fifty-one 9551
per cent of the business, including corporate stock if a 9552
corporation, is owned by persons who belong to one or more of 9553
the groups set forth in division (E)(1) of this section, and 9554
that those owners have control over the management and day-to- 9555
day operations of the business and an interest in the capital, 9556
assets, and profits and losses of the business proportionate to 9557
their percentage of ownership. In order to qualify as a minority 9558
business enterprise, a business shall have been owned and 9559
controlled by those persons at least one year prior to being 9560
awarded a contract pursuant to this section. 9561

(F) "Community improvement corporation" means a 9562
corporation organized under Chapter 1724. of the Revised Code. 9563

(G) "Ohio development corporation" means a corporation 9564
organized under Chapter 1726. of the Revised Code. 9565

(H) "Minority contractors business assistance 9566
organization" means an entity engaged in the provision of 9567
management and technical business assistance to minority 9568
business enterprise entrepreneurs. 9569

(I) "Minority business supplier development council" means 9570
a nonprofit organization established as an affiliate of the 9571
national minority supplier development council. 9572

(J) "Regional economic development entity" means an entity 9573
that is under contract with the director of housing and 9574
development to administer a loan program under this chapter in a 9575
particular area of the state. 9576

(K) "Community development corporation" means a 9577
corporation organized under Chapter 1702. of the Revised Code 9578
that consists of residents of the community and business and 9579
civic leaders and that has as a principal purpose one or more of 9580
the following: the revitalization and development of a low- to 9581
moderate-income neighborhood or community; the creation of jobs 9582
for low- to moderate-income residents; the development of 9583
commercial facilities and services; providing training, 9584
technical assistance, and financial assistance to small 9585
businesses; and planning, developing, or managing low-income 9586
housing or other community development activities. 9587

Sec. 122.72. (A) There is hereby created the minority 9588
development financing advisory board to assist in carrying out 9589
the programs created pursuant to sections 122.71 to 122.83 and 9590
122.87 to 122.89 of the Revised Code. 9591

(B) The board shall consist of ten members. The director 9592

of housing and development or the director's designee shall be a 9593
voting member on the board. Seven members shall be appointed by 9594
the governor with the advice and consent of the senate and 9595
selected because of their knowledge of and experience in 9596
industrial, business, and commercial financing, suretyship, 9597
construction, and their understanding of the problems of 9598
minority business enterprises; one member also shall be a member 9599
of the senate and appointed by the president of the senate, and 9600
one member also shall be a member of the house of 9601
representatives and appointed by the speaker of the house of 9602
representatives. With respect to the board, all of the following 9603
apply: 9604

(1) Not more than four of the members of the board 9605
appointed by the governor shall be of the same political party. 9606

(2) Each member shall hold office from the date of the 9607
member's appointment until the end of the term for which the 9608
member was appointed. 9609

(3) The terms of office for the seven members appointed by 9610
the governor shall be for seven years, commencing on the first 9611
day of October and ending on the thirtieth day of September of 9612
the seventh year, except that of the original seven members, 9613
three shall be appointed for three years and two shall be 9614
appointed for five years. 9615

(4) Any member of the board is eligible for reappointment. 9616

(5) Any member appointed to fill a vacancy occurring prior 9617
to the expiration of the term for which the member's predecessor 9618
was appointed shall hold office for the remainder of the 9619
predecessor's term. 9620

(6) Any member shall continue in office subsequent to the 9621

expiration date of the member's term until the member's 9622
successor takes office, or until a period of sixty days has 9623
elapsed, whichever occurs first. 9624

(7) Before entering upon official duties as a member of 9625
the board, each member shall take an oath as provided by Section 9626
7 of Article XV, Ohio Constitution. 9627

(8) The governor may, at any time, remove any member 9628
appointed by the governor pursuant to section 3.04 of the 9629
Revised Code. 9630

(9) Notwithstanding section 101.26 of the Revised Code, 9631
members shall receive their necessary and actual expenses while 9632
engaged in the business of the board and shall be paid at the 9633
per diem rate of step 1 of pay range 31 of section 124.15 of the 9634
Revised Code. 9635

(10) Six members of the board constitute a quorum and the 9636
affirmative vote of six members is necessary for any action 9637
taken by the board. 9638

(11) In the event of the absence of a member appointed by 9639
the president of the senate or by the speaker of the house of 9640
representatives, either of the following persons may serve in 9641
the member's absence: 9642

(a) The president of the senate or the speaker of the 9643
house of representatives, whoever appointed the absent member; 9644

(b) A member of the senate or of the house of 9645
representatives of the same political party as the absent 9646
member, as designated by the president of the senate or the 9647
speaker of the house of representatives, whoever appointed the 9648
absent member. 9649

(12) The board shall annually elect one of its members as chairperson and another as vice-chairperson. 9650
9651

Sec. 122.73. (A) The minority development financing 9652
advisory board and the director of housing and development are 9653
invested with the powers and duties provided in sections 122.71 9654
to 122.83 and 122.87 to 122.89 of the Revised Code, in order to 9655
promote the welfare of the people of the state by encouraging 9656
the establishment and expansion of minority business 9657
enterprises; to stabilize the economy; to provide employment; to 9658
assist in the development within the state of industrial, 9659
commercial, distribution, and research activities required for 9660
the people of the state, and for their gainful employment; or 9661
otherwise to create or preserve jobs and employment 9662
opportunities, or improve the economic welfare of the people of 9663
the state. It is hereby determined that the accomplishment of 9664
those purposes is essential so that the people of the state may 9665
maintain their present high standards of living in comparison 9666
with the people of other states and so that opportunities for 9667
employment and for favorable markets for the products of the 9668
state's natural resources, agriculture, and manufacturing shall 9669
be improved. It further is determined that it is necessary for 9670
the state to establish the programs authorized under sections 9671
122.71 to 122.83 and 122.87 to 122.89 of the Revised Code to 9672
establish the minority development financing advisory board, and 9673
to invest it and the director of housing and development with 9674
the powers and duties provided in those sections. 9675

(B) The minority development financing advisory board 9676
shall do all of the following: 9677

(1) Make recommendations to the director as to 9678
applications for assistance pursuant to sections 122.71 to 9679

122.83 and 122.87 to 122.89 of the Revised Code. The board may 9680
revise its recommendations to reflect any changes in the 9681
proposed assistance made by the director. 9682

(2) Advise the director in the administration of sections 9683
122.71 to 122.83 and 122.87 to 122.89 of the Revised Code. 9684

(3) Adopt bylaws to govern the conduct of the business of 9685
the board. 9686

Sec. 122.74. (A) (1) The director of housing and 9687
development shall do all of the following: 9688

(a) Receive applications for assistance under sections 9689
122.71 to 122.83 and 122.87 to 122.89 of the Revised Code and 9690
applications from surety companies for bond guarantees under 9691
section 122.90 of the Revised Code, and, after processing but 9692
subject to division (A) (2) of this section, forward them to the 9693
minority development financing advisory board together with 9694
necessary supporting information; 9695

(b) Receive the recommendations of the board and make a 9696
final determination whether to approve the application for 9697
assistance; 9698

(c) Receive recommendations from a regional economic 9699
development entity for loans made under section 122.76 of the 9700
Revised Code and make a final determination, notwithstanding 9701
divisions (A) (1) and (2) of this section, whether to approve the 9702
proposed loan; 9703

(d) Transmit the director's determinations to approve 9704
assistance to the controlling board unless such assistance falls 9705
under section 122.90 of the Revised Code and has been previously 9706
approved by the controlling board, together with any information 9707
the controlling board requires for its review and decision as to 9708

whether to approve the assistance. 9709

(2) The director is not required to submit any 9710
determination, data, terms, or any other application materials 9711
or information to the minority development financing advisory 9712
board when provision of the assistance has been recommended to 9713
the director by a regional economic development entity or when 9714
an application for a surety company for bond guarantees under 9715
section 122.90 of the Revised Code has been previously approved 9716
by the controlling board. 9717

(B) The director may do all of the following: 9718

(1) Fix the rate of interest and charges to be made upon 9719
or with respect to moneys loaned or guaranteed by the director 9720
and the terms upon which mortgages and lease rentals may be 9721
guaranteed and the rates of charges to be made for them and make 9722
provisions for the operation of the funds established by the 9723
director in accordance with this section and sections 122.80, 9724
122.88, and 122.90 of the Revised Code; 9725

(2) Loan and guarantee moneys from the fund established in 9726
accordance with section 122.80 of the Revised Code pursuant to 9727
and in compliance with sections 122.71 to 122.83 and 122.87 to 9728
122.90 of the Revised Code. 9729

(3) Acquire in the name of the director any property of 9730
any kind or character in accordance with sections 122.71 to 9731
122.83 and 122.87 to 122.90 of the Revised Code, by purchase, 9732
purchase at foreclosure, or exchange on such terms and in such 9733
manner as the director considers proper; 9734

(4) Make and enter into all contracts and agreements 9735
necessary or incidental to the performance of the director's 9736
duties and the exercise of the director's powers under sections 9737

122.71 to 122.83 and 122.87 to 122.90 of the Revised Code; 9738

(5) Maintain, protect, repair, improve, and insure any 9739
property that the director has acquired and dispose of it by 9740
sale, exchange, or lease for the consideration and on the terms 9741
and in the manner as the director considers proper, but the 9742
director shall not operate any such property as a business 9743
except as the lessor of it; 9744

(6) (a) When the cost of any contract for the maintenance, 9745
protection, repair, or improvement of any property held by the 9746
director, other than compensation for personal services, 9747
involves an expenditure of more than fifty thousand dollars, the 9748
director shall make a written contract with the lowest 9749
responsive and responsible bidder in accordance with section 9750
9.312 of the Revised Code after advertisement for not less than 9751
two consecutive weeks in a newspaper of general circulation in 9752
the county where such contract, or some substantial part of it, 9753
is to be performed, and in such other publications as the 9754
director determines, which notice shall state the general 9755
character of the work and the general character of the materials 9756
to be furnished, the place where plans and specifications 9757
therefor may be examined, and the time and place of receiving 9758
bids. 9759

(b) Each bid for a contract for the construction, 9760
demolition, alteration, repair, or reconstruction of an 9761
improvement shall contain the full name of every person 9762
interested in it and meet the requirements of section 153.54 of 9763
the Revised Code. 9764

(c) Each bid for a contract, except as provided in 9765
division (B) (6) (b) of this section, shall contain the full name 9766
of every person interested in it and shall be accompanied by 9767

bond or certified check on a solvent bank, in such amount as the 9768
director considers sufficient, that if the bid is accepted a 9769
contract will be entered into and the performance of the 9770
proposal secured. 9771

(d) The director may reject any and all bids. 9772

(e) A bond with good and sufficient surety, approved by 9773
the director, shall be required of every contractor awarded a 9774
contract except as provided in division (B) (6) (b) of this 9775
section, in an amount equal to at least fifty per cent of the 9776
contract price, conditioned upon faithful performance of the 9777
contract. 9778

(7) Employ or contract with financial consultants, 9779
appraisers, consulting engineers, superintendents, managers, 9780
construction and accounting experts, attorneys, and other 9781
employees and agents as are necessary in the director's judgment 9782
and fix their compensation; 9783

(8) Receive and accept grants, gifts, and contributions of 9784
money, property, labor, and other things of value to be held, 9785
used, and applied only for the purpose for which the grants, 9786
gifts, and contributions are made, from individuals, private and 9787
public corporations, from the United States or any agency 9788
thereof, from the state or any agency thereof, and from any 9789
political subdivision of the state, and may agree to repay any 9790
contribution of money or to return any property contributed or 9791
the value thereof at such times, in amounts, and on terms and 9792
conditions, excluding the payment of interest, as the director 9793
determines at the time the contribution is made, and may 9794
evidence the obligations by notes, bonds, or other written 9795
instruments; 9796

(9) Establish with the treasurer of state the funds 9797
provided in sections 122.80 and 122.88 of the Revised Code in 9798
addition to such funds as the director determines are necessary 9799
or proper; 9800

(10) Adopt rules under Chapter 119. of the Revised Code 9801
necessary to implement sections 122.71 to 122.83 and 122.87 to 9802
122.90 of the Revised Code. 9803

(11) Do all acts and things necessary or proper to carry 9804
out the powers expressly granted and the duties imposed in 9805
sections 122.71 to 122.83 and 122.87 to 122.90 of the Revised 9806
Code. 9807

(C) (1) All expenses and obligations incurred by the 9808
director in carrying out the director's powers and in exercising 9809
the director's duties under sections 122.71 to 122.83 and 122.87 9810
to 122.90 of the Revised Code shall be payable solely from 9811
revenues or other receipts or income of the director, from 9812
grants, gifts, and contributions, or funds established in 9813
accordance with such sections. Such sections do not authorize 9814
the director to incur indebtedness or to impose liability on the 9815
state or any political subdivision of the state. 9816

(2) Financial statements and other data submitted to the 9817
director by any corporation, partnership, or person in 9818
connection with financial assistance provided under sections 9819
122.71 to 122.83 and 122.87 to 122.90 of the Revised Code, or 9820
any information taken from such statements or data for any 9821
purpose, shall not be open to public inspection. 9822

Sec. 122.75. The director of housing and development 9823
shall, for the minority business development loan program, the 9824
minority business bonding program, and the minority business 9825

bond guarantee program under sections 122.87 to 122.90 of the Revised Code, do all of the following:

(A) Hire employees, consultants, and agents and fix their compensation;

(B) Adopt bylaws and rules for the regulation of the business of the minority development financing advisory board;

(C) Receive and accept grants, gifts, and contributions of money, property, labor, and other things of value, to be held, used, and applied only for the purpose for which the grants, gifts, and contributions are made, from individuals, private and public corporations, the United States or any agency of the United States, the state or any agency of the state, and any political subdivision of the state. The director may agree to repay any contribution of money or to return any property contributed or its value at such times, in amounts, and on terms and conditions, excluding the payment of interest, as the director determines at the time the contribution is made. The director may evidence the obligations by written contracts, subject to section 122.76 of the Revised Code; provided, that the director shall not thereby incur indebtedness of or impose liability upon the state or any political subdivision.

(D) Establish funds with the treasurer of state in addition to the minority business bonding fund created under section 122.88 of the Revised Code;

(E) Invest money in the funds the director establishes pursuant to division (D) of this section that is in excess of current needs, in notes, bonds, or other obligations that are direct obligations of or are guaranteed by the United States, or in certificates of deposit or withdrawable accounts of banks,

trust companies, or savings and loan associations organized 9855
under the laws of this state or the United States, and may 9856
credit the income or sell the investments at the director's 9857
discretion; 9858

(F) Acquire any property of any kind or character in 9859
accordance with sections 122.71 to 122.83 of the Revised Code, 9860
by purchase, purchase at foreclosure, or exchange on terms and 9861
in a manner the director considers proper; 9862

(G) (1) Maintain, protect, repair, improve, and insure any 9863
property the director has acquired and dispose of it by sale, 9864
exchange, or lease for the consideration and on terms and in a 9865
manner the director considers proper. The director may not 9866
operate any property as a business except as a lessor of the 9867
property. When the cost of any contract for the maintenance, 9868
protection, repair, or improvement of any property of the 9869
advisory board connected with the minority business development 9870
loan program, other than compensation for personal services, 9871
involves an expenditure of more than one thousand dollars, the 9872
director shall enter into a written contract with the lowest and 9873
best bidder after advertisement for not less than four 9874
consecutive weeks in a newspaper of general circulation in the 9875
county where the contract, or some substantial part of it, is to 9876
be performed, and in other publications as the director 9877
determines. The notice shall state the general character of the 9878
work and the general character of the materials to be furnished, 9879
the place where plans and specifications for the work and 9880
materials may be examined, and the time and place of receiving 9881
bids. 9882

(2) Each bid for a contract for the construction, 9883
demolition, alteration, repair, or reconstruction of an 9884

improvement shall contain the full name of every person 9885
interested in it and meet the requirements of section 153.54 of 9886
the Revised Code. 9887

(3) Each bid for a contract, except as provided in 9888
division (G)(2) of this section, shall contain the full name of 9889
every person interested in it and shall be accompanied by a bond 9890
or certified check on a solvent bank, in the amount of ten per 9891
cent of the bid, that if the bid is accepted a contract will be 9892
entered into and the performance of its proposal secured. The 9893
director may reject any or all bids. A bond with good and 9894
sufficient surety, approved by the director, shall be required 9895
of all contractors in an amount equal to at least one hundred 9896
per cent of the contract price, conditioned upon faithful 9897
performance of the contract. 9898

(H) Expend money appropriated to the department of housing 9899
and development by the general assembly for the purposes of 9900
sections 122.71 to 122.83 and 122.87 to 122.90 of the Revised 9901
Code; 9902

(I) Do all acts and things necessary or proper to carry 9903
out the powers expressly granted and the duties imposed in 9904
sections 122.71 to 122.83 and 122.87 to 122.90 of the Revised 9905
Code. 9906

Sec. 122.76. (A) The director of housing and development, 9907
with controlling board approval, may lend funds to minority 9908
business enterprises and to community improvement corporations, 9909
Ohio development corporations, minority contractors business 9910
assistance organizations, and minority business supplier 9911
development councils for the purpose of loaning funds to 9912
minority business enterprises, for the purpose of procuring or 9913
improving real or personal property, or both, for the 9914

establishment, location, or expansion of industrial, 9915
distribution, commercial, or research facilities in the state, 9916
and for the purpose of contract financing, and to community 9917
development corporations that predominantly benefit minority 9918
business enterprises or are located in a census tract that has a 9919
population that is sixty per cent or more minority, if the 9920
director determines, in the director's sole discretion, that all 9921
of the following apply: 9922

(1) The project is economically sound and will benefit the 9923
people of the state by increasing opportunities for employment, 9924
by strengthening the economy of the state, or expanding minority 9925
business enterprises. 9926

(2) The proposed minority business enterprise borrower is 9927
unable to finance the proposed project through ordinary 9928
financial channels at comparable terms. 9929

(3) The value of the project is or, upon completion, will 9930
be at least equal to the total amount of the money expended in 9931
the procurement or improvement of the project. 9932

(4) The amount to be loaned by the director will not 9933
exceed seventy-five per cent of the total amount expended in the 9934
procurement or improvement of the project. 9935

(5) The amount to be loaned by the director will be 9936
adequately secured by a first or second mortgage upon the 9937
project or by mortgages, leases, liens, assignments, or pledges 9938
on or of other property or contracts as the director requires, 9939
and such mortgage will not be subordinate to any other liens or 9940
mortgages except the liens securing loans or investments made by 9941
financial institutions referred to in division (A) (3) of this 9942
section, and the liens securing loans previously made by any 9943

financial institution in connection with the procurement or 9944
expansion of all or part of a project. 9945

(B) Any proposed minority business enterprise borrower 9946
submitting an application for assistance under this section 9947
shall not have defaulted on a previous loan from the director, 9948
and no full or limited partner, major shareholder, or holder of 9949
an equity interest of the proposed minority business enterprise 9950
borrower shall have defaulted on a loan from the director. 9951

(C) The proposed minority business enterprise borrower 9952
shall demonstrate to the satisfaction of the director that it is 9953
able to successfully compete in the private sector if it obtains 9954
the necessary financial, technical, or managerial support and 9955
that support is available through the director, the minority 9956
business development division of the department of housing and 9957
development, or other identified and acceptable sources. In 9958
determining whether a minority business enterprise borrower will 9959
be able to successfully compete, the director may give 9960
consideration to such factors as the successful completion of or 9961
participation in courses of study, recognized by the department 9962
of higher education as providing financial, technical, or 9963
managerial skills related to the operation of the business, by 9964
the economically disadvantaged individual, owner, or partner, 9965
and the prior success of the individual, owner, or partner in 9966
personal, career, or business activities, as well as to other 9967
factors identified by the director. 9968

(D) The director shall not lend funds for the purpose of 9969
procuring or improving motor vehicles or accounts receivable. 9970

Sec. 122.77. (A) The director of housing and development 9971
with controlling board approval may make loan guarantees to 9972
small businesses and corporations for the purpose of 9973

guaranteeing loans made to small businesses by financial 9974
institutions for the purpose of procuring or improving real or 9975
personal property, or both, for the establishment, location, or 9976
expansion of industrial, distribution, commercial, or research 9977
facilities in the state, if the director determines, in the 9978
director's sole discretion, that all of the following apply: 9979

(1) The project is economically sound and will benefit the 9980
people of the state by increasing opportunities for employment, 9981
by strengthening the economy of the state, or expanding minority 9982
business enterprises. 9983

(2) The proposed small business borrower is unable to 9984
finance the proposed project through ordinary financial channels 9985
at comparable terms. 9986

(3) The value of the project is, or upon completion of it 9987
will be, at least equal to the total amount of the money 9988
expended in the procurement or improvement of the project and of 9989
which amount one or more financial institutions or other 9990
governmental entities have loaned not less than thirty per cent. 9991

(4) The amount to be guaranteed by the director will not 9992
exceed eighty per cent of the total amount expended in the 9993
procurement or improvement of the project. 9994

(5) The amount to be guaranteed by the director will be 9995
adequately secured by a first or second mortgage upon the 9996
project, or by mortgages, leases, liens, assignments, or pledges 9997
on or of other property or contracts as the director shall 9998
require and that such mortgage will not be subordinate to any 9999
other liens or mortgages except the liens securing loans or 10000
investments made by financial institutions referred to in 10001
division (A) (3) of this section, and the liens securing loans 10002

previously made by any financial institution in connection with 10003
the procurement or expansion of all or part of a project. 10004

(B) The proposed small business borrower shall not have 10005
defaulted on a previous loan or guarantee from the director, and 10006
no full or limited partner, or major shareholder, or holder of 10007
any equity interest of the proposed minority business enterprise 10008
borrower shall have defaulted on a loan or guarantee from the 10009
director. 10010

(C) The proposed small business borrower shall demonstrate 10011
to the satisfaction of the director that it is able to 10012
successfully compete in the private sector if it obtains the 10013
necessary financial, technical, or managerial support and that 10014
support is available through the director, the minority business 10015
development division of the department of housing and 10016
development, or other identified and acceptable sources. In 10017
determining whether a small business borrower will be able to 10018
successfully compete, the director may give consideration to 10019
such factors as the successful completion of or participation in 10020
courses of study, recognized by the department of higher 10021
education as providing financial, technical, or managerial 10022
skills related to the operation of the business, by the 10023
economically disadvantaged individual, owner, or partner, and 10024
the prior success of the individual, owner, or partner in 10025
personal, career, or business activities, as well as to other 10026
factors identified by the director. 10027

(D) The director shall not guarantee funds for the purpose 10028
of procuring or improving motor vehicles or accounts receivable. 10029

Sec. 122.78. Fees, charges, rates of interest, times of 10030
payment of interest and principal, and other terms, conditions, 10031
and provisions of the loans and guarantees made by the director 10032

of housing and development pursuant to sections 122.71 to 122.83 10033
and 122.87 to 122.90 of the Revised Code shall be such as the 10034
director determines to be appropriate and in furtherance of the 10035
purpose for which the loans and guarantees are made, but the 10036
mortgage lien securing any money loaned or guaranteed by the 10037
director may be subordinate to the mortgage lien securing any 10038
money loaned or invested by a financial institution, but shall 10039
be superior to that securing any money loaned or expended by any 10040
other corporation or person. The funds used in making these 10041
loans or guarantees shall be disbursed upon order of the 10042
director. 10043

Sec. 122.79. The exercise of the powers granted by 10044
sections 122.71 to 122.83 and 122.87 to 122.90 of the Revised 10045
Code, will be in all respects for the benefit of the people of 10046
the state, for the increase of their commerce and prosperity, 10047
for the increase and expansion of minority business enterprises, 10048
and for the improvement of conditions of employment, and will 10049
constitute the performance of essential governmental functions; 10050
therefore, the director of housing and development shall not be 10051
required to pay any taxes upon any property or assets held by 10052
the director, or upon any property acquired or used by the 10053
director under sections 122.71 to 122.83 and 122.87 to 122.90 of 10054
the Revised Code, or upon the income from it, provided that this 10055
exemption shall not apply to any property held by the director 10056
while it is in the possession of a private person, partnership, 10057
or corporation and used for private purposes for profit, in 10058
which case such tax liability shall accrue to the private 10059
person, partnership, or corporation. 10060

Sec. 122.80. There is hereby created in the state treasury 10061
the minority business enterprise loan fund. The fund shall 10062
consist of money deposited into the fund from the facilities 10063

establishment fund pursuant to section 166.03 of the Revised Code and all money deposited into the fund pursuant to section 122.81 of the Revised Code. The director of housing and development shall use the fund to pay operating costs of the minority development financing advisory board, make loans to minority business enterprises as authorized in division (A) of section 122.76 of the Revised Code, loan guarantees to small businesses as authorized in division (A) of section 122.77 of the Revised Code, and for transfer to the capital access loan program fund established in section 122.601 of the Revised Code to be used solely for minority business enterprises or minority businesses certified by the minority business supplier development council for deposits specified by division (D) (1) (b) of section 122.603 of the Revised Code.

Sec. 122.81. In the event of a default with respect to any loan, guarantee, or lease, the director of housing and development shall take such action as ~~he~~ the director considers proper in the circumstances to enforce and protect the rights of the director, and such actions as may be required, which may include any appropriate action at law or in equity, enforcement or waiver of any provision of any mortgage or security agreement or lease, or reinstatement of any forfeited or canceled right, title, or privilege.

Any moneys received from the repayment of a loan, guarantee, or lease authorized pursuant to sections 122.77 and 122.78 of the Revised Code, and any moneys recovered in the event of a default with respect to any such loan, guarantee, or lease, shall immediately be deposited in the minority business enterprise loan fund.

Sec. 122.82. All moneys, funds, properties, and assets

acquired by the director of housing and development shall be 10094
held by the director in trust to carry out the director's powers 10095
and duties, shall be used as provided in sections 122.71 to 10096
122.83 and 122.87 to 122.90 of the Revised Code, and shall at no 10097
time be part of other public funds. 10098

Sec. 122.84. (A) As used in this section: 10099

(1) "Ohio qualified opportunity fund" means a qualified 10100
opportunity fund that holds one hundred per cent of its invested 10101
assets in qualified opportunity zone property situated in an 10102
Ohio opportunity zone. 10103

In the case of qualified opportunity zone property that is 10104
qualified opportunity zone stock or qualified opportunity zone 10105
partnership interest, the stock or interest is situated in an 10106
Ohio opportunity zone only if, during all of the qualified 10107
opportunity fund's holding period for such stock or interest, 10108
all of the use of the corporation's or partnership's tangible 10109
property was in an Ohio opportunity zone. In the case of 10110
qualified opportunity zone property that is qualified 10111
opportunity zone business property, the property is situated in 10112
an Ohio opportunity zone only if, during all of the fund's 10113
holding period for such property, all of the use of the property 10114
was in an Ohio opportunity zone. 10115

All terms used in division (A) of this section have the 10116
same meaning as in 26 U.S.C. 1400Z-2, except that "all" shall be 10117
substituted for "substantially all" wherever "substantially all" 10118
appears in the definition of those terms or in the definition of 10119
terms used in those terms. 10120

(2) "Ohio opportunity zone" means a qualified opportunity 10121
zone designated in this state under 26 U.S.C. 1400Z-1 before, 10122

on, or after the effective date of the enactment of this section 10123
by H.B. 166 of the 133rd general assembly. 10124

(3) "Taxpayer" and "taxable year" have the same meanings 10125
as in section 5747.01 of the Revised Code. 10126

(4) "Qualifying taxable year" means one of the following, 10127
as applicable: 10128

(a) For a taxpayer, the taxpayer's taxable year that 10129
includes the first day of a calendar year during which the Ohio 10130
qualified opportunity fund in which the credit eligible 10131
investment was made invests in a project located in an Ohio 10132
opportunity zone; 10133

(b) For a person that is not a taxpayer but is subject to 10134
federal income taxation, the person's federal taxable year that 10135
includes the first day of a calendar year during which an Ohio 10136
qualified opportunity fund in which the credit eligible 10137
investment was made invests in a project located in an Ohio 10138
opportunity zone; 10139

(c) For any other person, the calendar year during which 10140
an Ohio qualified opportunity fund in which the credit eligible 10141
investment was made invests in a project located in an Ohio 10142
opportunity zone. 10143

(5) "Business day" means a day of the week excluding 10144
Saturday, Sunday, and a legal holiday as defined under section 10145
1.14 of the Revised Code. 10146

(6) "Investment period" means the six-month period from 10147
the first day of January to the thirtieth day of June, or from 10148
the first day of July to the thirty-first day of December. 10149

(B) A person that invests in one or more Ohio qualified 10150

opportunity funds may apply to the director of housing and 10151
development for a nonrefundable credit against the tax levied 10152
under section 5747.02 of the Revised Code. The application shall 10153
be made on forms prescribed by the director. The director shall 10154
accept and review applications submitted under this section 10155
during two annual periods, the first of which begins on the 10156
tenth day of January and ends after the first day of February, 10157
and the second of which begins on the tenth day of July and ends 10158
after the first day of August. If any of those dates fall on a 10159
day that is not a business day, then the application period 10160
begins on or ends after the next business day, as applicable. 10161
The credit shall equal ten per cent of the amount of the 10162
person's investment in the fund that the fund invested during 10163
the immediately preceding investment period in projects located 10164
in Ohio opportunity zones. 10165

The person shall include the following information with 10166
the person's application: 10167

(1) The amount of the person's investment in Ohio 10168
qualified opportunity funds during the person's qualifying 10169
taxable year, arranged according to the amount invested in each 10170
such fund if the person invested in more than one such fund; 10171

(2) A statement from an employee or officer of each Ohio 10172
qualified opportunity fund identified by the person under 10173
division (B)(1) of this section certifying the amount of the 10174
person's investment in the fund and the amount of that 10175
investment the fund invested in projects located in Ohio 10176
opportunity zones during the immediately preceding investment 10177
period. The statement shall describe each project funded by the 10178
investment and state each project's location and the portion of 10179
the person's investment invested in each such project. Unless 10180

the fund demonstrates otherwise to the director's satisfaction, 10181
the amount of a person's investment that the fund invested in a 10182
project located in an Ohio opportunity zone equals the same 10183
proportion of the amount of the fund's investment in the project 10184
as the person's investment in the fund bears to the total 10185
investment by all investors in that fund on the date the fund 10186
makes the investment in the project. 10187

The director shall review and process applications in the 10188
order in which applications are received. 10189

(C) (1) Subject to division (C) (2) of this section, if the 10190
director determines that the applicant qualifies for a credit 10191
under this section, the director shall issue, within sixty days 10192
after the last day on which an application may be submitted for 10193
that application period, a tax credit certificate to the person 10194
identified with a unique number and listing the amount of credit 10195
the director determines is eligible to be claimed or 10196
transferred. 10197

(2) The total amount of tax credits issued by the director 10198
shall not exceed: 10199

(a) Seventy-five million dollars for the fiscal biennium 10200
beginning July 1, 2021, and ending June 30, 2023; 10201

(b) Fifty million dollars for fiscal year 2024; 10202

(c) Twenty-five million dollars for each fiscal year 10203
thereafter. 10204

The director shall not issue certificates to a single 10205
applicant in any fiscal biennium in an amount that exceeds two 10206
million dollars. 10207

The director may not issue a certificate under this 10208

section on the basis of any investment for which a small 10209
business investment certificate has been issued under section 10210
122.86 of the Revised Code. 10211

(3) The credit may be claimed by a taxpayer for the 10212
taxpayer's qualifying taxable year or the next ensuing taxable 10213
year. The taxpayer shall claim the credit in the order 10214
prescribed by section 5747.98 of the Revised Code. Any unused 10215
amount may be carried forward for the following five taxable 10216
years. If the certificate is issued to a pass-through entity for 10217
an investment by the entity, any taxpayer that is a direct or 10218
indirect investor in the pass-through entity on the last day of 10219
the entity's qualifying taxable year may claim the taxpayer's 10220
proportionate or distributive share of the credit against the 10221
taxpayer's aggregate amount of tax levied under that section. A 10222
person that is not a taxpayer shall not claim the credit but if 10223
the person is the applicant to which the certificate was 10224
initially issued, the person may transfer the right to claim the 10225
credit under division (E) of this section. 10226

(D) A taxpayer claiming a credit under this section shall 10227
submit a copy of the certificate with the taxpayer's return or 10228
report. 10229

(E) A person that holds a wholly or partially unclaimed 10230
certificate issued under this section may transfer the right to 10231
claim all or part of the remaining credit to any other person. 10232
To effectuate the transfer, the transferor must notify the tax 10233
commissioner, in writing, that the transferor is transferring 10234
the right to claim all or part of the remaining credit stated on 10235
the certificate. The transferor shall identify in that 10236
notification the certificate's number, the name and the tax 10237
identification number of the transferee, the amount of remaining 10238

credit transferred to the transferee, and, if applicable, the 10239
amount of remaining credit retained by the transferor. The 10240
transferee may claim the amount of credit received under this 10241
division pursuant to and in the manner required under divisions 10242
(C) (3) and (D) of this section. Transferring a credit under this 10243
division does not extend the taxable years in which the credit 10244
may be claimed or number of years for which the unclaimed credit 10245
amount may be carried forward under division (C) (3) of this 10246
section. 10247

Any person to which a credit has been transferred under 10248
this division may transfer the right to claim all or part of the 10249
transferred credit amount to any other person, in the same 10250
manner prescribed by this division for the initial transfer, 10251
including that any such transfer be reported by the transferor 10252
to the tax commissioner as described in this division. 10253

(F) On or before the first day of August each year, the 10254
director of housing and development shall submit a report to the 10255
governor, the president and minority leader of the senate, and 10256
the speaker and minority leader of the house of representatives 10257
on the tax credit program authorized under this section. The 10258
report shall include the following information: 10259

(1) The number of projects funded by investments for which 10260
a tax credit application was submitted under this section during 10261
the preceding year, the Ohio opportunity zone in which each such 10262
project is located, the number of projects funded by investments 10263
for which certificates were allocated during the preceding year, 10264
a description of each such project, and the composition of an 10265
Ohio qualified opportunity fund's investments in each project 10266
funded by investments for which a tax credit application was 10267
submitted under this section; 10268

(2) The number of persons that invested in an Ohio 10269
qualified opportunity fund and applied for a tax credit based on 10270
the fund's investment in a project during the preceding year, 10271
the name of the fund in which each such investment was made, the 10272
number of persons allocated a credit for such investments under 10273
this section, and the dollar amount of those credits; 10274

(3) A map that shows the location of each Ohio opportunity 10275
zone and that indicates which zones include existing or pending 10276
projects that are, or will be, funded by tax credit-eligible 10277
investments. 10278

Sec. 122.85. (A) As used in this section and in sections 10279
5726.55, 5733.59, 5747.66, and 5751.54 of the Revised Code: 10280

(1) "Tax credit-eligible production" means a motion 10281
picture or Broadway theatrical production certified by the 10282
director of housing and development under division (B) of this 10283
section as qualifying the production company for a tax credit 10284
under section 5726.55, 5733.59, 5747.66, or 5751.54 of the 10285
Revised Code. 10286

(2) "Certificate owner" means a production company to 10287
which a tax credit certificate is issued. 10288

(3) "Production company" means an individual, corporation, 10289
partnership, limited liability company, or other form of 10290
business association that is registered with the secretary of 10291
state and that is producing a motion picture or Broadway 10292
theatrical production. 10293

(4) "Eligible expenditures" means expenditures made after 10294
June 30, 2009, for goods or services purchased and consumed in 10295
this state by a production company directly for the production 10296
of a tax credit-eligible production, for postproduction 10297

activities, or for advertising and promotion of the production. 10298

"Eligible expenditures" do not include qualified 10299
expenditures for which a production company receives a tax 10300
credit under section 122.852 of the Revised Code. 10301

"Eligible expenditures" include expenditures for cast and 10302
crew wages, accommodations, costs of set construction and 10303
operations, editing and related services, photography, sound 10304
synchronization, lighting, wardrobe, makeup and accessories, 10305
film processing, transfer, sound mixing, special and visual 10306
effects, music, location fees, and the purchase or rental of 10307
facilities and equipment. 10308

(5) "Motion picture" means entertainment content created 10309
in whole or in part within this state for distribution or 10310
exhibition to the general public, including, but not limited to, 10311
feature-length films; documentaries; long-form, specials, 10312
miniseries, series, and interstitial television programming; 10313
interactive web sites; sound recordings; videos; music videos; 10314
interactive television; interactive games; video games; 10315
commercials; any format of digital media; and any trailer, 10316
pilot, video teaser, or demo created primarily to stimulate the 10317
sale, marketing, promotion, or exploitation of future investment 10318
in either a product or a motion picture by any means and media 10319
in any digital media format, film, or videotape, provided the 10320
motion picture qualifies as a motion picture. "Motion picture" 10321
does not include any television program created primarily as 10322
news, weather, or financial market reports, a production 10323
featuring current events or sporting events, an awards show or 10324
other gala event, a production whose sole purpose is 10325
fundraising, a long-form production that primarily markets a 10326
product or service or in-house corporate advertising or other 10327

similar productions, a production for purposes of political 10328
advocacy, or any production for which records are required to be 10329
maintained under 18 U.S.C. 2257 with respect to sexually 10330
explicit content. 10331

(6) "Broadway theatrical production" means a prebroadway 10332
production, long run production, or tour launch that is 10333
directed, managed, and performed by a professional cast and crew 10334
and that is directly associated with New York city's broadway 10335
theater district. 10336

(7) "Prebroadway production" means a live stage production 10337
that is scheduled for presentation in New York city's broadway 10338
theater district after the original or adaptive version is 10339
performed in a qualified production facility. 10340

(8) "Long run production" means a live stage production 10341
that is scheduled to be performed at a qualified production 10342
facility for more than five weeks, with an average of at least 10343
six performances per week. 10344

(9) "Tour launch" means a live stage production for which 10345
the activities comprising the technical period are conducted at 10346
a qualified production facility before a tour of the original or 10347
adaptive version of the production begins. 10348

(10) "Qualified production facility" means a facility 10349
located in this state that is used in the development or 10350
presentation to the public of theater productions. 10351

(B) For the purpose of encouraging and developing strong 10352
film and theater industries in this state, the director of 10353
housing and development may certify a motion picture or broadway 10354
theatrical production produced by a production company as a tax 10355
credit-eligible production. In the case of a television series, 10356

the director may certify the production of each episode of the series as a separate tax credit-eligible production. A production company shall apply for certification of a motion picture or Broadway theatrical production as a tax credit-eligible production on a form and in the manner prescribed by the director. Each application shall include the following information:

- (1) The name and telephone number of the production company;
- (2) The name and telephone number of the company's contact person;
- (3) A list of the first preproduction date through the last production and postproduction dates in Ohio and, in the case of a Broadway theatrical production, a list of each scheduled performance in a qualified production facility;
- (4) The Ohio production office or qualified production facility address and telephone number;
- (5) The total production budget;
- (6) The total budgeted eligible expenditures and the percentage that amount is of the total production budget of the motion picture or Broadway theatrical production;
- (7) In the case of a motion picture, the total percentage of the production being shot in Ohio;
- (8) The level of employment of cast and crew who reside in Ohio;
- (9) A synopsis of the script;
- (10) In the case of a motion picture, the shooting script;

- (11) A creative elements list that includes the names of the principal cast and crew and the producer and director; 10384
10385
- (12) Documentation of financial ability to undertake and complete the motion picture or Broadway theatrical production, including documentation that shows that the company has secured funding equal to at least fifty per cent of the total production budget; 10386
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- (13) Estimated value of the tax credit based upon total budgeted eligible expenditures; 10391
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- (14) Estimated amount of state and local taxes to be generated in this state from the production; 10393
10394
- (15) Estimated economic impact of the production in this state; 10395
10396
- (16) Any other information considered necessary by the director. 10397
10398
- Within ninety days after certification of a motion picture or Broadway theatrical production as a tax credit-eligible production, and any time thereafter upon the request of the director, the production company shall present to the director sufficient evidence of reviewable progress. If the production company fails to present sufficient evidence, the director may rescind the certification. If the production of a motion picture or Broadway theatrical production does not begin within ninety days after the date it is certified as a tax credit-eligible production, the director shall rescind the certification unless the director finds that the production company shows good cause for the delay, meaning that the production was delayed due to unforeseeable circumstances beyond the production company's control or due to action or inaction by a government agency. 10399
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Upon rescission, the director shall notify the applicant that 10413
the certification has been rescinded. Nothing in this section 10414
prohibits an applicant whose tax credit-eligible production 10415
certification has been rescinded from submitting a subsequent 10416
application for certification. 10417

(C) (1) A production company whose motion picture or 10418
broadway theatrical production has been certified as a tax 10419
credit-eligible production may apply to the director of housing 10420
and development on or after July 1, 2009, for a refundable 10421
credit against the tax imposed by section 5726.02, 5733.06, 10422
5747.02, or 5751.02 of the Revised Code. The director in 10423
consultation with the tax commissioner shall prescribe the form 10424
and manner of the application and the information or 10425
documentation required to be submitted with the application. 10426

The credit is determined as follows: 10427

(a) If the total budgeted eligible expenditures stated in 10428
the application submitted under division (B) of this section or 10429
the actual eligible expenditures as finally determined under 10430
division (D) of this section, whichever is least, is less than 10431
or equal to three hundred thousand dollars, no credit is 10432
allowed; 10433

(b) If the total budgeted eligible expenditures stated in 10434
the application submitted under division (B) of this section or 10435
the actual eligible expenditures as finally determined under 10436
division (D) of this section, whichever is least, is greater 10437
than three hundred thousand dollars, the credit equals thirty 10438
per cent of the least of such budgeted or actual eligible 10439
expenditure amounts. 10440

(2) Except as provided in division (C) (4) of this section, 10441

if the director of housing and development approves a production 10442
company's application for a credit, the director shall issue a 10443
tax credit certificate to the company. The director in 10444
consultation with the tax commissioner shall prescribe the form 10445
and manner of issuing certificates. The director shall assign a 10446
unique identifying number to each tax credit certificate and 10447
shall record the certificate in a register devised and 10448
maintained by the director for that purpose. The certificate 10449
shall state the amount of the eligible expenditures on which the 10450
credit is based and the amount of the credit. Upon the issuance 10451
of a certificate, the director shall certify to the tax 10452
commissioner the name of the production company to which the 10453
certificate was issued, the amount of eligible expenditures 10454
shown on the certificate, the amount of the credit, and any 10455
other information required by the rules adopted to administer 10456
this section. 10457

(3) The amount of eligible expenditures for which a tax 10458
credit may be claimed is subject to inspection and examination 10459
by the tax commissioner or employees of the commissioner under 10460
section 5703.19 of the Revised Code and any other applicable 10461
law. Once the eligible expenditures are finally determined under 10462
section 5703.19 of the Revised Code and division (D) of this 10463
section, the credit amount is not subject to adjustment unless 10464
the director determines an error was committed in the 10465
computation of the credit amount. 10466

(4) No tax credit certificate may be issued before the 10467
completion of the tax credit-eligible production. The amount of 10468
tax credit allowed per fiscal year shall not exceed the sum of 10469
(a) fifty million dollars, (b) the difference between the 10470
maximum credit amount for that fiscal year under section 122.852 10471
of the Revised Code and the amount the director of housing and 10472

development elects to allow under this section pursuant to 10473
division (D) (1) of section 122.852 of the Revised Code, and (c) 10474
the difference between the maximum amount of credits that could 10475
have been awarded in the previous fiscal year under this section 10476
and the amount actually awarded. Out of that sum, five million 10477
dollars shall be reserved for Broadway theatrical productions, 10478
and the balance may be allowed for any tax credit-eligible 10479
production. For any fiscal year in which less than five million 10480
dollars of tax credits are allowed for Broadway theatrical 10481
productions, the amount of the five million dollars not allowed 10482
and added to the maximum annual amount for the following fiscal 10483
year shall be reserved for Broadway theatrical productions in 10484
the following fiscal year. 10485

(5) The director shall review and approve applications for 10486
tax credits in two rounds each fiscal year. The first round of 10487
credits shall be awarded not later than the last day of July of 10488
the fiscal year, and the second round of credits shall be 10489
awarded not later than the last day of the ensuing January. The 10490
amount of credits awarded in the first round of applications 10491
each fiscal year shall not exceed one-half of the maximum 10492
allowance for the fiscal year calculated under division (C) (4) 10493
of this section, two million five hundred thousand dollars of 10494
which shall be reserved for Broadway theatrical productions. For 10495
each round, the director shall rank applications on the basis of 10496
the extent of positive economic impact each tax credit-eligible 10497
production is likely to have in this state and the effect on 10498
developing a permanent workforce in motion picture or theatrical 10499
production industries in the state. For the purpose of such 10500
ranking, the director shall give priority to tax-credit eligible 10501
productions that are television series or miniseries due to the 10502
long-term commitment typically associated with such productions. 10503

The economic impact ranking shall be based on the production 10504
company's total expenditures in this state directly associated 10505
with the tax credit-eligible production. The effect on 10506
developing a permanent workforce in the motion picture or 10507
theatrical production industries shall be evaluated first by the 10508
number of new jobs created and second by amount of payroll added 10509
with respect to employees in this state. 10510

The director shall approve productions in the order of 10511
their ranking, from those with the greatest positive economic 10512
impact and workforce development effect to those with the least 10513
positive economic impact and workforce development effect. 10514

(D) A production company whose motion picture or Broadway 10515
theatrical production has been certified as a tax credit- 10516
eligible production shall engage, at the company's expense, an 10517
independent certified public accountant to examine the company's 10518
production, postproduction, and advertising and promotion 10519
expenditures to identify the expenditures that qualify as 10520
eligible expenditures. The certified public accountant shall 10521
issue a report to the company and to the director of housing and 10522
development certifying the company's eligible expenditures and 10523
any other information required by the director. Upon receiving 10524
and examining the report, the director may disallow any 10525
expenditure the director determines is not an eligible 10526
expenditure. If the director disallows an expenditure, the 10527
director shall issue a written notice to the production company 10528
stating that the expenditure is disallowed and the reason for 10529
the disallowance. Upon examination of the report and 10530
disallowance of any expenditures, the director shall determine 10531
finally the lesser of the total budgeted eligible expenditures 10532
stated in the application submitted under division (B) of this 10533
section or the actual eligible expenditures for the purpose of 10534

computing the amount of the credit. 10535

(E) No credit shall be allowed under section 5726.55, 10536
5733.59, 5747.66, or 5751.54 of the Revised Code unless the 10537
director has reviewed the report and made the determination 10538
prescribed by division (D) of this section. 10539

(F) This state reserves the right to refuse the use of 10540
this state's name in the credits of any tax credit-eligible 10541
motion picture production or program of any Broadway theatrical 10542
production. 10543

(G) (1) The director of housing and development in 10544
consultation with the tax commissioner shall adopt rules for the 10545
administration of this section, including rules setting forth 10546
and governing the criteria for determining whether a motion 10547
picture or Broadway theatrical production is a tax credit- 10548
eligible production; activities that constitute the production 10549
or postproduction of a motion picture or Broadway theatrical 10550
production; reporting sufficient evidence of reviewable 10551
progress; expenditures that qualify as eligible expenditures; a 10552
schedule and deadlines for applications to be submitted and 10553
reviewed; a competitive process for approving credits based on 10554
likely economic impact in this state and development of a 10555
permanent workforce in motion picture or theatrical production 10556
industries in this state; consideration of geographic 10557
distribution of credits; and implementation of the program 10558
described in division (H) of this section. The rules shall be 10559
adopted under Chapter 119. of the Revised Code. 10560

(2) To cover the administrative costs of the program, the 10561
director shall require each applicant to pay an application fee 10562
equal to the lesser of ten thousand dollars or one per cent of 10563
the estimated value of the tax credit as stated in the 10564

application. The fees collected shall be credited to the tax 10565
incentives operating fund created in section 122.174 of the 10566
Revised Code. All grants, gifts, fees, and contributions made to 10567
the director for marketing and promotion of the motion picture 10568
industry within this state shall also be credited to the fund. 10569

(H) The director of housing and development shall 10570
establish a program for the training of Ohio residents who are 10571
or wish to be employed in the film or multimedia industry. Under 10572
the program, the director shall: 10573

(1) Certify individuals as film and multimedia trainees. 10574
In order to receive such a certification, an individual must be 10575
an Ohio resident, have participated in relevant on-the-job 10576
training or have completed a relevant training course approved 10577
by the director, and have met any other requirements established 10578
by the director. 10579

(2) Accept applications from production companies that 10580
intend to hire and provide on-the-job training to one or more 10581
certified film and multimedia trainees who will be employed in 10582
the company's tax credit-eligible production; 10583

(3) Upon completion of a tax-credit eligible production, 10584
and upon the receipt of any salary information and other 10585
documentation required by the director, authorize a 10586
reimbursement payment to each production company whose 10587
application was approved under division (H) (2) of this section. 10588
The payment shall equal fifty per cent of the salaries paid to 10589
film and multimedia trainees employed in the production. 10590

Sec. 122.851. (A) As used in this section: 10591

(1) "Venture capital operating company" has the same 10592
meaning as in 29 C.F.R. 2510.3-101. 10593

(2) "Ohio venture capital operating company" means a 10594
venture capital operating company certified by the director of 10595
housing and development as having met the requirements 10596
prescribed by division (B) of this section. A venture capital 10597
operating company is an Ohio venture capital operating company 10598
only for so long as the certification is valid. 10599

(3) "Ohio business" means a business that, in either the 10600
calendar year in which a capital gain from the business is 10601
recognized by the Ohio venture capital operating company or its 10602
direct or indirect investors or the calendar year in which the 10603
Ohio venture capital operating company distributes an equity 10604
interest or security in the business, has its headquarters in 10605
this state and employs more than one-half of the total number of 10606
its full-time equivalent employees in this state. For the 10607
purpose of this section, an employee is employed in this state 10608
if the business is required to withhold income tax under section 10609
5747.06 of the Revised Code for fifty per cent or more of the 10610
compensation paid to the employee in either the calendar year in 10611
which the Ohio venture capital operating company or its direct 10612
or indirect investors recognize a capital gain from the business 10613
or the calendar year in which the Ohio venture capital operating 10614
company distributes an equity interest or security in the 10615
business, as applicable. 10616

(4) "Qualifying interest" means a direct or indirect 10617
ownership interest acquired through an investment of cash or 10618
cash equivalent made in, or the provision of services to, a 10619
venture capital operating company during the period for which it 10620
was certified as an Ohio venture capital operating company. 10621

(B) (1) A venture capital operating company may apply to 10622
the director of housing and development for certification as an 10623

Ohio venture capital operating company if it manages, or has 10624
capital commitments of, at least fifty million dollars in active 10625
assets and at least two-thirds of its managing and general 10626
partners are residents of Ohio under division (I) of section 10627
5747.01 of the Revised Code. The director, in consultation with 10628
the tax commissioner, shall prescribe the form and manner of the 10629
application and the information or documentation required to be 10630
submitted with the application. 10631

(2) The director shall review and make a determination 10632
with respect to each application submitted under this division 10633
within sixty days of receipt. The director shall grant 10634
certification to any applicant that meets the criteria 10635
prescribed by this division. The director shall decline 10636
certification of any applicant that does not meet such criteria. 10637
The director shall notify the applicant and the tax commissioner 10638
of the director's determination in writing. 10639

(C) (1) Certification as an Ohio venture capital operating 10640
company is valid for as long as the company continues to qualify 10641
as a venture capital operating company and meets the criteria 10642
prescribed by division (B) (1) of this section. 10643

(2) A company that no longer qualifies as a venture 10644
capital operating company or no longer meets the criteria 10645
prescribed by division (B) (1) of this section shall notify the 10646
director within thirty days of the date the company ceases to 10647
qualify. 10648

(3) Upon receiving such a notification or upon otherwise 10649
discovering that an Ohio venture capital operating company no 10650
longer qualifies for certification, the director shall issue a 10651
written notice of revocation to the venture capital operating 10652
company and the tax commissioner. The notice shall state the 10653

effective date of the revocation, which shall be the date the
company ceased to qualify for certification as an Ohio venture
capital operating company.

(4) An Ohio venture capital operating company receiving
such a notice may contest the director's decision to revoke its
certification or the effective date of that revocation by
submitting additional information or documentation to the
director and requesting reconsideration in writing within thirty
days of the notice of revocation based on that information or
documentation. The director shall review and evaluate any such
requests within thirty days of receipt. The director shall
notify the company and tax commissioner in writing of the
director's decision on the request, which shall not be subject
to appeal or further review.

(D) (1) On or after the first day of January and on or
before the first day of February of each year, a company that is
certified as an Ohio venture capital operating company shall
provide the following information, on forms prescribed by the
director of housing and development, to the director and the tax
commissioner:

(a) The name, social security or federal employer
identification number, and ownership percentage of each person
with a qualifying interest in the company;

(b) The amount of capital gains generated during the
portion of the previous calendar year during which the company
was certified as an Ohio venture capital operating company;

(c) A description of the company's investments that
generated the capital gains described in division (D) (1) (b) of
this section, including the date of sale and whether the

investment was in an Ohio business; 10683

(d) The amount of, and basis in, any equity interests or 10684
securities distributed to each investor, arranged by entity, 10685
while the company was certified as an Ohio venture capital 10686
operating company and whether the entity is an Ohio business; 10687

(e) Any other information the director, in consultation 10688
with the tax commissioner, considers relevant and necessary to 10689
administer the deduction allowed under division (A) (35) of 10690
section 5747.01 of the Revised Code. 10691

(2) The director shall review the information submitted 10692
under division (D) (1) of this section by an Ohio venture capital 10693
operating company within sixty days of receipt. If the company 10694
generated capital gains that qualify for the deduction allowed 10695
under division (A) (35) of section 5747.01 of the Revised Code or 10696
distributed equity interests or securities that, when sold, will 10697
qualify for the deduction once income is recognized from its 10698
disposition, the director shall issue a certificate to the 10699
company. The certificate shall include a unique number and the 10700
following information: 10701

(a) The total amount of capital gains generated during the 10702
portion of the year during which the company was certified as an 10703
Ohio venture capital operating company; 10704

(b) The portion of the capital gains attributable to the 10705
company's investments in Ohio businesses; and 10706

(c) The total amount of, and basis in, any equity 10707
interests or securities distributed during the portion of the 10708
year during which the company was certified as an Ohio venture 10709
capital operating company; 10710

(d) The portion of the distributed equity interests or 10711

securities attributable to the company's investments in Ohio 10712
businesses; 10713

(e) The portion of the amounts described in divisions (D) 10714
(2) (a) and (b) of this section attributable to each individual 10715
with a qualifying interest in the company; 10716

(f) Any other information the director or tax commissioner 10717
considers necessary for the administration of the deduction 10718
allowed under division (A) (35) of section 5747.01 of the Revised 10719
Code. 10720

(E) An Ohio venture capital operating company shall 10721
provide each person with a qualifying interest in the company 10722
with a copy of the certificate issued under division (D) of this 10723
section and any other documentation necessary to compute the 10724
adjustments under division (A) (35) of section 5747.01 of the 10725
Revised Code. A pass-through entity that receives a certificate 10726
issued under this division from an Ohio venture capital 10727
operating company shall provide its investors with a copy of the 10728
certificate and any other documentation necessary to compute the 10729
adjustments under division (A) (35) of section 5747.01 of the 10730
Revised Code. 10731

A taxpayer claiming a deduction under division (A) (35) (a) 10732
of section 5747.01 of the Revised Code shall provide, upon 10733
request of the tax commissioner, a copy of that certificate. The 10734
taxpayer shall retain a copy of the certificate for four years 10735
from the later of the final filing date of the return on which 10736
the deduction was claimed or the date the return on which the 10737
deduction was claimed is filed. 10738

(F) The director of housing and development, in 10739
consultation with the tax commissioner, may adopt rules in 10740

accordance with Chapter 119. of the Revised Code as are 10741
necessary to administer this section. 10742

Sec. 122.852. (A) As used in this section: 10743

(1) "Capital improvement project" means a project that 10744
consists of acquiring, constructing, rehabilitating, repairing, 10745
redeveloping, expanding, or improving facilities located, or 10746
equipment used in this state for production and postproduction 10747
of motion pictures or Broadway theatrical productions. 10748

(2) "Qualified expenditures" means expenditures incurred 10749
by a production company after June 30, 2023, for goods and 10750
services purchased and consumed directly for a capital 10751
improvement project. "Qualified expenditures" include accounting 10752
or auditing expenditures incurred in connection with the report 10753
required by division (F) of this section if paid to an 10754
independent certified public accountant certified, or an 10755
accounting firm registered under Chapter 4701. of the Revised 10756
Code. "Qualified expenditures" do not include eligible 10757
expenditures for which a production company received a tax 10758
credit under section 122.85 of the Revised Code. 10759

(3) "Certificate owner" means a production company to 10760
which a tax credit certificate is issued under division (H) of 10761
this section or a person to which all or part of a tax credit is 10762
transferred under division (I) of this section. 10763

(4) "Production company," "eligible expenditures," "motion 10764
picture," and "Broadway theatrical production" have the same 10765
meanings as in section 122.85 of the Revised Code. 10766

(B) For the purpose of encouraging and developing strong 10767
film and theater industries in this state, the director of 10768
housing and development may award a refundable credit against 10769

the tax imposed by section 5726.02, 5747.02, or 5751.02 of the Revised Code to a production company that completes a capital improvement project expected to have a positive economic impact in this state as a whole, or in any community in this state in which the facilities or equipment involved in the project are or will be located. A production company may apply to the director for a credit on a form and in the manner prescribed by rules adopted under division (J) of this section. An application may be submitted before, during, or after completion of the capital improvement project, but not sooner than July 1, 2024, and shall include all of the following information:

(1) The name, address, telephone number, and taxpayer identification number of the production company;

(2) A detailed description of the capital improvement project including the location of the facilities or equipment involved in the project and an explanation of how those facilities or equipment are intended to be used in the production or postproduction of motion pictures or Broadway theatrical productions in this state;

(3) (a) If the capital improvement project is complete at the time the application is submitted, a schedule documenting the progression of the project from its commencement to its completion;

(b) If the capital improvement project is not complete at the time the application is submitted, a schedule for the progression, completion, and, if applicable, commencement of the project.

(4) An estimate of the amount of the project's qualified expenditures that have been or will be incurred by the

production company and, if the project is not complete at the 10799
time the application is submitted, documentation of the 10800
company's financial ability to complete the project, including 10801
documentation that shows the company has secured funding, other 10802
than the tax credit authorized by this section, equal to at 10803
least fifty per cent of the total cost of the project; 10804

(5) The estimated credit amount, which shall equal the 10805
lesser of five million dollars or twenty-five per cent of the 10806
production company's estimated qualified expenditures; 10807

(6) The estimated economic impact of the capital 10808
improvement project in this state as a whole, and in any 10809
community in this state in which the facilities or equipment 10810
involved in the project are or will be located; 10811

(7) Any other information considered necessary by the 10812
director. 10813

(C) The director shall review, evaluate, and approve 10814
applications in one round per fiscal year. For each round, the 10815
director shall rank applications on the basis of the capital 10816
improvement project's likely positive economic impact and effect 10817
on developing a permanent workforce in motion picture or 10818
theatrical production industries in the state as a whole, and in 10819
any community in this state in which the facilities or equipment 10820
involved in the project are or will be located. The effect on 10821
developing a permanent workforce in the motion picture or 10822
theatrical production industries shall be evaluated first by the 10823
number of new jobs created and second by amount of payroll added 10824
with respect to employees in this state. Subject to division (D) 10825
(2) of this section, the director shall approve applications in 10826
the order of their ranking, from those with the greatest 10827
positive economic impact and workforce development effect to 10828

those with the least positive economic impact and workforce 10829
development effect. The director shall not approve an 10830
application or issue a tax credit certificate for a capital 10831
improvement project that is not likely to have a positive 10832
economic impact or workforce development impact in either the 10833
state as a whole, or any community in this state in which the 10834
facilities or equipment involved in the project are or will be 10835
located. 10836

(D) (1) The director shall not approve more than twenty- 10837
five million dollars in estimated tax credits in total per 10838
fiscal year provided that, for any fiscal year in which the 10839
amount of estimated credits approved under this section is less 10840
than the maximum annual amount, the amount not approved for that 10841
fiscal year shall be added to the maximum annual amount that may 10842
be approved for the following fiscal year. 10843

If the director rescinds approval of a capital improvement 10844
project under division (E) (2) of this section, the estimated 10845
credit amount attributed to that project shall be added back to 10846
the maximum total annual credit amount for that fiscal year. If 10847
the actual credit amount computed under division (H) of this 10848
section is less than the estimated credit amount approved by the 10849
director, the difference shall be added back to the maximum 10850
total annual credit amount for that fiscal year. 10851

In any fiscal year, the director may reduce the maximum 10852
amount calculated under division (D) (1) of this section and 10853
increase the maximum amount calculated under division (C) (4) of 10854
section 122.85 of the Revised Code by the amount of that 10855
reduction. 10856

(2) The director shall not approve more than five million 10857
dollars in estimated tax credits per fiscal year for capital 10858

improvement projects located in any single county. 10859

(E) (1) Within ninety days after the director of housing 10860
and development approves a capital improvement project that was 10861
not complete at the time of the production company's 10862
application, the production company shall submit sufficient 10863
evidence of reviewable progress to the director. The director 10864
may request additional updates from the production company 10865
regarding the progression of the project as often as the 10866
director considers necessary until the project is complete or 10867
approval of the project is rescinded. The production company 10868
shall respond to each such request within thirty days. 10869

(2) The director may rescind approval of a capital 10870
improvement project if the production company fails to timely 10871
submit evidence of reviewable progress or respond to the 10872
director's request for a project update, as required by division 10873
(E) (1) of this section, or if the director determines that the 10874
progression of the project is significantly behind the schedule 10875
submitted in the tax credit application. The director shall 10876
rescind approval of a project that does not begin within ninety 10877
days after the date the application is approved unless the 10878
production company shows good cause for the delay, meaning that 10879
the project was delayed due to unforeseeable circumstances 10880
beyond the production company's control or due to action or 10881
inaction by a government agency. 10882

(3) The director shall notify the production company upon 10883
rescinding approval of a capital improvement project. Nothing in 10884
this section prohibits the production company from reapplying 10885
for approval of the same capital improvement project. 10886

(F) (1) A production company whose capital improvement 10887
project is approved by the director of housing and development 10888

shall engage, at the company's expense, an independent certified 10889
public accountant to examine the company's qualified 10890
expenditures. Within ninety days after the director approves the 10891
project or within ninety days after a project approved by the 10892
director is complete, whichever is later, the certified public 10893
accountant shall issue a report to the company and to the 10894
director that includes all of the following: 10895

(a) The amount of the company's actual qualified 10896
expenditures; 10897

(b) Completed copies of all accounting and auditing forms 10898
required by the director in connection with the capital 10899
improvement project; 10900

(c) An itemized review of all contract and expense items 10901
of ten thousand dollars or more that are reported as qualified 10902
expenditures; 10903

(d) An itemized review of at least one-half of the 10904
contract and expense items of less than ten thousand dollars 10905
that are reported as qualified expenditures, both in terms of 10906
the total number of such contracts and items and the total 10907
amount of qualified expenditures reported for such contracts and 10908
items; 10909

(e) Certification that all goods and services reported as 10910
qualified expenditures were purchased and consumed in this 10911
state. 10912

(2) Upon receiving and examining the report, the director 10913
may disallow any expenditure the director determines is not a 10914
qualified expenditure. If the director disallows an expenditure, 10915
the director shall issue a written notice to the production 10916
company stating that the expenditure is disallowed and the 10917

reason for the disallowance. Upon examination of the report and 10918
disallowance of any expenditures, the director shall determine 10919
the production company's actual qualified expenditures for the 10920
purpose of computing the amount of the credit. 10921

(3) Qualified expenditures reported by the production 10922
company are subject to inspection and examination by the tax 10923
commissioner or employees of the commissioner under section 10924
5703.19 of the Revised Code and any other applicable law. Once 10925
the qualified expenditures are finally determined under division 10926
(F) (2) of this section, the credit amount is not subject to 10927
adjustment unless the director determines an error was committed 10928
in the computation of the credit amount. 10929

(G) After reviewing the report and making the 10930
determination prescribed by division (F) of this section, the 10931
director of housing and development shall issue a tax credit 10932
certificate to the production company. The director, in 10933
consultation with the tax commissioner, shall prescribe the form 10934
and manner of issuing certificates. The director shall assign a 10935
unique identifying number to each tax credit certificate and 10936
shall record the certificate in a register devised and 10937
maintained by the director for that purpose. The certificate 10938
shall state the amount of the credit and the amount of the 10939
qualified expenditures upon which the credit is based. Upon 10940
issuance of a certificate, the director shall certify to the tax 10941
commissioner the name of the production company to which the 10942
certificate was issued, the amount of qualified expenditures 10943
shown on the certificate, the amount of the credit, and any 10944
other information required by the rules adopted to administer 10945
this section. 10946

(H) The credit amount stated on the tax credit certificate 10947

shall equal the lesser of the following: 10948

(1) Twenty-five per cent of the production company's 10949
actual qualified expenditures, as determined by the director of 10950
housing and development under division (F) of this section; 10951

(2) The estimated credit amount specified in the 10952
production company's tax credit application under division (B) 10953
(5) of this section; 10954

(3) Five million dollars. 10955

(I) (1) A production company to which a tax credit 10956
certificate is issued under division (H) of this section may 10957
transfer the authority to claim all or a portion of the amount 10958
of the tax credit the production company is authorized to claim 10959
pursuant to that certificate under section 5726.59, 5747.67, or 10960
5751.55 of the Revised Code to one or more other persons. Within 10961
thirty days after a transfer under this division, the production 10962
company shall submit the following information to the director 10963
of housing and development, on a form prescribed by the 10964
director: 10965

(a) Information necessary for the director to identify the 10966
certificate that is the basis for the transfer; 10967

(b) The portion or amount of the tax credit transferred to 10968
each transferee; 10969

(c) The portion or amount of the tax credit that the 10970
production company retains the authority to claim; 10971

(d) The tax identification number of each transferee; 10972

(e) The date of the transfer; 10973

(f) Any other information required by the director; 10974

(g) Any information required by the tax commissioner. 10975

The director shall deliver a copy of any submission 10976
received under division (I)(1) of this section to the tax 10977
commissioner. 10978

(2) A transferee may not claim a credit under section 10979
5726.59, 5747.67, or 5751.55 of the Revised Code unless and 10980
until the transferring production company complies with division 10981
(I)(1) of this section. A transferee may claim the transferred 10982
amount of any credit or portion of a credit for the same taxable 10983
year or tax period for which the transferring production company 10984
was authorized to claim the credit or portion of a credit 10985
pursuant to the certificate. A production company shall make no 10986
transfer under division (I)(1) of this section after the last 10987
day of the tax period or taxable year for which the production 10988
company is required to claim the credit pursuant to the 10989
certificate. 10990

A production company may make not more than one transfer 10991
under division (I)(1) of this section for each tax credit 10992
certificate, but pursuant to that transaction, may allocate the 10993
authority to claim a portion of the credit to more than one 10994
transferee. A production company may not authorize more than one 10995
transferee to claim the same portion of a credit. No transferee 10996
may transfer the right to claim the credit to another person. 10997

(J) The director of housing and development, in 10998
consultation with the tax commissioner, shall adopt rules in 10999
accordance with Chapter 119. of the Revised Code for the 11000
administration of this section, including rules setting forth 11001
and governing the criteria for reporting sufficient evidence of 11002
reviewable progress; expenditures that are qualified 11003
expenditures; a schedule and deadlines for applications to be 11004

submitted and reviewed; a competitive process for approving 11005
credits based on likely economic impact and development of a 11006
permanent workforce in motion picture or theatrical production 11007
industries; and consideration of geographic distribution of 11008
credits. 11009

To cover the administrative costs of the program, the 11010
director shall require each applicant to pay an application fee 11011
equal to the lesser of ten thousand dollars or one per cent of 11012
the estimated value of the tax credit as stated in the 11013
application. The fees collected shall be credited to the tax 11014
incentives operating fund created in section 122.174 of the 11015
Revised Code. 11016

Sec. 122.86. (A) As used in this section and section 11017
5747.81 of the Revised Code: 11018

(1) "Small business enterprise" means a corporation, pass- 11019
through entity, or other person satisfying all of the following: 11020

(a) At the time of a qualifying investment, the enterprise 11021
meets all of the following requirements: 11022

(i) Has no outstanding tax or other liabilities owed to 11023
the state; 11024

(ii) Is in good standing with the secretary of state, if 11025
the enterprise is required to be registered with the secretary; 11026

(iii) Is current with any court-ordered payments; 11027

(iv) Is not engaged in any illegal activity. 11028

(b) At the time of a qualifying investment, the 11029
enterprise's assets according to generally accepted accounting 11030
principles do not exceed fifty million dollars, or its annual 11031
sales do not exceed ten million dollars. When making this 11032

determination, the assets and annual sales of all of the 11033
enterprise's related or affiliated entities shall be included in 11034
the calculation. 11035

(c) At the time of a qualifying investment and for the 11036
two-year period immediately preceding the qualifying investment, 11037
the enterprise employs at least fifty full-time equivalent 11038
employees in this state for whom the enterprise is required to 11039
withhold income tax under section 5747.06 of the Revised Code, 11040
or more than one-half the enterprise's total number of full-time 11041
equivalent employees employed anywhere in the United States are 11042
employed in this state and are subject to that withholding 11043
requirement. 11044

(d) The enterprise, within six months after an eligible 11045
investor's qualifying investment is made, incurs cost for one or 11046
more of the following: 11047

(i) Tangible personal property, other than motor vehicles 11048
operated on public roads and highways, used in business and 11049
physically located in this state from the time of its 11050
acquisition by the enterprise until the end of the investor's 11051
holding period, including the installation of such tangible 11052
personal property; 11053

(ii) Motor vehicles operated on public roads and highways 11054
if, from the time of acquisition by the enterprise until the end 11055
of the investor's holding period, the motor vehicles are 11056
purchased in this state, registered in this state under Chapter 11057
4503. of the Revised Code, are used primarily for business 11058
purposes, and are necessary for the operation of the 11059
enterprise's business; 11060

(iii) Real property located in this state that is used in 11061

the business from the time of its acquisition by the enterprise 11062
until the end of the holding period; 11063

(iv) Leasehold improvements and construction costs for 11064
property located in this state that is used in the business from 11065
the time its improvement or construction was completed until the 11066
end of the holding period; 11067

(v) Compensation for new employees of the enterprise hired 11068
after the date the qualifying investment is made for whom the 11069
enterprise is required to withhold income tax under section 11070
5747.06 of the Revised Code. 11071

(2) "Qualifying investment" means an investment of money 11072
made on or after July 1, 2019, to acquire capital stock or other 11073
equity interest in a small business enterprise. "Qualifying 11074
investment" does not include either of the following: 11075

(a) Any investment of money an eligible investor derives, 11076
directly or indirectly, from a grant or loan from the federal 11077
government or the state or a political subdivision, including 11078
the third frontier program under Chapter 184. of the Revised 11079
Code; 11080

(b) Any investment of money which is the basis of a tax 11081
credit granted under any other section of the Revised Code. 11082

(3) "Eligible investor" means an individual, estate, or 11083
trust subject to the tax imposed by section 5747.02 of the 11084
Revised Code, or a pass-through entity in which such an 11085
individual, estate, or trust holds a direct or indirect 11086
ownership or other equity interest. To qualify as an eligible 11087
investor, the individual, estate, trust, or pass-through entity 11088
shall not owe any outstanding tax or other liability to the 11089
state at the time of a qualifying investment. 11090

(4) "Holding period" means the two-year period beginning 11091
on the day a qualifying investment is made. 11092

(5) "Pass-through entity" has the same meaning as in 11093
section 5733.04 of the Revised Code. 11094

(B) An eligible investor that makes a qualifying 11095
investment in a small business enterprise on or after July 1, 11096
2019, may apply to the director of housing and development 11097
~~services~~ to obtain an allocation for a small business investment 11098
certificate from the director. Alternatively, a small business 11099
enterprise may apply on behalf of eligible investors to obtain 11100
the allocation for those investors. The application must be 11101
submitted to the director within sixty days after the date of 11102
the qualifying investment, but within the same biennium as the 11103
qualifying investment. The director, in consultation with the 11104
tax commissioner, shall prescribe the form or manner in which an 11105
applicant shall apply for the certificate, devise the form of 11106
the certificate, and prescribe any records or other information 11107
an applicant shall furnish with the application to evidence the 11108
qualifying investment. The applicant shall pay an application 11109
fee equal to the greater of one-tenth of one per cent of the 11110
amount of the intended investment or one hundred dollars. 11111

The director of housing and development ~~services~~ may 11112
reserve small business investment allocations to qualifying 11113
applicants in the order in which the director receives 11114
applications. An application is completed when the director has 11115
validated that an eligible investor has made a qualified 11116
investment and receives all required documentation needed to 11117
demonstrate the small business enterprise satisfies the 11118
requirements of division (A) (1) of this section. To qualify for 11119
an allocation, an eligible investor must satisfy both of the 11120

following, subject to the limitation on the amount of qualifying 11121
investments for which allocations may be issued under division 11122
(C) of this section: 11123

(1) The eligible investor makes a qualifying investment on 11124
or after July 1, 2019. 11125

(2) The eligible investor pledges not to sell or otherwise 11126
dispose of the qualifying investment before the conclusion of 11127
the applicable holding period. 11128

(C) (1) The amount of any eligible investor's qualifying 11129
investments for which small business investment allocations may 11130
be issued for a fiscal biennium shall not exceed ten million 11131
dollars. 11132

(2) The director of housing and development ~~services~~ shall 11133
not issue a small business investment allocation to an eligible 11134
investor representing an amount of qualifying investment in 11135
excess of the amount of the investment indicated on the 11136
investor's application. 11137

(3) For any fiscal biennium beginning before July 1, 2019, 11138
the director of housing and development ~~services~~ shall not issue 11139
small business investment allocations in a total amount that 11140
would cause the tax credits claimed in that biennium to exceed 11141
one hundred million dollars. For any fiscal biennium beginning 11142
on or after July 1, 2019, the director shall not issue small 11143
business investment allocations in a total amount that would 11144
cause the tax credits claimed in that biennium to exceed fifty 11145
million dollars. 11146

(4) The director of housing and development ~~services~~ may 11147
issue a small business investment allocation only if both of the 11148
following apply at the time of issuance: 11149

(a) The small business enterprise meets all the requirements listed in divisions (A) (1) (a) (i) to (iv) of this section;

(b) The eligible investor does not owe any outstanding tax or other liability to the state.

(5) The director shall not issue a small business investment allocation on the basis of any investment for which an Ohio opportunity zone investment certificate has been issued under section 122.84 of the Revised Code.

(D) Before the end of the applicable holding period of a qualifying investment, each enterprise in which a qualifying investment was made for which a small business investment allocation has been issued, upon the request of the director of housing and development~~services~~, shall provide to the director records or other evidence satisfactory to the director that the enterprise is a small business enterprise for the purposes of this section. Each enterprise shall also provide annually to the director records or evidence regarding the number of jobs created or retained in the state. The director shall compile and maintain a register of small business enterprises qualifying under this section and shall certify the register to the tax commissioner. The director shall also compile and maintain a record of the number of jobs created or retained as a result of qualifying investments made pursuant to this section.

(E) After the conclusion of the applicable holding period for a qualifying investment, a person to whom a small business investment allocation has been issued under this section shall receive a small business investment certification, which entitles the person to claim a credit as provided under section 5747.81 of the Revised Code. However, no certificate may be

issued if the director finds that any requirement under this 11180
section is not met. 11181

(F) The director of housing and development~~services~~, in 11182
consultation with the tax commissioner, may adopt rules for the 11183
administration of this section, including rules governing the 11184
following: 11185

(1) Documents, records, or other information eligible 11186
investors shall provide to the director; 11187

(2) Any information a small business enterprise shall 11188
provide for the purposes of this section and section 5747.81 of 11189
the Revised Code; 11190

(3) Determination of the number of full-time equivalent 11191
employees of a small business enterprise; 11192

(4) Verification of a small business enterprise's 11193
investment; 11194

(5) Circumstances under which small business enterprises 11195
or eligible investors may be subverting the purposes of this 11196
section and section 5747.81 of the Revised Code. 11197

(G) Application fees paid under division (B) of this 11198
section shall be credited to the tax incentives operating fund 11199
created in section 122.174 of the Revised Code. 11200

Sec. 122.88. (A) There is hereby created in the state 11201
treasury the minority business bonding fund, consisting of 11202
moneys deposited or credited to it pursuant to section 169.05 of 11203
the Revised Code; all grants, gifts, and contributions received 11204
pursuant to division (B) (9) of section 122.74 of the Revised 11205
Code; all moneys recovered following defaults; and any other 11206
moneys obtained by the director of housing and development for 11207

the purposes of sections 122.87 to 122.90 of the Revised Code. 11208
The fund shall be administered by the director. Moneys in the 11209
fund shall be held in trust for the purposes of sections 122.87 11210
to 122.90 of the Revised Code. 11211

(B) Any claims against the state arising from defaults 11212
shall be payable from the minority business bonding program 11213
administrative and loss reserve fund as provided in division (C) 11214
of this section or from the minority business bonding fund. 11215
Nothing in sections 122.87 to 122.90 of the Revised Code grants 11216
or pledges to any obligee or other person any state moneys other 11217
than the moneys in the minority business bonding program 11218
administrative and loss reserve fund or the minority business 11219
bonding fund, or moneys available to the minority business 11220
bonding fund upon request of the director in accordance with 11221
division (B) of section 169.05 of the Revised Code. 11222

(C) There is hereby created in the state treasury the 11223
minority business bonding program administrative and loss 11224
reserve fund, consisting of all premiums charged and collected 11225
in accordance with section 122.89 of the Revised Code and any 11226
interest income earned from the moneys in the minority business 11227
bonding fund. All expenses of the director and the minority 11228
development financing advisory board in carrying out the 11229
purposes of sections 122.87 to 122.90 of the Revised Code shall 11230
be paid from the minority business bonding program 11231
administrative and loss reserve fund. 11232

Any moneys to the credit of the minority business bonding 11233
program administrative and loss reserve fund in excess of the 11234
amount necessary to fund the appropriation authority for the 11235
minority business bonding program administrative and loss 11236
reserve fund shall be held as a loss reserve to pay claims 11237

arising from defaults on surety bonds underwritten in accordance 11238
with section 122.89 of the Revised Code or guaranteed in 11239
accordance with section 122.90 of the Revised Code. If the 11240
balance of funds in the minority business bonding program 11241
administrative and loss reserve fund is insufficient to pay a 11242
claim against the state arising from default, then such claim 11243
shall be payable from the minority business bonding fund. 11244

Sec. 122.89. (A) The director of housing and development 11245
may execute bonds as surety for minority businesses as 11246
principals, on contracts with the state, any political 11247
subdivision or instrumentality thereof, or any person as the 11248
obligee. The director as surety may exercise all the rights and 11249
powers of a company authorized by the department of insurance to 11250
execute bonds as surety but shall not be subject to any 11251
requirements of a surety company under Title XXXIX of the 11252
Revised Code nor to any rules of the department of insurance. 11253

(B) The director, with the advice of the minority 11254
development financing advisory board, shall adopt rules under 11255
Chapter 119. of the Revised Code establishing procedures for 11256
application for surety bonds by minority businesses and for 11257
review and approval of applications. The board shall review each 11258
application in accordance with the rules and, based on the bond 11259
worthiness of each applicant, shall refer all qualified 11260
applicants to the director. Based on the recommendation of the 11261
board, the director shall determine whether or not the applicant 11262
shall receive bonding. 11263

(C) The rules of the board shall require the minority 11264
business to pay a premium in advance for the bond to be 11265
established by the director, with the advice of the board after 11266
the director receives advice from the superintendent of 11267

insurance regarding the standard market rates for premiums for 11268
similar bonds. All premiums paid by minority businesses shall be 11269
paid into the minority business bonding program administrative 11270
and loss reserve fund. 11271

(D) The rules of the board shall provide for a retainage 11272
of money paid to the minority business or EDGE business 11273
enterprise of fifteen per cent for a contract valued at more 11274
than fifty thousand dollars and for a retainage of twelve per 11275
cent for a contract valued at fifty thousand dollars or less. 11276

(E) The penal sum amounts of all outstanding bonds issued 11277
by the director shall not exceed the amount of moneys in the 11278
minority business bonding fund and available to the fund under 11279
division (B) of section 169.05 of the Revised Code. 11280

(F) The superintendent of insurance shall provide such 11281
technical and professional assistance as is considered necessary 11282
by the director, including providing advice regarding the 11283
standard market rates for bond premiums as described under 11284
division (C) of this section. 11285

(G) Notwithstanding any provision of the Revised Code to 11286
the contrary, a minority business or EDGE business enterprise 11287
may bid or enter into a contract with the state or with any 11288
instrumentality of the state without being required to provide a 11289
bond as follows: 11290

(1) For the first contract that a minority business or 11291
EDGE business enterprise enters into with the state or with any 11292
particular instrumentality of the state, the minority business 11293
or EDGE business enterprise may bid or enter into a contract 11294
valued at twenty-five thousand dollars or less without being 11295
required to provide a bond, but only if the minority business or 11296

EDGE business enterprise is participating in a qualified 11297
contractor assistance program or has successfully completed a 11298
qualified contractor assistance program after October 16, 2009; 11299

(2) After the state or any particular instrumentality of 11300
the state has accepted the first contract as completed and all 11301
subcontractors and suppliers on the contract have been paid, the 11302
minority business or EDGE business enterprise may bid or enter 11303
into a second contract with the state or with that particular 11304
instrumentality of the state valued at fifty thousand dollars or 11305
less without being required to provide a bond, but only if the 11306
minority business or EDGE business enterprise is participating 11307
in a qualified contractor assistance program or has successfully 11308
completed a qualified contractor assistance program after 11309
October 16, 2009; 11310

(3) After the state or any particular instrumentality of 11311
the state has accepted the second contract as completed and all 11312
subcontractors and suppliers on the contract have been paid, the 11313
minority business or EDGE business enterprise may bid or enter 11314
into a third contract with the state or with that particular 11315
instrumentality of the state valued at one hundred thousand 11316
dollars or less without being required to provide a bond, but 11317
only if the minority business or EDGE business enterprise has 11318
successfully completed a qualified contractor assistance program 11319
after October 16, 2009; 11320

(4) After the state or any particular instrumentality of 11321
the state has accepted the third contract as completed and all 11322
subcontractors and suppliers on the contract have been paid, the 11323
minority business or EDGE business enterprise may bid or enter 11324
into a fourth contract with the state or with that particular 11325
instrumentality of the state valued at three hundred thousand 11326

dollars or less without being required to provide a bond, but 11327
only if the minority business or EDGE business enterprise has 11328
successfully completed a qualified contractor assistance program 11329
after October 16, 2009; 11330

(5) After the state or any instrumentality of the state 11331
has accepted the fourth contract as completed and all 11332
subcontractors and suppliers on the contract have been paid, 11333
upon a showing that with respect to a contract valued at four 11334
hundred thousand dollars or less with the state or with any 11335
particular instrumentality of the state, that the minority 11336
business or EDGE business enterprise either has been denied a 11337
bond by two surety companies or that the minority business or 11338
EDGE business enterprise has applied to two surety companies for 11339
a bond and, at the expiration of sixty days after making the 11340
application, has neither received nor been denied a bond, the 11341
minority business or EDGE business enterprise may repeat its 11342
participation in the unbonded state contractor program. Under no 11343
circumstances shall a minority business or EDGE business 11344
enterprise be permitted to participate in the unbonded state 11345
contractor program more than twice. 11346

(H) Notwithstanding any provision of the Revised Code to 11347
the contrary, a minority business or EDGE business enterprise 11348
may bid or enter into a contract with any political subdivision 11349
of the state or with any instrumentality of a political 11350
subdivision without being required to provide a bond as follows: 11351

(1) For the first contract that the minority business or 11352
EDGE business enterprise enters into with any particular 11353
political subdivision of the state or with any particular 11354
instrumentality of a political subdivision, the minority 11355
business or EDGE business enterprise may bid or enter into a 11356

contract valued at twenty-five thousand dollars or less without 11357
being required to provide a bond, but only if the minority 11358
business or EDGE business enterprise is participating in a 11359
qualified contractor assistance program or has successfully 11360
completed a qualified contractor assistance program after 11361
October 16, 2009; 11362

(2) After any political subdivision of the state or any 11363
instrumentality of a political subdivision has accepted the 11364
first contract as completed and all subcontractors and suppliers 11365
on the contract have been paid, the minority business or EDGE 11366
business enterprise may bid or enter into a second contract with 11367
that particular political subdivision of the state or with that 11368
particular instrumentality of a political subdivision valued at 11369
fifty thousand dollars or less without being required to provide 11370
a bond, but only if the minority business or EDGE business 11371
enterprise is participating in a qualified contractor assistance 11372
program or has successfully completed a qualified contractor 11373
assistance program after October 16, 2009; 11374

(3) After any political subdivision of the state or any 11375
instrumentality of a political subdivision has accepted the 11376
second contract as completed and all subcontractors and 11377
suppliers on the contract have been paid, the minority business 11378
or EDGE business enterprise may bid or enter into a third 11379
contract with that particular political subdivision of the state 11380
or with that particular instrumentality of a political 11381
subdivision valued at one hundred thousand dollars or less 11382
without being required to provide a bond, but only if the 11383
minority business or EDGE business enterprise has successfully 11384
completed a qualified contractor assistance program after 11385
October 16, 2009; 11386

(4) After any political subdivision of the state or any instrumentality of a political subdivision has accepted the third contract as completed and all subcontractors and suppliers on the contract have been paid, the minority business or EDGE business enterprise may bid or enter into a fourth contract with that particular political subdivision of the state or with that particular instrumentality of a political subdivision valued at two hundred thousand dollars or less without being required to provide a bond, but only if the minority business or EDGE business enterprise has successfully completed a qualified contractor assistance program after October 16, 2009;

(5) After any political subdivision of the state or any instrumentality of a political subdivision has accepted the fourth contract as completed and all subcontractors and suppliers on the contract have been paid, upon a showing that with respect to a contract valued at three hundred thousand dollars or less with any political subdivision of the state or any instrumentality of a political subdivision, that the minority business or EDGE business enterprise either has been denied a bond by two surety companies or that the minority business or EDGE business enterprise has applied to two surety companies for a bond and, at the expiration of sixty days after making the application, has neither received nor been denied a bond, the minority business or EDGE business enterprise may repeat its participation in the unbonded political subdivision contractor program. Under no circumstances shall a minority business or EDGE business enterprise be permitted to participate in the unbonded political subdivision contractor program more than twice.

(I) Notwithstanding any provision of the Revised Code to the contrary, if a minority business or EDGE business enterprise

has entered into two or more contracts with the state or with 11418
any instrumentality of the state, the minority business or EDGE 11419
business enterprise may bid or enter into a contract with a 11420
political subdivision of the state or with any instrumentality 11421
of a political subdivision valued at the level at which the 11422
minority business or EDGE business enterprise would qualify if 11423
entering into an additional contract with the state. 11424

(J) The director of housing and development shall 11425
coordinate and oversee the unbonded state contractor program 11426
described in division (G) of this section, the unbonded 11427
political subdivision contractor program described in division 11428
(H) of this section, and the approval of a qualified contractor 11429
assistance program. The director shall prepare an annual report 11430
and submit it to the governor and the general assembly on or 11431
before the first day of August that includes the following: 11432
information on the director's activities for the preceding 11433
calendar year regarding the unbonded state contractor program, 11434
the unbonded political subdivision contractor program, and the 11435
qualified contractor assistance program; a summary and 11436
description of the operations and activities of these programs; 11437
an assessment of the achievements of these programs; and a 11438
recommendation as to whether these programs need to continue. 11439

(K) As used in this section: 11440

(1) "EDGE business enterprise" means an EDGE business 11441
enterprise certified under section 122.922 of the Revised Code. 11442

(2) "Qualified contractor assistance program" means an 11443
educational program or technical assistance program for business 11444
development that is designed to assist a minority business or 11445
EDGE business enterprise in becoming eligible for bonding and 11446
has been approved by the director of housing and development for 11447

use as required under this section. 11448

(3) "Successfully completed a qualified contractor 11449
assistance program" means the minority business or EDGE business 11450
enterprise completed such a program on or after October 16, 11451
2009. 11452

(4) "Unbonded state contractor program" means the program 11453
described in division (G) of this section. 11454

(5) "Unbonded political subdivision contractor program" 11455
means the program described in division (H) of this section. 11456

Sec. 122.90. (A) The director of housing and development 11457
may guarantee bonds executed by sureties for minority businesses 11458
and EDGE business enterprises certified under section 122.922 of 11459
the Revised Code as principals on contracts with the state, any 11460
political subdivision or instrumentality, or any person as the 11461
obligee. The director, as guarantor, may exercise all the rights 11462
and powers of a company authorized by the department of 11463
insurance to guarantee bonds under Chapter 3929. of the Revised 11464
Code but otherwise is not subject to any laws related to a 11465
guaranty company under Title XXXIX of the Revised Code nor to 11466
any rules of the department of insurance. 11467

(B) The director shall adopt rules under Chapter 119. of 11468
the Revised Code to establish procedures for the application for 11469
bond guarantees and the review and approval of applications for 11470
bond guarantees submitted by sureties that execute bonds 11471
eligible for guarantees under division (A) of this section. 11472

(C) In accordance with rules adopted pursuant to this 11473
section, the director may guarantee up to ninety per cent of the 11474
loss incurred and paid by sureties on bonds guaranteed under 11475
division (A) of this section. 11476

(D) The penal sum amounts of all outstanding guarantees 11477
made by the director under this section shall not exceed three 11478
times the difference between the amount of moneys in the 11479
minority business bonding fund and available to the fund under 11480
division (B) of section 169.05 of the Revised Code and the 11481
amount of all outstanding bonds issued by the director in 11482
accordance with division (A) of section 122.89 of the Revised 11483
Code. 11484

(E) The director of housing and development, with 11485
controlling board approval, may approve one application per 11486
fiscal year from each surety bond company for bond guarantees in 11487
an amount requested to support one fiscal year of that company's 11488
activity under this section. A surety bond company that applies 11489
for a bond guarantee under this division, whether or not the 11490
guarantee is approved, is not restricted from also applying for 11491
individual bond guarantees under division (A) of this section. 11492

Sec. 122.91. (A) As used in this section: 11493

(1) "Qualifying individual" means an individual who holds 11494
a valid commercial driver's license or who is eligible to obtain 11495
such a license. 11496

(2) "Commercial driver's license" and "commercial motor 11497
vehicle" have the same meanings as in section 4506.01 of the 11498
Revised Code. 11499

(3) "Training expense" means any cost customarily incurred 11500
by an employer to train an employee who is a qualifying 11501
individual to obtain a commercial driver's license or to operate 11502
a commercial motor vehicle. "Training expense" shall not include 11503
such an employee's wages. 11504

(4) "Tax credit-eligible training expense" means any 11505

training expense certified under division (B) of this section. 11506

(5) "Director" means the director of housing and 11507
development. 11508

(B) (1) For calendar years 2023 through 2026, an employer 11509
may apply to the director, on or before the first day of 11510
December of each year and on a form prescribed by the director, 11511
to certify training expenses that an employer estimates the 11512
employer will incur during the following calendar year as tax 11513
credit-eligible training expenses. Within thirty days after 11514
receiving such an application, the director shall certify to 11515
each applicant the amount of the applicant's submitted expenses 11516
the director finds to be tax credit-eligible training expenses. 11517
The director shall not certify more than fifty thousand dollars 11518
of training expenses per year as tax credit-eligible training 11519
expenses for any employer. 11520

(2) The director shall not certify more than three million 11521
dollars in tax credit-eligible training expenses for each 11522
calendar year, increased by the sum of tax credit-eligible 11523
expenses the director was authorized to certify within the limit 11524
described in division (B) (2) of this section for preceding years 11525
that were not the basis of a tax credit certificate issued under 11526
division (C) (2) of this section in the current year or any 11527
preceding year. 11528

(C) (1) An employer that incurs tax credit-eligible 11529
training expenses in a calendar year that were certified for 11530
that year under division (B) of this section may apply to the 11531
director for a nonrefundable credit against the tax imposed by 11532
section 5747.02 of the Revised Code. The credit shall equal one- 11533
half of the tax credit-eligible training expenses actually 11534
incurred by the employer in, and certified for, the preceding 11535

calendar year. The application may be submitted after the first 11536
day and before the twenty-first day of January of the year 11537
following the year for which the director certified the 11538
expenses. The application shall be submitted on a form 11539
prescribed by the director and shall, at a minimum, include an 11540
itemized list of tax credit-eligible training expenses incurred 11541
by the employer for each employee and the identities of those 11542
employees. 11543

(2) If the director approves an application described in 11544
division (C) (1) of this section, the director, within sixty days 11545
after receipt of the application, shall issue a tax credit 11546
certificate to the applicant. The director in consultation with 11547
the tax commissioner shall prescribe the form and manner of 11548
issuing certificates. The director shall assign a unique 11549
identifying number to each tax credit certificate and shall 11550
record the certificate in a register devised and maintained by 11551
the director for that purpose. The certificate shall state the 11552
amount of the tax credit-eligible training expenses on which the 11553
credit is based, the amount of the credit, and the date the 11554
certificate is issued. Upon issuance of a certificate, the 11555
director shall certify to the tax commissioner the name of the 11556
applicant, the amount of tax credit-eligible training expenses 11557
stated on the certificate, and any other information required by 11558
the rules adopted under this section. 11559

(D) (1) An employer that has been issued a tax credit 11560
certificate under division (C) (2) of this section during the 11561
preceding calendar year shall file a form with the director 11562
identifying all employees, the training of which is the basis of 11563
that tax credit, whose employment with the employer was 11564
terminated during the preceding calendar year, the amount of the 11565
tax credit that is attributable to those employees, and any 11566

other information requested by the director. The form shall be 11567
prescribed by the director, and shall be filed on or before the 11568
twenty-first day of January of the year following the issuance 11569
year stated on the certificate. 11570

(2) The director shall annually submit to the general 11571
assembly a report in accordance with division (B) of section 11572
101.68 of the Revised Code that includes the total number of 11573
employees described in division (D) (1) of this section and 11574
reported to the director for the preceding calendar year, the 11575
total amount of tax credits attributable to those employees, and 11576
any other information the director finds pertinent. 11577

(E) The director in consultation with the tax commissioner 11578
shall adopt rules under Chapter 119. of the Revised Code for the 11579
administration of this section. Such rules shall set forth any 11580
applicable fees, any penalties for noncompliance with the 11581
reporting requirements prescribed in division (D) of this 11582
section, and the types of expenses that qualify as training 11583
expenses for purposes of this section. 11584

Sec. 122.92. There is hereby created in the department of 11585
housing and development a minority business development 11586
division. The division shall do all of the following: 11587

(A) Provide technical, managerial, and counseling services 11588
and assistance to minority business enterprises; 11589

(B) Provide procurement and bid packaging assistance to 11590
minority business enterprises; 11591

(C) Provide bonding technical assistance to minority 11592
business enterprises; 11593

(D) Participate with other state departments and agencies 11594
as appropriate in developing specific plans and specific program 11595

goals for programs to assist in the establishment and 11596
development of minority business enterprises and establish 11597
regular performance monitoring and reporting systems to ensure 11598
that those goals are being achieved; 11599

(E) Implement state law and policy supporting minority 11600
business enterprise development, and assist in the coordination 11601
of plans, programs, and operations of state government which 11602
affect or may contribute to the establishment, preservation, and 11603
strengthening of minority business enterprises; 11604

(F) Assist in the coordination of activities and resources 11605
of state agencies and local governments, business and trade 11606
associations, universities, foundations, professional 11607
organizations, and volunteer and other groups, to promote the 11608
growth of minority business enterprises; 11609

(G) Establish a center for the development, collection, 11610
and dissemination of information that will be helpful to persons 11611
in establishing or expanding minority business enterprises in 11612
this state; 11613

(H) Design, implement, and assist in experimental and 11614
demonstration projects designed to overcome the special problems 11615
of minority business enterprises; 11616

(I) Coordinate reviews of all proposed state training and 11617
technical assistance activities in direct support of minority 11618
business enterprise programs to ensure consistency with program 11619
goals and to preclude duplication of efforts by other state 11620
agencies; 11621

(J) Recommend appropriate legislative or executive actions 11622
to enhance minority business enterprise opportunities in the 11623
state; 11624

(K) Assist minority business enterprises in obtaining	11625
governmental or commercial financing for business expansion,	11626
establishment of new businesses, or industrial development	11627
projects;	11628
(L) Assist minority business enterprises in contract	11629
procurement from government and commercial sources;	11630
(M) Establish procedures to identify groups who have been	11631
disadvantaged because of racial, cultural, or ethnic	11632
circumstances without regard to the individual qualities of the	11633
members of the group;	11634
(N) Establish procedures to identify persons who have been	11635
economically disadvantaged;	11636
(O) Provide grant assistance to nonprofit entities that	11637
promote economic development, development corporations,	11638
community improvement corporations, and incubator business	11639
entities, if the entities or corporations focus on business,	11640
technical, and financial assistance to minority business	11641
enterprises to assist the enterprises with fixed asset	11642
financing;	11643
(P) Implement the minority business enterprise program	11644
described in section 122.921 of the Revised Code, the	11645
encouraging diversity, growth, and equity program described in	11646
section 122.922 of the Revised Code, the women-owned business	11647
enterprise program described in section 122.924 of the Revised	11648
Code, and the veteran-friendly business enterprise program	11649
described in section 122.925 of the Revised Code.	11650
(Q) Do all acts and things necessary or proper to carry	11651
out the powers expressly granted and duties imposed by sections	11652
122.92 to 122.94 of the Revised Code.	11653

Sec. 122.921. (A) As used in this section, "minority business enterprise" has the same meaning as in division (E) (1) of section 122.71 of the Revised Code. 11654
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(B) (1) The director of housing and development shall make rules in accordance with Chapter 119. of the Revised Code establishing procedures by which minority businesses may apply to the department of housing and development for certification as minority business enterprises. 11657
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(2) The director shall approve the application of any minority business enterprise that complies with the rules adopted under this division. Any person adversely affected by an order of the director denying certification as a minority business enterprise may appeal as provided in Chapter 119. of the Revised Code. The director shall prepare and maintain a list of certified minority business enterprises. 11662
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(C) Every state agency authorized to enter into contracts for construction or contracts for purchases of equipment, materials, supplies, insurance, or services, and every port authority shall file a report every ninety days with the department of housing and development. The report shall be filed at a time and in a form prescribed by the director of housing and development. The report shall include the name of each minority business enterprise that the state agency or port authority entered into a contract with during the preceding ninety-day period and the total value and type of each such contract. No later than thirty days after the end of each fiscal year, the director shall notify in writing each state agency and port authority that has not complied with the reporting requirements of this division for the prior fiscal year. A copy of this notification regarding a state agency shall be submitted 11669
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to the director of budget and management. No later than thirty 11684
days after the notification, the state agency or port authority 11685
shall submit to the director the information necessary to comply 11686
with the reporting requirements of this division. 11687

If, after the expiration of this thirty-day period, a 11688
state agency has not complied with the reporting requirements of 11689
this division, the director of housing and development shall 11690
certify to the director of budget and management that the state 11691
agency has not complied with the reporting requirements. A copy 11692
of this certification shall be submitted to the state agency. 11693
Thereafter, no funds of the state agency shall be expended 11694
during the fiscal year for construction or purchases of 11695
equipment, materials, supplies, contracts of insurance, or 11696
services until the director of housing and development certifies 11697
to the director of budget and management that the state agency 11698
has complied with the reporting requirements of this division 11699
for the prior fiscal year. 11700

If any port authority has not complied with the reporting 11701
requirement after the expiration of the thirty-day period, the 11702
director of housing and development shall certify to the speaker 11703
of the house of representatives and the president of the senate 11704
that the port authority has not complied with the reporting 11705
requirements of this division. A copy of this certification 11706
shall be submitted to the port authority. Upon receipt of the 11707
certification, the speaker of the house of representatives and 11708
the president of the senate shall take such action or make such 11709
recommendations to the members of the general assembly as they 11710
consider necessary to correct the situation. 11711

(D) (1) Any person who has been certified as a minority 11712
business enterprise under this section may present the person's 11713

certification to a political subdivision as evidence that that person is eligible to participate in any public initiatives or strategies that the political subdivision has established to increase minority participation, representation, or inclusion in business opportunities, and in any programs the political subdivision may have that set aside a certain amount of public contracts to award to any of the economically disadvantaged groups listed in division (E) (1) of section 122.71 of the Revised Code.

(2) When considering this evidence, a political subdivision shall defer to the department's determination that the person is both of the following:

(a) A member of the economically disadvantaged group indicated on the certification;

(b) An owner of at least fifty-one per cent of the business, including corporate stock if a corporation, and has control over the management and day-to-day operations of the business and an interest in the capital, assets, and profits and losses of the business proportionate to the person's percentage of ownership.

Sec. 122.922. (A) As used in this section, "EDGE business enterprise" means a sole proprietorship, association, partnership, corporation, limited liability corporation, or joint venture certified as a participant in the encouraging diversity, growth, and equity program by the director of housing and development under this section of the Revised Code.

(B) The director of housing and development shall establish a business assistance program known as the encouraging diversity, growth, and equity program and shall adopt rules in

accordance with Chapter 119. of the Revised Code to administer 11743
the program that do all of the following: 11744

(1) Establish procedures by which a sole proprietorship, 11745
association, partnership, corporation, limited liability 11746
corporation, or joint venture may apply for certification as an 11747
EDGE business enterprise; 11748

(2) Except as provided in division (B) (14) of this 11749
section, establish agency procurement goals for contracting with 11750
EDGE business enterprises in the award of contracts under 11751
Chapters 123., 125., and 153. of the Revised Code based on the 11752
availability of eligible program participants by region or 11753
geographic area, as determined by the director, and by standard 11754
industrial code or equivalent code classification. 11755

(a) Goals established under division (B) (2) of this 11756
section shall be based on a percentage level of participation 11757
and a percentage of contractor availability. 11758

(b) Goals established under division (B) (2) of this 11759
section shall be applied at the contract level, relative to an 11760
overall dollar goal for each state agency, in accordance with 11761
the following certification categories: construction, 11762
architecture, and engineering; professional services; goods and 11763
services; and information technology services. 11764

(3) Establish a system of certifying EDGE business 11765
enterprises based on a requirement that the business owner or 11766
owners show both social and economic disadvantage based on the 11767
following, as determined to be sufficient by the director: 11768

(a) Relative wealth of the business seeking certification 11769
as well as the personal wealth of the owner or owners of the 11770
business; 11771

(b) Social disadvantage based on any of the following:	11772
(i) A rebuttable presumption when the business owner or owners demonstrate membership in a racial minority group or show personal disadvantage due to color, ethnic origin, gender, physical disability, long-term residence in an environment isolated from the mainstream of American society, location in an area of high unemployment;	11773 11774 11775 11776 11777 11778
(ii) Some other demonstration of personal disadvantage not common to other small businesses;	11779 11780
(iii) By business location in a qualified census tract.	11781
(c) Economic disadvantage based on economic and business size thresholds and eligibility criteria designed to stimulate economic development through contract awards to businesses located in qualified census tracts.	11782 11783 11784 11785
(4) Establish standards to determine when an EDGE business enterprise no longer qualifies for EDGE business enterprise certification;	11786 11787 11788
(5) Develop a process for evaluating and adjusting goals established by this section to determine what adjustments are necessary to achieve participation goals established by the director;	11789 11790 11791 11792
(6) Establish a point system or comparable system to evaluate bid proposals to encourage EDGE business enterprises to participate in the procurement of professional design and information technology services;	11793 11794 11795 11796
(7) Establish a system to track data and analyze each certification category established under division (B) (2) (b) of this section;	11797 11798 11799

- (8) Establish a process to mediate complaints and to review EDGE business enterprise certification appeals; 11800
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- (9) Implement an outreach program to educate potential participants about the encouraging diversity, growth, and equity program; 11802
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- (10) Establish a system to assist state agencies in identifying and utilizing EDGE business enterprises in their contracting processes; 11805
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- (11) Implement a system of self-reporting by EDGE business enterprises as well as an on-site inspection process to validate the qualifications of an EDGE business enterprise; 11808
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- (12) Establish a waiver mechanism to waive program goals or participation requirements for those companies that, despite their best-documented efforts, are unable to contract with certified EDGE business enterprises; 11811
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- (13) Establish a process for monitoring overall program compliance in which equal employment opportunity officers primarily are responsible for monitoring their respective agencies; 11815
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- (14) Establish guidelines for state universities as defined in section 3345.011 of the Revised Code and the Ohio facilities construction commission created in section 123.20 of the Revised Code for awarding contracts pursuant to Chapters 153., 3318., and 3345. of the Revised Code to allow the universities and commission to establish agency procurement goals for contracting with EDGE business enterprises. 11819
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- (C) Business and personal financial information and trade secrets submitted by encouraging diversity, growth, and equity program applicants to the director pursuant to this section are 11826
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not public records for purposes of section 149.43 of the Revised Code, unless the director presents the financial information or trade secrets at a public hearing or public proceeding regarding the applicant's eligibility to participate in the program.

Sec. 122.923. (A) As used in this section:

(1) "Minority business enterprise" has the same meaning as in section 122.921 of the Revised Code.

(2) "EDGE business enterprise" has the same meaning as in section 122.922 of the Revised Code.

(3) "Women-owned business enterprise" has the same meaning as in section 122.924 of the Revised Code.

"Veteran-friendly business enterprise" has the same meaning as in section 122.925 of the Revised Code.

(B) Not later than the first day of October in each year, the director of housing and development shall submit a written report to the governor and to each member of the general assembly describing the progress made by state agencies in advancing the minority business enterprise program, the encouraging diversity, growth, and equity program, the women-owned business enterprise program, and the veteran-friendly business enterprise program. The report shall highlight the initiatives implemented to encourage participation of minority-owned, socially and economically disadvantaged, women-owned businesses, and veteran-friendly businesses in programs funded by state money or federal money received by the state. The report shall also include the total number of procurement contracts each agency has entered into with certified minority business enterprises, EDGE business enterprises, women-owned business enterprises, and veteran-friendly business enterprises.

Sec. 122.924. (A) As used in this section: 11858

"Women-owned business enterprise" means any individual, 11859
partnership, corporation, or joint venture of any kind that is 11860
owned and controlled by women who are United States citizens and 11861
residents of this state or of a reciprocal state. 11862

"Owned and controlled" means that at least fifty-one per 11863
cent of the business, including corporate stock if it is a 11864
corporation, is owned by women and that such owners have control 11865
over the day-to-day operations of the business and an interest 11866
in the capital, assets, and profits and losses of the business 11867
proportionate to their percentage of ownership. In order to 11868
qualify as a women-owned business, a business shall have been 11869
owned by such owners at least one year. 11870

(B) The director of housing and development shall 11871
establish a business assistance program known as the women-owned 11872
business enterprise program and shall adopt rules in accordance 11873
with Chapter 119. of the Revised Code to administer the program 11874
that do all of the following: 11875

(1) Establish procedures by which a business enterprise 11876
may apply for certification as a women-owned business 11877
enterprise; 11878

(2) Establish standards to determine when a women-owned 11879
business enterprise no longer qualifies for women-owned business 11880
enterprise certification; 11881

(3) Establish a system to make publicly available a list 11882
of women-owned business enterprises certified under this 11883
section; 11884

(4) Establish a process to mediate complaints and to 11885
review women-owned business enterprise certification appeals; 11886

(5) Implement an outreach program to educate potential participants about the women-owned business enterprise program; 11887
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(6) Establish a system to assist state agencies in identifying and utilizing women-owned business enterprises in their contracting processes; 11889
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(7) Implement a system of self-reporting by women-owned business enterprises as well as an on-site inspection process to validate the qualifications of women-owned business enterprises. 11892
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(C) Business and personal financial information and trade secrets submitted by women-owned business enterprise applicants to the director pursuant to this section are not public records for purposes of section 149.43 of the Revised Code, unless the director presents the financial information or trade secrets at a public hearing or public proceeding regarding the applicant's eligibility to participate in the program. 11895
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(D) The director of housing and development, upon approval of the attorney general, may enter into a reciprocal agreement with the appropriate officials of one or more states, when the other state has a business assistance program or programs substantially similar to the women-owned business enterprise program of this state. The agreement shall provide that a business certified by the other state as a women-owned business enterprise, which is owned and controlled by a resident or residents of that other state, shall be considered a women-owned business enterprise in this state under this section. The agreement shall provide that a women-owned business enterprise certified under this section, which is owned and controlled by a resident or residents of this state, shall be considered certified in the other state and eligible for programs of that state that provide an advantage or benefit to such businesses. 11902
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(E) (1) Any person who has been certified as a women-owned business enterprise under this section may present the person's certification to a political subdivision as evidence that that person is eligible to participate in any public initiatives or strategies that the political subdivision has established to increase the participation, representation, or inclusion of women in business opportunities, and in any programs the political subdivision may have that set aside a certain amount of public contracts to award to women-owned business enterprises.

(2) When considering this evidence, a political subdivision shall defer to the department's determination that the person is a woman, that the person owns and controls the person's business, and that the person has owned the person's business for at least one year.

Sec. 122.925. (A) As used in this section:

"Armed forces" means the armed forces of the United States, including the army, navy, air force, marine corps, coast guard, or any reserve component of those forces; the national guard of any state; the commissioned corps of the United States public health service; the merchant marine service during wartime; such other service as may be designated by congress; and the Ohio organized militia when engaged in full-time national guard duty for a period of more than thirty days.

"State agency" has the meaning defined in section 1.60 of the Revised Code.

"Veteran" means any person who has completed service in the armed forces, including the national guard of any state, or a reserve component of the armed forces, who has been honorably

discharged or discharged under honorable conditions from the 11946
armed forces or who has been transferred to the reserve with 11947
evidence of satisfactory service. 11948

"Veteran-friendly business enterprise" means a sole 11949
proprietorship, association, partnership, corporation, limited 11950
liability company, or joint venture that meets veteran 11951
employment standards established by the director of housing and 11952
development and the director of transportation under this 11953
section. 11954

(B) The director of housing and development and the 11955
director of transportation shall establish and maintain the 11956
veteran-friendly business procurement program. The director of 11957
housing and development shall adopt rules to administer the 11958
program for all state agencies except the department of 11959
transportation, and the director of transportation shall adopt 11960
rules to administer the program for the department of 11961
transportation. The rules shall be adopted under Chapter 119. of 11962
the Revised Code. The rules, as adopted separately by but with 11963
the greatest degree of consistency possible between the two 11964
directors, shall do all of the following: 11965

(1) Establish criteria, based on the percentage of an 11966
applicant's employees who are veterans, that qualifies an 11967
applicant for certification as a veteran-friendly business 11968
enterprise; 11969

(2) Establish procedures by which a sole proprietorship, 11970
association, partnership, corporation, limited liability 11971
company, or joint venture may apply for certification as a 11972
veteran-friendly business enterprise; 11973

(3) Establish procedures for certifying a sole 11974

proprietorship, association, partnership, corporation, limited	11975
liability company, or joint venture as a veteran-friendly	11976
business enterprise;	11977
(4) Establish standards for determining when a veteran-	11978
friendly business enterprise no longer qualifies for	11979
certification as a veteran-friendly business enterprise;	11980
(5) Establish procedures, to be used by state agencies or	11981
the department of transportation, for the evaluation and ranking	11982
of proposals, which provide preference or bonus points to each	11983
certified veteran-friendly business enterprise that submits a	11984
bid or other proposal for a contract with the state or an agency	11985
of the state other than the department of transportation, or	11986
with the department of transportation, for the rendering of	11987
services, or the supplying of materials, or for the	11988
construction, demolition, alteration, repair, or reconstruction	11989
of any public building, structure, highway, or other	11990
improvement;	11991
(6) Implement an outreach program to educate potential	11992
participants about the veteran-friendly business procurement	11993
program; and	11994
(7) Establish a process for monitoring overall performance	11995
of the veteran-friendly business procurement program.	11996
(C) (1) Any person who has been certified as a veteran-	11997
friendly business enterprise under this section may present the	11998
person's certification to a political subdivision as evidence	11999
that the person is eligible to participate in any public	12000
initiatives or strategies that the political subdivision has	12001
established to reward veteran-friendly businesses or to increase	12002
the participation, representation, or inclusion of veteran-	12003

friendly businesses in business opportunities, and in any 12004
programs the political subdivision may have that set aside a 12005
certain amount of public contracts to award to veteran-friendly 12006
business enterprises. 12007

(2) When considering this evidence, a political 12008
subdivision shall defer to the department's determination that 12009
the person meets the criteria established under division (B)(1) 12010
of this section. 12011

Sec. 122.94. The director of housing and development 12012
~~services~~ shall: 12013

(A) Promulgate rules in accordance with Chapter 119. of 12014
the Revised Code for the conduct of the minority business 12015
development division's business and for carrying out the 12016
purposes of sections 122.92 to 122.94 of the Revised Code; 12017

(B) Prepare an annual report to the governor and the 12018
general assembly on or before the first day of August of its 12019
activities for the preceding calendar year. 12020

Sec. 122.941. (A) On or before the first day of August in 12021
each year, the director of housing and development ~~services~~ 12022
shall make an annual report of the activities and operations 12023
under the assistance programs of the department of housing and 12024
~~development services agency~~ for the preceding fiscal year to the 12025
governor and general assembly. The annual report shall include a 12026
detailing of those grants, guarantees, loans, and other forms of 12027
state assistance to women-owned businesses. 12028

(B) As used in this section: 12029

(1) "Women-owned business" means any individual, 12030
partnership, corporation, or joint venture of any kind that is 12031
owned and controlled by women who are United States citizens and 12032

residents of this state. 12033

(2) "Owned and controlled" means that at least fifty-one 12034
per cent of the business, including corporate stock if it is a 12035
corporation, is owned by women and that such owners have control 12036
over the day-to-day operations of the business and an interest 12037
in the capital, assets, and profits and losses of the business 12038
proportionate to their percentage of ownership. In order to 12039
qualify as a women-owned business, a business shall have been 12040
owned by such owners at least one year. 12041

Sec. 122.942. (A) The director of housing and development 12042
~~services~~ shall, with respect to each project for which a loan, 12043
grant, tax credit, or other state-funded financial assistance is 12044
awarded by the department of housing and development ~~services~~ 12045
~~agency~~, make all of the following information available to the 12046
public within thirty days after the ~~agency~~ department enters 12047
into a contract with the recipient: 12048

(1) A summary of the project that includes all of the 12049
following: 12050

(a) A breakdown of the sources of the funds for each 12051
aspect of the project, such as state or federal programs, the 12052
operating company or entity itself, or any private financing, 12053
and a complete description of how each type of funds is to be 12054
used; 12055

(b) The total amount of assistance awarded; 12056

(c) A brief description of the project; 12057

(d) The following information regarding the project: 12058

(i) The operating company or entity that is awarded the 12059
assistance; 12060

(ii) The products or services provided by the operating company or entity;	12061 12062
(iii) The number of new jobs, at-risk jobs, and retained jobs anticipated; the hourly wages and hourly benefits of those jobs; and the dollar amount of assistance per job affected.	12063 12064 12065
(e) The strengths and weaknesses of the project;	12066
(f) The location of the project, the location of the operating company or entity, and whether relocation is involved;	12067 12068
(g) The Ohio house district and Ohio senate district in which the project is located;	12069 12070
(h) The payment terms and conditions of the assistance awarded;	12071 12072
(i) The collateral or security required;	12073
(j) The recommendation of the staff assigned to the project.	12074 12075
(2) A comprehensive report that provides a description of the operating company or entity; all relevant information regarding the project; an analysis of the operating company or entity and the goods or services it provides; the explicit terms of any collateral or security required; and the reasoning behind the staffs' recommendation.	12076 12077 12078 12079 12080 12081
(3) Any other relevant information the controlling board may request, or the director may consider necessary to more fully describe the details of the assistance or the operating company or entity, that is provided before the controlling board approves the assistance.	12082 12083 12084 12085 12086
(B) (1) As used in this division, "tax incentive" means any	12087

exemption, either in whole or in part, of the income, goods, 12088
services, or property of a taxpayer from the effect of taxes 12089
levied by or under the Revised Code. "Tax incentive" includes, 12090
but is not limited to, tax exemptions, deferrals, exclusions, 12091
allowances, credits, deductions, reimbursements, and 12092
preferential tax rates. 12093

(2) The director of housing and development ~~services~~ shall 12094
estimate the total revenue that will be forgone by the state as 12095
a result of each tax incentive approved by the tax credit 12096
authority created under section 122.17 of the Revised Code. The 12097
estimate shall be based on the monetary value of the tax 12098
incentive and not on potential economic growth. The director 12099
shall make each estimate, along with the name and address of the 12100
taxpayer that will receive the tax incentive, available to the 12101
public within thirty days after the date the tax incentive is 12102
approved by the tax credit authority. 12103

Nothing in this division precludes the director of housing 12104
and development ~~services~~ from making other information regarding 12105
tax incentives available to the public unless disclosure of such 12106
information is prohibited by any other section of the Revised 12107
Code. 12108

(3) The director may adopt rules in accordance with 12109
Chapter 119. of the Revised Code to effectuate this division. 12110

(C) Nothing in this section shall be construed as 12111
requiring the disclosure of information that is not a public 12112
record under section 149.43 of the Revised Code. 12113

Sec. 122.951. (A) If the director of housing and 12114
development ~~services~~ determines that a grant may create new jobs 12115
or preserve existing jobs and employment opportunities in an 12116

eligible county, the director may grant up to seven hundred 12117
fifty thousand dollars to the eligible county for the purpose of 12118
acquiring commercial or industrial land or buildings and making 12119
improvements to commercial or industrial areas within the 12120
eligible county, including, but not limited to: 12121

(1) Expanding, remodeling, renovating, and modernizing 12122
buildings, structures, and other improvements; 12123

(2) Remediating environmentally contaminated property on 12124
which hazardous substances exist under conditions that have 12125
caused or would cause the property to be identified as 12126
contaminated by the Ohio or United States environmental 12127
protection agency; and 12128

(3) Infrastructure improvements, including, but not 12129
limited to, site preparation, including building demolition and 12130
removal; streets, roads, bridges, and traffic control devices; 12131
parking lots and facilities; water and sewer lines and treatment 12132
plants; gas, electric, and telecommunications, including 12133
broadband, hook-ups; and water and railway access improvements. 12134

A grant awarded under this section shall provide not more 12135
than seventy-five per cent of the estimated total cost of the 12136
project for which an application is submitted under this 12137
section. In addition, not more than ten per cent of the amount 12138
of the grant shall be used to pay the costs of professional 12139
services related to the project. 12140

(B) An eligible county may apply to the director for a 12141
grant under this section in the form and manner prescribed by 12142
the director. The eligible county shall include on the 12143
application all information required by the director. The 12144
application shall require the eligible county to provide a 12145

detailed description of how the eligible county would use a grant to improve commercial or industrial areas within the eligible county, and to specify how a grant will lead to the creation of new jobs or the preservation of existing jobs and employment opportunities in the eligible county. The eligible county shall specify in the application the amount of the grant for which the eligible county is applying.

(C) An eligible county may designate a port authority, community improvement corporation as defined in section 122.71 of the Revised Code, or other economic development entity that is located in the county to apply for a grant under this section. If a port authority, community improvement corporation, or other economic development entity is so designated, references to an eligible county in this section include references to the authority, corporation, or other entity.

Sec. 122.9511. (A) As used in this section:

(1) "Eligible applicant" means a person or a political subdivision.

(2) "Eligible project" means a project that, upon completion, will be a site and facility primarily intended for commercial, industrial, or manufacturing use. "Eligible projects" do not include sites and facilities intended primarily for residential, retail, or government use.

(3) "Person" has the same meaning as in section 5701.01 of the Revised Code.

(4) "Political subdivision" means a municipal corporation, township, county, school district, or any other body corporate and politic responsible for governmental activities in a geographic area smaller than that of the state.

(5) "SiteOhio certification program" means the program 12175
created under this section. 12176

(B) There is hereby created the SiteOhio certification 12177
program to certify and market eligible projects in the state. 12178
The program shall be administered by the department of housing 12179
and development. 12180

(C) An eligible applicant may apply to the director of 12181
housing and development on forms prescribed by the director for 12182
the director to certify an eligible project. In addition to the 12183
application, the applicant shall submit any additional materials 12184
required by the director. The director shall establish scoring 12185
criteria, scoring instruments, and materials for use by the 12186
department of housing and development in reviewing applications 12187
under the SiteOhio certification program. The content of the 12188
scoring criteria, scoring instruments, and materials shall be at 12189
the discretion of the director and may include, where 12190
practicable, evaluation of certain quality of life indicators 12191
and community assets. The scoring criteria, scoring instruments, 12192
and materials shall be published and made available with the 12193
application. 12194

Subject to any limitations imposed under division (E) (2) 12195
of this section, the director shall approve an application and 12196
certify the applicant's eligible project if the applicant meets 12197
all of the scoring criteria established by the director. 12198

(D) After the director of housing and development 12199
certifies an eligible project, the project shall be listed on 12200
the department's web site. The director shall market certified 12201
eligible projects to interested persons. 12202

(E) The director of housing and development shall adopt 12203

rules under Chapter 119. of the Revised Code necessary to 12204
implement and operate the SiteOhio certification program. The 12205
rules may provide for eligible applicants for certification to 12206
be charged fees to cover administrative costs incurred by the 12207
department in the administration of this section. Any fees 12208
collected under this section shall be credited to the SiteOhio 12209
administration fund. The director may do either of the 12210
following: 12211

(1) Contract with one or more persons to administer all or 12212
part of the SiteOhio certification program. 12213

(2) Limit the number of eligible projects the director 12214
certifies according to the available resources and capabilities 12215
of the department. 12216

Sec. 122.9512. There is hereby created in the state 12217
treasury the SiteOhio administration fund. Money collected from 12218
the fees remitted by applicants for certification under section 12219
122.9511 of the Revised Code shall be credited to the fund. The 12220
director of housing and development shall use the fund to pay 12221
the department's administrative expenses for administering the 12222
SiteOhio certification program under section 122.9511 of the 12223
Revised Code. 12224

Sec. 122.96. The director of housing and development may 12225
delegate to officers and employees of the department of housing 12226
and development any of the powers, duties, and functions of the 12227
director, other than the promulgation of rules or the making of 12228
reports to the governor or the general assembly, in connection 12229
with the issuance of bonds, notes, or other obligations, the 12230
making or entering into of loans, guarantees, inducement 12231
agreements, and other contracts, agreements, assignments, 12232
certifications, and undertakings pursuant to Chapters 122., 12233

140., 165., and 166. of the Revised Code, except that the 12234
authority to adopt resolutions thereunder and to sign bonds and 12235
notes may be delegated only to the assistant director or to a 12236
deputy director of the department. Each such delegation shall be 12237
in writing, shall state the functions delegated, the individuals 12238
to whom or the offices or employment positions to which 12239
delegated, and the duration, not exceeding one year, of the 12240
delegation, and shall be entered in the journal of the director. 12241
Any such delegation may be extended or revoked prospectively by 12242
writing signed by the director and entered in ~~his~~ the director's 12243
journal. 12244

Sec. 123.01. (A) The department of administrative 12245
services, in addition to those powers enumerated in Chapters 12246
124. and 125. of the Revised Code and provided elsewhere by law, 12247
shall exercise the following powers: 12248

(1) To prepare and suggest comprehensive plans for the 12249
development of grounds and buildings under the control of a 12250
state agency; 12251

(2) To acquire, by purchase, gift, devise, lease, or 12252
grant, all real estate required by a state agency, in the 12253
exercise of which power the department may exercise the power of 12254
eminent domain, in the manner provided by sections 163.01 to 12255
163.22 of the Revised Code; 12256

(3) To erect, supervise, and maintain all public monuments 12257
and memorials erected by the state, except where the supervision 12258
and maintenance is otherwise provided by law; 12259

(4) To procure, by lease, storage accommodations for a 12260
state agency; 12261

(5) To lease or grant easements or licenses for 12262

unproductive and unused lands or other property under the 12263
control of a state agency. Such leases, easements, or licenses 12264
may be granted to any person or entity, shall be for a period 12265
not to exceed fifteen years, unless a longer period is 12266
authorized by division (A)(5) of this section, and shall be 12267
executed for the state by the director of administrative 12268
services. The director shall grant leases, easements, or 12269
licenses of university land for periods not to exceed twenty- 12270
five years for purposes approved by the respective university's 12271
board of trustees wherein the uses are compatible with the uses 12272
and needs of the university and may grant leases of university 12273
land for periods not to exceed forty years for purposes approved 12274
by the respective university's board of trustees pursuant to 12275
section 123.17 of the Revised Code. The director may grant 12276
perpetual easements to public utilities, as defined in section 12277
4905.02 of the Revised Code or described in section 4905.03 of 12278
the Revised Code. 12279

(6) To lease space for the use of a state agency; 12280

(7) To have general supervision and care of the 12281
storerooms, offices, and buildings leased for the use of a state 12282
agency; 12283

(8) To exercise general custodial care of all real 12284
property of the state; 12285

(9) To assign and group together state offices in any city 12286
in the state and to establish, in cooperation with the state 12287
agencies involved, rules governing space requirements for office 12288
or storage use; 12289

(10) To lease for a period not to exceed forty years, 12290
pursuant to a contract providing for the construction thereof 12291

under a lease-purchase plan, buildings, structures, and other 12292
improvements for any public purpose, and, in conjunction 12293
therewith, to grant leases, easements, or licenses for lands 12294
under the control of a state agency for a period not to exceed 12295
forty years. The lease-purchase plan shall provide that at the 12296
end of the lease period, the buildings, structures, and related 12297
improvements, together with the land on which they are situated, 12298
shall become the property of the state without cost. 12299

(a) Whenever any building, structure, or other improvement 12300
is to be so leased by a state agency, the department shall 12301
retain either basic plans, specifications, bills of materials, 12302
and estimates of cost with sufficient detail to afford bidders 12303
all needed information or, alternatively, all of the following 12304
plans, details, bills of materials, and specifications: 12305

(i) Full and accurate plans suitable for the use of 12306
mechanics and other builders in the improvement; 12307

(ii) Details to scale and full sized, so drawn and 12308
represented as to be easily understood; 12309

(iii) Accurate bills showing the exact quantity of 12310
different kinds of material necessary to the construction; 12311

(iv) Definite and complete specifications of the work to 12312
be performed, together with such directions as will enable a 12313
competent mechanic or other builder to carry them out and afford 12314
bidders all needed information; 12315

(v) A full and accurate estimate of each item of expense 12316
and of the aggregate cost thereof. 12317

(b) The department shall give public notice, in such 12318
newspaper, in such form, and with such phraseology as the 12319
director of administrative services prescribes, published once 12320

each week for four consecutive weeks, of the time when and place 12321
where bids will be received for entering into an agreement to 12322
lease to a state agency a building, structure, or other 12323
improvement. The last publication shall be at least eight days 12324
preceding the day for opening the bids. The bids shall contain 12325
the terms upon which the builder would propose to lease the 12326
building, structure, or other improvement to the state agency. 12327
The form of the bid approved by the department shall be used, 12328
and a bid is invalid and shall not be considered unless that 12329
form is used without change, alteration, or addition. Before 12330
submitting bids pursuant to this section, any builder shall 12331
comply with Chapter 153. of the Revised Code. 12332

(c) On the day and at the place named for receiving bids 12333
for entering into lease agreements with a state agency, the 12334
director of administrative services shall open the bids and 12335
shall publicly proceed immediately to tabulate the bids upon 12336
duplicate sheets. No lease agreement shall be entered into until 12337
the bureau of workers' compensation has certified that the 12338
person to be awarded the lease agreement has complied with 12339
Chapter 4123. of the Revised Code, until, if the builder 12340
submitting the lowest and best bid is a foreign corporation, the 12341
secretary of state has certified that the corporation is 12342
authorized to do business in this state, until, if the builder 12343
submitting the lowest and best bid is a person nonresident of 12344
this state, the person has filed with the secretary of state a 12345
power of attorney designating the secretary of state as its 12346
agent for the purpose of accepting service of summons in any 12347
action brought under Chapter 4123. of the Revised Code, and 12348
until the agreement is submitted to the attorney general and the 12349
attorney general's approval is certified thereon. Within thirty 12350
days after the day on which the bids are received, the 12351

department shall investigate the bids received and shall 12352
determine that the bureau and the secretary of state have made 12353
the certifications required by this section of the builder who 12354
has submitted the lowest and best bid. Within ten days of the 12355
completion of the investigation of the bids, the department 12356
shall award the lease agreement to the builder who has submitted 12357
the lowest and best bid and who has been certified by the bureau 12358
and secretary of state as required by this section. If bidding 12359
for the lease agreement has been conducted upon the basis of 12360
basic plans, specifications, bills of materials, and estimates 12361
of costs, upon the award to the builder the department, or the 12362
builder with the approval of the department, shall appoint an 12363
architect or engineer licensed in this state to prepare such 12364
further detailed plans, specifications, and bills of materials 12365
as are required to construct the building, structure, or 12366
improvement. The department shall adopt such rules as are 12367
necessary to give effect to this section. The department may 12368
reject any bid. Where there is reason to believe there is 12369
collusion or combination among bidders, the bids of those 12370
concerned therein shall be rejected. 12371

(11) To acquire by purchase, gift, devise, or grant and to 12372
transfer, lease, or otherwise dispose of all real property 12373
required to assist in the development of a conversion facility 12374
as defined in section 5709.30 of the Revised Code as that 12375
section existed before its repeal by Amended Substitute House 12376
Bill 95 of the 125th general assembly; 12377

(12) To lease for a period not to exceed forty years, 12378
notwithstanding any other division of this section, the state- 12379
owned property located at 408-450 East Town Street, Columbus, 12380
Ohio, formerly the state school for the deaf, to a developer in 12381
accordance with this section. "Developer," as used in this 12382

section, has the same meaning as in section 123.77 of the Revised Code.

Such a lease shall be for the purpose of development of the land for use by senior citizens by constructing, altering, renovating, repairing, expanding, and improving the site as it existed on June 25, 1982. A developer desiring to lease the land shall prepare for submission to the department a plan for development. Plans shall include provisions for roads, sewers, water lines, waste disposal, water supply, and similar matters to meet the requirements of state and local laws. The plans shall also include provision for protection of the property by insurance or otherwise, and plans for financing the development, and shall set forth details of the developer's financial responsibility.

The department may employ, as employees or consultants, persons needed to assist in reviewing the development plans. Those persons may include attorneys, financial experts, engineers, and other necessary experts. The department shall review the development plans and may enter into a lease if it finds all of the following:

(a) The best interests of the state will be promoted by entering into a lease with the developer;

(b) The development plans are satisfactory;

(c) The developer has established the developer's financial responsibility and satisfactory plans for financing the development.

The lease shall contain a provision that construction or renovation of the buildings, roads, structures, and other necessary facilities shall begin within one year after the date

of the lease and shall proceed according to a schedule agreed to 12412
between the department and the developer or the lease will be 12413
terminated. The lease shall contain such conditions and 12414
stipulations as the director considers necessary to preserve the 12415
best interest of the state. Moneys received by the state 12416
pursuant to this lease shall be paid into the general revenue 12417
fund. The lease shall provide that at the end of the lease 12418
period the buildings, structures, and related improvements shall 12419
become the property of the state without cost. 12420

(13) To manage the use of space owned and controlled by 12421
the department by doing all of the following: 12422

(a) Biennially implementing, by state agency location, a 12423
census of agency employees assigned space; 12424

(b) Periodically in the discretion of the director of 12425
administrative services: 12426

(i) Requiring each state agency to categorize the use of 12427
space allotted to the agency between office space, common areas, 12428
storage space, and other uses, and to report its findings to the 12429
department; 12430

(ii) Creating and updating a master space utilization plan 12431
for all space allotted to state agencies. The plan shall 12432
incorporate space utilization metrics. 12433

(iii) Conducting a cost-benefit analysis to determine the 12434
effectiveness of state-owned buildings; 12435

(iv) Assessing the alternatives associated with 12436
consolidating the commercial leases for buildings located in 12437
Columbus. 12438

(c) Commissioning a comprehensive space utilization and 12439

capacity study in order to determine the feasibility of 12440
consolidating existing commercially leased space used by state 12441
agencies into a new state-owned facility. 12442

(14) To adopt rules to ensure that energy efficiency and 12443
conservation is considered in the purchase of products and 12444
equipment, except motor vehicles, by any state agency, 12445
department, division, bureau, office, unit, board, commission, 12446
authority, quasi-governmental entity, or institution. The 12447
department may require minimum energy efficiency standards for 12448
purchased products and equipment based on federal testing and 12449
labeling if available or on standards developed by the 12450
department. When possible, the rules shall apply to the 12451
competitive selection of energy consuming systems, components, 12452
and equipment under Chapter 125. of the Revised Code. 12453

(15) To ensure energy efficient and energy conserving 12454
purchasing practices by doing all of the following: 12455

(a) Identifying available energy efficiency and 12456
conservation opportunities; 12457

(b) Providing for interchange of information among 12458
purchasing agencies; 12459

(c) Identifying laws, policies, rules, and procedures that 12460
should be modified; 12461

(d) Monitoring experience with and the cost-effectiveness 12462
of this state's purchase and use of motor vehicles and of major 12463
energy-consuming systems, components, equipment, and products 12464
having a significant impact on energy consumption by the 12465
government; 12466

(e) Providing technical assistance and training to state 12467
employees involved in the purchasing process; 12468

(f) Working with the department of housing and development 12469
to make recommendations regarding planning and implementation of 12470
purchasing policies and procedures that are supportive of energy 12471
efficiency and conservation. 12472

(16) To require all state agencies, departments, 12473
divisions, bureaus, offices, units, commissions, boards, 12474
authorities, quasi-governmental entities, institutions, and 12475
state institutions of higher education to implement procedures 12476
to ensure that all of the passenger automobiles they acquire in 12477
each fiscal year, except for those passenger automobiles 12478
acquired for use in law enforcement or emergency rescue work, 12479
achieve a fleet average fuel economy of not less than the fleet 12480
average fuel economy for that fiscal year as the department 12481
shall prescribe by rule. The department shall adopt the rule 12482
prior to the beginning of the fiscal year, in accordance with 12483
the average fuel economy standards established by federal law 12484
for passenger automobiles manufactured during the model year 12485
that begins during the fiscal year. 12486

Each state agency, department, division, bureau, office, 12487
unit, commission, board, authority, quasi-governmental entity, 12488
institution, and state institution of higher education shall 12489
determine its fleet average fuel economy by dividing the total 12490
number of passenger vehicles acquired during the fiscal year, 12491
except for those passenger vehicles acquired for use in law 12492
enforcement or emergency rescue work, by a sum of terms, each of 12493
which is a fraction created by dividing the number of passenger 12494
vehicles of a given make, model, and year, except for passenger 12495
vehicles acquired for use in law enforcement or emergency rescue 12496
work, acquired during the fiscal year by the fuel economy 12497
measured by the administrator of the United States environmental 12498
protection agency, for the given make, model, and year of 12499

vehicle, that constitutes an average fuel economy for combined 12500
city and highway driving. 12501

As used in division (A)(16) of this section, "acquired" 12502
means leased for a period of sixty continuous days or more, or 12503
purchased. 12504

(17) To correct legal descriptions or title defects, or 12505
release fractional interests in real property, as necessary to 12506
cure title clouds reflected in public records, including those 12507
resulting from boundary disputes, ingress or egress issues, 12508
title transfers precipitated through retirement of bond 12509
requirements, and the retention of fractional interests in real 12510
estate otherwise disposed of in previous title transfers. 12511

(18) (a) To, with controlling board approval, sell state- 12512
owned real property that is not held for the benefit of an 12513
institution of higher education and is appraised at not more 12514
than one hundred thousand dollars by an independent third-party 12515
appraiser. 12516

(b) To sell state-owned real property that is held for the 12517
benefit of an institution of higher education, provided all of 12518
the following are true: 12519

(i) The board of trustees of the institution of higher 12520
education, or, in the case of a university branch district, any 12521
other managing authority, adopts a resolution approving the 12522
sale; 12523

(ii) The real property is appraised at not more than ten 12524
million dollars by an independent third-party appraiser; 12525

(iii) The controlling board approves the sale. 12526

Notwithstanding any provision of law to the contrary, net 12527

proceeds from any disposition of real property made pursuant to 12528
division (A) (18) of this section shall, at the direction of the 12529
director of budget and management, be credited to a fund or 12530
funds in the state treasury, or to accounts held by an 12531
institution of higher education for purposes to be determined by 12532
the institution. 12533

As used in division (A) (18) of this section, "institution 12534
of higher education" has the same meaning as in section 3345.12 12535
of the Revised Code. 12536

(B) This section and section 125.02 of the Revised Code 12537
shall not interfere with any of the following: 12538

(1) The power of the adjutant general to purchase military 12539
supplies, or with the custody of the adjutant general of 12540
property leased, purchased, or constructed by the state and used 12541
for military purposes, or with the functions of the adjutant 12542
general as director of state armories; 12543

(2) The power of the director of transportation in 12544
acquiring rights-of-way for the state highway system, or the 12545
leasing of lands for division or resident district offices, or 12546
the leasing of lands or buildings required in the maintenance 12547
operations of the department of transportation, or the purchase 12548
of real property for garage sites or division or resident 12549
district offices, or in preparing plans and specifications for 12550
and constructing such buildings as the director may require in 12551
the administration of the department; 12552

(3) The power of the director of public safety and the 12553
registrar of motor vehicles to purchase or lease real property 12554
and buildings to be used solely as locations to which a deputy 12555
registrar is assigned pursuant to division (B) of section 12556

4507.011 of the Revised Code and from which the deputy registrar 12557
is to conduct the deputy registrar's business, the power of the 12558
director of public safety to purchase or lease real property and 12559
buildings to be used as locations for division or district 12560
offices as required in the maintenance of operations of the 12561
department of public safety, and the power of the superintendent 12562
of the state highway patrol in the purchase or leasing of real 12563
property and buildings needed by the patrol, to negotiate the 12564
sale of real property owned by the patrol, to rent or lease real 12565
property owned or leased by the patrol, and to make or cause to 12566
be made repairs to all property owned or under the control of 12567
the patrol; 12568

(4) The power of the division of liquor control in the 12569
leasing or purchasing of retail outlets and warehouse facilities 12570
for the use of the division; 12571

(5) The power of the director of housing and development 12572
to enter into leases of real property, buildings, and office 12573
space to be used solely as locations for the state's foreign 12574
offices to carry out the purposes of section 122.05 of the 12575
Revised Code; 12576

(6) The power of the director of environmental protection 12577
to enter into environmental covenants, to grant and accept 12578
easements, or to sell property pursuant to division (G) of 12579
section 3745.01 of the Revised Code; 12580

(7) The power of the department of public safety under 12581
section 5502.01 of the Revised Code to direct security measures 12582
and operations for the Vern Riffe center and the James A. Rhodes 12583
state office tower. The department of administrative services 12584
shall implement all security measures and operations at the Vern 12585
Riffe center and the James A. Rhodes state office tower as 12586

directed by the department of public safety. 12587

(C) Purchases for, and the custody and repair of, 12588
buildings under the management and control of the capitol square 12589
review and advisory board, the opportunities for Ohioans with 12590
disabilities agency, the bureau of workers' compensation, or the 12591
departments of public safety, job and family services, mental 12592
health and addiction services, developmental disabilities, and 12593
rehabilitation and correction; buildings of educational and 12594
benevolent institutions under the management and control of 12595
boards of trustees; and purchases or leases for, and the custody 12596
and repair of, office space used for the purposes of any agency 12597
of the legislative branch of state government are not subject to 12598
the control and jurisdiction of the department of administrative 12599
services. 12600

An agency of the legislative branch of state government 12601
that uses office space in a building under the management and 12602
control of the department of administrative services may 12603
exercise the agency's authority to improve the agency's office 12604
space as authorized under this division only if, upon review, 12605
the department of administrative services concludes the proposed 12606
improvements do not adversely impact the structural integrity of 12607
the building. 12608

If an agency of the legislative branch of state 12609
government, except the capitol square review and advisory board, 12610
so requests, the agency and the director of administrative 12611
services may enter into a contract under which the department of 12612
administrative services agrees to perform any services requested 12613
by the agency that the department is authorized under this 12614
section to perform. In performing such services, the department 12615
shall not use competitive selection. As used in this division, 12616

"competitive selection" has the meaning defined in section 12617
125.01 of the Revised Code and includes any other type of 12618
competitive process for the selection of persons producing or 12619
dealing in the services to be provided. 12620

(D) Any instrument by which real property is acquired 12621
pursuant to this section shall identify the agency of the state 12622
that has the use and benefit of the real property as specified 12623
in section 5301.012 of the Revised Code. 12624

Sec. 123.22. (A) As used in this section: 12625

(1) "Construct" includes reconstruct, improve, renovate, 12626
enlarge, or otherwise alter. 12627

(2) "Energy consumption analysis" means the evaluation of 12628
all energy consuming systems, components, and equipment by 12629
demand and type of energy, including the internal energy load 12630
imposed on a facility by its occupants and the external energy 12631
load imposed by climatic conditions. 12632

(3) "Facility" means a building or other structure, or 12633
part of a building or other structure, that includes provision 12634
for a heating, refrigeration, ventilation, cooling, lighting, 12635
hot water, or other major energy consuming system, component, or 12636
equipment. 12637

(4) "Life-cycle cost analysis" means a general approach to 12638
economic evaluation that takes into account all dollar costs 12639
related to owning, operating, maintaining, and ultimately 12640
disposing of a project over the appropriate study period. 12641

(5) "Political subdivision" means a county, township, 12642
municipal corporation, board of education of any school 12643
district, or any other body corporate and politic that is 12644
responsible for government activities in a geographic area 12645

smaller than that of the state. 12646

(6) "State funded" means funded in whole or in part 12647
through appropriation by the general assembly or through the use 12648
of any guarantee provided by this state. 12649

(7) "State institution of higher education" has the same 12650
meaning as in section 3345.011 of the Revised Code. 12651

(8) "Cogeneration" means the simultaneous production of 12652
thermal energy and electricity for use primarily within a 12653
building or complex of buildings. 12654

(B) The Ohio facilities construction commission shall 12655
develop energy efficiency and conservation programs for new 12656
construction design and review and for existing building audit 12657
and retrofit. 12658

The commission may accept and administer grants from 12659
public and private sources for carrying out any of its duties 12660
under this section. 12661

(C) No state agency, department, division, bureau, office, 12662
unit, board, commission, authority, quasi-governmental entity, 12663
or institution shall construct or cause to be constructed, 12664
within the limits prescribed in this section, a state-funded 12665
facility without a proper life-cycle cost analysis as computed 12666
or prepared by a qualified architect or engineer in accordance 12667
with the rules required by division (D) of this section. 12668

Construction shall proceed only upon the disclosure to the 12669
commission, for the facility chosen, of the life-cycle costs as 12670
determined in this section and the capitalization of the initial 12671
construction costs of the building. The results of life-cycle 12672
cost analysis shall be a primary consideration in the selection 12673
of a building design. That analysis shall be required only for 12674

construction of buildings with an area of twenty thousand square feet or greater, except the commission may waive this requirement or may require an analysis for buildings with an area of less than twenty thousand square feet. For projects with an estimated construction cost exceeding fifty million dollars, the analysis shall include a review of cogeneration as an energy source.

Nothing in this section shall deprive or limit any state agency that has review authority over design or construction plans from requiring a life-cycle cost analysis or energy consumption analysis.

(D) For the purposes of assisting the commission in its responsibility for state-funded facilities pursuant to section 123.21 of the Revised Code and of cost-effectively reducing the energy consumption of those and any other state-funded facilities, thereby promoting fiscal, economic, and environmental benefits to this state, the commission shall promulgate rules specifying cost-effective, energy efficiency and conservation standards that may govern the design, construction, operation, and maintenance of all state-funded facilities, except facilities of state institutions of higher education or facilities operated by a political subdivision. The department of housing and development ~~services agency~~ shall cooperate in providing information and technical expertise to the commission to ensure promulgation of rules of maximum effectiveness. The standards prescribed by rules promulgated under this division may draw from or incorporate, by reference or otherwise and in whole or in part, standards already developed or implemented by any competent, public or private standards organization or program. The rules also may include any of the following:

(1) Specifications for a life-cycle cost analysis that 12706
shall determine, for the economic life of such state-funded 12707
facility, the reasonably expected costs of facility ownership, 12708
operation, and maintenance including labor and materials. Life- 12709
cycle cost may be expressed as an annual cost for each year of 12710
the facility's use. 12711

A life-cycle cost analysis additionally may include an 12712
energy consumption analysis that conforms to division (D) (2) of 12713
this section. 12714

(2) Specifications for an energy consumption analysis of 12715
the facility's heating, refrigeration, ventilation, cooling, 12716
lighting, hot water, and other major energy consuming systems, 12717
components, and equipment. 12718

A life-cycle cost analysis and energy consumption analysis 12719
shall be based on the best currently available methods of 12720
analysis, such as those of the national institute of standards 12721
and technology, the United States department of energy or other 12722
federal agencies, professional societies, and directions 12723
developed by the department. 12724

(3) Specifications for energy performance indices, to be 12725
used to audit and evaluate competing design proposals submitted 12726
to the state. 12727

(4) A process by which a manager of a specified state- 12728
funded facility, except a facility of a state institution of 12729
higher education or a facility operated by a political 12730
subdivision, may receive a waiver of compliance with any 12731
provision of the rules required by divisions (D) (1) to (3) of 12732
this section. 12733

(E) Each state agency, department, division, bureau, 12734

office, unit, board, commission, authority, quasi-governmental 12735
entity, institution, and state institution of higher education 12736
shall comply with any applicable provision of this section or of 12737
a rule promulgated pursuant to division (D) of this section. 12738

Sec. 125.08. Any person who is certified by the director 12739
of housing and development in accordance with the rules adopted 12740
under division (B)(1) of section 122.921 of the Revised Code as 12741
a minority business enterprise may have that person's name 12742
placed on a special minority business enterprise notification 12743
list to be used in connection with contracts awarded under 12744
section 125.081 of the Revised Code. The minority business 12745
enterprise notification list shall be used for bidding on 12746
contracts set aside for minority business enterprises only. 12747

Sec. 125.081. (A) From the purchases that the department 12748
of administrative services is required by law to make through 12749
competitive selection, the director of administrative services 12750
shall select a number of such purchases, the aggregate value of 12751
which equals approximately fifteen per cent of the estimated 12752
total value of all such purchases to be made in the current 12753
fiscal year. The director shall set aside the purchases selected 12754
for competition only by minority business enterprises, as 12755
defined in division (E)(1) of section 122.71 of the Revised 12756
Code. The competitive selection procedures for such purchases 12757
set aside shall be the same as for all other purchases the 12758
department is required to make through competitive selection, 12759
except that only minority business enterprises certified by the 12760
director of housing and development in accordance with the rules 12761
adopted under division (B)(1) of section 122.921 of the Revised 12762
Code and listed under section 125.08 of the Revised Code shall 12763
be qualified to compete. 12764

(B) To the extent that any agency of the state, other than the department of administrative services, the legislative and judicial branches, boards of elections, and the adjutant general, is authorized to make purchases, the agency shall set aside a number of purchases, the aggregate value of which equals approximately fifteen per cent of the aggregate value of such purchases for the current fiscal year for competition by minority business enterprises only. The procedures for such purchases shall be the same as for all other such purchases made by the agency, except that only minority business enterprises certified by the director of housing and development in accordance with rules adopted under division (B)(1) of section 123.151 of the Revised Code shall be qualified to compete.

(C) In the case of purchases set aside under division (A) or (B) of this section, if no bid is submitted by a minority business enterprise, the purchase shall be made according to usual procedures. The contracting agency shall from time to time set aside such additional purchases for which only minority business enterprises may compete, as are necessary to replace those purchases previously set aside for which no minority business enterprises bid and to ensure that, in any fiscal year, the aggregate amount of contracts awarded to minority business enterprises will equal approximately fifteen per cent of the total amount of contracts awarded by the agency.

(D) The provisions of this section shall not preclude any minority business enterprise from competing for any other state purchases that are not specifically set aside for minority business enterprises.

(E) No funds of any state agency shall be expended in any fiscal year for any purchase for which competitive selection is

required, until the director of the department of administrative 12795
services certifies to the clerk of the senate and the clerk of 12796
the house of representatives of the general assembly that 12797
approximately fifteen per cent of the aggregate amount of the 12798
projected expenditure for such purchases in the fiscal year has 12799
been set aside as provided for in this section. 12800

(F) Any person who intentionally misrepresents self as 12801
owning, controlling, operating, or participating in a minority 12802
business enterprise for the purpose of obtaining contracts, 12803
subcontracts, or any other benefits under this section shall be 12804
guilty of theft by deception as provided for in section 2913.02 12805
of the Revised Code. 12806

Sec. 125.111. (A) Every contract for or on behalf of the 12807
state or any of its political subdivisions for any purchase 12808
shall contain provisions similar to those required by section 12809
153.59 of the Revised Code in the case of construction contracts 12810
by which the contractor agrees to both of the following: 12811

(1) That, in the hiring of employees for the performance 12812
of work under the contract or any subcontract, no contractor or 12813
subcontractor, by reason of race, color, religion, sex, age, 12814
disability or military status as defined in section 4112.01 of 12815
the Revised Code, national origin, or ancestry, shall 12816
discriminate against any citizen of this state in the employment 12817
of a person qualified and available to perform the work to which 12818
the contract relates; 12819

(2) That no contractor, subcontractor, or person acting on 12820
behalf of any contractor or subcontractor, in any manner, shall 12821
discriminate against, intimidate, or retaliate against any 12822
employee hired for the performance of work under the contract on 12823
account of race, color, religion, sex, age, disability or 12824

military status as defined in section 4112.01 of the Revised Code, national origin, or ancestry. 12825
12826

(B) All contractors from whom the state or any of its political subdivisions make purchases shall have a written affirmative action program for the employment and effective utilization of economically disadvantaged persons, as referred to in division (E) (1) of section 122.71 of the Revised Code. Annually, each such contractor shall file a description of the affirmative action program and a progress report on its implementation with the department of housing and development. 12827
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Sec. 125.20. ~~(A)~~ Within one hundred eighty days after ~~the effective date of this section~~ October 16, 2009, the director of administrative services shall establish an electronic site accessible through the internet to publish the following: 12835
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12837
12838

~~(1)~~ (A) A database containing each state employee's gross pay from the most recent pay period. The database shall contain the name of the agency, position title, and employee name. 12839
12840
12841

~~(2)~~ (B) A database containing tax credits issued by the director of housing and development to business entities that shall contain the name under which the tax credit is known, the name of the entity receiving the credit, and the county in which the credit recipient's principal place of business in this state is located. 12842
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(C) The director of administrative services may adopt rules governing the means by which information is submitted and databases are updated. 12848
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Sec. 125.836. (A) As used in this section: 12851

(1) "Biodiesel," "blended biodiesel," and "diesel fuel" have the same meanings as in section 125.831 of the Revised 12852
12853

Code. 12854

(2) "Incremental cost" means the difference in cost 12855
between blended biodiesel and conventional petroleum-based 12856
diesel fuel at the time the blended biodiesel is purchased. 12857

(B) There is hereby created in the state treasury the 12858
"biodiesel revolving fund," to which shall be credited moneys 12859
appropriated to the fund by the general assembly and any other 12860
moneys obtained or accepted by the department of housing and 12861
development ~~services agency~~ for crediting to the fund. Moneys 12862
credited to the fund shall be used to pay for the incremental 12863
cost of biodiesel for use in vehicles owned or leased by the 12864
state that use diesel fuel. The director of housing and 12865
development ~~services~~ may direct the director of budget and 12866
management to transfer available moneys in the biodiesel 12867
revolving fund to the alternative fuel transportation fund 12868
created in section 122.075 of the Revised Code to be used by the 12869
department of housing and development ~~services agency~~ for the 12870
purposes specified in that section. 12871

Sec. 125.901. (A) There is hereby established the Ohio 12872
geographically referenced information program council within the 12873
department of administrative services to coordinate the property 12874
owned by the state. The department of administrative services 12875
shall provide administrative support for the council. 12876

(B) The council shall consist of the following fourteen 12877
members: 12878

(1) The state chief information officer, or the officer's 12879
designee, who shall serve as the council chair; 12880

(2) The director of natural resources, or the director's 12881
designee; 12882

(3) The director of transportation, or the director's designee;	12883 12884
(4) The director of environmental protection, or the director's designee;	12885 12886
(5) The director of <u>housing and development</u> , or the director's designee;	12887 12888
(6) The attorney general, or the attorney general's designee;	12889 12890
(7) The chancellor of higher education or the chancellor's designee;	12891 12892
(8) The chief of the division of oil and gas resources management in the department of natural resources or the chief's designee;	12893 12894 12895
(9) The director of public safety or the director's designee;	12896 12897
(10) The executive director of the county auditors' association or the executive director's designee;	12898 12899
(11) The executive director of the county commissioners' association or the executive director's designee;	12900 12901
(12) The executive director of the county engineers' association or the executive director's designee;	12902 12903
(13) The executive director of the Ohio municipal league or the executive director's designee;	12904 12905
(14) The executive director of the Ohio townships association or the executive director's designee.	12906 12907
(C) Members of the council shall serve without compensation.	12908 12909

Sec. 126.023. Whenever, pursuant to section 126.06 of the Revised Code, the department of housing and development files with the director of budget and management its estimate of proposed expenditures for the succeeding biennium, the department shall request, and the director of budget and management shall approve the request for, the following general revenue fund appropriations for operating the construction compliance section of the department of housing and development:

(A) For the first fiscal year of the biennium, an appropriation equal to fifty-three one-thousandths of one per cent of the total new capital appropriations provided for in the most recently enacted main capital appropriations act;

(B) For the second fiscal year of the biennium, an appropriation equal to the amount computed under division (A) of this section, adjusted for anticipated changes in operating costs based upon the inflation/deflation factor used by the director of budget and management for that fiscal year.

The amounts of the appropriations requested pursuant to divisions (A) and (B) of this section shall be in addition to the amounts provided for staff in the construction compliance section of the equal employment opportunity office of the department of administrative services as of January 1, 1988.

Sec. 126.32. (A) Any officer of any state agency may authorize reimbursement for travel, including the costs of transportation, for lodging, and for meals to any person who is interviewing for a position that is classified in pay range 13 or above in schedule E-1 or is classified in schedule E-2 of section 124.152 of the Revised Code.

(B) If a person is appointed to a position listed in

section 121.03 of the Revised Code, to the position of 12939
chairperson of the industrial commission, adjutant general, 12940
chancellor of the Ohio board of regents, superintendent of 12941
public instruction, chairperson of the public utilities 12942
commission of Ohio, or director of the state lottery commission, 12943
to a position holding a fiduciary relationship to the governor, 12944
to a position of an appointing authority of the department of 12945
mental health and addiction services, developmental 12946
disabilities, or rehabilitation and correction, to a position of 12947
superintendent in the department of youth services, or to a 12948
position under section 122.05 of the Revised Code, and if that 12949
appointment requires a permanent change of residence, the 12950
appropriate state agency may reimburse the person for the 12951
person's actual and necessary expenses, including the cost of 12952
in-transit storage of household goods and personal effects, of 12953
moving the person and members of the person's immediate family 12954
residing in the person's household, and of moving their 12955
household goods and personal effects, to the person's new 12956
location. 12957

Until that person moves the person's permanent residence 12958
to the new location, but not for a period that exceeds thirty 12959
consecutive days, the state agency may reimburse the person for 12960
the person's temporary living expenses at the new location that 12961
the person has incurred on behalf of the person and members of 12962
the person's immediate family residing in the person's 12963
household. In addition, the state agency may reimburse that 12964
person for the person's travel expenses between the new location 12965
and the person's former residence during this period for a 12966
maximum number of trips specified by rule of the director of 12967
budget and management, but the state agency shall not reimburse 12968
the person for travel expenses incurred for those trips by 12969

members of the person's immediate family. With the prior written approval of the director, the maximum thirty-day period for temporary living expenses may be extended for a person appointed to a position under section 122.05 of the Revised Code.

The director of housing and development services may reimburse a person appointed to a position under section 122.05 of the Revised Code for the person's actual and necessary expenses of moving the person and members of the person's immediate family residing in the person's household back to the United States and may reimburse a person appointed to such a position for the cost of storage of household goods and personal effects of the person and the person's immediate family while the person is serving outside the United States, if the person's office outside the United States is the person's primary job location.

(C) All reimbursement under division (A) or (B) of this section shall be made in the manner, and at rates that do not exceed those, provided by rule of the director of budget and management in accordance with section 111.15 of the Revised Code. Reimbursements may be made under division (B) of this section directly to the persons who incurred the expenses or directly to the providers of goods or services the persons receive, as determined by the director of budget and management.

Sec. 126.62. (A) The all Ohio future fund is hereby created in the state treasury. The fund shall consist of money credited to it and any donations, gifts, bequests, or other money received for deposit in the fund. All investment earnings of the fund shall be credited to the fund. Money in the fund shall be used to promote economic development throughout the state, including by funding the installation or improvement of

infrastructure projects and other infrastructure	13000
<u>improvements that is a critical component for either of the</u>	13001
<u>following:</u>	13002
<u>(1) Site-readiness and preparation;</u>	13003
<u>(2) Housing to accommodate a growing workforce.</u>	13004
(B) The director shall adopt rules in accordance with	13005
Chapter 119. of the Revised Code that establish requirements and	13006
procedures to provide financial assistance from the all Ohio	13007
future fund. The director shall consult with JobsOhio in	13008
adopting the rules.	13009
(C) No money shall be expended from the all Ohio future	13010
fund, pursuant to appropriation, until it has been released by	13011
the controlling board.	13012
Sec. 140.01. As used in this chapter:	13013
(A) "Hospital agency" means any public hospital agency or	13014
any nonprofit hospital agency.	13015
(B) "Public hospital agency" means any county, board of	13016
county hospital trustees established pursuant to section 339.02	13017
of the Revised Code, county hospital commission established	13018
pursuant to section 339.14 of the Revised Code, municipal	13019
corporation, new community authority organized under Chapter	13020
349. of the Revised Code, joint township hospital district,	13021
state or municipal university or college operating or authorized	13022
to operate a hospital facility, or the state.	13023
(C) "Nonprofit hospital agency" means a corporation or	13024
association not for profit, no part of the net earnings of which	13025
inures or may lawfully inure to the benefit of any private	13026
shareholder or individual, that has authority to own or operate	13027

a hospital facility or provides or is to provide services to one 13028
or more other hospital agencies. 13029

(D) "Governing body" means, in the case of a county, the 13030
board of county commissioners or other legislative body; in the 13031
case of a board of county hospital trustees, the board; in the 13032
case of a county hospital commission, the commission; in the 13033
case of a municipal corporation, the council or other 13034
legislative authority; in the case of a new community authority, 13035
its board of trustees; in the case of a joint township hospital 13036
district, the joint township district hospital board; in the 13037
case of a state or municipal university or college, its board of 13038
trustees or board of directors; in the case of a nonprofit 13039
hospital agency, the board of trustees or other body having 13040
general management of the agency; and, in the case of the state, 13041
the director of housing and development or the Ohio higher 13042
educational facility commission. 13043

(E) "Hospital facilities" means buildings, structures and 13044
other improvements, additions thereto and extensions thereof, 13045
furnishings, equipment, and real estate and interests in real 13046
estate, used or to be used for or in connection with one or more 13047
hospitals, emergency, intensive, intermediate, extended, long- 13048
term, or self-care facilities, diagnostic and treatment and out- 13049
patient facilities, facilities related to programs for home 13050
health services, clinics, laboratories, public health centers, 13051
research facilities, and rehabilitation facilities, for or 13052
pertaining to diagnosis, treatment, care, or rehabilitation of 13053
persons who are sick, ill, injured, infirm, or impaired or who 13054
have disabilities, or the prevention, detection, and control of 13055
disease, and also includes education, training, and food service 13056
facilities for health professions personnel, housing facilities 13057
for such personnel and their families, and parking and service 13058

facilities in connection with any of the foregoing; and includes 13059
any one, part of, or any combination of the foregoing; and 13060
further includes site improvements, utilities, machinery, 13061
facilities, furnishings, and any separate or connected 13062
buildings, structures, improvements, sites, utilities, 13063
facilities, or equipment to be used in, or in connection with 13064
the operation or maintenance of, or supplementing or otherwise 13065
related to the services or facilities to be provided by, any one 13066
or more of such hospital facilities. 13067

(F) "Costs of hospital facilities" means the costs of 13068
acquiring hospital facilities or interests in hospital 13069
facilities, including membership interests in nonprofit hospital 13070
agencies, costs of constructing hospital facilities, costs of 13071
improving one or more hospital facilities, including 13072
reconstructing, rehabilitating, remodeling, renovating, and 13073
enlarging, costs of equipping and furnishing such facilities, 13074
and all financing costs pertaining thereto, including, without 13075
limitation thereto, costs of engineering, architectural, and 13076
other professional services, designs, plans, specifications and 13077
surveys, and estimates of cost, costs of tests and inspections, 13078
the costs of any indemnity or surety bonds and premiums on 13079
insurance, all related direct or allocable administrative 13080
expenses pertaining thereto, fees and expenses of trustees, 13081
depositories, and paying agents for the obligations, cost of 13082
issuance of the obligations and financing charges and fees and 13083
expenses of financial advisors, attorneys, accountants, 13084
consultants and rating services in connection therewith, 13085
capitalized interest on the obligations, amounts necessary to 13086
establish reserves as required by the bond proceedings, the 13087
reimbursement of all moneys advanced or applied by the hospital 13088
agency or others or borrowed from others for the payment of any 13089

item or items of costs of such facilities, and all other 13090
expenses necessary or incident to planning or determining 13091
feasibility or practicability with respect to such facilities, 13092
and such other expenses as may be necessary or incident to the 13093
acquisition, construction, reconstruction, rehabilitation, 13094
remodeling, renovation, enlargement, improvement, equipment, and 13095
furnishing of such facilities, the financing thereof, and the 13096
placing of the same in use and operation, including any one, 13097
part of, or combination of such classes of costs and expenses, 13098
and means the costs of refinancing obligations issued by, or 13099
reimbursement of money advanced by, nonprofit hospital agencies 13100
or others the proceeds of which were used for the payment of 13101
costs of hospital facilities, if the governing body of the 13102
public hospital agency determines that the refinancing or 13103
reimbursement advances the purposes of this chapter, whether or 13104
not the refinancing or reimbursement is in conjunction with the 13105
acquisition or construction of additional hospital facilities. 13106

(G) "Hospital receipts" means all moneys received by or on 13107
behalf of a hospital agency from or in connection with the 13108
ownership, operation, acquisition, construction, improvement, 13109
equipping, or financing of any hospital facilities, including, 13110
without limitation thereto, any rentals and other moneys 13111
received from the lease, sale, or other disposition of hospital 13112
facilities, and any gifts, grants, interest subsidies, or other 13113
moneys received under any federal program for assistance in 13114
financing the costs of hospital facilities, and any other gifts, 13115
grants, and donations, and receipts therefrom, available for 13116
financing the costs of hospital facilities. 13117

(H) "Obligations" means bonds, notes, or other evidences 13118
of indebtedness or obligation, including interest coupons 13119
pertaining thereto, issued or issuable by a public hospital 13120

agency to pay costs of hospital facilities.	13121
(I) "Bond service charges" means principal, interest, and call premium, if any, required to be paid on obligations.	13122
	13123
(J) "Bond proceedings" means one or more ordinances, resolutions, trust agreements, indentures, and other agreements or documents, and amendments and supplements to the foregoing, or any combination thereof, authorizing or providing for the terms, including any variable interest rates, and conditions applicable to, or providing for the security of, obligations and the provisions contained in such obligations.	13124
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(K) "Nursing home" has the same meaning as in division (A) (1) of section 5701.13 of the Revised Code.	13131
	13132
(L) "Residential care facility" has the same meaning as in division (A) (2) of section 5701.13 of the Revised Code.	13133
	13134
(M) "Independent living facility" means any self-care facility or other housing facility designed or used as a residence for elderly persons. An "independent living facility" does not include a residential facility, or that part of a residential facility, that is any of the following:	13135
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	13139
(1) A hospital;	13140
(2) A nursing home or residential care facility;	13141
(3) A facility operated by a hospice care program licensed under section 3712.04 of the Revised Code and used for the program's hospice patients;	13142
	13143
	13144
(4) A residential facility licensed by the department of mental health and addiction services under section 5119.34 of the Revised Code that provides accommodations, supervision, and personal care services for three to sixteen unrelated adults;	13145
	13146
	13147
	13148

(5) A residential facility licensed by the department of 13149
mental health and addiction services under section 5119.34 of 13150
the Revised Code that is not a residential facility described in 13151
division (M) (4) of this section; 13152

(6) A facility licensed to operate an opioid treatment 13153
program under section 5119.37 of the Revised Code; 13154

(7) A community addiction services provider, as defined in 13155
section 5119.01 of the Revised Code; 13156

(8) A residential facility licensed under section 5123.19 13157
of the Revised Code or a facility providing services under a 13158
contract with the department of developmental disabilities under 13159
section 5123.18 of the Revised Code; 13160

(9) A residential facility used as part of a hospital to 13161
provide housing for staff of the hospital or students pursuing a 13162
course of study at the hospital. 13163

Sec. 145.035. Notwithstanding section 145.03 of the 13164
Revised Code, an individual employed by, or otherwise 13165
compensated with state funds appropriated to, the department of 13166
housing and development who is principally located outside of 13167
the United States and is or intends to become a member of a 13168
foreign government's retirement or social security system in 13169
lieu of becoming a member of the public employees retirement 13170
system may choose to be exempted from membership in the public 13171
employees retirement system by signing a written application for 13172
exemption within the first month after being employed and filing 13173
such application with the public employees retirement board. The 13174
application, when approved as to form by the board and filed 13175
with the employer, shall be irrevocable while the individual is 13176
continuously employed as described in this section and such 13177

individual shall forever be barred from claiming or purchasing 13178
membership rights or credit for the particular period covered by 13179
the exemption. Any individual who is or becomes a member of the 13180
public employees retirement system shall continue the membership 13181
as long as ~~he~~ the individual is a public employee, even though 13182
~~he~~ the individual may be in or transferred to employment 13183
described in this section. 13184

Sec. 149.311. (A) As used in this section: 13185

(1) "Historic building" means a building, including its 13186
structural components, that is located in this state and that is 13187
either individually listed on the national register of historic 13188
places under 16 U.S.C. 470a, located in a registered historic 13189
district, and certified by the state historic preservation 13190
officer as being of historic significance to the district, or is 13191
individually listed as an historic landmark designated by a 13192
local government certified under 16 U.S.C. 470a(c). 13193

(2) "Qualified rehabilitation expenditures" means 13194
expenditures paid or incurred during the rehabilitation period, 13195
and before and after that period as determined under 26 U.S.C. 13196
47, by an owner or qualified lessee of an historic building to 13197
rehabilitate the building. "Qualified rehabilitation 13198
expenditures" includes architectural or engineering fees paid or 13199
incurred in connection with the rehabilitation, and expenses 13200
incurred in the preparation of nomination forms for listing on 13201
the national register of historic places. "Qualified 13202
rehabilitation expenditures" does not include any of the 13203
following: 13204

(a) The cost of acquiring, expanding, or enlarging an 13205
historic building; 13206

(b) Expenditures attributable to work done to facilities related to the building, such as parking lots, sidewalks, and landscaping;	13207 13208 13209
(c) New building construction costs.	13210
(3) "Owner" of an historic building means a person holding the fee simple interest in the building. "Owner" does not include the state or a state agency, or any political subdivision as defined in section 9.23 of the Revised Code.	13211 13212 13213 13214
(4) "Qualified lessee" means a person subject to a lease agreement for an historic building and eligible for the federal rehabilitation tax credit under 26 U.S.C. 47. "Qualified lessee" does not include the state or a state agency or political subdivision as defined in section 9.23 of the Revised Code.	13215 13216 13217 13218 13219
(5) "Certificate owner" means the owner or qualified lessee of an historic building to which a rehabilitation tax credit certificate was issued under this section.	13220 13221 13222
(6) "Registered historic district" means an historic district listed in the national register of historic places under 16 U.S.C. 470a, an historic district designated by a local government certified under 16 U.S.C. 470a(c), or a local historic district certified under 36 C.F.R. 67.8 and 67.9.	13223 13224 13225 13226 13227
(7) "Rehabilitation" means the process of repairing or altering an historic building or buildings, making possible an efficient use while preserving those portions and features of the building and its site and environment that are significant to its historic, architectural, and cultural values.	13228 13229 13230 13231 13232
(8) "Rehabilitation period" means one of the following:	13233
(a) If the rehabilitation initially was not planned to be	13234

completed in stages, a period chosen by the owner or qualified 13235
lessee not to exceed twenty-four months during which 13236
rehabilitation occurs; 13237

(b) If the rehabilitation initially was planned to be 13238
completed in stages, a period chosen by the owner or qualified 13239
lessee not to exceed sixty months during which rehabilitation 13240
occurs. Each stage shall be reviewed as a phase of a 13241
rehabilitation as determined under 26 C.F.R. 1.48-12 or a 13242
successor to that section. 13243

(9) "State historic preservation officer" or "officer" 13244
means the state historic preservation officer appointed by the 13245
governor under 16 U.S.C. 470a. 13246

(10) "Catalytic project" means the rehabilitation of an 13247
historic building, the rehabilitation of which will foster 13248
economic development within two thousand five hundred feet of 13249
the historic building. 13250

(B) The owner or qualified lessee of an historic building 13251
may apply to the director of housing and development for a 13252
rehabilitation tax credit certificate for qualified 13253
rehabilitation expenditures paid or incurred by such owner or 13254
qualified lessee after April 4, 2007, for rehabilitation of an 13255
historic building. If the owner of an historic building enters a 13256
pass-through agreement with a qualified lessee for the purposes 13257
of the federal rehabilitation tax credit under 26 U.S.C. 47, the 13258
qualified rehabilitation expenditures paid or incurred by the 13259
owner after April 4, 2007, may be attributed to the qualified 13260
lessee. 13261

The form and manner of filing such applications shall be 13262
prescribed by rule of the director. Each application shall state 13263

the amount of qualified rehabilitation expenditures the 13264
applicant estimates will be paid or incurred and shall indicate 13265
whether the historic building was used as a theater before, and 13266
is intended to be used as a theater after, the rehabilitation. 13267
The director may require applicants to furnish documentation of 13268
such estimates. 13269

The director, after consultation with the tax commissioner 13270
and in accordance with Chapter 119. of the Revised Code, shall 13271
adopt rules that establish all of the following: 13272

(1) Forms and procedures by which applicants may apply for 13273
rehabilitation tax credit certificates; 13274

(2) Criteria for reviewing, evaluating, and approving 13275
applications for certificates within the limitations under 13276
division (D) of this section, criteria for assuring that the 13277
certificates issued encompass a mixture of high and low 13278
qualified rehabilitation expenditures, and criteria for issuing 13279
certificates under division (C) (3) (b) of this section; 13280

(3) Eligibility requirements for obtaining a certificate 13281
under this section; 13282

(4) The form of rehabilitation tax credit certificates; 13283

(5) Reporting requirements and monitoring procedures; 13284

(6) Procedures and criteria for conducting cost-benefit 13285
analyses of historic buildings that are the subjects of 13286
applications filed under this section. The purpose of a cost- 13287
benefit analysis shall be to determine whether rehabilitation of 13288
the historic building will result in a net revenue gain in state 13289
and local taxes once the building is used. 13290

(7) Any other rules necessary to implement and administer 13291

this section. 13292

(C) The director shall review the applications with the 13293
assistance of the state historic preservation officer and 13294
determine whether all of the following criteria are met: 13295

(1) That the building that is the subject of the 13296
application is an historic building and the applicant is the 13297
owner or qualified lessee of the building; 13298

(2) That the rehabilitation will satisfy standards 13299
prescribed by the United States secretary of the interior under 13300
16 U.S.C. 470, et seq., as amended, and 36 C.F.R. 67.7 or a 13301
successor to that section; 13302

(3) That receiving a rehabilitation tax credit certificate 13303
under this section is a major factor in: 13304

(a) The applicant's decision to rehabilitate the historic 13305
building; or 13306

(b) To increase the level of investment in such 13307
rehabilitation. 13308

(4) The historic building that is the subject of the 13309
application is not, and will not upon completion of the 13310
rehabilitation project be, part of a qualified low-income 13311
housing project allocated a tax credit pursuant to section 42 of 13312
the Internal Revenue Code. 13313

An applicant shall demonstrate to the satisfaction of the 13314
state historic preservation officer and director that the 13315
rehabilitation will satisfy the standards described in division 13316
(C) (2) of this section before the applicant begins the physical 13317
rehabilitation of the historic building. 13318

(D) (1) If the director determines that an application 13319

meets the criteria in division (C) of this section, the director 13320
shall conduct a cost-benefit analysis for the historic building 13321
that is the subject of the application to determine whether 13322
rehabilitation of the historic building will result in a net 13323
revenue gain in state and local taxes once the building is used. 13324
The director shall consider the results of the cost-benefit 13325
analysis in determining whether to approve the application. The 13326
director shall also consider the potential economic impact and 13327
the regional distributive balance of the credits throughout the 13328
state. The director may approve an application only after 13329
completion of the cost-benefit analysis. 13330

(2) A rehabilitation tax credit certificate shall not be 13331
issued for an amount greater than the estimated amount furnished 13332
by the applicant on the application for such certificate and 13333
approved by the director. The director shall not approve more 13334
than a total of one hundred twenty million dollars of 13335
rehabilitation tax credits for each of fiscal years 2023 and 13336
2024, and sixty million dollars of rehabilitation tax credits 13337
for each fiscal year thereafter but the director may reallocate 13338
unused tax credits from a prior fiscal year for new applicants 13339
and such reallocated credits shall not apply toward the dollar 13340
limit of this division. 13341

(3) For rehabilitations with a rehabilitation period not 13342
exceeding twenty-four months as provided in division (A) (8) (a) 13343
of this section, a rehabilitation tax credit certificate shall 13344
not be issued before the rehabilitation of the historic building 13345
is completed. 13346

(4) For rehabilitations with a rehabilitation period not 13347
exceeding sixty months as provided in division (A) (8) (b) of this 13348
section, a rehabilitation tax credit certificate shall not be 13349

issued before a stage of rehabilitation is completed. After all 13350
stages of rehabilitation are completed, if the director cannot 13351
determine that the criteria in division (C) of this section are 13352
satisfied for all stages of rehabilitations, the director shall 13353
certify this finding to the tax commissioner, and any 13354
rehabilitation tax credits received by the applicant shall be 13355
repaid by the applicant and may be collected by assessment as 13356
unpaid tax by the commissioner. 13357

(5) The director shall require the applicant to provide a 13358
third-party cost certification by a certified public accountant 13359
of the actual costs attributed to the rehabilitation of the 13360
historic building when qualified rehabilitation expenditures 13361
exceed two hundred thousand dollars. 13362

If an applicant whose application is approved for receipt 13363
of a rehabilitation tax credit certificate fails to provide to 13364
the director sufficient evidence of reviewable progress, 13365
including a viable financial plan, copies of final construction 13366
drawings, and evidence that the applicant has obtained all 13367
historic approvals within twelve months after the date the 13368
applicant received notification of approval, and if the 13369
applicant fails to provide evidence to the director that the 13370
applicant has secured and closed on financing for the 13371
rehabilitation within eighteen months after receiving 13372
notification of approval, the director may rescind the approval 13373
of the application. The director shall notify the applicant if 13374
the approval has been rescinded. Credits that would have been 13375
available to an applicant whose approval was rescinded shall be 13376
available for other qualified applicants. Nothing in this 13377
division prohibits an applicant whose approval has been 13378
rescinded from submitting a new application for a rehabilitation 13379
tax credit certificate. 13380

(6) The director may approve the application of, and issue a rehabilitation tax credit certificate to, the owner of a catalytic project, provided the application otherwise meets the criteria described in divisions (C) and (D) of this section. The director may not approve more than one application for a rehabilitation tax credit certificate under division (D) (6) of this section during each state fiscal biennium. The director shall not approve an application for a rehabilitation tax credit certificate under division (D) (6) of this section during the state fiscal biennium beginning July 1, 2017, or during any state fiscal biennium thereafter. The director shall consider the following criteria in determining whether to approve an application for a certificate under division (D) (6) of this section:

(a) Whether the historic building is a catalytic project;

(b) The effect issuance of the certificate would have on the availability of credits for other applicants that qualify for a credit certificate within the credit dollar limit described in division (D) (2) of this section;

(c) The number of jobs, if any, the catalytic project will create.

(7) (a) The owner or qualified lessee of a historic building may apply for a rehabilitation tax credit certificate under both divisions (B) and (D) (6) of this section. In such a case, the director shall consider each application at the time the application is submitted.

(b) The director shall not issue more than one certificate under this section with respect to the same qualified rehabilitation expenditures.

(8) The director shall give consideration for tax credits 13410
awarded under this section to rehabilitations of historic 13411
buildings used as a theater before, and intended to be used as a 13412
theater after, the rehabilitation. In determining whether to 13413
approve an application for such a rehabilitation, the director 13414
shall consider the extent to which the rehabilitation will 13415
increase attendance at the theater and increase the theater's 13416
gross revenue. 13417

(9) The director shall rescind the approval of any 13418
application if the building that is the subject of the 13419
application is part of a qualified low-income housing project 13420
allocated a tax credit pursuant to section 42 of the Internal 13421
Revenue Code at any time before the building's rehabilitation is 13422
complete. 13423

(E) Issuance of a certificate represents a finding by the 13424
director of the matters described in divisions (C) (1), (2), and 13425
(3) of this section only; issuance of a certificate does not 13426
represent a verification or certification by the director of the 13427
amount of qualified rehabilitation expenditures for which a tax 13428
credit may be claimed under section 5725.151, 5725.34, 5726.52, 13429
5729.17, 5733.47, or 5747.76 of the Revised Code. The amount of 13430
qualified rehabilitation expenditures for which a tax credit may 13431
be claimed is subject to inspection and examination by the tax 13432
commissioner or employees of the commissioner under section 13433
5703.19 of the Revised Code and any other applicable law. Upon 13434
the issuance of a certificate, the director shall certify to the 13435
tax commissioner, in the form and manner requested by the tax 13436
commissioner, the name of the applicant, the amount of qualified 13437
rehabilitation expenditures shown on the certificate, and any 13438
other information required by the rules adopted under this 13439
section. 13440

(F) (1) On or before the first day of August each year, the director and tax commissioner jointly shall submit to the president of the senate and the speaker of the house of representatives a report on the tax credit program established under this section and sections 5725.151, 5725.34, 5726.52, 5729.17, 5733.47, and 5747.76 of the Revised Code. The report shall present an overview of the program and shall include information on the number of rehabilitation tax credit certificates issued under this section during the preceding fiscal year, an update on the status of each historic building for which an application was approved under this section, the dollar amount of the tax credits granted under sections 5725.151, 5725.34, 5726.52, 5729.17, 5733.47, and 5747.76 of the Revised Code, and any other information the director and commissioner consider relevant to the topics addressed in the report.

(2) On or before December 1, 2015, the director and tax commissioner jointly shall submit to the president of the senate and the speaker of the house of representatives a comprehensive report that includes the information required by division (F) (1) of this section and a detailed analysis of the effectiveness of issuing tax credits for rehabilitating historic buildings. The report shall be prepared with the assistance of an economic research organization jointly chosen by the director and commissioner.

(G) There is hereby created in the state treasury the historic rehabilitation tax credit operating fund. The director is authorized to charge reasonable application and other fees in connection with the administration of tax credits authorized by this section and sections 5725.151, 5725.34, 5726.52, 5729.17, 5733.47, and 5747.76 of the Revised Code. Any such fees

collected shall be credited to the fund and used to pay 13472
reasonable costs incurred by the department of housing and 13473
development in administering this section and sections 5725.151, 13474
5725.34, 5726.52, 5729.17, 5733.47, and 5747.76 of the Revised 13475
Code. 13476

The Ohio historic preservation office is authorized to 13477
charge reasonable fees in connection with its review and 13478
approval of applications under this section. Any such fees 13479
collected shall be credited to the fund and used to pay 13480
administrative costs incurred by the Ohio historic preservation 13481
office pursuant to this section. 13482

(H) Notwithstanding sections 5725.151, 5725.34, 5726.52, 13483
5729.17, 5733.47, and 5747.76 of the Revised Code, the 13484
certificate owner of a tax credit certificate issued under 13485
division (D)(6) of this section may claim a tax credit equal to 13486
twenty-five per cent of the dollar amount indicated on the 13487
certificate for a total credit of not more than twenty-five 13488
million dollars. The credit claimed by such a certificate owner 13489
for any calendar year, tax year, or taxable year under section 13490
5725.151, 5725.34, 5726.52, 5729.17, 5733.47, or 5747.76 of the 13491
Revised Code shall not exceed five million dollars. If the 13492
certificate owner is eligible for more than five million dollars 13493
in total credits, the certificate owner may carry forward the 13494
balance of the credit in excess of the amount claimed for that 13495
year for not more than five ensuing calendar years, tax years, 13496
or taxable years. If the credit claimed in any calendar year, 13497
tax year, or taxable year exceeds the tax otherwise due, the 13498
excess shall be refunded to the taxpayer. 13499

(I) Notwithstanding sections 5725.151, 5725.34, 5726.52, 13500
5729.17, 5733.47, and 5747.76 of the Revised Code, the following 13501

apply to a tax credit approved under this section after 13502
September 13, 2022, and before July 1, 2024: 13503

(1) The certificate holder may claim a tax credit equal to 13504
thirty-five per cent of the dollar amount indicated on the tax 13505
credit certificate if any county, township, or municipal 13506
corporation within which the project is located has a population 13507
of less than three hundred thousand according to the 2020 13508
decennial census. The tax credit equals twenty-five per cent of 13509
the dollar amount indicated on the certificate if the project is 13510
not located within such a county, township, or municipal 13511
corporation. 13512

(2) The total tax credit claimed under section 5725.151, 13513
5725.34, 5726.52, 5729.17, 5733.47, or 5747.76 of the Revised 13514
Code for any one project shall not exceed ten million dollars 13515
for any calendar year, tax year, or taxable year. 13516

(3) If the credit claimed in any calendar year, tax year, 13517
or taxable year exceeds the tax otherwise due, the excess shall 13518
be refunded to the taxpayer, subject to division (I)(2) of this 13519
section. 13520

(J) The director of housing and development, in 13521
consultation with the director of budget and management, shall 13522
develop and adopt a system of tracking any information necessary 13523
to anticipate the impact of credits issued under this section on 13524
tax revenues for current and future fiscal years. Such 13525
information may include the number of applications approved, the 13526
estimated rehabilitation expenditures and rehabilitation period 13527
associated with such applications, the number and amount of tax 13528
credit certificates issued, and any other information the 13529
director of budget and management requires for the purposes of 13530
this division. 13531

(K) For purposes of this section and Chapter 122:19-1 of the Ohio Administrative Code, a tax credit certificate issued under this section is effective on the date that all historic buildings rehabilitated by the project are "placed in service," as that term is used in section 47 of the Internal Revenue Code.

Sec. 150.02. (A) There is hereby created the Ohio venture capital authority, which shall exercise the powers and perform the duties prescribed by this chapter. The exercise by the authority of its powers and duties is hereby declared to be an essential state governmental function. The authority is subject to all laws generally applicable to state agencies and public officials, including, but not limited to, Chapter 119. and sections 121.22 and 149.43 of the Revised Code, to the extent those laws do not conflict with this chapter.

(B) The authority shall consist of three members appointed by the governor, one of whom the governor shall select from a list of three nominees provided by the president of the senate, and one of whom the governor shall select from a list of three nominees provided by the speaker of the house of representatives. If the governor rejects all the nominees provided in either list, the governor shall request that the president of the senate or speaker of the house, as the case may be, provide another list of three nominees, and the president or speaker, as the case may be, shall provide another list of three nominees. All nominated and appointed members shall have experience in the field of banking, investments, commercial law, or industry relevant to the purpose of the Ohio venture capital program as stated in section 150.01 of the Revised Code. The director of housing and development and tax commissioner or their designees shall serve as advisors to the authority but shall not be members and shall not vote on any matter before the

authority. 13563

Initial appointees to the authority shall serve staggered 13564
terms, with one term expiring on January 31, 2004, two terms 13565
expiring on January 31, 2005, two terms expiring on January 31, 13566
2006, and two terms expiring on January 31, 2007. The terms of 13567
all members serving on the authority on January 31, 2010, expire 13568
on that date, and the three appointees appointed pursuant to the 13569
amendment of this section by H.B. 1 of the 128th general 13570
assembly shall begin their terms February 1, 2010, with one term 13571
expiring January 31, 2012, one term expiring January 31, 2013, 13572
and one term expiring January 31, 2014. Thereafter, terms of 13573
office for all appointees shall be for four years, with each 13574
term ending on the same day of the same month as did the term 13575
that it succeeds. A vacancy on the authority shall be filled in 13576
the same manner as the original appointment, except that a 13577
person appointed to fill a vacancy shall be appointed to the 13578
remainder of the unexpired term. Any appointed member of the 13579
authority is eligible for reappointment. 13580

A member of the authority may be removed by the member's 13581
appointing authority for misfeasance, malfeasance, willful 13582
neglect of duty, or other cause, after notice and a public 13583
hearing, unless the notice and hearing are waived in writing by 13584
the member. 13585

(C) Members of the authority shall serve without 13586
compensation, but shall receive their reasonable and necessary 13587
expenses incurred in the conduct of authority business. The 13588
governor shall designate a member of the authority to serve as 13589
chairperson. A majority of the members of the authority 13590
constitutes a quorum, and the affirmative vote of a majority of 13591
the members present is necessary for any action taken by the 13592

authority. A vacancy in the membership of the authority does not 13593
impair the right of a quorum to exercise all rights and perform 13594
all duties of the authority. 13595

(D) The department of housing and development shall 13596
provide the authority with office space and such technical 13597
assistance as the authority requires. 13598

(E) The authority and an issuer may cooperate in promoting 13599
the public purposes of the Ohio venture capital program as 13600
stated in section 150.01 of the Revised Code and may enter into 13601
such agreements as the authority and the issuer deem 13602
appropriate, with a view to cooperative action and safeguarding 13603
of the respective interests of the parties thereto. Such 13604
agreements may provide for the rights, duties, and 13605
responsibilities of the parties and any limitations thereon, the 13606
terms on which any tax credits that may be issued to a trustee 13607
for the benefit of the issuer pursuant to division (E) of 13608
section 150.07 of the Revised Code are to be issued and claimed, 13609
and such other terms as may be mutually satisfactory to the 13610
parties including, but not limited to, requirements for 13611
reporting, and a plan, prepared by a program administrator and 13612
acceptable to the authority and the issuer, designed to evidence 13613
and ensure compliance with division (D) of section 150.03 of the 13614
Revised Code and Section 2p of Article VIII, Ohio Constitution. 13615

Sec. 151.40. (A) As used in this section: 13616

(1) "Bond proceedings" includes any trust agreements, and 13617
any amendments or supplements to them, as authorized by this 13618
section. 13619

(2) "Costs of revitalization projects" includes related 13620
direct administrative expenses and allocable portions of the 13621

direct costs of those projects of the department of housing and 13622
development or the environmental protection agency. 13623

(3) "Issuing authority" means the treasurer of state. 13624

(4) "Obligations" means obligations as defined in section 13625
151.01 of the Revised Code issued to pay the costs of projects 13626
for revitalization purposes as referred to in division (A) (2) of 13627
Section 2o of Article VIII, Ohio Constitution and division (A) 13628
(2) of Section 2q of Article VIII, Ohio Constitution. 13629

(5) "Pledged liquor profits" means all receipts of the 13630
state representing the gross profit on the sale of spirituous 13631
liquor, as referred to in division (B) (4) of section 4301.10 of 13632
the Revised Code, after paying all costs and expenses of the 13633
division of liquor control and providing an adequate working 13634
capital reserve for the division of liquor control as provided 13635
in that division, but excluding the sum required by the second 13636
paragraph of section 4301.12 of the Revised Code, as it was in 13637
effect on May 2, 1980, to be paid into the state treasury. 13638

(6) "Pledged receipts" means, as and to the extent 13639
provided in bond proceedings: 13640

(a) Pledged liquor profits. The pledge of pledged liquor 13641
profits to obligations is subject to the priority of the pledge 13642
of those profits to obligations issued and to be issued pursuant 13643
to Chapter 166. of the Revised Code. 13644

(b) Moneys accruing to the state from the lease, sale, or 13645
other disposition or use of revitalization projects or from the 13646
repayment, including any interest, of loans or advances made 13647
from net proceeds; 13648

(c) Accrued interest received from the sale of 13649
obligations; 13650

(d) Income from the investment of the special funds;	13651
(e) Any gifts, grants, donations, or pledges, and receipts therefrom, available for the payment of debt service;	13652 13653
(f) Additional or any other specific revenues or receipts lawfully available to be pledged, and pledged, pursuant to further authorization by the general assembly, to the payment of debt service.	13654 13655 13656 13657
(B) (1) The issuing authority shall issue obligations of the state to pay costs of revitalization projects pursuant to division (B) (2) of Section 2o of Article VIII, Ohio Constitution, division (B) (2) of Section 2q of Article VIII, Ohio Constitution, section 151.01 of the Revised Code as applicable to this section, and this section. Not more than four hundred million dollars principal amount of obligations issued under this section for revitalization purposes may be outstanding at any one time. Not more than fifty million dollars principal amount of obligations, plus the principal amount of obligations that in any prior fiscal year could have been, but were not issued within the fifty-million-dollar fiscal year limit, may be issued in any fiscal year.	13658 13659 13660 13661 13662 13663 13664 13665 13666 13667 13668 13669 13670
(2) The provisions and authorizations in section 151.01 of the Revised Code apply to the obligations and the bond proceedings except as otherwise provided or provided for in those obligations and bond proceedings.	13671 13672 13673 13674
(C) Net proceeds of obligations shall be deposited in the general revenue fund.	13675 13676
(D) There is hereby created the revitalization projects bond service fund, which shall be in the custody of the treasurer of state, but shall be separate and apart from and not	13677 13678 13679

a part of the state treasury. All money received by the state 13680
and required by the bond proceedings, consistent with section 13681
151.01 of the Revised Code and this section, to be deposited, 13682
transferred, or credited to the bond service fund, and all other 13683
money transferred or allocated to or received for the purposes 13684
of that fund, shall be deposited and credited to the bond 13685
service fund, subject to any applicable provisions of the bond 13686
proceedings, but without necessity for any act of appropriation. 13687
During the period beginning with the date of the first issuance 13688
of obligations and continuing during the time that any 13689
obligations are outstanding in accordance with their terms, so 13690
long as moneys in the bond service fund are insufficient to pay 13691
debt service when due on those obligations payable from that 13692
fund, except the principal amounts of bond anticipation notes 13693
payable from the proceeds of renewal notes or bonds anticipated, 13694
and due in the particular fiscal year, a sufficient amount of 13695
pledged receipts is committed and, without necessity for further 13696
act of appropriation, shall be paid to the bond service fund for 13697
the purpose of paying that debt service when due. 13698

(E) The issuing authority may pledge all, or such portion 13699
as the issuing authority determines, of the pledged receipts to 13700
the payment of the debt service charges on obligations issued 13701
under this section, and for the establishment and maintenance of 13702
any reserves, as provided in the bond proceedings, and make 13703
other provisions in the bond proceedings with respect to pledged 13704
receipts as authorized by this section, which provisions are 13705
controlling notwithstanding any other provisions of law 13706
pertaining to them. 13707

(F) The issuing authority may covenant in the bond 13708
proceedings, and such covenants shall be controlling 13709
notwithstanding any other provision of law, that the state and 13710

applicable officers and state agencies, including the general 13711
assembly, so long as any obligations issued under this section 13712
are outstanding, shall maintain statutory authority for and 13713
cause to be charged and collected wholesale or retail prices for 13714
spirituous liquor sold by the state or its agents so that the 13715
available pledged receipts are sufficient in time and amount to 13716
meet debt service payable from pledged liquor profits and for 13717
the establishment and maintenance of any reserves and other 13718
requirements provided for in the bond proceedings. 13719

(G) Obligations may be further secured, as determined by 13720
the issuing authority, by a trust agreement between the state 13721
and a corporate trustee, which may be any trust company or bank 13722
having a place of business within the state. Any trust agreement 13723
may contain the resolution or order authorizing the issuance of 13724
the obligations, any provisions that may be contained in any 13725
bond proceedings, and other provisions that are customary or 13726
appropriate in an agreement of that type, including, but not 13727
limited to: 13728

(1) Maintenance of each pledge, trust agreement, or other 13729
instrument comprising part of the bond proceedings until the 13730
state has fully paid or provided for the payment of debt service 13731
on the obligations secured by it; 13732

(2) In the event of default in any payments required to be 13733
made by the bond proceedings, enforcement of those payments or 13734
agreements by mandamus, the appointment of a receiver, suit in 13735
equity, action at law, or any combination of them; 13736

(3) The rights and remedies of the holders or owners of 13737
obligations and of the trustee and provisions for protecting and 13738
enforcing them, including limitations on rights of individual 13739
holders and owners. 13740

(H) The obligations shall not be general obligations of the state and the full faith and credit, revenue, and taxing power of the state shall not be pledged to the payment of debt service on them. The holders or owners of the obligations shall have no right to have any moneys obligated or pledged for the payment of debt service except as provided in this section and in the applicable bond proceedings. The rights of the holders and owners to payment of debt service are limited to all or that portion of the pledged receipts, and those special funds, pledged to the payment of debt service pursuant to the bond proceedings in accordance with this section, and each obligation shall bear on its face a statement to that effect.

Sec. 153.59. Every contract for or on behalf of the state, or any township, county, or municipal corporation of the state, for the construction, alteration, or repair of any public building or public work in the state shall contain provisions by which the contractor agrees to both of the following:

(A) That, in the hiring of employees for the performance of work under the contract or any subcontract, no contractor, subcontractor, or any person acting on a contractor's or subcontractor's behalf, by reason of race, creed, sex, disability or military status as defined in section 4112.01 of the Revised Code, or color, shall discriminate against any citizen of the state in the employment of labor or workers who is qualified and available to perform the work to which the employment relates;

(B) That no contractor, subcontractor, or any person on a contractor's or subcontractor's behalf, in any manner, shall discriminate against or intimidate any employee hired for the performance of work under the contract on account of race,

creed, sex, disability or military status as defined in section 13771
4112.01 of the Revised Code, or color. 13772

The department of housing and development shall ensure 13773
that no capital moneys appropriated by the general assembly for 13774
any purpose shall be expended unless the project for which those 13775
moneys are appropriated provides for an affirmative action 13776
program for the employment and effective utilization of 13777
disadvantaged persons whose disadvantage may arise from 13778
cultural, racial, or ethnic background, or other similar cause, 13779
including, but not limited to, race, religion, sex, disability 13780
or military status as defined in section 4112.01 of the Revised 13781
Code, national origin, or ancestry. 13782

In awarding contracts for capital improvement projects, 13783
the department shall ensure that equal consideration be given to 13784
contractors, subcontractors, or joint venturers who qualify as a 13785
minority business enterprise. As used in this section, "minority 13786
business enterprise" means a business enterprise that is owned 13787
or controlled by one or more socially or economically 13788
disadvantaged persons who are residents of this state. "Socially 13789
or economically disadvantaged persons" means persons, regardless 13790
of marital status, who are members of groups whose disadvantage 13791
may arise from discrimination on the basis of race, religion, 13792
sex, disability or military status as defined in section 4112.01 13793
of the Revised Code, national origin, ancestry, or other similar 13794
cause. 13795

Sec. 164.02. (A) There is hereby created the Ohio public 13796
works commission consisting of seven members who shall be 13797
appointed as follows: two persons shall be appointed by the 13798
speaker of the house of representatives; one person shall be 13799
appointed by the minority leader of the house of 13800

representatives; two persons shall be appointed by the president 13801
of the senate; one person shall be appointed by the minority 13802
leader of the senate; and one person from the private sector, 13803
who shall have experience in matters of public finance, shall be 13804
appointed alternately by the speaker of the house of 13805
representatives and the president of the senate, with the 13806
speaker of the house making the first appointment. The director 13807
of transportation, the director of environmental protection, the 13808
director of housing and development, the director of natural 13809
resources, and the chairperson of the Ohio water development 13810
authority shall be nonvoting, ex officio members of the 13811
commission. Terms of office shall be for four years, each term 13812
ending on the date that is four years from the date of 13813
appointment. Members may be reappointed, to a subsequent ~~four-~~ 13814
~~year-four-year~~ term, one time. Vacancies shall be filled in the 13815
same manner provided for original appointments. Any member 13816
appointed to fill a vacancy occurring prior to the expiration 13817
date of the term for which the member's predecessor was 13818
appointed shall hold office for the remainder of that term, and 13819
may be reappointed for up to two subsequent ~~four-year-four-year~~ 13820
terms. A member shall continue in office subsequent to the 13821
expiration date of the member's term until the member's 13822
successor takes office or until a period of sixty days has 13823
elapsed, whichever occurs first. 13824

The commission shall elect a chairperson, vice- 13825
chairperson, and other officers as it considers advisable. Four 13826
voting members constitute a quorum. Members of the commission 13827
shall serve without compensation but shall be reimbursed for 13828
their actual and necessary expenses incurred in the performance 13829
of their duties. 13830

(B) The Ohio public works commission shall: 13831

(1) Review and evaluate persons who will be recommended to the governor for appointment to the position of director of the Ohio public works commission, and, when the commission considers it appropriate, recommend the removal of a director;

(2) Provide the governor with a list of names of three persons who are, in the judgment of the commission, qualified to be appointed to the position of director. The commission shall provide the list, which may include the name of the incumbent director to the governor, not later than sixty days prior to the expiration of the term of such incumbent director. A director shall serve a two-year term upon initial appointment, and four-year terms if subsequently reappointed by the governor; however, the governor may remove a director at any time following the commission's recommendation of such action. Upon the expiration of a director's term, or in the case of the resignation, death, or removal of a director, the commission shall provide such list of the names of three persons to the governor within thirty days of such expiration, resignation, death, or removal. Nothing in this section shall prevent the governor, in the governor's discretion, from rejecting all of the nominees of the commission and requiring the commission to select three additional nominees. However, when the governor has requested and received a second list of three additional names, the governor shall make the appointment from one of the names on the first list or the second list. Appointment by the governor is subject to the advice and consent of the senate.

In the case of the resignation, removal, or death of the director during the director's term of office, a successor shall be chosen for the remainder of the term in the same manner as is provided for an original appointment.

(3) Provide oversight to the director and advise in the development of policy guidelines for the implementation of this chapter, and report and make recommendations to the general assembly with respect to such implementation;

(4) Adopt bylaws to govern the conduct of the commission's business;

(5) Appoint the members of the Ohio small government capital improvements commission in accordance with division (C) of this section.

(C) (1) There is hereby created the Ohio small government capital improvements commission. The commission shall consist of ten members, including the director of transportation, the director of environmental protection, and the chairperson of the Ohio water development authority as nonvoting, ex officio members and seven voting members appointed by the Ohio public works commission. Each such appointee shall be a member of a district public works integrating committee who was appointed to the integrating committee pursuant to the majority vote of the chief executive officers of the villages of the appointee's district or by a majority of the boards of township trustees of the appointee's district.

(2) Two of the initial appointments shall be for terms ending two years after March 29, 1988. The remaining initial appointments shall be for terms ending three years after March 29, 1988. Thereafter, terms of office shall be for two years, with each term ending on the same date of the same month as did the term that it succeeds. Each member shall hold office from the date of appointment until the end of the term for which the member is appointed. Vacancies shall be filled in the same manner as original appointments. Any member appointed to fill a

vacancy occurring before the expiration date of the term for 13892
which the member's predecessor was appointed shall hold office 13893
as a member for the remainder of that term. A member shall 13894
continue in office after the expiration of the member's term 13895
until the member's successor takes office or until a period of 13896
sixty days has elapsed, whichever occurs first. Members of the 13897
commission may be reappointed. No more than two members of the 13898
commission may be members of the same district public works 13899
integrating committee. 13900

(3) The Ohio small government capital improvements 13901
commission shall elect one of its appointed members as 13902
chairperson and another as vice-chairperson. Four voting members 13903
of the commission constitute a quorum, and the affirmative vote 13904
of four appointed members is required for any action taken by 13905
vote of the commission. No vacancy in the membership of the 13906
commission shall impair the right of a quorum by an affirmative 13907
vote of four appointed members to exercise all rights and 13908
perform all duties of the commission. Members of the commission 13909
shall serve without compensation, but shall be reimbursed for 13910
their actual and necessary expenses incurred in the performance 13911
of their duties. 13912

(D) The Ohio small government capital improvements 13913
commission shall: 13914

(1) Advise the general assembly on the development of 13915
policy guidelines for the implementation of this chapter, 13916
especially as it relates to the interests of small governments 13917
and the use of the portion of bond proceeds set aside for the 13918
exclusive use of townships and villages; 13919

(2) Advise the township and village subcommittees of the 13920
various district public works integrating committees concerning 13921

the selection of projects for which the use of such proceeds 13922
will be authorized; 13923

(3) Affirm or overrule the recommendations of its 13924
administrator made in accordance with section 164.051 of the 13925
Revised Code concerning requests from townships and villages for 13926
financial assistance for capital improvement projects. 13927

(E) Membership on the Ohio public works commission or the 13928
Ohio small government capital improvements commission does not 13929
constitute the holding of a public office. No appointed member 13930
shall be required, by reason of section 101.26 of the Revised 13931
Code, to resign from or forfeit membership in the general 13932
assembly. 13933

Notwithstanding any provision of law to the contrary, a 13934
county, municipal, or township public official may serve as a 13935
member of the Ohio public works commission or the Ohio small 13936
government capital improvements commission. 13937

Members of the commissions established by this section do 13938
not have an unlawful interest in a public contract under section 13939
2921.42 of the Revised Code solely by virtue of the receipt of 13940
financial assistance under this chapter by the local subdivision 13941
of which they are also a public official or appointee. 13942

Sec. 165.01. As used in this chapter: 13943

"Bonds" means bonds, notes, or other forms of evidences of 13944
obligation issued in temporary or definitive form, including 13945
notes issued in anticipation of the issuance of bonds and 13946
renewal notes. The funding of bond anticipation notes with bonds 13947
or renewal notes and the exchange of definitive bonds for 13948
temporary bonds are not subject to section 165.07 of the Revised 13949
Code. 13950

"Bond proceedings" means the resolution or ordinance or the trust agreement or indenture of mortgage, or combination thereof, authorizing or providing for the terms and conditions applicable to bonds issued under authority of this chapter.

"Issuer" means the state or a county, township, or municipal corporation of the state.

"Issuing authority" means in the case of the state, the director of housing and development~~services~~; in the case of a municipal corporation, the legislative authority thereof; in the case of a township, the board of township trustees; and in the case of a county, the board of county commissioners or whatever officers, board, commission, council, or other body might succeed to the legislative powers of the commissioners.

"Pledged facilities" means the project or projects mortgaged or the rentals, revenues, and other income, charges, and moneys from which are pledged, or both, for the payment of the principal of and interest on the bonds issued under authority of section 165.03 of the Revised Code, and includes a project for which a loan has been made under authority of this chapter, in which case, references in this chapter to revenues of such pledged facilities or from the disposition thereof includes payments made or to be made to or for the account of the issuer pursuant to such loan.

"Project" means real or personal property, or both, including undivided and other interests therein, acquired by gift or purchase, constructed, reconstructed, enlarged, improved, furnished, or equipped, or any combination thereof, by an issuer, or by others in whole or in part from the proceeds of a loan made by an issuer, for industry, commerce, distribution, or research and located within the boundaries of the issuer.

"Project" includes sanitary facilities, drainage facilities, and prevention or replacement facilities as defined in section 6117.01 of the Revised Code. A project as defined in this division is hereby determined to qualify as facilities described in Section 13 of Article VIII, Ohio Constitution.

"Revenues" means the rentals, revenues, payments, repayments, income, charges, and moneys derived or to be derived from the use, lease, sublease, rental, sale, including installment sale or conditional sale, or other disposition of pledged facilities, or derived or to be derived pursuant to a loan made for a project, bond proceeds to the extent provided in the bond proceedings for the payment of principal of, or premium, if any, or interest on the bonds, proceeds from any insurance, condemnation or guaranty pertaining to pledged facilities or the financing thereof, and income and profit from the investment of the proceeds of bonds or of any revenues.

"Security interest" means a mortgage, lien, or other encumbrance on, or pledge or assignment of, or other security interest with respect to all or any part of pledged facilities, revenues, reserve funds, or other funds established under the bond proceedings, or on, of, or with respect to, a lease, sublease, sale, conditional sale or installment sale agreement, loan agreement, or any other agreement pertaining to the lease, sublease, sale, or other disposition of a project or pertaining to a loan made for a project, or any guaranty or insurance agreement made with respect thereto, or any interest of the issuer therein, or any other interest granted, assigned, or released to secure payments of the principal of, premium, if any, or interest on any bonds or to secure any other payments to be made by an issuer under the bond proceedings. Any security interest under this chapter may be prior or subordinate to or on

a parity with any other mortgage, lien, encumbrance, pledge, 14012
assignment, or other security interest. 14013

Sec. 165.03. (A) An issuer may issue bonds for the purpose 14014
of providing moneys to acquire by purchase, construct, 14015
reconstruct, enlarge, improve, furnish, or equip one or more 14016
projects or parts thereof, or for any combination of such 14017
purposes, including providing moneys to make loans to others for 14018
such purposes. The issuing authority shall provide by resolution 14019
or ordinance for the issuance of such bonds. The bond 14020
proceedings may contain determinations by the issuing authority 14021
that the project to be financed thereunder is a project as 14022
defined in this chapter and is consistent with the purposes of 14023
Section 13 of Article VIII, Ohio Constitution, and such 14024
determinations shall be conclusive as to the validity and 14025
enforceability of the bonds issued under such bond proceedings 14026
and of such bond proceedings and security interests given and 14027
leases, subleases, sale agreements, loan agreements, and other 14028
agreements made in connection therewith, all in accordance with 14029
their terms. 14030

The principal of and interest on the bonds and all other 14031
payments required to be made by the bond proceedings shall be 14032
payable solely from the revenues and secured by security 14033
interests as provided in such bond proceedings. Bond 14034
anticipation notes may be secured, solely or additionally, by a 14035
covenant of the issuer that it will do all things necessary for 14036
the issuance of the bonds anticipated or renewal notes in 14037
appropriate amount and either exchange such bonds or renewal 14038
notes for such notes or apply the proceeds therefrom to the 14039
extent necessary to make full payment of the principal of and 14040
interest on such notes. The bond proceedings shall not obligate 14041
or pledge moneys raised by taxation. 14042

Bonds may be issued at one time or from time to time, 14043
shall be dated, shall mature at such time or times not exceeding 14044
thirty years from date of issue, and may be redeemable before 14045
maturity at such price or prices and under such terms and 14046
conditions, all as provided in the bond proceedings. The bonds 14047
shall bear interest at such rate or rates, or at a variable rate 14048
or rates changing from time to time in accordance with a base or 14049
formula, as provided in or authorized by the bond proceedings. 14050
The issuing authority shall determine the form of the bonds, fix 14051
their denominations and method of execution, and establish 14052
within or without the state a place or places for the payment of 14053
principal or interest. 14054

(B) The issuing authority may provide for sales of bonds 14055
at public or private sale as it deems most advantageous and for 14056
such prices, whether above or below the par value thereof, as it 14057
determines or within such limit or limits as it determines. 14058

(C) If the state is the issuer, then before the 14059
authorization of the bonds, the issuing authority of the state 14060
shall have received a written request for the issuance of the 14061
bonds from either the board of directors of a port authority 14062
created pursuant to the authority of section 4582.02 or 4582.22 14063
of the Revised Code if the project is within the jurisdiction of 14064
the port authority, from the issuing authority of the municipal 14065
corporation if the project is within the boundaries of a 14066
municipal corporation, or from the issuing authority of the 14067
township or county if the project is within the unincorporated 14068
portion of the township or county. 14069

(D) If the issuer is a county, township, or municipal 14070
corporation, then, before the delivery of bonds issued under 14071
authority of this section, the issuing authority shall have 14072

caused a written notice to have been mailed by certified mail to 14073
the director of housing and development services of the state 14074
advising such director of the proposed delivery of the bonds, 14075
the amount thereof, the proposed lessee, and a general 14076
description of the project or projects to be financed. 14077

(E) In case any officer who has signed any bonds or 14078
coupons pertaining thereto, or caused the officer's facsimile 14079
signature to be affixed thereto, ceases to be such officer 14080
before such bonds or coupons have been delivered, such bonds or 14081
coupons may, nevertheless, be issued and delivered as though the 14082
person who had signed the bonds or coupons or caused the 14083
person's facsimile signature to be affixed thereto had not 14084
ceased to be such officer. Any bonds or coupons may be executed 14085
on behalf of the issuer by an officer who, on the date of 14086
execution, is the proper officer although on the date of such 14087
bonds or coupons such person was not the proper officer. 14088

(F) All bonds issued under authority of this chapter, 14089
regardless of form or terms and regardless of any other law to 14090
the contrary, shall have all qualities and incidents of 14091
negotiable instruments, subject to provisions for registration, 14092
and may be issued in coupon, fully registered, or other form, or 14093
any combination thereof, as the issuing authority determines. 14094
Provision may be made for the registration of any coupon bonds 14095
as to principal alone or as to both principal and interest, and 14096
for the conversion into coupon bonds of any fully registered 14097
bonds or bonds registered as to both principal and interest. 14098

Sec. 165.20. In accordance with Section 13 of Article 14099
VIII, Ohio Constitution, the state, acting through the director 14100
of housing and development, or through the board of trustees of 14101
any state university or any housing commission created by 14102

section 3347.01 of the Revised Code, and its political 14103
subdivision, taxing districts, or public authorities, or its or 14104
their agencies, institutions, or instrumentalities, may by 14105
resolution or ordinance designate a corporation organized under 14106
Chapter 1702. or 1724. of the Revised Code as its or their 14107
agency to acquire, construct, reconstruct, enlarge, improve, 14108
furnish, or equip and to sell, lease, exchange, or otherwise 14109
dispose of property and facilities within the state for 14110
industry, commerce, distribution, and research; may approve such 14111
corporation and obligations of the corporation issued by it for 14112
one or more such purposes; and may have a beneficial interest in 14113
such corporation including the right to the property financed by 14114
such obligations on the retirement of such obligations, or by 14115
acquiring such property for endowment or similar uses or 14116
benefits or for ultimate direct use by it, subject to any lease 14117
or mortgage securing such obligations. 14118

Sec. 166.01. As used in this chapter: 14119

(A) "Allowable costs" means all or part of the costs of 14120
project facilities, eligible projects, eligible innovation 14121
projects, eligible research and development projects, eligible 14122
advanced energy projects, or eligible logistics and distribution 14123
projects, including costs of acquiring, constructing, 14124
reconstructing, rehabilitating, renovating, enlarging, 14125
improving, equipping, or furnishing project facilities, eligible 14126
projects, eligible innovation projects, eligible research and 14127
development projects, eligible advanced energy projects, or 14128
eligible logistics and distribution projects, site clearance and 14129
preparation, supplementing and relocating public capital 14130
improvements or utility facilities, designs, plans, 14131
specifications, surveys, studies, and estimates of costs, 14132
expenses necessary or incident to determining the feasibility or 14133

practicability of assisting an eligible project, an eligible 14134
innovation project, an eligible research and development 14135
project, an eligible advanced energy project, or an eligible 14136
logistics and distribution project, or providing project 14137
facilities or facilities related to an eligible project, an 14138
eligible innovation project, an eligible research and 14139
development project, an eligible advanced energy project, or an 14140
eligible logistics and distribution project, architectural, 14141
engineering, and legal services fees and expenses, the costs of 14142
conducting any other activities as part of a voluntary action, 14143
and such other expenses as may be necessary or incidental to the 14144
establishment or development of an eligible project, an eligible 14145
innovation project, an eligible research and development 14146
project, an eligible advanced energy project, or an eligible 14147
logistics and distribution project, and reimbursement of moneys 14148
advanced or applied by any governmental agency or other person 14149
for allowable costs. 14150

(B) "Allowable innovation costs" includes allowable costs 14151
of eligible innovation projects and, in addition, includes the 14152
costs of research and development of eligible innovation 14153
projects; obtaining or creating any requisite software or 14154
computer hardware related to an eligible innovation project or 14155
the products or services associated therewith; testing 14156
(including, without limitation, quality control activities 14157
necessary for initial production), perfecting, and marketing of 14158
such products and services; creating and protecting intellectual 14159
property related to an eligible innovation project or any 14160
products or services related thereto, including costs of 14161
securing appropriate patent, trademark, trade secret, trade 14162
dress, copyright, or other form of intellectual property 14163
protection for an eligible innovation project or related 14164

products and services; all to the extent that such expenditures 14165
could be capitalized under then-applicable generally accepted 14166
accounting principles; and the reimbursement of moneys advanced 14167
or applied by any governmental agency or other person for 14168
allowable innovation costs. 14169

(C) "Eligible innovation project" includes an eligible 14170
project, including any project facilities associated with an 14171
eligible innovation project and, in addition, includes all 14172
tangible and intangible property related to a new product or 14173
process based on new technology or the creative application of 14174
existing technology, including research and development, product 14175
or process testing, quality control, market research, and 14176
related activities, that is to be acquired, established, 14177
expanded, remodeled, rehabilitated, or modernized for industry, 14178
commerce, distribution, or research, or any combination thereof, 14179
the operation of which, alone or in conjunction with other 14180
eligible projects, eligible innovation projects, or innovation 14181
property, will create new jobs or preserve existing jobs and 14182
employment opportunities and improve the economic welfare of the 14183
people of the state. 14184

(D) "Eligible project" means project facilities to be 14185
acquired, established, expanded, remodeled, rehabilitated, or 14186
modernized for industry, commerce, distribution, or research, or 14187
any combination thereof, the operation of which, alone or in 14188
conjunction with other facilities, will create new jobs or 14189
preserve existing jobs and employment opportunities and improve 14190
the economic welfare of the people of the state. "Eligible 14191
project" includes, without limitation, a voluntary action. For 14192
purposes of this division, "new jobs" does not include existing 14193
jobs transferred from another facility within the state, and 14194
"existing jobs" includes only those existing jobs with work 14195

places within the municipal corporation or unincorporated area 14196
of the county in which the eligible project is located. 14197

"Eligible project" does not include project facilities to 14198
be acquired, established, expanded, remodeled, rehabilitated, or 14199
modernized for industry, commerce, distribution, or research, or 14200
any combination of industry, commerce, distribution, or 14201
research, if the project facilities consist solely of point-of- 14202
final-purchase retail facilities. If the project facilities 14203
consist of both point-of-final-purchase retail facilities and 14204
nonretail facilities, only the portion of the project facilities 14205
consisting of nonretail facilities is an eligible project. If a 14206
warehouse facility is part of a point-of-final-purchase retail 14207
facility and supplies only that facility, the warehouse facility 14208
is not an eligible project. Catalog distribution facilities are 14209
not considered point-of-final-purchase retail facilities for 14210
purposes of this paragraph, and are eligible projects. 14211

(E) "Eligible research and development project" means an 14212
eligible project, including project facilities, comprising, 14213
within, or related to, a facility or portion of a facility at 14214
which research is undertaken for the purpose of discovering 14215
information that is technological in nature and the application 14216
of which is intended to be useful in the development of a new or 14217
improved product, process, technique, formula, or invention, a 14218
new product or process based on new technology, or the creative 14219
application of existing technology. 14220

(F) "Financial assistance" means inducements under 14221
division (B) of section 166.02 of the Revised Code, loan 14222
guarantees under section 166.06 of the Revised Code, and direct 14223
loans under section 166.07 of the Revised Code. 14224

(G) "Governmental action" means any action by a 14225

governmental agency relating to the establishment, development, 14226
or operation of an eligible project, eligible innovation 14227
project, eligible research and development project, eligible 14228
advanced energy project, or eligible logistics and distribution 14229
project, and project facilities that the governmental agency 14230
acting has authority to take or provide for the purpose under 14231
law, including, but not limited to, actions relating to 14232
contracts and agreements, zoning, building, permits, acquisition 14233
and disposition of property, public capital improvements, 14234
utility and transportation service, taxation, employee 14235
recruitment and training, and liaison and coordination with and 14236
among governmental agencies. 14237

(H) "Governmental agency" means the state and any state 14238
department, division, commission, institution or authority; a 14239
municipal corporation, county, or township, and any agency 14240
thereof, and any other political subdivision or public 14241
corporation or the United States or any agency thereof; any 14242
agency, commission, or authority established pursuant to an 14243
interstate compact or agreement; and any combination of the 14244
above. 14245

(I) "Innovation financial assistance" means inducements 14246
under division (B) of section 166.12 of the Revised Code, 14247
innovation Ohio loan guarantees under section 166.15 of the 14248
Revised Code, and innovation Ohio loans under section 166.16 of 14249
the Revised Code. 14250

(J) "Innovation Ohio loan guarantee reserve requirement" 14251
means, at any time, with respect to innovation loan guarantees 14252
made under section 166.15 of the Revised Code, a balance in the 14253
innovation Ohio loan guarantee fund equal to the greater of 14254
twenty per cent of the then-outstanding principal amount of all 14255

outstanding innovation loan guarantees made pursuant to section 14256
166.15 of the Revised Code or fifty per cent of the principal 14257
amount of the largest outstanding guarantee made pursuant to 14258
section 166.15 of the Revised Code. 14259

(K) "Innovation property" includes property and also 14260
includes software, inventory, licenses, contract rights, 14261
goodwill, intellectual property, including without limitation, 14262
patents, patent applications, trademarks and service marks, and 14263
trade secrets, and other tangible and intangible property, and 14264
any rights and interests in or connected to the foregoing. 14265

(L) "Loan guarantee reserve requirement" means, at any 14266
time, with respect to loan guarantees made under section 166.06 14267
of the Revised Code, a balance in the loan guarantee fund equal 14268
to the greater of twenty per cent of the then-outstanding 14269
principal amount of all outstanding guarantees made pursuant to 14270
section 166.06 of the Revised Code or fifty per cent of the 14271
principal amount of the largest outstanding guarantee made 14272
pursuant to section 166.06 of the Revised Code. 14273

(M) "Person" means any individual, firm, partnership, 14274
association, corporation, or governmental agency, and any 14275
combination thereof. 14276

(N) "Project facilities" means buildings, structures, and 14277
other improvements, and equipment and other property, excluding 14278
small tools, supplies, and inventory, and any one, part of, or 14279
combination of the above, comprising all or part of, or serving 14280
or being incidental to, an eligible project, an eligible 14281
innovation project, an eligible research and development 14282
project, an eligible advanced energy project, or an eligible 14283
logistics and distribution project, including, but not limited 14284
to, public capital improvements. 14285

(O) "Property" means real and personal property and interests therein.	14286 14287
(P) "Public capital improvements" means capital improvements or facilities that any governmental agency has authority to acquire, pay the costs of, own, maintain, or operate, or to contract with other persons to have the same done, including, but not limited to, highways, roads, streets, water and sewer facilities, railroad and other transportation facilities, and air and water pollution control and solid waste disposal facilities. For purposes of this division, "air pollution control facilities" includes, without limitation, solar, geothermal, biofuel, biomass, wind, hydro, wave, and other advanced energy projects as defined in section 3706.25 of the Revised Code.	14288 14289 14290 14291 14292 14293 14294 14295 14296 14297 14298 14299
(Q) "Research and development financial assistance" means inducements under section 166.17 of the Revised Code, research and development loans under section 166.21 of the Revised Code, and research and development tax credits under sections 5733.352 and 5747.331 of the Revised Code.	14300 14301 14302 14303 14304
(R) "Targeted innovation industry sectors" means industry sectors involving the production or use of advanced materials, instruments, controls and electronics, power and propulsion, biosciences, and information technology, or such other sectors as may be designated by the director of <u>housing and development</u> .	14305 14306 14307 14308 14309
(S) "Voluntary action" means a voluntary action, as defined in section 3746.01 of the Revised Code, that is conducted under the voluntary action program established in Chapter 3746. of the Revised Code.	14310 14311 14312 14313
(T) "Project financing obligations" means obligations	14314

issued pursuant to section 166.08 of the Revised Code other than 14315
obligations for which the bond proceedings provide that bond 14316
service charges shall be paid from receipts of the state 14317
representing gross profit on the sale of spirituous liquor as 14318
referred to in division (B)(4) of section ~~4310.10~~4301.10 of the 14319
Revised Code. 14320

(U) "Regional economic development entity" means an entity 14321
that is under contract with the director to administer a loan 14322
program under this chapter in a particular area of this state. 14323

(V) "Eligible advanced energy project" means an eligible 14324
project that is an "advanced energy project" as defined in 14325
section 3706.25 of the Revised Code. 14326

(W) "Eligible logistics and distribution project" means an 14327
eligible project, including project facilities, to be acquired, 14328
established, expanded, remodeled, rehabilitated, or modernized 14329
for transportation logistics and distribution infrastructure 14330
purposes. As used in this division, "transportation logistics 14331
and distribution infrastructure purposes" means promoting, 14332
providing for, and enabling improvements to the ground, air, and 14333
water transportation infrastructure comprising the 14334
transportation system in this state, including, without 14335
limitation, highways, streets, roads, bridges, railroads 14336
carrying freight, and air and water ports and port facilities, 14337
and all related supporting facilities. 14338

Sec. 166.02. (A) The general assembly finds that many 14339
local areas throughout the state are experiencing economic 14340
stagnation or decline, and that the economic development 14341
programs provided for in this chapter will constitute deserved, 14342
necessary reinvestment by the state in those areas, materially 14343
contribute to their economic revitalization, and result in 14344

improving the economic welfare of all the people of the state. 14345
Accordingly, it is declared to be the public policy of the 14346
state, through the operations of this chapter and other 14347
applicable laws adopted pursuant to Section 2p or 13 of Article 14348
VIII, Ohio Constitution, and other authority vested in the 14349
general assembly, to assist in and facilitate the establishment 14350
or development of eligible projects or assist and cooperate with 14351
any governmental agency in achieving such purpose. 14352

(B) In furtherance of such public policy and to implement 14353
such purpose, the director of housing and development may: 14354

(1) After consultation with appropriate governmental 14355
agencies, enter into agreements with persons engaged in 14356
industry, commerce, distribution, or research and with 14357
governmental agencies to induce such persons to acquire, 14358
construct, reconstruct, rehabilitate, renovate, enlarge, 14359
improve, equip, or furnish, or otherwise develop, eligible 14360
projects and make provision therein for project facilities and 14361
governmental actions, as authorized by this chapter and other 14362
applicable laws, subject to any required actions by the general 14363
assembly or the controlling board and subject to applicable 14364
local government laws and regulations; 14365

(2) Provide for the guarantees and loans as provided for 14366
in sections 166.06 and 166.07 of the Revised Code; 14367

(3) Subject to release of such moneys by the controlling 14368
board, contract for labor and materials needed for, or contract 14369
with others, including governmental agencies, to provide, 14370
project facilities the allowable costs of which are to be paid 14371
for or reimbursed from moneys in the facilities establishment 14372
fund, and contract for the operation of such project facilities; 14373

(4) Subject to release thereof by the controlling board, 14374
from moneys in the facilities establishment fund acquire or 14375
contract to acquire by gift, exchange, or purchase, including 14376
the obtaining and exercise of purchase options, property, and 14377
convey or otherwise dispose of, or provide for the conveyance or 14378
disposition of, property so acquired or contracted to be 14379
acquired by sale, exchange, lease, lease purchase, conditional 14380
or installment sale, transfer, or other disposition, including 14381
the grant of an option to purchase, to any governmental agency 14382
or to any other person without necessity for competitive bidding 14383
and upon such terms and conditions and manner of consideration 14384
pursuant to and as the director determines to be appropriate to 14385
satisfy the objectives of sections 166.01 to 166.11 of the 14386
Revised Code; 14387

(5) Retain the services of or employ financial 14388
consultants, appraisers, consulting engineers, superintendents, 14389
managers, construction and accounting experts, attorneys, and 14390
employees, agents, and independent contractors as are necessary 14391
in the director's judgment and fix the compensation for their 14392
services; 14393

(6) Receive and accept from any person grants, gifts, and 14394
contributions of money, property, labor, and other things of 14395
value, to be held, used and applied only for the purpose for 14396
which such grants, gifts, and contributions are made; 14397

(7) Enter into appropriate arrangements and agreements 14398
with any governmental agency for the taking or provision by that 14399
governmental agency of any governmental action; 14400

(8) Do all other acts and enter into contracts and execute 14401
all instruments necessary or appropriate to carry out the 14402
provisions of this chapter; 14403

(9) Adopt rules to implement any of the provisions of this chapter applicable to the director. 14404
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(C) The determinations by the director that facilities constitute eligible projects, that facilities are project facilities, that costs of such facilities are allowable costs, and all other determinations relevant thereto or to an action taken or agreement entered into shall be conclusive for purposes of the validity and enforceability of rights of parties arising from actions taken and agreements entered into under this chapter. 14406
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(D) Except as otherwise prescribed in this chapter, all expenses and obligations incurred by the director in carrying out the director's powers and in exercising the director's duties under this chapter, shall be payable solely from, as appropriate, moneys in the facilities establishment fund, the loan guarantee fund, the innovation Ohio loan guarantee fund, the innovation Ohio loan fund, the research and development loan fund, the logistics and distribution infrastructure fund, or moneys appropriated for such purpose by the general assembly. This chapter does not authorize the director or the issuing authority under section 166.08 of the Revised Code to incur bonded indebtedness of the state or any political subdivision thereof, or to obligate or pledge moneys raised by taxation for the payment of any bonds or notes issued or guarantees made pursuant to this chapter. 14414
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(E) Any governmental agency may enter into an agreement with the director, any other governmental agency, or a person to be assisted under this chapter, to take or provide for the purposes of this chapter any governmental action it is authorized to take or provide, and to undertake on behalf and at 14429
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the request of the director any action which the director is 14434
authorized to undertake pursuant to divisions (B) (3), (4), and 14435
(5) of this section or divisions (B) (3), (4), and (5) of section 14436
166.12 of the Revised Code. Governmental agencies of the state 14437
shall cooperate with and provide assistance to the director of 14438
housing and development and the controlling board in the 14439
exercise of their respective functions under this chapter. 14440

Sec. 166.03. (A) There is hereby created the facilities 14441
establishment fund within the state treasury, consisting of 14442
proceeds from the issuance of obligations as specified under 14443
section 166.08 of the Revised Code; the moneys received by the 14444
state from the sources specified in section 166.09 of the 14445
Revised Code; service charges imposed under sections 166.06 and 14446
166.07 of the Revised Code; any grants, gifts, or contributions 14447
of moneys received by the director of housing and development to 14448
be used for loans made under section 166.07 of the Revised Code 14449
or for the payment of the allowable costs of project facilities; 14450
and all other moneys appropriated or transferred to the fund. 14451
Moneys in the loan guarantee fund in excess of the loan 14452
guarantee reserve requirement, but subject to the provisions and 14453
requirements of any guarantee contracts, may be transferred to 14454
the facilities establishment fund by the treasurer of state upon 14455
the order of the director of housing and development. Moneys 14456
received by the state under Chapter 122. of the Revised Code, to 14457
the extent allocable to the utilization of moneys derived from 14458
proceeds of the sale of obligations pursuant to section 166.08 14459
of the Revised Code, shall be credited to the facilities 14460
establishment fund. All investment earnings on the cash balance 14461
in the fund shall be credited to the fund. 14462

(B) All moneys appropriated or transferred to the 14463
facilities establishment fund may be released at the request of 14464

the director of housing and development for payment of allowable 14465
costs or the making of loans under section 166.07 of the Revised 14466
Code, for transfer to the loan guarantee fund established in 14467
section 166.06 of the Revised Code, or for use for the purpose 14468
of or transfer to the funds established by sections 122.35, 14469
122.42, 122.54, 122.55, 122.56, 122.561, 122.57, 122.601, and 14470
122.80 of the Revised Code and, until July 1, 2003, the fund 14471
established by section 166.031 of the Revised Code, and, until 14472
July 1, 2007, the fund established by section 122.26 of the 14473
Revised Code, but only for such of those purposes as are within 14474
the authorization of Section 13 of Article VIII, Ohio 14475
Constitution, in all cases subject to the approval of the 14476
controlling board. 14477

(C) The department of housing and development, in the 14478
administration of the facilities establishment fund, is 14479
encouraged to utilize and promote the utilization of, to the 14480
maximum practicable extent, the other existing programs, 14481
business incentives, and tax incentives that department is 14482
required or authorized to administer or supervise. 14483

Sec. 166.04. (A) Prior to entering into each agreement to 14484
provide assistance under sections 166.02, 166.06, and 166.07 of 14485
the Revised Code, the director of housing and development 14486
~~services~~ shall determine whether the assistance will conform to 14487
the requirements of sections 166.01 to 166.11 of the Revised 14488
Code. Such determination, and the facts upon which it is based, 14489
shall be set forth, where required, by the director in 14490
submissions made to the controlling board when the director 14491
seeks a release of moneys under section 166.02 of the Revised 14492
Code. An agreement to provide assistance under sections 166.02, 14493
166.06, and 166.07 of the Revised Code shall set forth such 14494
determination, which shall be conclusive for purposes of the 14495

validity and enforceability of such agreement and any loan 14496
guarantees, loans, or other agreements entered into pursuant to 14497
such agreement to provide assistance. 14498

(B) Whenever a person applies for financial assistance 14499
under sections 166.02, 166.06, and 166.07 of the Revised Code 14500
and the project for which assistance is requested is to relocate 14501
facilities that are currently being operated by the person and 14502
that are located in another county, municipal corporation, or 14503
township, the person shall provide written notification of the 14504
relocation to the appropriate local governmental bodies. Prior 14505
to entering into an agreement to provide the assistance, the 14506
director shall verify that such notification has been provided. 14507

(C) As used in division (B) of this section, "appropriate 14508
local governmental bodies" means: 14509

(1) The board of county commissioners or legislative 14510
authority of the county in which the facility to be replaced is 14511
located; 14512

(2) The legislative authority of the municipal corporation 14513
or the board of township trustees of the township in which the 14514
facility to be replaced is located. 14515

Sec. 166.05. (A) In determining the projects to be 14516
assisted and the nature, amount, and terms of assistance to be 14517
provided for an eligible project under sections 166.02, 166.06, 14518
and 166.07 of the Revised Code: 14519

(1) The director of housing and development ~~services~~ shall 14520
take into consideration all of the following: 14521

(a) The number of jobs to be created or preserved, 14522
directly or indirectly; 14523

(b) Payrolls, and the taxes generated, at both state and local levels, by the eligible project and by the employment created or preserved by the eligible project;	14524 14525 14526
(c) The size, nature, and cost of the eligible project, including the prospect of the project for providing long-term jobs in enterprises consistent with the changing economics of the state and the nation;	14527 14528 14529 14530
(d) The needs, and degree of needs, of the area in which the eligible project is to be located;	14531 14532
(e) The needs of any private sector enterprise to be assisted;	14533 14534
(f) The competitive effect of the assistance on other enterprises providing jobs for people of the state;	14535 14536
(g) The amount and kind of assistance, if any, to be provided to the private sector enterprise by other governmental agencies through tax exemption or abatement, financing assistance with industrial development bonds, and otherwise, with respect to the eligible project;	14537 14538 14539 14540 14541
(h) The impact of the eligible project and its operations on local government services, including school services, and on public facilities;	14542 14543 14544
(i) The effect of the assistance on the loss of or damage to or destruction of prime farmland, or the removal from agricultural production of prime farmland. As used in this section, "prime farmland" means agricultural land that meets the criteria for this classification as defined by the United States soil conservation service.	14545 14546 14547 14548 14549 14550
(j) The length of time the operator of the project has	14551

been operating facilities within the state. 14552

(2) The benefits to the local area, including taxes, jobs, 14553
and reduced unemployment and reduced welfare costs, among 14554
others, may be accorded value in the leasing or sales of project 14555
facilities and in loan and guarantee arrangements. 14556

(B) Prior to granting final approval of the assistance to 14557
be provided, the director shall determine that the benefits to 14558
be derived by the state and local area from the establishment or 14559
development, and operation, of the eligible project will exceed 14560
the cost of providing such assistance and shall submit to the 14561
controlling board a copy of that determination including the 14562
basis for the determination. 14563

(C) Financial statements and other data submitted to the 14564
director of housing and development services or the controlling 14565
board by any private sector person in connection with financial 14566
assistance under sections 166.02, 166.06, and 166.07 of the 14567
Revised Code, or any information taken from such statements or 14568
data for any purpose, shall not be open to public inspection. 14569

Sec. 166.06. (A) Subject to any limitations as to 14570
aggregate amounts thereof that may from time to time be 14571
prescribed by the general assembly and to other applicable 14572
provisions of this chapter, the director of housing and 14573
development may, on behalf of the state, enter into contracts to 14574
guarantee the repayment or payment of not more than ninety per 14575
cent of the unpaid principal amount of loans made, including 14576
bonds, notes, or other certificates issued or given to provide 14577
funds, to pay allowable costs of eligible projects. Such 14578
guarantees shall be secured solely by and payable solely from 14579
the loan guarantee fund created by this section and unencumbered 14580
and available moneys in the facilities establishment fund in the 14581

manner and to the extent provided in such guarantee contracts 14582
consistent with this section. Such guarantees shall not 14583
constitute general obligations of the state or of any political 14584
subdivision, and moneys raised by taxation shall not be 14585
obligated or pledged for the payment of such guarantees. 14586

(B) Before guaranteeing any such repayments or payments 14587
the director shall determine that: 14588

(1) The project is an eligible project and is economically 14589
sound; 14590

(2) The principal amount to be guaranteed does not exceed 14591
ninety per cent of the allowable costs of the eligible project 14592
as determined by the director. To assist the director in making 14593
this determination, the director may, in the director's 14594
discretion, engage an independent engineer, architect, 14595
appraiser, or other professional pursuant to a contract to be 14596
paid solely from the facilities establishment fund, subject to 14597
controlling board approval. 14598

(3) The principal amount to be guaranteed has a 14599
satisfactory maturity date or dates, which in no case shall be 14600
later than twenty years from the effective date of the 14601
guarantee; 14602

(4) The rate of interest on the loan to be guaranteed and 14603
on any other loan made by the same parties or related persons 14604
for the eligible project is not excessive; 14605

(5) The principal obligor, or primary guarantor, is 14606
responsible and is reasonably expected to be able to meet the 14607
payments under the loan, bonds, notes, or other certificates; 14608

(6) The loan or documents pertaining to the bonds, notes, 14609
or other certificates to be guaranteed contains provisions for 14610

payment by the principal obligor, and is in such form and 14611
contains such terms and provisions for the protection of the 14612
lenders as are generally consistent with commercial practice, 14613
including, where applicable, provisions with respect to property 14614
insurance, repairs, alterations, payment of taxes and 14615
assessments, delinquency charges, default remedies, acceleration 14616
of maturity, prior, additional and secondary liens, and other 14617
matters as the director may approve. 14618

(C) The contract of guarantee may make provision for the 14619
conditions of, time for and manner of fulfillment of the 14620
guarantee commitment, subrogation of the state to the rights of 14621
the parties guaranteed and exercise of such parties' rights by 14622
the state, giving the state the options of making payment of the 14623
principal amount guaranteed in one or more installments and, if 14624
deferred, to pay interest thereon from the loan guarantee fund 14625
and the facilities establishment fund, any other terms or 14626
conditions customary to such guarantees and as the director may 14627
approve, and may contain provisions for securing the guarantee 14628
in the manner consistent with this section, including, at the 14629
discretion of the director, a lien provided for under section 14630
9.661 of the Revised Code, and may contain covenants on behalf 14631
of the state for the maintenance of the loan guarantee fund 14632
created by this section and of receipts to it permitted by this 14633
chapter, including covenants on behalf of the state to issue 14634
obligations under section 166.08 of the Revised Code to provide 14635
moneys to the loan guarantee fund to fulfill such guarantees and 14636
covenants authorized by division (R)(1) of section 166.08 of the 14637
Revised Code, and covenants restricting the aggregate amount of 14638
guarantees that may be contracted under this section and 14639
obligations that may be issued under section 166.08 of the 14640
Revised Code, and terms pertinent to either, to better secure 14641

the parties guaranteed. 14642

(D) The "loan guarantee fund" of the economic development 14643
program is hereby created as a special revenue fund and a trust 14644
fund which shall be in the custody of the treasurer of state but 14645
shall be separate and apart from and not a part of the state 14646
treasury to consist of all grants, gifts, and contributions of 14647
moneys or rights to moneys lawfully designated for or deposited 14648
in such fund, all moneys and rights to moneys lawfully 14649
appropriated and transferred to such fund, including moneys 14650
received from the issuance of obligations under section 166.08 14651
of the Revised Code, and moneys deposited to such fund pursuant 14652
to division (F) of this section; provided that the loan 14653
guarantee fund shall not be comprised, in any part, of moneys 14654
raised by taxation. 14655

(E) The director may fix service charges for making a 14656
guarantee. Such charges shall be payable at such times and place 14657
and in such amounts and manner as may be prescribed by the 14658
director. 14659

(F) The treasurer of state shall serve as agent for the 14660
director in the making of deposits and withdrawals and 14661
maintenance of records pertaining to the loan guarantee fund. 14662
Prior to the director's entry into a contract providing for the 14663
making of a guarantee payable from the loan guarantee fund, the 14664
treasurer of state shall cause to be transferred from the 14665
facilities establishment fund to the loan guarantee fund an 14666
amount sufficient to make the aggregate balance therein, taking 14667
into account the proposed loan guarantee, equal to the loan 14668
guarantee reserve requirement. Thereafter, the treasurer of 14669
state shall cause the balance in the loan guarantee fund to be 14670
at least equal to the loan guarantee reserve requirement. Funds 14671

from the loan guarantee fund shall be disbursed under a 14672
guarantee made pursuant to this section to satisfy a guaranteed 14673
repayment or payment which is in default. The treasurer of state 14674
shall first withdraw and transfer moneys then on deposit in the 14675
loan guarantee fund. Whenever these moneys are inadequate to 14676
meet the requirements of a guarantee, the treasurer of state 14677
shall, without need of appropriation or further action by the 14678
director, provide for a withdrawal and transfer to the loan 14679
guarantee fund and then to the guaranteed party of moneys in 14680
such amount as is necessary to meet the guarantee from 14681
unencumbered and available moneys in the facilities 14682
establishment fund. Such disbursements shall be made in the 14683
manner and at the times provided in such guarantees. Within 14684
ninety days following a disbursement of moneys from the loan 14685
guarantee fund, the treasurer of state, without need of 14686
appropriation or further action by the director, shall provide 14687
for a withdrawal and transfer to the loan guarantee fund from 14688
unencumbered and available moneys in the facilities 14689
establishment fund, including moneys from the repayment of loans 14690
made from that fund, of an amount sufficient to cause the 14691
balance in the loan guarantee fund to be at least equal to the 14692
loan guarantee reserve requirement. 14693

(G) Any guaranteed parties under this section, except to 14694
the extent that their rights are restricted by the guarantee 14695
documents, may by any suitable form of legal proceedings, 14696
protect and enforce any rights under the laws of this state or 14697
granted by such guarantee or guarantee documents. Such rights 14698
include the right to compel the performance of all duties of the 14699
director and the treasurer of state required by this section or 14700
the guarantee or guarantee documents; and in the event of 14701
default with respect to the payment of any guarantees, to apply 14702

to a court having jurisdiction of the cause to appoint a 14703
receiver to receive and administer the moneys pledged to such 14704
guarantee with full power to pay, and to provide for payment of, 14705
such guarantee, and with such powers, subject to the direction 14706
of the court, as are accorded receivers in general equity cases, 14707
excluding any power to pledge or apply additional revenues or 14708
receipts or other income or moneys of the state or governmental 14709
agencies of the state to the payment of such guarantee. Each 14710
duty of the director and the treasurer of state and their 14711
officers and employees, and of each governmental agency and its 14712
officers, members, or employees, required or undertaken pursuant 14713
to this section or a guarantee made under authority of this 14714
section, is hereby established as a duty of the director and the 14715
treasurer of state, and of each such officer, member, or 14716
employee having authority to perform such duty, specifically 14717
enjoined by the law resulting from an office, trust, or station 14718
within the meaning of section 2731.01 of the Revised Code. The 14719
persons who are at the time the director and treasurer of state, 14720
or their officers or employees, are not liable in their personal 14721
capacities on any guarantees or contracts to make guarantees by 14722
the director. 14723

(H) The determinations of the director under divisions (B) 14724
and (C) of this section shall be conclusive for purposes of the 14725
validity of a guarantee evidenced by a contract signed by the 14726
director, and such guarantee shall be incontestable as to moneys 14727
advanced under loans to which such guarantees are by their terms 14728
applicable. 14729

Sec. 166.07. (A) The director of housing and development, 14730
with the approval of the controlling board and subject to the 14731
other applicable provisions of this chapter, may lend moneys in 14732
the facilities establishment fund to persons for the purpose of 14733

paying allowable costs of an eligible project if the director 14734
determines that: 14735

(1) The project is an eligible project and is economically 14736
sound; 14737

(2) The borrower is unable to finance the necessary 14738
allowable costs through ordinary financial channels upon 14739
comparable terms; 14740

(3) The amount to be lent from the facilities 14741
establishment fund will not exceed seventy-five per cent of the 14742
total allowable costs of the eligible project, except that if 14743
any part of the amount to be lent from the facilities 14744
establishment fund is derived from the issuance and sale of 14745
project financing obligations the amount to be lent will not 14746
exceed ninety per cent of the total allowable costs of the 14747
eligible project; 14748

(4) The eligible project could not be achieved in the 14749
local area in which it is to be located if the portion of the 14750
project to be financed by the loan instead were to be financed 14751
by a loan guaranteed under section 166.06 of the Revised Code; 14752

(5) The repayment of the loan from the facilities 14753
establishment fund will be adequately secured by a mortgage, 14754
assignment, pledge, or lien provided for under section 9.661 of 14755
the Revised Code, at such level of priority as the director may 14756
require; 14757

(6) The borrower will hold at least a ten per cent equity 14758
interest in the eligible project at the time the loan is made. 14759

(B) The determinations of the director under division (A) 14760
of this section shall be conclusive for purposes of the validity 14761
of a loan commitment evidenced by a loan agreement signed by the 14762

director. 14763

(C) ~~there~~ There is hereby established the micro-lending 14764
program for the purpose of paying the allowable costs of 14765
eligible projects of eligible small businesses. From any amount 14766
that the general assembly designates for the purpose of the 14767
micro-lending program, the director of housing and development 14768
shall, either directly or indirectly, make loans under this 14769
section to eligible small businesses. The director shall 14770
establish eligibility criteria and loan terms for the program 14771
that supplement eligibility criteria and loan terms otherwise 14772
prescribed for loans under this section, and may prescribe 14773
reduced service charges and fees. For the purpose of lending 14774
under the micro-lending program, the director of housing and 14775
development shall give precedence to projects of eligible small 14776
businesses that foster the development of small entrepreneurial 14777
enterprises, notwithstanding the considerations prescribed by 14778
divisions (A) (1) (a) and (b) of section 166.05 of the Revised 14779
Code to the extent those considerations otherwise may have the 14780
effect of disqualifying projects of eligible small businesses. 14781
The director may enter into agreements with for-profit or ~~non-~~ 14782
~~profit~~ nonprofit organizations in this state to originate and 14783
administer loans made. 14784

Fees, charges, rates of interest, times of payment of 14785
interest and principal, and other terms, conditions, and 14786
provisions of and security for loans made from the facilities 14787
establishment fund pursuant to this section shall be such as the 14788
director determines to be appropriate and in furtherance of the 14789
purpose for which the loans are made. The moneys used in making 14790
such loans shall be disbursed from the facilities establishment 14791
fund upon order of the director. The director shall give special 14792
consideration in setting the required job creation ratios and 14793

interest rates for loans that are for voluntary actions. 14794

(D) The director may take actions necessary or appropriate 14795
to collect or otherwise deal with any loan made under this 14796
section, including any action authorized by section 9.661 of the 14797
Revised Code. 14798

(E) The director may fix service charges for the making of 14799
a loan. Such charges shall be payable at such times and place 14800
and in such amounts and manner as may be prescribed by the 14801
director. 14802

Sec. 166.08. (A) As used in this chapter: 14803

(1) "Bond proceedings" means the resolution, order, trust 14804
agreement, indenture, lease, and other agreements, amendments 14805
and supplements to the foregoing, or any one or more or 14806
combination thereof, authorizing or providing for the terms and 14807
conditions applicable to, or providing for the security or 14808
liquidity of, obligations issued pursuant to this section, and 14809
the provisions contained in such obligations. 14810

(2) "Bond service charges" means principal, including 14811
mandatory sinking fund requirements for retirement of 14812
obligations, and interest, and redemption premium, if any, 14813
required to be paid by the state on obligations. 14814

(3) "Bond service fund" means the applicable fund and 14815
accounts therein created for and pledged to the payment of bond 14816
service charges, which may be, or may be part of, the economic 14817
development bond service fund created by division (S) of this 14818
section including all moneys and investments, and earnings from 14819
investments, credited and to be credited thereto. 14820

(4) "Issuing authority" means the treasurer of state, or 14821
the officer who by law performs the functions of such officer. 14822

(5) "Obligations" means bonds, notes, or other evidence of obligation including interest coupons pertaining thereto, issued pursuant to this section. 14823
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(6) "Pledged receipts" means all receipts of the state representing the gross profit on the sale of spirituous liquor, as referred to in division (B) (4) of section 4301.10 of the Revised Code, after paying all costs and expenses of the division of liquor control and providing an adequate working capital reserve for the division of liquor control as provided in that division, but excluding the sum required by the second paragraph of section 4301.12 of the Revised Code, as in effect on May 2, 1980, to be paid into the state treasury; moneys accruing to the state from the lease, sale, or other disposition, or use, of project facilities, and from the repayment, including interest, of loans made from proceeds received from the sale of obligations; accrued interest received from the sale of obligations; income from the investment of the special funds; and any gifts, grants, donations, and pledges, and receipts therefrom, available for the payment of bond service charges. 14826
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(7) "Special funds" or "funds" means, except where the context does not permit, the bond service fund, and any other funds, including reserve funds, created under the bond proceedings, and the economic development bond service fund created by division (S) of this section to the extent provided in the bond proceedings, including all moneys and investments, and earnings from investment, credited and to be credited thereto. 14843
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(B) Subject to the limitations provided in section 166.11 of the Revised Code, the issuing authority, upon the 14851
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certification by the director of housing and development or, 14853
~~prior to the effective date of this amendment~~ September 29, 14854
2017, upon certification by the Ohio air quality development 14855
authority regarding eligible advanced energy projects, to the 14856
issuing authority of the amount of moneys or additional moneys 14857
needed in the facilities establishment fund, the loan guarantee 14858
fund, the innovation Ohio loan fund, the innovation Ohio loan 14859
guarantee fund, the research and development loan fund, the 14860
logistics and distribution infrastructure fund, the advanced 14861
energy research and development fund, or the advanced energy 14862
research and development taxable fund, as applicable, for the 14863
purpose of paying, or making loans for, allowable costs from the 14864
facilities establishment fund, allowable innovation costs from 14865
the innovation Ohio loan fund, allowable costs from the research 14866
and development loan fund, allowable costs from the logistics 14867
and distribution infrastructure fund, allowable costs from the 14868
advanced energy research and development fund, or allowable 14869
costs from the advanced energy research and development taxable 14870
fund, as applicable, or needed for capitalized interest, for 14871
funding reserves, and for paying costs and expenses incurred in 14872
connection with the issuance, carrying, securing, paying, 14873
redeeming, or retirement of the obligations or any obligations 14874
refunded thereby, including payment of costs and expenses 14875
relating to letters of credit, lines of credit, insurance, put 14876
agreements, standby purchase agreements, indexing, marketing, 14877
remarketing and administrative arrangements, interest swap or 14878
hedging agreements, and any other credit enhancement, liquidity, 14879
remarketing, renewal, or refunding arrangements, all of which 14880
are authorized by this section, or providing moneys for the loan 14881
guarantee fund or the innovation Ohio loan guarantee fund, as 14882
provided in this chapter or needed for the purposes of funds 14883
established in accordance with or pursuant to sections 122.35, 14884

122.42, 122.54, 122.55, 122.56, 122.561, 122.57, and 122.80 of 14885
the Revised Code which are within the authorization of Section 14886
13 of Article VIII, Ohio Constitution, or, prior to ~~the~~ 14887
~~effective date of this amendment~~ September 29, 2017, with 14888
respect to certain eligible advanced energy projects, Section 2p 14889
of Article VIII, Ohio Constitution, shall issue obligations of 14890
the state under this section in the required amount; provided 14891
that such obligations may be issued to satisfy the covenants in 14892
contracts of guarantee made under section 166.06 or 166.15 of 14893
the Revised Code, notwithstanding limitations otherwise 14894
applicable to the issuance of obligations under this section. 14895
The proceeds of such obligations, except for the portion to be 14896
deposited in special funds, including reserve funds, as may be 14897
provided in the bond proceedings, shall as provided in the bond 14898
proceedings be deposited by the director of housing and 14899
development to the facilities establishment fund, the loan 14900
guarantee fund, the innovation Ohio loan guarantee fund, the 14901
innovation Ohio loan fund, the research and development loan 14902
fund, or the logistics and distribution infrastructure fund, or 14903
be deposited by the Ohio air quality development authority prior 14904
to ~~the effective date of this amendment~~ September 29, 2017, to 14905
the advanced energy research and development fund or the 14906
advanced energy research and development taxable fund. Bond 14907
proceedings for project financing obligations may provide that 14908
the proceeds derived from the issuance of such obligations shall 14909
be deposited into such fund or funds provided for in the bond 14910
proceedings and, to the extent provided for in the bond 14911
proceedings, such proceeds shall be deemed to have been 14912
deposited into the facilities establishment fund and transferred 14913
to such fund or funds. The issuing authority may appoint 14914
trustees, paying agents, and transfer agents and may retain the 14915
services of financial advisors, accounting experts, and 14916

attorneys, and retain or contract for the services of marketing, 14917
remarketing, indexing, and administrative agents, other 14918
consultants, and independent contractors, including printing 14919
services, as are necessary in the issuing authority's judgment 14920
to carry out this section. The costs of such services are 14921
allowable costs payable from the facilities establishment fund 14922
or the research and development loan fund, allowable innovation 14923
costs payable from the innovation Ohio loan fund, allowable 14924
costs payable from the logistics and distribution infrastructure 14925
fund, or allowable costs payable prior to ~~the effective date of~~ 14926
~~this amendment~~ September 29, 2017, from the advanced energy 14927
research and development fund or the advanced energy research 14928
and development taxable fund, as applicable. 14929

(C) The holders or owners of such obligations shall have 14930
no right to have moneys raised by taxation obligated or pledged, 14931
and moneys raised by taxation shall not be obligated or pledged, 14932
for the payment of bond service charges. Such holders or owners 14933
shall have no rights to payment of bond service charges from any 14934
moneys accruing to the state from the lease, sale, or other 14935
disposition, or use, of project facilities, or from payment of 14936
the principal of or interest on loans made, or fees charged for 14937
guarantees made, or from any money or property received by the 14938
director, treasurer of state, or the state under Chapter 122. of 14939
the Revised Code, or from any other use of the proceeds of the 14940
sale of the obligations, and no such moneys may be used for the 14941
payment of bond service charges, except for accrued interest, 14942
capitalized interest, and reserves funded from proceeds received 14943
upon the sale of the obligations and except as otherwise 14944
expressly provided in the applicable bond proceedings pursuant 14945
to written directions by the director. The right of such holders 14946
and owners to payment of bond service charges is limited to all 14947

or that portion of the pledged receipts and those special funds 14948
pledged thereto pursuant to the bond proceedings in accordance 14949
with this section, and each such obligation shall bear on its 14950
face a statement to that effect. 14951

(D) Obligations shall be authorized by resolution or order 14952
of the issuing authority and the bond proceedings shall provide 14953
for the purpose thereof and the principal amount or amounts, and 14954
shall provide for or authorize the manner or agency for 14955
determining the principal maturity or maturities, not exceeding 14956
twenty-five years from the date of issuance, the interest rate 14957
or rates or the maximum interest rate, the date of the 14958
obligations and the dates of payment of interest thereon, their 14959
denomination, and the establishment within or without the state 14960
of a place or places of payment of bond service charges. 14961
Sections 9.98 to 9.983 of the Revised Code are applicable to 14962
obligations issued under this section, subject to any applicable 14963
limitation under section 166.11 of the Revised Code. The purpose 14964
of such obligations may be stated in the bond proceedings in 14965
terms describing the general purpose or purposes to be served. 14966
The bond proceedings also shall provide, subject to the 14967
provisions of any other applicable bond proceedings, for the 14968
pledge of all, or such part as the issuing authority may 14969
determine, of the pledged receipts and the applicable special 14970
fund or funds to the payment of bond service charges, which 14971
pledges may be made either prior or subordinate to other 14972
expenses, claims, or payments, and may be made to secure the 14973
obligations on a parity with obligations theretofore or 14974
thereafter issued, if and to the extent provided in the bond 14975
proceedings. The pledged receipts and special funds so pledged 14976
and thereafter received by the state are immediately subject to 14977
the lien of such pledge without any physical delivery thereof or 14978

further act, and the lien of any such pledges is valid and 14979
binding against all parties having claims of any kind against 14980
the state or any governmental agency of the state, irrespective 14981
of whether such parties have notice thereof, and shall create a 14982
perfected security interest for all purposes of Chapter 1309. of 14983
the Revised Code, without the necessity for separation or 14984
delivery of funds or for the filing or recording of the bond 14985
proceedings by which such pledge is created or any certificate, 14986
statement or other document with respect thereto; and the pledge 14987
of such pledged receipts and special funds is effective and the 14988
money therefrom and thereof may be applied to the purposes for 14989
which pledged without necessity for any act of appropriation. 14990
Every pledge, and every covenant and agreement made with respect 14991
thereto, made in the bond proceedings may therein be extended to 14992
the benefit of the owners and holders of obligations authorized 14993
by this section, and to any trustee therefor, for the further 14994
security of the payment of the bond service charges. 14995

(E) The bond proceedings may contain additional provisions 14996
as to: 14997

(1) The redemption of obligations prior to maturity at the 14998
option of the issuing authority at such price or prices and 14999
under such terms and conditions as are provided in the bond 15000
proceedings; 15001

(2) Other terms of the obligations; 15002

(3) Limitations on the issuance of additional obligations; 15003

(4) The terms of any trust agreement or indenture securing 15004
the obligations or under which the same may be issued; 15005

(5) The deposit, investment and application of special 15006
funds, and the safeguarding of moneys on hand or on deposit, 15007

without regard to Chapter 131. or 135. of the Revised Code, but 15008
subject to any special provisions of this chapter, with respect 15009
to particular funds or moneys, provided that any bank or trust 15010
company which acts as depository of any moneys in the special 15011
funds may furnish such indemnifying bonds or may pledge such 15012
securities as required by the issuing authority; 15013

(6) Any or every provision of the bond proceedings being 15014
binding upon such officer, board, commission, authority, agency, 15015
department, or other person or body as may from time to time 15016
have the authority under law to take such actions as may be 15017
necessary to perform all or any part of the duty required by 15018
such provision; 15019

(7) Any provision that may be made in a trust agreement or 15020
indenture; 15021

(8) Any other or additional agreements with the holders of 15022
the obligations, or the trustee therefor, relating to the 15023
obligations or the security therefor, including the assignment 15024
of mortgages or other security obtained or to be obtained for 15025
loans under section 122.43, 166.07, or 166.16 of the Revised 15026
Code. 15027

(F) The obligations may have the great seal of the state 15028
or a facsimile thereof affixed thereto or printed thereon. The 15029
obligations and any coupons pertaining to obligations shall be 15030
signed or bear the facsimile signature of the issuing authority. 15031
Any obligations or coupons may be executed by the person who, on 15032
the date of execution, is the proper issuing authority although 15033
on the date of such bonds or coupons such person was not the 15034
issuing authority. If the issuing authority whose signature or a 15035
facsimile of whose signature appears on any such obligation or 15036
coupon ceases to be the issuing authority before delivery 15037

thereof, such signature or facsimile is nevertheless valid and 15038
sufficient for all purposes as if the former issuing authority 15039
had remained the issuing authority until such delivery; and if 15040
the seal to be affixed to obligations has been changed after a 15041
facsimile of the seal has been imprinted on such obligations, 15042
such facsimile seal shall continue to be sufficient as to such 15043
obligations and obligations issued in substitution or exchange 15044
therefor. 15045

(G) All obligations are negotiable instruments and 15046
securities under Chapter 1308. of the Revised Code, subject to 15047
the provisions of the bond proceedings as to registration. The 15048
obligations may be issued in coupon or in registered form, or 15049
both, as the issuing authority determines. Provision may be made 15050
for the registration of any obligations with coupons attached 15051
thereto as to principal alone or as to both principal and 15052
interest, their exchange for obligations so registered, and for 15053
the conversion or reconversion into obligations with coupons 15054
attached thereto of any obligations registered as to both 15055
principal and interest, and for reasonable charges for such 15056
registration, exchange, conversion, and reconversion. 15057

(H) Obligations may be sold at public sale or at private 15058
sale, as determined in the bond proceedings. 15059

Obligations issued to provide moneys for the loan 15060
guarantee fund or the innovation Ohio loan guarantee fund may, 15061
as determined by the issuing authority, be sold at private sale, 15062
and without publication of a notice of sale. 15063

(I) Pending preparation of definitive obligations, the 15064
issuing authority may issue interim receipts or certificates 15065
which shall be exchanged for such definitive obligations. 15066

(J) In the discretion of the issuing authority, 15067
obligations may be secured additionally by a trust agreement or 15068
indenture between the issuing authority and a corporate trustee 15069
which may be any trust company or bank having a place of 15070
business within the state. Any such agreement or indenture may 15071
contain the resolution or order authorizing the issuance of the 15072
obligations, any provisions that may be contained in any bond 15073
proceedings, and other provisions which are customary or 15074
appropriate in an agreement or indenture of such type, 15075
including, but not limited to: 15076

(1) Maintenance of each pledge, trust agreement, 15077
indenture, or other instrument comprising part of the bond 15078
proceedings until the state has fully paid the bond service 15079
charges on the obligations secured thereby, or provision 15080
therefor has been made; 15081

(2) In the event of default in any payments required to be 15082
made by the bond proceedings, or any other agreement of the 15083
issuing authority made as a part of the contract under which the 15084
obligations were issued, enforcement of such payments or 15085
agreement by mandamus, the appointment of a receiver, suit in 15086
equity, action at law, or any combination of the foregoing; 15087

(3) The rights and remedies of the holders of obligations 15088
and of the trustee, and provisions for protecting and enforcing 15089
them, including limitations on rights of individual holders of 15090
obligations; 15091

(4) The replacement of any obligations that become 15092
mutilated or are destroyed, lost, or stolen; 15093

(5) Such other provisions as the trustee and the issuing 15094
authority agree upon, including limitations, conditions, or 15095

qualifications relating to any of the foregoing. 15096

(K) Any holders of obligations or trustees under the bond 15097
proceedings, except to the extent that their rights are 15098
restricted by the bond proceedings, may by any suitable form of 15099
legal proceedings, protect and enforce any rights under the laws 15100
of this state or granted by such bond proceedings. Such rights 15101
include the right to compel the performance of all duties of the 15102
issuing authority, the director of housing and development, the 15103
Ohio air quality development authority, or the division of 15104
liquor control required by this chapter or the bond proceedings; 15105
to enjoin unlawful activities; and in the event of default with 15106
respect to the payment of any bond service charges on any 15107
obligations or in the performance of any covenant or agreement 15108
on the part of the issuing authority, the director of housing 15109
and development, the Ohio air quality development authority, or 15110
the division of liquor control in the bond proceedings, to apply 15111
to a court having jurisdiction of the cause to appoint a 15112
receiver to receive and administer the pledged receipts and 15113
special funds, other than those in the custody of the treasurer 15114
of state, which are pledged to the payment of the bond service 15115
charges on such obligations or which are the subject of the 15116
covenant or agreement, with full power to pay, and to provide 15117
for payment of bond service charges on, such obligations, and 15118
with such powers, subject to the direction of the court, as are 15119
accorded receivers in general equity cases, excluding any power 15120
to pledge additional revenues or receipts or other income or 15121
moneys of the issuing authority or the state or governmental 15122
agencies of the state to the payment of such principal and 15123
interest and excluding the power to take possession of, 15124
mortgage, or cause the sale or otherwise dispose of any project 15125
facilities. 15126

Each duty of the issuing authority and the issuing 15127
authority's officers and employees, and of each governmental 15128
agency and its officers, members, or employees, undertaken 15129
pursuant to the bond proceedings or any agreement or lease, 15130
lease-purchase agreement, or loan made under authority of this 15131
chapter, and in every agreement by or with the issuing 15132
authority, is hereby established as a duty of the issuing 15133
authority, and of each such officer, member, or employee having 15134
authority to perform such duty, specifically enjoined by the law 15135
resulting from an office, trust, or station within the meaning 15136
of section 2731.01 of the Revised Code. 15137

The person who is at the time the issuing authority, or 15138
the issuing authority's officers or employees, are not liable in 15139
their personal capacities on any obligations issued by the 15140
issuing authority or any agreements of or with the issuing 15141
authority. 15142

(L) The issuing authority may authorize and issue 15143
obligations for the refunding, including funding and retirement, 15144
and advance refunding with or without payment or redemption 15145
prior to maturity, of any obligations previously issued by the 15146
issuing authority. Such obligations may be issued in amounts 15147
sufficient for payment of the principal amount of the prior 15148
obligations, any redemption premiums thereon, principal 15149
maturities of any such obligations maturing prior to the 15150
redemption of the remaining obligations on a parity therewith, 15151
interest accrued or to accrue to the maturity dates or dates of 15152
redemption of such obligations, and any allowable costs 15153
including expenses incurred or to be incurred in connection with 15154
such issuance and such refunding, funding, and retirement. 15155
Subject to the bond proceedings therefor, the portion of 15156
proceeds of the sale of obligations issued under this division 15157

to be applied to bond service charges on the prior obligations 15158
shall be credited to an appropriate account held by the trustee 15159
for such prior or new obligations or to the appropriate account 15160
in the bond service fund for such obligations. Obligations 15161
authorized under this division shall be deemed to be issued for 15162
those purposes for which such prior obligations were issued and 15163
are subject to the provisions of this section pertaining to 15164
other obligations, except as otherwise provided in this section; 15165
provided that, unless otherwise authorized by the general 15166
assembly, any limitations imposed by the general assembly 15167
pursuant to this section with respect to bond service charges 15168
applicable to the prior obligations shall be applicable to the 15169
obligations issued under this division to refund, fund, advance 15170
refund or retire such prior obligations. 15171

(M) The authority to issue obligations under this section 15172
includes authority to issue obligations in the form of bond 15173
anticipation notes and to renew the same from time to time by 15174
the issuance of new notes. The holders of such notes or interest 15175
coupons pertaining thereto shall have a right to be paid solely 15176
from the pledged receipts and special funds that may be pledged 15177
to the payment of the bonds anticipated, or from the proceeds of 15178
such bonds or renewal notes, or both, as the issuing authority 15179
provides in the resolution or order authorizing such notes. Such 15180
notes may be additionally secured by covenants of the issuing 15181
authority to the effect that the issuing authority and the state 15182
will do such or all things necessary for the issuance of such 15183
bonds or renewal notes in appropriate amount, and apply the 15184
proceeds thereof to the extent necessary, to make full payment 15185
of the principal of and interest on such notes at the time or 15186
times contemplated, as provided in such resolution or order. For 15187
such purpose, the issuing authority may issue bonds or renewal 15188

notes in such principal amount and upon such terms as may be 15189
necessary to provide funds to pay when required the principal of 15190
and interest on such notes, notwithstanding any limitations 15191
prescribed by or for purposes of this section. Subject to this 15192
division, all provisions for and references to obligations in 15193
this section are applicable to notes authorized under this 15194
division. 15195

The issuing authority in the bond proceedings authorizing 15196
the issuance of bond anticipation notes shall set forth for such 15197
bonds an estimated interest rate and a schedule of principal 15198
payments for such bonds and the annual maturity dates thereof, 15199
and for purposes of any limitation on bond service charges 15200
prescribed under division (A) of section 166.11 of the Revised 15201
Code, the amount of bond service charges on such bond 15202
anticipation notes is deemed to be the bond service charges for 15203
the bonds anticipated thereby as set forth in the bond 15204
proceedings applicable to such notes, but this provision does 15205
not modify any authority in this section to pledge receipts and 15206
special funds to, and covenant to issue bonds to fund, the 15207
payment of principal of and interest and any premium on such 15208
notes. 15209

(N) Obligations issued under this section are lawful 15210
investments for banks, societies for savings, savings and loan 15211
associations, deposit guarantee associations, trust companies, 15212
trustees, fiduciaries, insurance companies, including domestic 15213
for life and domestic not for life, trustees or other officers 15214
having charge of sinking and bond retirement or other special 15215
funds of political subdivisions and taxing districts of this 15216
state, the commissioners of the sinking fund of the state, the 15217
administrator of workers' compensation, the state teachers 15218
retirement system, the public employees retirement system, the 15219

school employees retirement system, and the Ohio police and fire 15220
pension fund, notwithstanding any other provisions of the 15221
Revised Code or rules adopted pursuant thereto by any 15222
governmental agency of the state with respect to investments by 15223
them, and are also acceptable as security for the deposit of 15224
public moneys. 15225

(O) Unless otherwise provided in any applicable bond 15226
proceedings, moneys to the credit of or in the special funds 15227
established by or pursuant to this section may be invested by or 15228
on behalf of the issuing authority only in notes, bonds, or 15229
other obligations of the United States, or of any agency or 15230
instrumentality of the United States, obligations guaranteed as 15231
to principal and interest by the United States, obligations of 15232
this state or any political subdivision of this state, and 15233
certificates of deposit of any national bank located in this 15234
state and any bank, as defined in section 1101.01 of the Revised 15235
Code, subject to inspection by the superintendent of banks. If 15236
the law or the instrument creating a trust pursuant to division 15237
(J) of this section expressly permits investment in direct 15238
obligations of the United States or an agency of the United 15239
States, unless expressly prohibited by the instrument, such 15240
moneys also may be invested in no-front-end-load money market 15241
mutual funds consisting exclusively of obligations of the United 15242
States or an agency of the United States and in repurchase 15243
agreements, including those issued by the fiduciary itself, 15244
secured by obligations of the United States or an agency of the 15245
United States; and in common trust funds established in 15246
accordance with section 1111.20 of the Revised Code and 15247
consisting exclusively of any such securities, notwithstanding 15248
division (A) (4) of that section. The income from such 15249
investments shall be credited to such funds as the issuing 15250

authority determines, and such investments may be sold at such 15251
times as the issuing authority determines or authorizes. 15252

(P) Provision may be made in the applicable bond 15253
proceedings for the establishment of separate accounts in the 15254
bond service fund and for the application of such accounts only 15255
to the specified bond service charges on obligations pertinent 15256
to such accounts and bond service fund and for other accounts 15257
therein within the general purposes of such fund. Unless 15258
otherwise provided in any applicable bond proceedings, moneys to 15259
the credit of or in the several special funds established 15260
pursuant to this section shall be disbursed on the order of the 15261
treasurer of state, provided that no such order is required for 15262
the payment from the bond service fund when due of bond service 15263
charges on obligations. 15264

(Q) The issuing authority may pledge all, or such portion 15265
as the issuing authority determines, of the pledged receipts to 15266
the payment of bond service charges on obligations issued under 15267
this section, and for the establishment and maintenance of any 15268
reserves, as provided in the bond proceedings, and make other 15269
provisions therein with respect to pledged receipts as 15270
authorized by this chapter, which provisions are controlling 15271
notwithstanding any other provisions of law pertaining thereto. 15272

(R) The issuing authority may covenant in the bond 15273
proceedings, and any such covenants are controlling 15274
notwithstanding any other provision of law, that the state and 15275
applicable officers and governmental agencies of the state, 15276
including the general assembly, so long as any obligations are 15277
outstanding, shall: 15278

(1) Maintain statutory authority for and cause to be 15279
charged and collected wholesale and retail prices for spirituous 15280

liquor sold by the state or its agents so that the pledged 15281
receipts are sufficient in amount to meet bond service charges, 15282
and the establishment and maintenance of any reserves and other 15283
requirements provided for in the bond proceedings, and, as 15284
necessary, to meet covenants contained in contracts of guarantee 15285
made under section 166.06 of the Revised Code; 15286

(2) Take or permit no action, by statute or otherwise, 15287
that would impair the exemption from federal income taxation of 15288
the interest on the obligations. 15289

(S) There is hereby created the economic development bond 15290
service fund, which shall be in the custody of the treasurer of 15291
state but shall be separate and apart from and not a part of the 15292
state treasury. All moneys received by or on account of the 15293
issuing authority or state agencies and required by the 15294
applicable bond proceedings, consistent with this section, to be 15295
deposited, transferred, or credited to a bond service fund or 15296
the economic development bond service fund, and all other moneys 15297
transferred or allocated to or received for the purposes of the 15298
fund, shall be deposited and credited to such fund and to any 15299
separate accounts therein, subject to applicable provisions of 15300
the bond proceedings, but without necessity for any act of 15301
appropriation. During the period beginning with the date of the 15302
first issuance of obligations and continuing during such time as 15303
any such obligations are outstanding, and so long as moneys in 15304
the pertinent bond service funds are insufficient to pay all 15305
bond services charges on such obligations becoming due in each 15306
year, a sufficient amount of the gross profit on the sale of 15307
spirituous liquor included in pledged receipts are committed and 15308
shall be paid to the bond service fund or economic development 15309
bond service fund in each year for the purpose of paying the 15310
bond service charges becoming due in that year without necessity 15311

for further act of appropriation for such purpose and 15312
notwithstanding anything to the contrary in Chapter 4301. of the 15313
Revised Code. The economic development bond service fund is a 15314
trust fund and is hereby pledged to the payment of bond service 15315
charges to the extent provided in the applicable bond 15316
proceedings, and payment thereof from such fund shall be made or 15317
provided for by the treasurer of state in accordance with such 15318
bond proceedings without necessity for any act of appropriation. 15319

(T) The obligations, the transfer thereof, and the income 15320
therefrom, including any profit made on the sale thereof, shall 15321
at all times be free from taxation within the state. 15322

Sec. 166.09. There shall be credited to the facilities 15323
establishment fund the moneys received by the state from the 15324
repayment of loans and recovery on loan guarantees, including 15325
interest thereon, made from the facilities establishment fund or 15326
from the loan guarantee fund and from the sale, lease, or other 15327
disposition of property acquired or constructed from moneys in 15328
the facilities establishment fund with moneys derived from the 15329
proceeds of the sale of obligations under section 166.08 of the 15330
Revised Code. Such moneys shall be applied as provided in this 15331
chapter pursuant to appropriations made by the general assembly. 15332
Notwithstanding the foregoing, any amounts recovered on loan 15333
guarantees shall be deposited to the credit of the loan 15334
guarantee fund to the extent necessary to restore that fund to 15335
the level required by any guarantee contract, and the other 15336
moneys referred to in the first sentence of this section may be 15337
deposited to the credit of separate accounts within the 15338
facilities establishment fund or in the bond service fund and 15339
pledged to the security of obligations, applied to the payment 15340
of bond service charges without need for appropriation, released 15341
from any such pledge and transferred to the facilities 15342

establishment fund or other account therein, all as and to the 15343
extent provided in the bond proceedings pursuant to written 15344
directions by the director of housing and development. Accounts 15345
may be established by the director in the facilities 15346
establishment fund for particular projects or otherwise. Income 15347
from the investment of moneys in the facilities establishment 15348
fund shall be credited to that fund and, as may be provided in 15349
bond proceedings, to particular accounts therein. The treasurer 15350
of state may withdraw from the facilities establishment fund or, 15351
subject to provisions of the applicable bond proceedings, from 15352
any special funds established pursuant to the bond proceedings, 15353
or from any accounts in such funds, any amounts of investment 15354
income required to be rebated and paid to the federal government 15355
in order to maintain the exemption from federal income taxation 15356
of interest on obligations issued under this chapter, which 15357
withdrawal and payment may be made without necessity for 15358
appropriation. 15359

Sec. 166.12. (A) The general assembly finds that in order 15360
to maintain and enhance the competitiveness of the Ohio economy 15361
and to improve the economic welfare of all of the people of the 15362
state, it is necessary to ensure that high-value jobs based on 15363
research, technology, and innovation will be available to the 15364
people of this state. Further, the general assembly finds that 15365
the attraction of such jobs and their presence in this state 15366
will materially contribute to the economic welfare of all of the 15367
people of the state. Accordingly, it is declared to be the 15368
public policy of this state, through the operations under 15369
sections 166.01 and 166.12 to 166.16 of the Revised Code, and 15370
the loan and loan guarantee provisions contained in those 15371
sections, applicable laws adopted pursuant to Section 13 of 15372
Article VIII, Ohio Constitution, and other authority vested in 15373

the general assembly, to assist in and facilitate the 15374
establishment or development of eligible innovation projects or 15375
assist and cooperate with any governmental agency in achieving 15376
that purpose. 15377

(B) In furtherance of that public policy and to implement 15378
that purpose, the director of housing and development may: 15379

(1) After consultation with appropriate governmental 15380
agencies, enter into agreements with persons engaged in 15381
industry, commerce, distribution, or research and with 15382
governmental agencies to induce such persons to acquire, 15383
construct, reconstruct, rehabilitate, renovate, enlarge, 15384
improve, equip, or furnish, or otherwise develop, eligible 15385
innovation projects and make provision therein for project 15386
facilities and governmental actions, as authorized by sections 15387
166.01 and 166.12 to 166.16 of the Revised Code and other 15388
applicable laws; 15389

(2) Provide for innovation Ohio loan guarantees and loans 15390
under sections 166.15 and 166.16 of the Revised Code; 15391

(3) Subject to the release of such moneys by the 15392
controlling board, contract for labor and materials needed for, 15393
or contract with others, including governmental agencies, to 15394
provide, eligible innovation projects the allowable innovation 15395
costs of which are to be paid for or reimbursed from moneys in 15396
the innovation Ohio loan fund, and contract for the operation of 15397
such eligible innovation projects; 15398

(4) Subject to release thereof by the controlling board, 15399
from moneys in the innovation Ohio loan fund, acquire or 15400
contract to acquire by gift, exchange, or purchase, including 15401
the obtaining and exercise of purchase options, innovation 15402

property, and convey or otherwise dispose of, or provide for the 15403
conveyance or disposition of, innovation property so acquired or 15404
contracted to be acquired by sale, exchange, lease, lease 15405
purchase, conditional or installment sale, transfer, or other 15406
disposition, including the grant of an option to purchase, to 15407
any governmental agency or to any other person without necessity 15408
for competitive bidding and upon such terms and conditions and 15409
manner of consideration pursuant to, and as the director 15410
determines to be appropriate to satisfy the objectives of, 15411
Chapter 166. of the Revised Code; 15412

(5) Retain the services of or employ financial 15413
consultants, appraisers, consulting engineers, superintendents, 15414
managers, construction and accounting experts, attorneys, and 15415
employees, agents, and independent contractors as are necessary 15416
in the director's judgment and fix the compensation for their 15417
services; 15418

(6) Receive and accept from any person grants, gifts, and 15419
contributions of money, property, labor, and other things of 15420
value, to be held, used, and applied only for the purpose for 15421
which such grants, gifts, and contributions are made; 15422

(7) Enter into appropriate arrangements and agreements 15423
with any governmental agency for the taking or provision by that 15424
governmental agency of any governmental action with respect to 15425
innovation projects; 15426

(8) Do all other acts and enter into contracts and execute 15427
all instruments necessary or appropriate to carry out the 15428
provisions of sections 166.01 and 166.12 to 166.16 of the 15429
Revised Code; 15430

(9) With respect to property, including but not limited to 15431

innovation property, take such interests, including but not 15432
limited to mortgages, security interests, assignments, and 15433
exclusive or non-exclusive licenses, as may be necessary or 15434
appropriate under the circumstances, to ensure that innovation 15435
property is used within this state and that products or services 15436
associated with that innovation property are produced or, in the 15437
case of services, delivered, by persons employed within this 15438
state; 15439

(10) Adopt rules necessary to implement any of the 15440
provisions of sections 166.01 and 166.12 to 166.16 of the 15441
Revised Code applicable to the director. 15442

(C) The determinations by the director that facilities or 15443
property constitute eligible innovation projects and that costs 15444
of such facilities or property are allowable innovation costs, 15445
and all other determinations relevant thereto or to an action 15446
taken or agreement entered into, shall be conclusive for 15447
purposes of the validity and enforceability of rights of parties 15448
arising from actions taken and agreements entered into under 15449
sections 166.01 and 166.12 to 166.16 of the Revised Code. 15450

Sec. 166.13. (A) Prior to entering into each agreement to 15451
provide innovation financial assistance under sections 166.12, 15452
166.15, and 166.16 of the Revised Code, the director of housing 15453
and development services shall determine whether the assistance 15454
will conform to the requirements of sections 166.12 to 166.16 of 15455
the Revised Code. Such determination, and the facts upon which 15456
it is based, shall be set forth by the director in submissions 15457
made to the controlling board when the director seeks a release 15458
of moneys under section 166.12 of the Revised Code. An agreement 15459
to provide assistance under sections 166.12, 166.15, and 166.16 15460
of the Revised Code shall set forth the determination, which 15461

shall be conclusive for purposes of the validity and 15462
enforceability of the agreement and any innovation loan 15463
guarantees, innovation loans, or other agreements entered into 15464
pursuant to the agreement to provide innovation financial 15465
assistance. 15466

(B) Whenever a person applies for innovation financial 15467
assistance under sections 166.12, 166.15, and 166.16 of the 15468
Revised Code and the eligible innovation project for which 15469
innovation financial assistance is requested is to relocate an 15470
eligible innovation project that is currently being operated by 15471
the person and that is located in another county, municipal 15472
corporation, or township, the person shall provide written 15473
notification to the appropriate local governmental bodies and 15474
state officials. The director may not enter into an agreement to 15475
provide innovation financial assistance until the director 15476
determines that the appropriate local government bodies and 15477
state officials have been notified. 15478

(C) As used in division (B) of this section: 15479

(1) "Appropriate local governmental bodies" means: 15480

(a) The boards of county commissioners or legislative 15481
authorities of the county in which the project for which 15482
innovation financial assistance is requested is located and of 15483
the county in which the eligible innovation project to be 15484
replaced is located; 15485

(b) The legislative authority of the municipal corporation 15486
or the board of township trustees of the township in which the 15487
eligible innovation project for which innovation financial 15488
assistance is requested is located; and 15489

(c) The legislative authority of the municipal corporation 15490

or the board of township trustees of the township in which the
eligible innovation project to be replaced is located.

(2) "State officials" means:

(a) The state representative and state senator in whose
districts the project for which innovation financial assistance
is requested is located;

(b) The state representative and state senator in whose
districts the innovation project to be replaced is located.

Sec. 166.14. (A) In determining the eligible innovation
projects to be assisted and the nature, amount, and terms of
innovation financial assistance to be provided for an eligible
innovation project under sections 166.12 to 166.16 of the
Revised Code:

(1) The director of housing and development ~~services~~ shall
take into consideration all of the following:

(a) The number of jobs to be created or preserved by the
eligible innovation project, directly or indirectly;

(b) Payrolls, and the taxes generated, at both state and
local levels, by or in connection with the eligible innovation
project and by the employment created or preserved by or in
connection with the eligible innovation project;

(c) The size, nature, and cost of the eligible innovation
project, including the prospect of the eligible innovation
project for providing long-term jobs in enterprises consistent
with the changing economics of the state and the nation;

(d) The needs of any private sector enterprise to be
assisted;

(e) The amount and kind of assistance, if any, to be provided to the private sector enterprise by other governmental agencies through tax exemption or abatement, financing assistance with industrial development bonds, and otherwise, with respect to the eligible innovation project or with respect to any providers of innovation property to be included as part of the eligible innovation project;

(f) The likelihood of the successful implementation of the proposed eligible innovation project;

(g) Whether the eligible innovation project involves the use of technology in a targeted innovation industry sector.

(2) The benefits to the local area, including taxes, jobs, and reduced unemployment and reduced welfare costs, among others, may be accorded value in the leasing or sales of innovation project facilities and in loan and guarantee arrangements.

(3) In making determinations under division (A)(1) of this section, the director may consider the effect of an eligible innovation project upon any entity engaged to provide innovation property to be acquired, leased, or licensed in connection with such assistance.

(B) Financial statements and other data submitted to the director of housing and development services ~~services~~ or the controlling board by any private sector person in connection with innovation financial assistance under sections 166.12, 166.15, and 166.16 of the Revised Code, or any information taken from such statements or data for any purpose, shall not be open to public inspection.

Sec. 166.15. (A) Subject to any limitations as to

aggregate amounts thereof that may from time to time be 15547
prescribed by the general assembly and to other applicable 15548
provisions of this chapter, the director of housing and 15549
development may, on behalf of the state, enter into contracts to 15550
guarantee the repayment or payment of the unpaid principal 15551
amount of loans made, including bonds, notes, or other 15552
certificates issued or given to provide funds, to pay allowable 15553
innovation costs of eligible innovation projects. The guarantees 15554
shall be secured solely by and payable solely from the 15555
innovation Ohio loan guarantee fund and unencumbered and 15556
available moneys in the innovation Ohio loan fund, in the manner 15557
and to the extent provided in guarantee contracts consistent 15558
with this section. The guarantees shall not constitute general 15559
obligations of the state or of any political subdivision, and 15560
moneys raised by taxation shall not be obligated or pledged for 15561
the payment of the guarantees. 15562

(B) Before guaranteeing any such repayments or payments, 15563
the director shall determine that: 15564

(1) The project is an eligible innovation project and is 15565
economically sound. 15566

(2) The principal amount to be guaranteed does not exceed 15567
ninety per cent of the allowable innovation costs of the 15568
eligible innovation project as determined by the director. In 15569
making this determination, the director may, in the director's 15570
discretion, engage an independent engineer, architect, 15571
appraiser, or other professional to make it, pursuant to a 15572
contract to be paid solely from the innovation Ohio loan fund, 15573
subject to approval of the controlling board. 15574

(3) The principal amount to be guaranteed has a 15575
satisfactory maturity date or dates, which in no case shall be 15576

later than twenty years from the effective date of the 15577
guarantee. 15578

(4) The principal obligor, or primary guarantor, is 15579
responsible and is reasonably expected to be able to meet the 15580
payments under the loan, bonds, notes, or other certificates. 15581

(5) The loan or documents pertaining to the bonds, notes, 15582
or other certificates to be guaranteed contains provisions for 15583
payment by the principal obligor satisfactory to the director 15584
and is in such form and contains such terms and provisions for 15585
the protection of the lenders as are generally consistent with 15586
commercial practice for the type of eligible innovation project 15587
that is the subject of the assistance, including, where 15588
applicable, provisions with respect to property insurance, 15589
repairs, alterations, payment of taxes and assessments, 15590
delinquency charges, default remedies, acceleration of maturity, 15591
prior, additional, and secondary liens, and other matters as the 15592
director may approve. 15593

(C) The contract of guarantee may make provision for the 15594
conditions of, time for, and manner of fulfillment of the 15595
guarantee commitment, subrogation of this state to the rights of 15596
the parties guaranteed and exercise of such parties' rights by 15597
this state, giving this state the options of making payment of 15598
the principal amount guaranteed in one or more installments and, 15599
if deferred, to pay interest thereon from the innovation Ohio 15600
loan guarantee fund, and any other terms or conditions customary 15601
to such guarantees and as the director may approve, and may 15602
contain provisions for securing the guarantee in the manner 15603
consistent with this section, covenants on behalf of this state 15604
for the maintenance of the loan guarantee fund created by this 15605
section and of receipts to it permitted by this chapter, 15606

including covenants on behalf of this state to issue obligations 15607
under section 166.08 of the Revised Code to provide moneys to 15608
the innovation Ohio loan guarantee fund to fulfill such 15609
guarantees, and covenants restricting the aggregate amount of 15610
guarantees that may be contracted under this section and 15611
obligations that may be issued under section 166.08 of the 15612
Revised Code, and terms pertinent to either, to better secure 15613
the parties guaranteed. 15614

(D) The innovation Ohio loan guarantee fund is hereby 15615
created as a special revenue fund and a trust fund which shall 15616
be in the custody of the treasurer of state but shall be 15617
separate and apart from and not a part of the state treasury and 15618
shall consist of all grants, gifts, and contributions of moneys 15619
or rights to moneys lawfully designated for or deposited in such 15620
fund, all moneys and rights to moneys lawfully appropriated and 15621
transferred to such fund, including moneys received from the 15622
issuance of obligations under section 166.08 of the Revised 15623
Code, and moneys deposited to such fund pursuant to division (F) 15624
of this section. The innovation Ohio loan guarantee fund shall 15625
not be comprised, in any part, of moneys raised by taxation. 15626

(E) The director may fix service charges for making a 15627
guarantee. The charges shall be payable at such times and place 15628
and in such amounts and manner as may be prescribed by the 15629
director. 15630

(F) The treasurer of state shall serve as agent for the 15631
director in the making of deposits and withdrawals and 15632
maintenance of records pertaining to the innovation Ohio loan 15633
guarantee fund. Prior to the director's entry into a contract 15634
providing for the making of a guarantee payable from the 15635
innovation Ohio loan guarantee fund, the treasurer of state 15636

shall cause to be transferred from the innovation Ohio loan fund 15637
to the innovation Ohio loan guarantee fund an amount sufficient 15638
to make the aggregate balance therein, taking into account the 15639
proposed loan guarantee equal to the innovation Ohio loan 15640
guarantee reserve requirement. Thereafter, the treasurer of 15641
state shall cause the balance in the innovation Ohio loan 15642
guarantee fund to be at least equal to the innovation Ohio loan 15643
guarantee reserve requirement. Funds from the innovation Ohio 15644
loan guarantee fund shall be disbursed under a guarantee made 15645
pursuant to this section to satisfy a guaranteed repayment or 15646
payment which is in default. After withdrawing moneys from the 15647
innovation Ohio loan guarantee fund, the treasurer of state 15648
shall transfer moneys in the innovation Ohio loan fund to the 15649
innovation Ohio loan guarantee fund to satisfy any repayment 15650
obligations. Whenever these moneys are inadequate to meet the 15651
requirements of a guarantee, the treasurer of state shall, 15652
without need of appropriation or further action by the director, 15653
provide for a withdrawal and transfer to the innovation Ohio 15654
loan guarantee fund and then to the guaranteed party of moneys 15655
in such amount as is necessary to meet the guarantee, from 15656
unencumbered and available moneys in the innovation Ohio loan 15657
fund. The disbursements shall be made in the manner and at the 15658
times provided in the guarantees. Within ninety days following a 15659
disbursement of money from the innovation Ohio loan guarantee 15660
fund, the treasurer of state, without need of appropriation or 15661
further action by the director, shall provide for a withdrawal 15662
and transfer to the innovation Ohio loan guarantee fund from 15663
unencumbered and available moneys in the innovation Ohio loan 15664
fund, including moneys from the repayment of loans made from 15665
that fund, of an amount sufficient to cause the balance in the 15666
innovation Ohio loan guarantee fund to be at least equal to the 15667
innovation Ohio loan guarantee reserve requirement. 15668

(G) Any guaranteed parties under this section, except to 15669
the extent that their rights are restricted by the guarantee 15670
documents, may by any suitable form of legal proceedings, 15671
protect and enforce any rights under the laws of this state or 15672
granted by such guarantee or guarantee documents. Such rights 15673
include the right to compel the performance of all duties of the 15674
director and the treasurer of state required by this section or 15675
the guarantee or guarantee documents; and in the event of 15676
default with respect to the payment of any guarantees, to apply 15677
to a court having jurisdiction of the cause to appoint a 15678
receiver to receive and administer the moneys pledged to such 15679
guarantee with full power to pay, and to provide for payment of, 15680
such guarantee, and with such powers, subject to the direction 15681
of the court, as are accorded receivers in general equity cases, 15682
excluding any power to pledge or apply additional revenues or 15683
receipts or other income or moneys of this state or governmental 15684
agencies of the state to the payment of such guarantee. Each 15685
duty of the director and the treasurer of state and their 15686
officers and employees, and of each governmental agency and its 15687
officers, members, or employees, required or undertaken pursuant 15688
to this section or a guarantee made under authority of this 15689
section, is hereby established as a duty of the director and the 15690
treasurer of state, and of each such officer, member, or 15691
employee having authority to perform such duty, specifically 15692
enjoined by the law resulting from an office, trust, or station 15693
within the meaning of section 2731.01 of the Revised Code. The 15694
persons who are at the time the director and treasurer of state, 15695
or their officers or employees, are not liable in their personal 15696
capacities on any guarantees or contracts to make guarantees by 15697
the director. 15698

(H) The determinations of the director under divisions (B) 15699

and (C) of this section shall be conclusive for purposes of the 15700
validity of a guarantee evidenced by a contract signed by the 15701
director, and such guarantee shall be incontestable as to money 15702
advanced under loans to which such guarantees are by their terms 15703
applicable. 15704

Sec. 166.16. (A) The director of housing and development, 15705
with the approval of the controlling board and subject to the 15706
other applicable provisions of this chapter, may lend moneys in 15707
the innovation Ohio loan fund to persons for the purpose of 15708
paying allowable innovation costs of an eligible innovation 15709
project if the director determines that: 15710

(1) The project is an eligible innovation project and is 15711
economically sound. 15712

(2) The borrower is unable to finance the necessary 15713
allowable costs through ordinary financial channels upon 15714
comparable terms. 15715

(3) The amount to be lent from the innovation Ohio loan 15716
fund will not exceed ninety per cent of the total costs of the 15717
eligible innovation project. 15718

(4) The repayment of the loan from the innovation Ohio 15719
loan fund will be secured by a mortgage, lien, assignment, or 15720
pledge, or other interest in property or innovation property at 15721
such level of priority and value as the director may determine 15722
necessary, provided that, in making such a determination, the 15723
director may take into account the value of any rights granted 15724
by the borrower to the director to control the use of any 15725
property or innovation property of the borrower under the 15726
circumstances described in the loan documents. 15727

(B) The determinations of the director under division (A) 15728

of this section shall be conclusive for purposes of the validity 15729
of a loan commitment evidenced by a loan agreement signed by the 15730
director. 15731

(C) Fees, charges, rates of interest, times of payment of 15732
interest and principal, and other terms, conditions, and 15733
provisions of and security for loans made from the innovation 15734
Ohio loan fund shall be such as the director determines to be 15735
appropriate and in furtherance of the purpose for which the 15736
loans are made. The moneys used in making the loans shall be 15737
disbursed from the innovation Ohio loan fund upon order of the 15738
director. Unless otherwise specified in any indenture or other 15739
instrument securing obligations under division (D) of section 15740
166.08 of the Revised Code, any payments of principal and 15741
interest from loans made from the innovation Ohio loan fund 15742
shall be paid to the innovation Ohio loan fund and used for the 15743
purpose of making loans. 15744

(D) There is hereby created in the state treasury the 15745
innovation Ohio loan fund. The fund shall consist of grants, 15746
gifts, and contributions of moneys or rights to moneys lawfully 15747
designated for or deposited in such fund, all moneys and rights 15748
to moneys lawfully appropriated and transferred to such fund, 15749
including moneys received from the issuance of obligations for 15750
purposes of allowable innovation costs under section 166.08 of 15751
the Revised Code, and moneys deposited to such fund pursuant to 15752
divisions (C) and (G) of this section. All investment earnings 15753
on the cash balance in the fund shall be credited to the fund. 15754
The fund shall not be comprised, in any part, of moneys raised 15755
by taxation. 15756

(E) The director may take actions necessary or appropriate 15757
to collect or otherwise deal with any loan made under this 15758

section. 15759

(F) The director may fix service charges for the making of 15760
a loan. The charges shall be payable at such times and place and 15761
in such amounts and manner as may be prescribed by the director. 15762

(G) (1) There shall be credited to the innovation Ohio loan 15763
fund the moneys received by this state from the repayment of 15764
innovation Ohio loans and recovery on loan guarantees, including 15765
interest thereon, made from the innovation Ohio loan fund or 15766
from the innovation Ohio loan guarantee fund and from the sale, 15767
lease, or other disposition of property acquired or constructed 15768
with moneys in the innovation Ohio loan fund with moneys derived 15769
from the proceeds of the sale of obligations under section 15770
166.08 of the Revised Code. Such moneys shall be applied as 15771
provided in this chapter pursuant to appropriations made by the 15772
general assembly. 15773

(2) Notwithstanding division (G) (1) of this section, any 15774
amounts recovered on innovation Ohio loan guarantees shall be 15775
deposited to the credit of the innovation Ohio loan guarantee 15776
fund to the extent necessary to restore that fund to the 15777
innovation Ohio loan guarantee reserve requirement or any level 15778
in excess thereof required by any guarantee contract. Money in 15779
the innovation Ohio loan guarantee fund in excess of the 15780
innovation Ohio loan guarantee reserve requirement, but subject 15781
to the provisions and requirements of any guarantee contracts, 15782
may be transferred to the innovation Ohio loan fund by the 15783
treasurer of state upon the order of the director of housing and 15784
development. 15785

(3) In addition to the requirements of division (G) (1) of 15786
this section, moneys referred to in that division may be 15787
deposited to the credit of separate accounts within the 15788

innovation Ohio loan fund or in the bond service fund and 15789
pledged to the security of obligations, applied to the payment 15790
of bond service charges without need for appropriation, released 15791
from any such pledge and transferred to the innovation Ohio loan 15792
fund, all as and to the extent provided in the bond proceedings 15793
pursuant to written directions by the director of housing and 15794
development. Accounts may be established by the director in the 15795
innovation Ohio loan fund for particular projects or otherwise. 15796
The director may withdraw from the innovation Ohio loan fund or, 15797
subject to provisions of the applicable bond proceedings, from 15798
any special funds established pursuant to the bond proceedings, 15799
or from any accounts in such funds, any amounts of investment 15800
income required to be rebated and paid to the federal government 15801
in order to maintain the exemption from federal income taxation 15802
of interest on obligations issued under this chapter, which 15803
withdrawal and payment may be made without necessity for 15804
appropriation. 15805

Sec. 166.17. (A) The general assembly finds that in order 15806
to enhance the economic opportunities available to and improve 15807
the economic welfare of all the people of the state, and to 15808
maintain and enhance the competitiveness of the Ohio economy, it 15809
is necessary to ensure that the people of the state will 15810
continue to have access to high-value jobs in technology, and 15811
that, to facilitate such continued access, it is necessary to 15812
provide incentives to retain and attract businesses that will 15813
develop new or improved technologies, processes, and products, 15814
or apply existing technologies in new ways. Further, the general 15815
assembly finds that the attraction of such jobs and their 15816
presence in this state will materially contribute to the 15817
economic welfare of all the people of the state. Accordingly, it 15818
is declared to be the public policy of this state, through 15819

operations under sections 166.17 to 166.21, 5733.352, and 15820
5747.331 of the Revised Code and the provisions for financial 15821
assistance contained in those sections, other applicable laws 15822
adopted pursuant to Section 13 of Article VIII, Ohio 15823
Constitution, and other authority vested in the general 15824
assembly, to assist in and facilitate the establishment or 15825
development of eligible research and development projects or 15826
assist and cooperate with any governmental agency in achieving 15827
that purpose. 15828

(B) In furtherance of that public policy and to implement 15829
that purpose, the director of housing and development may do any 15830
of the following: 15831

(1) After consultation with appropriate governmental 15832
agencies, enter into agreements with persons engaged in 15833
industry, commerce, distribution, or research and with 15834
governmental agencies, to induce such persons to acquire, 15835
construct, reconstruct, rehabilitate, renovate, enlarge, 15836
improve, equip, furnish, or develop eligible research and 15837
development projects, or to enable governmental agencies to 15838
acquire, construct, reconstruct, rehabilitate, renovate, 15839
enlarge, improve, equip, furnish, or develop eligible research 15840
and development projects for lease to persons engaged in 15841
industry, commerce, distribution, or research; 15842

(2) Provide for loans under section 166.21 of the Revised 15843
Code to finance eligible research and development projects; 15844

(3) Subject to the release of moneys in the research and 15845
development loan fund by the controlling board, contract for 15846
labor and materials needed for, or contract with others, 15847
including governmental agencies, to provide, eligible research 15848
and development projects, the allowable costs of which are to be 15849

paid for or reimbursed from such moneys, and contract for the 15850
operation of those projects; 15851

(4) From moneys in the research and development loan fund, 15852
subject to release thereof by the controlling board, acquire or 15853
contract to acquire property by gift, exchange, or purchase, 15854
including by obtaining and exercising purchase options, and 15855
convey or otherwise dispose of, or provide for the conveyance or 15856
disposition of, that property by sale, exchange, lease, lease 15857
purchase, conditional or installment sale, transfer, or other 15858
disposition, including the grant of an option to purchase, to 15859
any governmental agency or to any other person without necessity 15860
for competitive bidding and upon such terms and conditions and 15861
manner of consideration pursuant to, and as the director 15862
determines to be appropriate to satisfy the objectives of, 15863
Chapter 166. of the Revised Code; 15864

(5) Retain the services of or employ financial 15865
consultants, appraisers, consulting engineers, superintendents, 15866
managers, construction and accounting experts, attorneys, 15867
employees, agents, and independent contractors as are necessary 15868
in the director's judgment, and fix the compensation for their 15869
services; 15870

(6) Receive and accept from any person, grants, gifts, and 15871
contributions of money, property, labor, and other things of 15872
value, to be held, used, and applied only for the purpose for 15873
which such grants, gifts, and contributions are made; 15874

(7) Enter into arrangements and agreements with any 15875
governmental agency for the agency to take or provide any 15876
governmental action with respect to eligible research and 15877
development projects; 15878

(8) Do all other acts, enter into contracts, execute all instruments, and make all certifications necessary or appropriate to carry out sections 166.01, 166.17 to 166.21, 5733.352, and 5747.331 of the Revised Code;

(9) With respect to property that is the subject of or related to research and development financial assistance, take such interests, including, but not limited to, mortgages, security interests, leasehold interests, assignments, and exclusive or nonexclusive licenses, as may be necessary or appropriate under the circumstances, to ensure that the property is used within this state and that products or services associated with that property are produced or, in the case of services, delivered, by persons employed within this state;

(10) Adopt rules necessary to implement any of the provisions of sections 166.17 to 166.21, 5733.352, and 5747.331 of the Revised Code that are applicable to the director.

(C) The determination by the director that facilities or property constitute an eligible research and development project and that the costs of such facilities or property are allowable costs related to the project, and all other determinations relevant thereto, or to an action taken or agreement entered into, shall be conclusive for purposes of the validity and enforceability of rights of parties arising from actions taken and agreements entered into under sections 166.17 to 166.21, 5733.352, and 5747.331 of the Revised Code.

Sec. 166.18. (A) Prior to entering into each agreement to provide research and development financial assistance, the director of housing and development services shall determine whether the assistance will conform to the requirements of sections 166.17 to 166.21, 5733.352, and 5747.331 of the Revised

Code. Such determination, and the facts upon which it is based, 15909
shall be set forth by the director in submissions made to the 15910
controlling board when the director seeks a release of moneys 15911
under section 166.17 of the Revised Code. An agreement to 15912
provide research and development financial assistance under 15913
section 166.17 or 166.21 of the Revised Code shall set forth the 15914
determination, which shall be conclusive for purposes of the 15915
validity and enforceability of the agreement, and any loans or 15916
other agreements entered into pursuant to the agreement, to 15917
provide research and development financial assistance. 15918

(B) Whenever a person applies for research and development 15919
financial assistance, and the eligible research and development 15920
project for which that assistance is requested is to relocate an 15921
eligible research and development project that is currently 15922
being operated by the person and that is located in another 15923
county, municipal corporation, or township within the state, the 15924
person shall provide written notification to the appropriate 15925
local governmental bodies and state officials. The director may 15926
not enter into an agreement to provide research and development 15927
financial assistance until the director determines that the 15928
appropriate local government bodies and state officials have 15929
been notified. 15930

(C) As used in division (B) of this section: 15931

(1) "Appropriate local governmental bodies" means all of 15932
the following: 15933

(a) The board of county commissioners of or legislative 15934
authorities of special districts in the county in which the 15935
eligible research and development project for which research and 15936
development financial assistance is requested is located and of 15937
the county in which the project will be located; 15938

(b) The legislative authority of the municipal corporation 15939
or the board of township trustees of the township in which the 15940
eligible research and development project for which research and 15941
development financial assistance is requested is located and of 15942
the municipal corporation or township in which the project will 15943
be located. 15944

(2) "State officials" means both of the following: 15945

(a) The state representative and state senator in whose 15946
district the eligible research and development project for which 15947
research and development financial assistance is requested is 15948
located; 15949

(b) The state representative and state senator in whose 15950
district the eligible research and development project will be 15951
located. 15952

Sec. 166.19. (A) (1) In determining the eligible research 15953
and development projects to be assisted and the nature, amount, 15954
and terms of the research and development financial assistance 15955
to be provided, the director of housing and development ~~services~~ 15956
shall consider all of the following: 15957

(a) The number of jobs to be created or preserved, 15958
directly or indirectly, by or in connection with the eligible 15959
research and development project; 15960

(b) Payrolls, and the taxes generated at both state and 15961
local levels, by the eligible research and development project 15962
and by the employment created or preserved by or in connection 15963
with the project; 15964

(c) The size, nature, and cost of the eligible research 15965
and development project; 15966

(d) The likelihood that the eligible research and development project will create long-term jobs in enterprises consistent with the changing economy of the state and nation;

(e) The needs of any private sector enterprise to be assisted, taking into consideration the amount and kind of assistance, if any, to be provided to the private sector enterprise by other governmental agencies through tax exemption or abatement, financing assistance with industrial development bonds, and otherwise, with respect to the eligible research and development project or with respect to any providers of research and development property to be included as part of the project;

(f) The likelihood that the eligible research and development project will be successfully implemented.

(2) The director may consider the benefits to the local area, including taxes, jobs, and reduced unemployment and reduced welfare costs, in the leasing or sale of eligible research and development project facilities and in loan arrangements.

(3) The director may consider the effect of an eligible research and development project upon any entity engaged to provide research and development property to be acquired, leased, or licensed in connection with research and development financial assistance.

(B) Financial statements and other data submitted to the director of housing and development services or the controlling board by any private sector person in connection with research and development financial assistance, or any information taken from such statements or data for any purpose, shall not be open to public inspection.

Sec. 166.20. There is hereby created in the state treasury 15996
the research and development loan fund. The fund shall consist 15997
of moneys received from the issuance of obligations for research 15998
and development purposes under section 166.08 of the Revised 15999
Code; moneys deposited to the fund pursuant to divisions (C) and 16000
(G) of section 166.21 of the Revised Code; service charges 16001
imposed under section 166.21 of the Revised Code; and any 16002
grants, gifts, or contributions of money received by the 16003
director of housing and development to be used for making loans 16004
under section 166.21 of the Revised Code. All investment 16005
earnings on the cash balance in the fund shall be credited to 16006
the fund. The fund shall not be comprised, in any part, of 16007
moneys raised by taxation. 16008

Sec. 166.21. (A) The director of housing and development 16009
~~services~~, with the approval of the controlling board and subject 16010
to other applicable provisions of this chapter, may lend moneys 16011
in the research and development loan fund to persons for the 16012
purpose of paying allowable costs of eligible research and 16013
development projects, if the director determines that all of the 16014
following conditions are met: 16015

(1) The project is an eligible research and development 16016
project and is economically sound; 16017

(2) The amount to be lent from the research and 16018
development loan fund will not exceed seventy-five per cent of 16019
the total costs of the eligible research and development 16020
project; 16021

(3) The repayment of the loan from the research and 16022
development loan fund will be secured by a mortgage, assignment, 16023
pledge, lien provided for under section 9.661 of the Revised 16024
Code, or other interest in property or other assets of the 16025

borrower, at such level of priority and value as the director 16026
considers necessary, provided that, in making such a 16027
determination, the director shall take into account the value of 16028
any rights granted by the borrower to the director to control 16029
the use of any assets of the borrower under the circumstances 16030
described in the loan documents. 16031

(B) The determinations of the director under division (A) 16032
of this section shall be conclusive for purposes of the validity 16033
of a loan commitment evidenced by a loan agreement signed by the 16034
director. 16035

(C) Fees, charges, rates of interest, times of payment of 16036
interest and principal, and other terms and conditions of, and 16037
security for, loans made from the research and development loan 16038
fund shall be such as the director determines to be appropriate 16039
and in furtherance of the purpose for which the loans are made. 16040
The moneys used in making loans shall be disbursed from the fund 16041
upon order of the director. Unless otherwise specified in any 16042
indenture or other instrument securing obligations under 16043
division (D) of section 166.08 of the Revised Code, any payments 16044
of principal and interest from loans made from the fund shall be 16045
paid to the fund and used for the purpose of making loans under 16046
this section. 16047

(D) (1) As used in this division, "qualified research and 16048
development loan payments" means payments of principal and 16049
interest on a loan made from the research and development loan 16050
fund. 16051

(2) Each year, the director may, upon request, issue a 16052
certificate to a borrower of moneys from the research and 16053
development loan fund indicating the amount of the qualified 16054
research and development loan payments made by or on behalf of 16055

the borrower during the calendar year immediately preceding the 16056
tax year, as defined in section 5733.04 of the Revised Code, or 16057
taxable year, as defined in section 5747.01 of the Revised Code, 16058
for which the certificate is issued. In addition to indicating 16059
the amount of qualified research and development loan payments, 16060
the certificate shall include a determination of the director 16061
that as of the thirty-first day of December of the calendar year 16062
for which the certificate is issued, the borrower is not in 16063
default under the loan agreement, lease, or other instrument 16064
governing repayment of the loan, including compliance with the 16065
job creation and retention commitments that are part of the 16066
qualified research and development project. If the director 16067
determines that a borrower is in default under the loan 16068
agreement, lease, or other instrument governing repayment of the 16069
loan, the director may reduce the amount, percentage, or term of 16070
the credit allowed under section 5733.352, 5747.331, or 5751.52 16071
of the Revised Code with respect to the certificate issued to 16072
the borrower. The director shall not issue a certificate in an 16073
amount that exceeds one hundred fifty thousand dollars. 16074

(E) The director may take actions necessary or appropriate 16075
to collect or otherwise deal with any loan made under this 16076
section. 16077

(F) The director may fix service charges for the making of 16078
a loan. The charges shall be payable at such times and place and 16079
in such amounts and manner as may be prescribed by the director. 16080

(G) (1) There shall be credited to the research and 16081
development loan fund moneys received by this state from the 16082
repayment of loans, including interest thereon, made from the 16083
fund, and moneys received from the sale, lease, or other 16084
disposition of property acquired or constructed with moneys in 16085

the fund derived from the proceeds of the sale of obligations 16086
under section 166.08 of the Revised Code. Moneys in the fund 16087
shall be applied as provided in this chapter pursuant to 16088
appropriations made by the general assembly. 16089

(2) In addition to the requirements in division (G) (1) of 16090
this section, moneys referred to in that division may be 16091
deposited to the credit of separate accounts established by the 16092
director of housing and development services—within the research 16093
and development loan fund or in the bond service fund and 16094
pledged to the security of obligations, applied to the payment 16095
of bond service charges without need for appropriation, released 16096
from any such pledge and transferred to the research and 16097
development loan fund, all as and to the extent provided in the 16098
bond proceedings pursuant to written directions of the director. 16099
Accounts may be established by the director in the research and 16100
development loan fund for particular projects or otherwise. The 16101
director may withdraw from the fund or, subject to provisions of 16102
the applicable bond proceedings, from any special funds 16103
established pursuant to the bond proceedings, or from any 16104
accounts in such funds, any amounts of investment income 16105
required to be rebated and paid to the federal government in 16106
order to maintain the exemption from federal income taxation of 16107
interest on obligations issued under this chapter, which 16108
withdrawal and payment may be made without the necessity for 16109
appropriation. 16110

Sec. 166.25. (A) The director of housing and development 16111
~~services~~, with the approval of the controlling board and subject 16112
to the other applicable provisions of this chapter, may lend 16113
money in the logistics and distribution infrastructure fund to 16114
persons for the purpose of paying allowable costs of eligible 16115
logistics and distribution projects. 16116

(B) In determining the eligible logistics and distribution projects to be assisted and the nature, amount, and terms of assistance to be provided for an eligible logistics and distribution project, the director shall consult with appropriate governmental agencies, including the department of transportation and the Ohio rail development commission.

(C) Any loan made pursuant to this section shall be evidenced by a loan agreement, which shall contain such terms as the director determines necessary or appropriate, including performance measures and reporting requirements. The director may take actions necessary or appropriate to collect or otherwise deal with any loan made under this section, including requiring a loan recipient to repay the amount of the loan plus interest at a rate of three per cent above the federal short term interest rate or any other rate determined by the director.

Sec. 166.27. (A) As used in this section, "minority" has the same meaning as in section 184.17 of the Revised Code, except that the individual must be a resident of this state. The term also includes an economically disadvantaged individual who is a resident of this state.

(B) The director of housing and development shall conduct outreach activities in Ohio that seek to include minorities in the loan program for logistics and distribution projects established under section 166.25 of the Revised Code. The outreach activities shall include the following, when appropriate:

(1) Identifying and partnering with historically black colleges and universities;

(2) Working with all institutions of higher education in

the state to support minority faculty and students involved in logistics and distribution fields; 16146
16147

(3) Developing a plan to contact by telephone minority-owned businesses and entrepreneurs and other economically disadvantaged businesses to notify them of opportunities to participate in the loan program for logistics and distribution projects; 16148
16149
16150
16151
16152

(4) Identifying minority professional and technical trade associations and economic development assistance organizations and notifying them of the loan program for logistics and distribution projects; 16153
16154
16155
16156

(5) Partnering with regional councils to foster local efforts to support minority-owned businesses or otherwise identify networks of minority-owned businesses, entrepreneurs, and individuals operating locally; 16157
16158
16159
16160

(6) Identifying minority firms and notifying them of the opportunities that exist within the investment community, including the Ohio venture capital authority created under section 150.02 of the Revised Code. 16161
16162
16163
16164

(C) The director shall publish an annual report that includes all of the following: 16165
16166

(1) Details of loans awarded for logistics and distribution projects; 16167
16168

(2) The status of loan recipients' projects funded in previous years; 16169
16170

(3) The amount of loans awarded for projects in economically distressed areas, and if possible to ascertain, the impact of the loans to those areas. 16171
16172
16173

(D) To the extent possible, outreach activities described 16174
in this section shall be conducted in conjunction with the EDGE 16175
program created in section 122.922 of the Revised Code. 16176

Sec. 167.02. (A) Membership in the regional council shall 16177
be the counties, municipal corporations, townships, special 16178
districts, school districts, and other political subdivisions 16179
entering into the agreement establishing the council or admitted 16180
to membership subsequently pursuant to the agreement 16181
establishing the council or the bylaws of the council. 16182
Representation on the council may be in the manner as provided 16183
in the agreement establishing the council. 16184

(B) If the agreement establishing the council does not set 16185
forth the manner for determining representation on the council 16186
such representation shall consist of one representative from 16187
each county, municipal corporation, township, special district, 16188
school district, or other political subdivision entering into 16189
the agreement, or subsequently admitted to membership in the 16190
council. The representative from each member county, municipal 16191
corporation, township, special district, school district, or 16192
other political subdivision shall be elected chief executive 16193
thereof, or, if such county, municipal corporation, township, 16194
special district, school district, or other political 16195
subdivision does not have an elected chief executive, a member 16196
of its governing body chosen by such body to be its 16197
representative. 16198

(C) Records containing the names of the political 16199
subdivisions that are members of a regional council of 16200
governments or the names of the representatives from those 16201
political subdivisions who serve on the council are public 16202
records within the meaning of section 149.43 of the Revised 16203

Code, and those names are not considered to be trade secrets 16204
under section 1333.61 of the Revised Code. 16205

(D) The director of housing and development ~~services~~ shall 16206
assist the council in securing the cooperation of all 16207
appropriate agencies of the state or of the United States to aid 16208
in promoting the orderly growth and development of the area, 16209
solving the problems of local government, and discharging the 16210
responsibilities and duties of local government in the most 16211
efficient possible manner. 16212

(E) Any county, municipal corporation, township, special 16213
district, school district, or other political subdivision which 16214
has become a member of the council may withdraw by formal action 16215
of its governing board and upon sixty days notice to council 16216
after such action, or in the manner provided in the agreement 16217
establishing the council, provided no such procedure relative to 16218
withdrawals in the agreement establishing the council shall 16219
require the political subdivision desiring to withdraw to retain 16220
its membership in the council for a period in excess of two 16221
years. 16222

Sec. 169.05. (A) Every holder required to file a report 16223
under section 169.03 of the Revised Code shall, at the time of 16224
filing, pay to the director of commerce ten per cent of the 16225
aggregate amount of unclaimed funds as shown on the report, 16226
except for aggregate amounts of fifty dollars or less in which 16227
case one hundred per cent shall be paid. The funds may be 16228
deposited by the director in the state treasury to the credit of 16229
the unclaimed funds trust fund, which is hereby created, or 16230
placed with a financial organization. Any interest earned on 16231
money in the trust fund shall be credited to the trust fund. The 16232
remainder of the aggregate amount of unclaimed funds as shown on 16233

the report, plus earnings accrued to date of payment to the 16234
director, shall, at the option of the director, be retained by 16235
the holder or paid to the director for deposit as agent for the 16236
mortgage funds with a financial organization as defined in 16237
section 169.01 of the Revised Code, with the funds to be in 16238
income-bearing accounts to the credit of the mortgage funds, or 16239
the holder may enter into an agreement with the director 16240
specifying the obligations of the United States in which funds 16241
are to be invested, and agree to pay the interest on the 16242
obligations to the state. Holders retaining any funds not in 16243
obligations of the United States shall enter into an agreement 16244
with the director specifying the classification of income- 16245
bearing account in which the funds will be held and pay the 16246
state interest on the funds at a rate equal to the prevailing 16247
market rate for similar funds. Moneys that the holder is 16248
required to pay to the director rather than to retain may be 16249
deposited with the treasurer of state, or placed with a 16250
financial organization. 16251

Securities and other intangible property transferred to 16252
the director shall, within a reasonable time, be converted to 16253
cash and the proceeds deposited as provided for other funds. 16254

One-half of the funds evidenced by agreements, in income- 16255
bearing accounts, or on deposit with the treasurer of state 16256
shall be allocated on the records of the director to the 16257
mortgage insurance fund created by section 122.561 of the 16258
Revised Code. Out of the remaining half, after allocation of 16259
sufficient moneys to the minority business bonding fund to meet 16260
the provisions of division (B) of this section, the remainder 16261
shall be allocated on the records of the director to the housing 16262
development fund created by division (A) of section 175.11 of 16263
the Revised Code. 16264

(B) The director shall serve as agent for the director of housing and development and as agent for the Ohio housing finance agency in making deposits and withdrawals and maintaining records pertaining to the minority business bonding fund created by section 122.88 of the Revised Code, the mortgage insurance fund, and the housing development fund created by section 175.11 of the Revised Code. Funds from the mortgage insurance fund are available to the director of housing and development when those funds are to be disbursed to prevent or cure, or upon the occurrence of, a default of a mortgage insured pursuant to section 122.451 of the Revised Code. Funds from the housing development fund are available upon request to the Ohio housing finance agency, in an amount not to exceed the funds allocated on the records of the director, for the purposes of section 175.05 of the Revised Code. Funds from the minority business bonding fund are available to the director of housing and development upon request to pay obligations on bonds the director writes pursuant to section 122.88 of the Revised Code; except that, unless the general assembly authorizes additional amounts, the total maximum amount of moneys that may be allocated to the minority business bonding fund under this division is ten million dollars.

When funds are to be disbursed, the appropriate agency shall call upon the director to transfer the necessary funds to it. The director shall first withdraw the funds paid by the holders and deposited with the treasurer of state or in a financial institution as agent for the funds. Whenever these funds are inadequate to meet the request, the director shall provide for a withdrawal of funds, within a reasonable time and in the amount necessary to meet the request, from financial institutions in which the funds were retained or placed by a

holder and from other holders who have retained funds, in an 16296
equitable manner as the director prescribes. In the event that 16297
the amount to be withdrawn from any one holder is less than five 16298
hundred dollars, the amount to be withdrawn is at the director's 16299
discretion. The director shall then transfer to the agency the 16300
amount of funds requested. 16301

Funds deposited in the unclaimed funds trust fund are 16302
subject to call by the director when necessary to pay claims the 16303
director allows under section 169.08 of the Revised Code, in 16304
accordance with the director's rules, to defray the necessary 16305
costs of making publications this chapter requires and to pay 16306
other operating and administrative expenses the department of 16307
commerce incurs in the administration and enforcement of this 16308
chapter. 16309

The unclaimed funds trust fund shall be assessed a 16310
proportionate share of the administrative costs of the 16311
department of commerce in accordance with procedures the 16312
director of commerce prescribes. The assessment shall be paid 16313
from the unclaimed funds trust fund to the division of 16314
administration fund. 16315

(C) Earnings on the accounts in financial organizations to 16316
the credit of the mortgage funds shall, at the option of the 16317
financial organization, be credited to the accounts at times and 16318
at rates as earnings are paid on other accounts of the same 16319
classification held in the financial organization or paid to the 16320
director. The director shall be notified annually, and at other 16321
times as the director may request, of the amount of the earnings 16322
credited to the accounts. Interest on unclaimed funds a holder 16323
retains shall be paid to the director or credited as specified 16324
in the agreement under which the organization retains the funds. 16325

Interest payable to the director under an agreement to invest 16326
unclaimed funds in income-bearing accounts or obligations of the 16327
United States shall be paid annually by the holder to the 16328
director. Any earnings or interest the director receives under 16329
this division shall be deposited in and credited to the mortgage 16330
funds. 16331

Sec. 173.08. (A) The resident services coordinator program 16332
is established in the department of aging to fund resident 16333
services coordinators. The coordinators shall provide 16334
information to low-income and special-needs tenants, including 16335
the elderly, who live in financially assisted rental housing 16336
complexes, and assist those tenants in identifying and obtaining 16337
community and program services and other benefits for which they 16338
are eligible. 16339

(B) The resident services coordinator program fund is 16340
hereby created in the state treasury to support the resident 16341
services coordinator program established pursuant to this 16342
section. The fund consists of all moneys the department of 16343
housing and development sets aside pursuant to division (A) (3) 16344
of section 174.02 of the Revised Code and moneys the general 16345
assembly appropriates to the fund. 16346

Sec. 174.01. As used in this chapter: 16347

(A) "Financial assistance" means grants, loans, loan 16348
guarantees, an equity position in a project, or loan subsidies. 16349

(B) "Grant" means funding the department of housing and 16350
development or the Ohio housing finance agency provides for 16351
which the relevant agency does not require repayment. 16352

(C) "Housing" means housing for owner-occupancy and 16353
multifamily rental housing. 16354

(D) "Housing for owner-occupancy" means housing that is 16355
intended for occupancy by an owner as a principal residence. 16356
"Housing for owner-occupancy" may be any type of structure and 16357
may be owned in any type of ownership. 16358

(E) "Housing trust fund" means the low- and moderate- 16359
income housing trust fund created and administered pursuant to 16360
Chapter 174. of the Revised Code. 16361

(F) "Lending institution" means any financial institution 16362
qualified to conduct business in this state, a subsidiary 16363
corporation that is wholly owned by a financial institution 16364
qualified to conduct business in this state, and a mortgage 16365
lender whose regular business is originating, servicing, or 16366
brokering real estate loans and who is qualified to do business 16367
in this state. 16368

(G) "Loan" means any extension of credit or other form of 16369
financing or indebtedness directly or indirectly to a borrower 16370
with the expectation that it will be repaid in accordance with 16371
the terms of the underlying loan agreement or other pertinent 16372
document. "Loan" includes financing extended to lending 16373
institutions and indebtedness purchased from lending 16374
institutions. 16375

(H) "Loan guarantee" means any agreement in favor of a 16376
lending institution or other lender in which the credit and 16377
resources of the housing trust fund are pledged to secure the 16378
payment or collection of financing extended to a borrower for 16379
the acquisition, construction, improvement, rehabilitation or 16380
preservation of housing, or to refinance any financing 16381
previously extended for those purposes by any lender. 16382

(I) "Loan subsidy" means any deposit of funds into a 16383

lending institution with the authorization or direction that the 16384
income or revenues the deposit earns, or could have earned at 16385
competitive rates, be applied directly or indirectly to the 16386
benefit of housing assistance or financial assistance. 16387

(J) "Low- and moderate-income persons" means individuals 16388
and families who qualify as low- and moderate-income persons 16389
pursuant to guidelines the department establishes. 16390

(K) "Multifamily rental housing" means multiple unit 16391
housing intended for rental occupancy. 16392

(L) "Nonprofit organization" means a nonprofit 16393
organization in good standing and qualified to conduct business 16394
in this state including any corporation whose members are 16395
members of a metropolitan housing authority. 16396

Sec. 174.02. (A) The low- and moderate-income housing 16397
trust fund is hereby created in the state treasury. The fund 16398
consists of all appropriations made to the fund, housing trust 16399
fund fees collected by county recorders pursuant to section 16400
317.36 of the Revised Code and deposited into the fund pursuant 16401
to section 319.63 of the Revised Code, and all grants, gifts, 16402
loan repayments, and contributions of money made from any source 16403
to the department of housing and development for deposit in the 16404
fund. All investment earnings of the fund shall be credited to 16405
the fund. The director of housing and development shall allocate 16406
a portion of the money in the fund to an account of the Ohio 16407
housing finance agency. The department shall administer the 16408
fund. The Ohio housing finance agency shall use money allocated 16409
to it for implementing and administering its programs and duties 16410
under sections 174.03 and 174.05 of the Revised Code, and the 16411
department shall use the remaining money in the fund for 16412
implementing and administering its programs and duties under 16413

sections 174.03 to 174.06 of the Revised Code. Use of all money 16414
drawn from the fund is subject to the following restrictions: 16415

(1) (a) Not more than five per cent of the current year 16416
appropriation authority for the fund shall be allocated between 16417
grants to community development corporations for the community 16418
development corporation grant program and grants and loans to 16419
the Ohio community development finance fund, a private nonprofit 16420
corporation. 16421

(b) In any year in which the amount in the fund exceeds 16422
one hundred thousand dollars and at least that much is allocated 16423
for the uses described in this section, not less than one 16424
hundred thousand dollars shall be used to provide training, 16425
technical assistance, and capacity building assistance to 16426
nonprofit development organizations. 16427

(2) Not more than ten per cent of any current year 16428
appropriation authority for the fund shall be used for the 16429
emergency shelter housing grants program to make grants to 16430
private, nonprofit organizations and municipal corporations, 16431
counties, and townships for emergency shelter housing for the 16432
homeless and emergency shelter facilities serving unaccompanied 16433
youth seventeen years of age and younger. The grants shall be 16434
distributed pursuant to rules the director adopts and qualify as 16435
matching funds for funds obtained pursuant to the McKinney Act, 16436
101 Stat. 85 (1987), 42 U.S.C.A. 11371 to 11378. 16437

(3) In any fiscal year in which the amount in the fund 16438
exceeds the amount awarded pursuant to division (A) (1) (b) of 16439
this section by at least two hundred fifty thousand dollars, at 16440
least two hundred fifty thousand dollars from the fund shall be 16441
provided to the department of aging for the resident services 16442
coordinator program as established in section 173.08 of the 16443

Revised Code. 16444

(4) Of all current year appropriation authority for the 16445
fund, not more than five per cent shall be used for 16446
administration. 16447

(5) Not less than forty-five per cent of the funds awarded 16448
during any one fiscal year shall be for grants and loans to 16449
nonprofit organizations under section 174.03 of the Revised 16450
Code. 16451

(6) Not less than fifty per cent of the funds awarded 16452
during any one fiscal year, excluding the amounts awarded 16453
pursuant to divisions (A) (1), (2), and (7) of this section, 16454
shall be for grants and loans for activities that provide 16455
housing and housing assistance to families and individuals in 16456
rural areas and small cities that are not eligible to 16457
participate as a participating jurisdiction under the "HOME 16458
Investment Partnerships Act," 104 Stat. 4094 (1990), 42 U.S.C. 16459
12701 note, 12721. 16460

(7) No money in the fund shall be used to pay for any 16461
legal services other than the usual and customary legal services 16462
associated with the acquisition of housing. 16463

(8) Money in the fund may be used as matching money for 16464
federal funds received by the state, counties, municipal 16465
corporations, and townships for the activities listed in section 16466
174.03 of the Revised Code. 16467

(B) If, after the second quarter of any year, it appears 16468
to the director that the full amount of the money in the fund 16469
designated in that year for activities that provide housing and 16470
housing assistance to families and individuals in rural areas 16471
and small cities under division (A) of this section will not be 16472

used for that purpose, the director may reallocate all or a 16473
portion of that amount for other housing activities. In 16474
determining whether or how to reallocate money under this 16475
division, the director may consult with and shall receive advice 16476
from the housing trust fund advisory committee. 16477

Sec. 174.03. (A) The department of housing and development 16478
and the Ohio housing finance agency shall each develop programs 16479
under which, in accordance with rules adopted under this 16480
section, they may make grants, loans, loan guarantees, and loan 16481
subsidies to counties, municipal corporations, townships, local 16482
housing authorities, and nonprofit organizations and may make 16483
loans, loan guarantees, and loan subsidies to private developers 16484
and private lenders to assist in activities that provide housing 16485
and housing assistance for specifically targeted low- and 16486
moderate-income families and individuals. There is no minimum 16487
housing project size for awards under this division for any 16488
project that is developed for a special needs population and 16489
that is supported by a social service agency where the housing 16490
project is located. Activities for which grants, loans, loan 16491
guarantees, and loan subsidies may be made under this section 16492
include all of the following: 16493

(1) Acquiring, financing, constructing, leasing, 16494
rehabilitating, remodeling, improving, and equipping publicly or 16495
privately owned housing; 16496

(2) Providing supportive services related to housing and 16497
the homeless, including housing counseling. Not more than twenty 16498
per cent of the current year appropriation authority for the 16499
low- and moderate-income housing trust fund that remains after 16500
the award of funds made pursuant to divisions (A) (1) and ~~(A) (2)~~ 16501
of section 174.02 of the Revised Code, shall be awarded in any 16502

fiscal year for supportive services. 16503

(3) Providing rental assistance payments or other project 16504
operating subsidies that lower tenant rents; 16505

(4) Improving the quality of life of tenants by providing 16506
education for tenants and residents of manufactured home 16507
communities regarding their rights and responsibilities, 16508
planning and implementing activities designed to improve 16509
conflict resolution and the capacity of tenants to negotiate and 16510
mediate with landlords, and developing tenant and resident 16511
councils and organizations; 16512

(5) Promoting capacity building initiatives related to the 16513
creation of county housing trust funds. 16514

(B) Grants, loans, loan guarantees, and loan subsidies may 16515
be made to counties, municipal corporations, townships, and 16516
nonprofit organizations for the additional purposes of providing 16517
technical assistance, design and finance services and 16518
consultation, and payment of pre-development and administrative 16519
costs related to any of the activities listed above. 16520

(C) In developing programs under this section, the 16521
department and the agency shall invite, accept, and consider 16522
public comment, and recommendations from the housing trust fund 16523
advisory committee created under section 174.06 of the Revised 16524
Code, on how the programs should be designed to most effectively 16525
benefit low- and moderate-income families and individuals. The 16526
programs developed under this section shall respond collectively 16527
to housing and housing assistance needs of low- and moderate- 16528
income families and individuals statewide. 16529

(D) The department and the agency, in accordance with 16530
Chapter 119. of the Revised Code, shall each adopt rules to 16531

administer programs developed under this section. The rules 16532
shall prescribe procedures and forms that counties, municipal 16533
corporations, townships, local housing authorities, and 16534
nonprofit organizations shall use in applying for grants, loans, 16535
loan guarantees, and loan subsidies and that private developers 16536
and private lenders shall use in applying for loans, loan 16537
guarantees, and loan subsidies; eligibility criteria for the 16538
receipt of funds; procedures for reviewing and granting or 16539
denying applications; procedures for paying out funds; 16540
conditions on the use of funds; procedures for monitoring the 16541
use of funds; and procedures under which a recipient shall be 16542
required to repay funds that are improperly used. The rules 16543
shall do both of the following: 16544

(1) Require each recipient of a grant or loan made from 16545
the low- and moderate-income housing trust fund for activities 16546
that provide, or assist in providing, a rental housing project, 16547
to reasonably ensure that the rental housing project will remain 16548
affordable to those families and individuals targeted for the 16549
rental housing project for the useful life of the rental housing 16550
project or for thirty years, whichever is longer; 16551

(2) Require each recipient of a grant or loan made from 16552
the low- and moderate-income housing trust fund for activities 16553
that provide, or assist in providing, a housing project to 16554
prepare and implement a plan to reasonably assist any families 16555
and individuals displaced by the housing project in obtaining 16556
decent affordable housing. 16557

(E) In prescribing eligibility criteria and conditions for 16558
the use of funds, neither the department nor the agency is 16559
limited to the criteria and conditions specified in this section 16560
and each may prescribe additional eligibility criteria and 16561

conditions that relate to the purposes for which grants, loans, 16562
loan guarantees, and loan subsidies may be made. However, the 16563
department and agency are limited by the following specifically 16564
targeted low- and moderate-income guidelines: 16565

(1) Not less than seventy-five per cent of the money 16566
granted and loaned under this section in any fiscal year shall 16567
be for activities that provide affordable housing and housing 16568
assistance to families and individuals whose incomes are equal 16569
to or less than fifty per cent of the median income for the 16570
county in which they live, as determined by the department under 16571
section 174.04 of the Revised Code. 16572

(2) Any money granted and loaned under this section in any 16573
fiscal year that is not granted or loaned pursuant to division 16574
(F) (1) of this section shall be for activities that provide 16575
affordable housing and housing assistance to families and 16576
individuals whose incomes are equal to or less than eighty per 16577
cent of the median income for the county in which they live, as 16578
determined by the department under section 174.04 of the Revised 16579
Code. 16580

(F) In making grants, loans, loan guarantees, and loan 16581
subsidies under this section, the department and the agency 16582
shall give preference to viable projects and activities that 16583
benefit those families and individuals whose incomes are equal 16584
to or less than thirty-five per cent of the median income for 16585
the county in which they live, as determined by the department 16586
under section 174.04 of the Revised Code. 16587

(G) The department and the agency shall monitor the 16588
programs developed under this section to ensure that money 16589
granted and loaned under this section is not used in a manner 16590
that violates division (H) of section 4112.02 of the Revised 16591

Code or discriminates against families with children. 16592

Sec. 174.04. (A) The department of housing and development 16593
shall make an annual determination of the median income for 16594
persons in each county. 16595

(B) The director of housing and development shall 16596
determine appropriate income limits for identifying or 16597
classifying low- and moderate-income persons for the purposes of 16598
sections 174.01 to 174.07 of the Revised Code. In making the 16599
determination, the director shall take into consideration the 16600
amount of income available for housing, family size, the cost 16601
and condition of available housing, ability to pay the amounts 16602
the private market charges for decent, safe, and sanitary 16603
housing without federal subsidy or state assistance, and the 16604
income eligibility standards of federal programs. Income limits 16605
may vary from area to area within the state. 16606

Sec. 174.05. (A) Annually, the department of housing and 16607
development shall submit a report to the president of the senate 16608
and the speaker of the house of representatives describing the 16609
activities of the department under sections 174.01 to 174.07 of 16610
the Revised Code during the previous state fiscal year. 16611

(B) Annually, the Ohio housing finance agency shall submit 16612
a report to the president of the senate and the speaker of the 16613
house of representatives describing the activities of the agency 16614
under sections 174.02, 174.03, and 174.05 of the Revised Code 16615
during the previous state fiscal year. 16616

Sec. 174.06. (A) There is hereby created the housing trust 16617
fund advisory committee. The committee consists of the following 16618
~~seven~~ 16619

(1) Seven members, appointed by the governor, with advice 16620

and consent of the ~~Senate~~ senate, who possess knowledge and
experience with respect to the housing needs of low- and
moderate-income persons:

~~(1)~~ (a) One member to represent lenders; 16624

~~(2)~~ (b) One member to represent affordable housing
developers; 16625
16626

~~(3)~~ (c) One member to represent organizations working to
address the housing and other needs of homeless Ohioans; 16627
16628

~~(4)~~ (d) Two members to represent counties or other local
government entities; 16629
16630

~~(5)~~ (e) One member to represent real estate brokers
licensed under Chapter 4735. of the Revised Code.; 16631
16632

~~(6)~~ (f) A county recorder. 16633

(2) Two members of the senate, appointed by the president
of the senate. 16634
16635

(3) Two members of the house of representatives, appointed
by the speaker of the house of representatives. 16636
16637

(B) (1) Terms of office for members appointed by the
governor are ~~for~~ four years, with each term ending on the same
day of the same month as did the term that it succeeds. Each
legislative member shall serve for the biennium in which the
member was appointed by the speaker of the house of
representatives or the president of the senate, ending on the
thirty-first day of December of each even-numbered year. 16638
16639
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(2) Each member shall hold office from the date of
appointment until the end of the term for which the member was
appointed. Vacancies shall be filled in the manner prescribed 16645
16646
16647

for the original appointment. A member appointed to fill a 16648
vacancy occurring prior to the expiration of a term shall hold 16649
office for the remainder of that term. A member shall continue 16650
in office subsequent to the expiration of a term until a 16651
successor takes office or until a period of sixty days has 16652
elapsed, whichever occurs first. 16653

~~(2)~~ (3) The governor may remove a member the governor 16654
appointed for misfeasance, malfeasance, or willful neglect of 16655
duty. Each legislative member serves at the pleasure of the 16656
member's appointing authority. 16657

(C) (1) The committee shall select a chairperson from among 16658
its members. The committee shall meet at least once each 16659
calendar year and upon the call of the chair. Members of the 16660
committee serve without compensation, but shall be reimbursed 16661
for reasonable and necessary expenses incurred in the discharge 16662
of duties. 16663

(2) The department of housing and development shall 16664
provide the committee with a meeting place, supplies, and staff 16665
assistance as the committee requests. 16666

(D) The committee shall assist the department and the Ohio 16667
housing finance agency in defining housing needs and priorities, 16668
recommend to the department and agency at least annually how the 16669
programs developed under section 174.02 of the Revised Code 16670
should be designed to most effectively benefit low- and 16671
moderate-income persons, consider an allocation of funds for 16672
projects of fifteen units or less, and advise the director of 16673
housing and development on whether and how to reallocate money 16674
in the low- and moderate-income housing trust fund under 16675
division (B) of section 174.02 of the Revised Code. 16676

Sec. 174.07. The department of housing and development, on 16677
its own and on the behalf of the Ohio housing finance agency and 16678
the Ohio department of aging, shall obtain controlling board 16679
approval prior to making any grant, loan, loan guarantee, or 16680
loan subsidy greater than fifty thousand dollars from or 16681
allocated from the low- and moderate-income housing trust fund. 16682

Sec. 175.03. (A) (1) The Ohio housing finance agency 16683
consists of ~~eleven~~fifteen members. The governor, with the 16684
advice and consent of the senate, shall appoint nine of the 16685
members. The speaker of the house of representatives shall 16686
appoint two of the members from among the members of the house 16687
of representatives. The president of the senate shall appoint 16688
two of the members from among the members of the senate. The 16689
other two members are the director of commerce and the director 16690
of housing and development or their respective designees. 16691

(2) The governor shall appoint one member with experience 16692
in residential housing construction; one with experience in 16693
residential housing mortgage lending, loan servicing, or 16694
brokering at an institution insured by the federal deposit 16695
insurance corporation; one with experience in the licensed 16696
residential housing brokerage business; one with experience with 16697
the housing needs of senior citizens; one with a background in 16698
labor representation in the construction industry; one to 16699
represent the interests of nonprofit multifamily housing 16700
development organizations; one to represent the interests of 16701
for-profit multifamily housing development organizations; and 16702
two who are public members. 16703

(3) The governor shall receive recommendations from the 16704
Ohio housing council for appointees to represent the interests 16705
of nonprofit multifamily housing development organizations and 16706

for-profit multifamily housing development organizations. 16707

(4) Not more than six of the ~~appointed~~ members of the 16708
agency appointed by the governor may be of the same political 16709
party. 16710

(B) (1) ~~Of the initial appointments the governor makes, one~~ 16711
~~member representing the public has an initial term ending~~ 16712
~~January 31, 2010, the other member representing the public has~~ 16713
~~an initial term ending January 31, 2008, the member with a~~ 16714
~~background in labor representation in the construction industry~~ 16715
~~has an initial term ending January 31, 2011, the member with~~ 16716
~~experience in residential housing mortgage lending, loan~~ 16717
~~servicing, or brokering has an initial term ending January 31,~~ 16718
~~2008, the member with experience with the housing needs of~~ 16719
~~senior citizens has an initial term ending January 31, 2006, the~~ 16720
~~member representing the interests of nonprofit multifamily~~ 16721
~~housing development organizations has an initial term ending~~ 16722
~~January 31, 2007, the member representing the interests of for~~ 16723
~~profit multifamily housing development organizations has an~~ 16724
~~initial term ending January 31, 2006, and the member with~~ 16725
~~experience in residential housing construction and the member~~ 16726
~~with experience in licensed residential housing brokerage each~~ 16727
~~has an initial term ending January 31, 2009. Thereafter, each~~ 16728
Each member appointed member by the governor shall serve for a 16729
term of six years with each term ending on the thirty-first day 16730
of January, six years following the termination date of the term 16731
it succeeds. Each legislative member shall serve for the 16732
biennium in which the member was appointed by the speaker of the 16733
house of representatives or the president of the senate, ending 16734
on the thirty-first day of December of each even-numbered year. 16735
There is no limit on the number of terms a member may serve. 16736

(2) Each member shall hold office from the date of 16737
appointment until the end of the term for which the member is 16738
appointed. Any member appointed to fill a vacancy occurring 16739
prior to the expiration of a term continues in office for the 16740
remainder of that term. Any appointed member shall continue in 16741
office subsequent to the expiration date of the member's term 16742
until the member's successor takes office or until sixty days 16743
have elapsed, whichever occurs first. 16744

(3) The governor may remove ~~an~~ any member the governor 16745
appointed ~~member from office~~ for misfeasance, nonfeasance, or 16746
malfeasance in office. Each legislative member serves at the 16747
pleasure of the member's appointing authority. 16748

(C) (1) Except as otherwise provided in this section, 16749
members and agency employees shall comply with Chapter 102. and 16750
sections 2921.42 and 2921.43 of the Revised Code. 16751

(2) An agency member who is a director, officer, employee, 16752
or owner of a lending institution is not in violation of Chapter 16753
102. and is not subject to section 2921.42 of the Revised Code 16754
with respect to a loan to an applicant from the lending 16755
institution or a contract between the agency and the lending 16756
institution for the purchase, administration, or servicing of 16757
loans if the member abstains from participation in any matter 16758
that affects the interests of the member's lending institution. 16759

(3) An agency member who represents multifamily housing 16760
interests is not in violation of division (D) or (E) of section 16761
102.03 or division (A) of section 2921.42 of the Revised Code in 16762
regard to a contract the agency enters into if both of the 16763
following apply: 16764

(a) The contract is entered into for a loan, grant, or 16765

participation in a program the agency administers or funds and 16766
the contract is awarded pursuant to rules or guidelines the 16767
agency adopts. 16768

(b) The member does not participate in the discussion or 16769
vote on the contract if the contract secures a grant or loan 16770
that directly benefits the member, a family member, or a 16771
business associate of the member. 16772

(4) (a) Each ~~appointed~~ agency member appointed by the 16773
governor shall receive compensation at the rate of two hundred 16774
fifty dollars per agency meeting attended in person, not to 16775
exceed a maximum of four thousand dollars per year. 16776

(b) The compensation rate for ~~appointed~~ members appointed 16777
by the governor applies until six years after ~~the effective date~~
~~of this section~~ July 1, 2005, at which time the members may 16778
increase the compensation for members who are appointed or 16779
reappointed after that time. 16780
16781

(c) All members are entitled to reimbursement in 16782
accordance with section 126.31 of the Revised Code for expenses 16783
incurred in the discharge of official duties. 16784

Sec. 175.04. (A) The governor shall appoint a chairperson 16785
from among the members. The agency members shall elect a member 16786
as vice-chairperson. The agency members may appoint other 16787
officers, who need not be members of the agency, as the agency 16788
deems necessary. 16789

(B) ~~Six-Eight~~ members of the agency constitute a quorum 16790
and the affirmative vote of ~~six-eight~~ members is necessary for 16791
any action the agency takes. No vacancy in agency membership 16792
impairs the right of a quorum to exercise all of the agency's 16793
rights and perform all the agency's duties. Agency meetings may 16794

be held at any place within the state. Meetings shall comply 16795
with section 121.22 of the Revised Code. 16796

(C) The agency shall maintain accounting records in 16797
accordance with generally accepted accounting principals and 16798
other required accounting standards. 16799

(D) The agency shall develop policies and guidelines for 16800
the administration of its programs and annually shall conduct at 16801
least one public hearing to obtain input from any interested 16802
party regarding the administration of its programs. The hearing 16803
shall be held at a time and place as the agency determines and 16804
when a quorum of the agency is present. 16805

(E) The agency shall appoint committees and subcommittees 16806
comprised of members of the agency to handle matters it deems 16807
appropriate. 16808

(1) The agency shall adopt an annual plan to address this 16809
state's housing needs. The agency shall appoint an annual plan 16810
committee to develop the plan and present it to the agency for 16811
consideration. 16812

(2) The annual plan committee shall select an advisory 16813
board from a list of interested individuals the executive 16814
director provides or on its own recommendation. The advisory 16815
board shall provide input on the plan at committee meetings 16816
prior to the annual public hearing. At the public hearing, the 16817
committee shall discuss advisory board comments. The advisory 16818
board may include, but is not limited to, persons who represent 16819
state agencies, local governments, public corporations, 16820
nonprofit organizations, community development corporations, 16821
housing advocacy organizations for low- and moderate-income 16822
persons, realtors, syndicators, investors, lending institutions 16823

as recommended by a statewide banking organization, and other 16824
entities participating in the agency's programs. 16825

Each agency program that allows for loans to be made to 16826
finance housing for owner occupancy that benefits other than 16827
low- and moderate-income households, or for loans to be made to 16828
individuals under bonds issued pursuant to division (B) of 16829
section 175.08 of the Revised Code, shall be presented to the 16830
advisory board and included in the annual plan as approved by 16831
the agency before the program's implementation. 16832

(F) The agency shall prepare an annual financial report 16833
describing its activities during the reporting year and submit 16834
that report in accordance with division (H) of this section and 16835
to the governor, the speaker of the house of representatives, 16836
and the president of the senate within three months after the 16837
end of the reporting year. The report shall include the agency's 16838
audited financial statements, prepared in accordance with 16839
generally accepted accounting principles and appropriate 16840
accounting standards. 16841

(G) The agency shall prepare an annual report of its 16842
programs describing how the programs have met this state's 16843
housing needs. The agency shall submit the report in accordance 16844
with division (H) of this section and to the governor, the 16845
speaker of the house of representatives, and the president of 16846
the senate within three months after the end of the reporting 16847
year. 16848

(H) (1) The agency shall submit, within a time frame agreed 16849
to by the agency and the chairs, the annual financial report 16850
described in division (F) of this section and the annual report 16851
of programs described in division (G) of this section to the 16852
chairs of the committees dealing with housing issues in the 16853

house of representatives and the senate. 16854

(2) Within forty-five days of issuance of the annual 16855
financial report, the agency's executive director shall request 16856
to appear in person before the committees described in division 16857
(H) (1) of this section to testify in regard to the financial 16858
report and the report of programs. The testimony shall include 16859
each of the following: 16860

(a) An overview of the annual plan adopted pursuant to 16861
division (E) (1) of this section; 16862

(b) An evaluation of whether the objectives in the annual 16863
plan were met through a comparison of the annual plan with the 16864
annual financial report and report of programs; 16865

(c) A complete listing by award and amount of all business 16866
and contractual relationships in excess of one hundred thousand 16867
dollars between the agency and other entities and organizations 16868
that participated in agency programs during the fiscal year 16869
reported by the agency's annual financial report and report of 16870
programs; 16871

(d) A complete listing by award and amount of the low- 16872
income housing tax credit syndication and direct investor 16873
entities for projects that received tax credit reservations and 16874
IRS Form 8609 during the fiscal year. 16875

Sec. 175.06. (A) The Ohio housing finance agency shall do 16876
all of the following related to carrying out its programs: 16877

(1) Upon the governor's designation, serve as the housing 16878
credit agency for the state and perform all responsibilities of 16879
a housing credit agency pursuant to Section 42 of the Internal 16880
Revenue Code and similar applicable laws; 16881

(2) Require that housing that benefits from the agency's assistance be available without discrimination in accordance with Chapter 4112. of the Revised Code and applicable provisions of federal law;	16882 16883 16884 16885
(3) Demonstrate measurable and objective transparency;	16886
(4) Efficiently award funding to maximize affordable housing production using cost-effective strategies;	16887 16888
(5) Encourage national equity investment in low-income housing tax credit projects;	16889 16890
(6) Utilize resources to provide competitive homebuyer programs to serve low- and moderate-income persons.	16891 16892
(B) The Ohio housing finance agency may do any of the following related to carrying out its programs:	16893 16894
(1) Issue bonds, provide security for assets, make deposits, purchase or make loans, provide economic incentives for the development of housing, and provide financial assistance for emergency housing;	16895 16896 16897 16898
(2) Serve as a public housing agency and contract with the United States department of housing and urban development to administer the department's rent subsidy program, housing subsidy program, and monitoring programs for low- and moderate-income persons. The agency shall ensure that any contract into which it enters provides for sufficient compensation to the agency for its services.	16899 16900 16901 16902 16903 16904 16905
(3) Develop and administer programs under which the agency uses moneys from the housing trust fund as allocated by the department of <u>housing and</u> development to extend financial assistance pursuant to sections 174.01 to 174.07 of the Revised	16906 16907 16908 16909

Code;	16910
(4) Make financial assistance available;	16911
(5) Guarantee and commit to guarantee the repayment of financing that a lending institution extends for housing, guaranteeing that debt with any of the agency's reserve funds not raised by taxation and not otherwise obligated for debt service, including the housing development fund established pursuant to section 175.11 of the Revised Code and any fund created under division (B) (14) of section 175.05 of the Revised Code;	16912 16913 16914 16915 16916 16917 16918 16919
(6) Make, commit to make, and participate in making financial assistance, including federally insured mortgage loans, available to finance the construction and rehabilitation of housing or to refinance existing housing;	16920 16921 16922 16923
(7) Invest in, purchase, and take from lenders the assignment of notes or other evidence of debt including federally insured mortgage loans, or participate with lenders in notes and loans for homeownership, development, or refinancing of housing;	16924 16925 16926 16927 16928
(8) Sell at public or private sale any mortgage or mortgage backed securities the agency holds;	16929 16930
(9) Issue bonds to carry out the agency's purposes as set forth in this chapter;	16931 16932
(10) Extend or otherwise make available housing assistance on terms the agency determines.	16933 16934
(C) The Ohio housing finance agency may issue bonds and extend financial assistance from any fund the agency administers for the prompt replacement, repair, or refinancing of damaged	16935 16936 16937

housing if both of the following apply: 16938

(1) The governor declares that a state of emergency exists 16939
with respect to a county, region, or political subdivision of 16940
this state, or declares that a county, region, or political 16941
subdivision has experienced a disaster as defined in section 16942
5502.21 of the Revised Code. 16943

(2) The agency determines that the emergency or disaster 16944
has substantially damaged or destroyed housing in the area of 16945
the emergency or disaster. 16946

(D) The agency shall establish guidelines for extending 16947
financial assistance for emergency housing. The guidelines shall 16948
include eligibility criteria for assistance and the terms and 16949
conditions under which the agency may extend financial 16950
assistance. 16951

Sec. 175.15. The Ohio housing finance agency and the ~~Ohio~~ 16952
~~department of housing and development services agency~~ shall 16953
include pregnancy as a priority in its housing assistance 16954
programs and local emergency shelter programs. In consultation 16955
with the ~~Ohio department of housing and development services~~ 16956
~~agency~~, the Ohio housing finance agency may adopt rules in 16957
accordance with Chapter 119. of the Revised Code that are 16958
necessary to implement the requirements of this section. 16959

Sec. 176.01. (A) Any municipal corporation, county, or 16960
township may, alone or jointly with one or more contiguous or 16961
overlapping other municipal corporations, counties, or 16962
townships, establish or designate a housing advisory board. 16963

(B) The purposes of a housing advisory board are: 16964

(1) To receive and review comprehensive plans for the 16965
development and maintenance of affordable housing submitted to 16966

the housing advisory board pursuant to division (A) (2) of 16967
section 176.04 of the Revised Code by any such political 16968
subdivision it serves; 16969

(2) To receive and review written descriptions submitted 16970
to the housing advisory board pursuant to division (A) (3) of 16971
section 176.04 of the Revised Code by any subdivision it serves 16972
of the purposes to which such subdivision proposes to apply the 16973
proceeds of general obligations such subdivision proposes to 16974
issue or the moneys raised by taxation that such subdivision 16975
proposes to expend pursuant to Section 16 of Article VIII, Ohio 16976
Constitution; 16977

(3) To advise the subdivisions it serves regarding the 16978
plans and descriptions it receives pursuant to divisions (B) (1) 16979
and (2) of this section; and 16980

(4) To perform such other advisory functions for any 16981
subdivision it serves related to such subdivision's programs to 16982
provide, or assist in providing, housing as such subdivision may 16983
request it to perform. 16984

(C) Every housing advisory board shall include balanced 16985
representation of each of the following groups located within 16986
the political subdivisions served by the board: 16987

(1) Institutions that lend money for housing; 16988

(2) Nonprofit builders and developers of housing; 16989

(3) For-profit builders and developers of housing; 16990

(4) For-profit builders and developers of rental housing; 16991

(5) Real estate brokers licensed under Chapter 4735. of 16992
the Revised Code; 16993

(6) Other persons with professional knowledge regarding	16994
local housing needs and fair housing issues within the	16995
subdivisions served by the board;	16996
(7) Residents of areas of the subdivisions served by the	16997
board that could receive housing assistance from such	16998
subdivisions;	16999
(8) Any metropolitan housing authority operating within	17000
the subdivisions served by the board;	17001
(9) The elected officials of the political subdivisions	17002
served by the board;	17003
(10) Such other groups or individuals that the appointing	17004
authority determines are necessary to provide balanced advice on	17005
housing plans and programs.	17006
(D) The board of county commissioners shall do one of the	17007
following:	17008
(1) Appoint the members of a county housing advisory	17009
board;	17010
(2) Designate an existing board, commission, or committee	17011
of the county to serve as the county housing advisory board and,	17012
if necessary to achieve the balanced representation required by	17013
division (C) of this section, appoint additional members to	17014
serve with or in an advisory capacity to the existing board,	17015
commission, or committee when it meets as a county housing	17016
advisory board.	17017
Subject to the requirements of division (C) of this	17018
section and any requirements governing membership in an existing	17019
county board, commission, or committee that is designated to	17020
serve as the county housing advisory board, the number of	17021

members of a county housing advisory board and the length of 17022
their terms shall be determined by the board of county 17023
commissioners. 17024

(E) The mayor of a municipal corporation, with the consent 17025
of the legislative authority of the municipal corporation, shall 17026
do one of the following: 17027

(1) Appoint the members of a municipal corporation housing 17028
advisory board; 17029

(2) Designate an existing board, commission, or committee 17030
of the municipal corporation to serve as the municipal 17031
corporation housing advisory board and, if necessary to achieve 17032
the balanced representation required by division (C) of this 17033
section, appoint additional members to serve with or in an 17034
advisory capacity to the existing board, commission, or 17035
committee when it meets as a municipal corporation housing 17036
advisory board. 17037

Subject to the requirements of division (C) of this 17038
section and any requirements governing membership in an existing 17039
municipal corporation board, commission, or committee that is 17040
designated to serve as the municipal corporation housing 17041
advisory board, the number of members of the municipal 17042
corporation housing board and the length of their terms shall be 17043
determined by the legislative authority of the municipal 17044
corporation. 17045

(F) The board of township trustees shall do one of the 17046
following: 17047

(1) Appoint the members of a township housing advisory 17048
board; 17049

(2) Designate an existing board, commission, or committee 17050

of the township to serve as the township housing advisory board 17051
and, if necessary to achieve the balanced representation 17052
required by division (C) of this section, appoint additional 17053
members to serve with or in an advisory capacity to the existing 17054
board, commission, or committee when it meets as a township 17055
housing advisory board. 17056

Subject to the requirements of division (C) of this 17057
section and any requirements governing membership in an existing 17058
township board, commission, or committee that is designated to 17059
serve as the township housing advisory board, the number of 17060
members of the township advisory board and the length of their 17061
terms shall be determined by the board of township trustees. 17062

(G) Whenever any municipal corporation enters into an 17063
agreement to use the services of a county housing advisory board 17064
pursuant to section 176.02 of the Revised Code and the municipal 17065
corporation has a population of fifty thousand or greater, the 17066
board shall include at least one member who is a resident of the 17067
municipal corporation. The board of county commissioners shall 17068
appoint each such member from a list of names submitted to the 17069
board of county commissioners by the legislative authority of 17070
the municipal corporation to be represented. 17071

(H) Any housing advisory board established or designated 17072
under this section shall, within thirty days after its first 17073
meeting, notify the department of housing and development in 17074
writing of the formation of the board and of its initial 17075
members. Thereafter, each housing advisory board shall provide 17076
to the department such reports and information regarding the 17077
board's activities as the department may require. 17078

Sec. 176.07. The director of housing and development, in 17079
consultation with the public and the housing trust fund advisory 17080

committee created under section 174.06 of the Revised Code, 17081
shall develop regulations applicable to all existing and future 17082
state housing loan, loan guarantee, loan subsidy, and grant 17083
programs. The regulations shall require recipients of financing 17084
from state housing programs, that provide or assist in providing 17085
multi-family rental housing, to do both of the following: 17086

(A) Reasonably ensure that the multi-family rental housing 17087
will be affordable to those families and individuals targeted 17088
for the multi-family rental housing for the useful life of the 17089
multi-family rental housing or thirty years, whichever is 17090
longer; 17091

(B) Prepare and implement a plan to reasonably assist any 17092
families and individuals displaced by the multi-family housing 17093
in obtaining decent affordable housing. 17094

The department of housing and development shall distribute 17095
a copy of these regulations to each local housing advisory board 17096
to serve as a guideline for carrying out the requirements of 17097
divisions (D) (2) and (3) of section 176.04 of the Revised Code. 17098

Sec. 184.01. (A) There is hereby created the third 17099
frontier commission in the department of housing and 17100
development. The purpose of the commission is to coordinate and 17101
administer science and technology programs to promote the 17102
welfare of the people of the state and to maximize the economic 17103
growth of the state through expansion of both of the following: 17104

(1) The state's high technology research and development 17105
capabilities; 17106

(2) The state's product and process innovation and 17107
commercialization. 17108

(B) (1) The commission shall consist of eleven members: the 17109

director of housing and development, the chancellor of higher 17110
education, the governor's science and technology advisor, the 17111
chief investment officer of the nonprofit corporation formed 17112
under section 187.01 of the Revised Code, and seven persons 17113
appointed by the governor with the advice and consent of the 17114
senate. 17115

(2) Of the seven persons appointed by the governor, one 17116
shall represent the central region, which is composed of the 17117
counties of Delaware, Fairfield, Fayette, Franklin, Hocking, 17118
Knox, Licking, Logan, Madison, Marion, Morrow, Perry, Pickaway, 17119
Ross, and Union; one shall represent the west central region, 17120
which is composed of the counties of Champaign, Clark, Darke, 17121
Greene, Miami, Montgomery, Preble, and Shelby; one shall 17122
represent the northeast region, which is composed of the 17123
counties of Ashland, Ashtabula, Carroll, Crawford, Columbiana, 17124
Cuyahoga, Erie, Geauga, Holmes, Huron, Lake, Lorain, Mahoning, 17125
Medina, Portage, Richland, Stark, Summit, Trumbull, Tuscarawas, 17126
and Wayne; one shall represent the northwest region, which is 17127
composed of the counties of Allen, Auglaize, Defiance, Fulton, 17128
Hancock, Hardin, Henry, Lucas, Mercer, Ottawa, Paulding, Putnam, 17129
Sandusky, Seneca, Van Wert, Williams, Wood, and Wyandot; one 17130
shall represent the southeast region, which shall represent the 17131
counties of Adams, Athens, Belmont, Coshocton, Gallia, Guernsey, 17132
Harrison, Jackson, Jefferson, Lawrence, Meigs, Monroe, Morgan, 17133
Muskingum, Noble, Pike, Scioto, Vinton, and Washington; one 17134
shall represent the southwest region, which is composed of the 17135
counties of Butler, Brown, Clermont, Clinton, Hamilton, 17136
Highland, and Warren; and one shall represent the public at 17137
large. Of the initial appointments, two shall be for one year, 17138
two shall be for two years, and two shall be for three years as 17139
assigned by the governor. Thereafter, appointments shall be for 17140

three-year terms. Members may be reappointed and vacancies shall 17141
be filled in the same manner as appointments. A person must have 17142
a background in business or research in order to be eligible for 17143
appointment to the commission. 17144

(3) The governor shall select a chairperson from among the 17145
members, who shall serve in that role at the pleasure of the 17146
governor. Sections 101.82 to 101.87 of the Revised Code do not 17147
apply to the commission. 17148

(C) The commission shall meet at least once during each 17149
quarter of the calendar year or at the call of the chairperson. 17150
A majority of all members of the commission constitutes a 17151
quorum, and no action shall be taken without the concurrence of 17152
a majority of the members. 17153

(D) The commission shall administer any money that may be 17154
appropriated to it by the general assembly. The commission may 17155
use such money for research and commercialization and for any 17156
other purposes that may be designated by the commission. 17157

(E) The department shall provide office space and 17158
facilities for the commission. Administrative costs associated 17159
with the operation of the commission or with any program or 17160
activity administered by the commission shall be paid from 17161
amounts appropriated to the commission or to the department for 17162
such purposes. 17163

(F) The attorney general shall serve as the legal 17164
representative for the commission and may appoint other counsel 17165
as necessary for that purpose in accordance with section 109.07 17166
of the Revised Code. 17167

(G) Members of the commission shall serve without 17168
compensation, but shall receive their reasonable and necessary 17169

expenses incurred in the conduct of commission business. 17170

(H) Members of the commission shall file financial 17171
disclosure statements described in division (B) of section 17172
102.02 of the Revised Code. 17173

Sec. 184.151. The third frontier commission shall conduct 17174
public meetings twice each year at which a representative of the 17175
department of housing and development shall testify regarding 17176
the number of applicants for support for research and 17177
development projects and the other information contained in the 17178
most recent report made by the commission under section 184.15 17179
of the Revised Code. The representative shall also testify 17180
regarding the monitoring activities of, and data obtained by, 17181
the department pursuant to section 184.16 of the Revised Code. 17182
In addition to oral testimony, the representative shall provide 17183
a written report of all the information for which testimony is 17184
required under this section. 17185

Sec. 184.16. The department of housing and development 17186
shall monitor each research and development project receiving 17187
support under section 184.11 of the Revised Code to ensure the 17188
following: 17189

(A) Fiscal accountability, so that the support is used in 17190
accordance with the agreement entered into under section 184.113 17191
of the Revised Code; 17192

(B) Operating progress, so that the project is managed to 17193
achieve the requirements of the agreement entered into under 17194
section 184.113 of the Revised Code and so that problems may be 17195
promptly identified and remedied; 17196

(C) Desired outcomes, including job creation and other 17197
anticipated economic impacts. 17198

Sec. 187.01. As used in this chapter, "JobsOhio" means the 17199
nonprofit corporation formed under this section, and includes 17200
any subsidiary of that corporation. In any section of law that 17201
refers to the nonprofit corporation formed under this section, 17202
reference to the corporation includes reference to any such 17203
subsidiary unless otherwise specified or clearly appearing from 17204
the context. 17205

The governor is hereby authorized to form a nonprofit 17206
corporation, to be named "JobsOhio," with the purposes of 17207
promoting economic development, job creation, job retention, job 17208
training, and the recruitment of business to this state. Except 17209
as otherwise provided in this chapter, the corporation shall be 17210
organized and operated in accordance with Chapter 1702. of the 17211
Revised Code. The governor shall sign and file articles of 17212
incorporation for the corporation with the secretary of state. 17213
The legal existence of the corporation shall begin upon the 17214
filing of the articles. 17215

In addition to meeting the requirements for articles of 17216
incorporation in Chapter 1702. of the Revised Code, the articles 17217
of incorporation for the nonprofit corporation shall set forth 17218
the following: 17219

(A) The designation of the name of the corporation as 17220
JobsOhio; 17221

(B) The creation of a board of directors consisting of 17222
nine directors, to be appointed by the governor, who satisfy the 17223
qualifications prescribed by section 187.02 of the Revised Code; 17224

(C) A requirement that the governor make initial 17225
appointments to the board within sixty days after the filing of 17226
the articles of incorporation. Of the initial appointments made 17227

to the board, two shall be for a term ending one year after the 17228
date the articles were filed, two shall be for a term ending two 17229
years after the date the articles were filed, and five shall be 17230
for a term ending four years after the date the articles were 17231
filed. The articles shall state that, following the initial 17232
appointments, the governor shall appoint directors to terms of 17233
office of four years, with each term of office ending on the 17234
same day of the same month as did the term that it succeeds. If 17235
any director dies, resigns, or the director's status changes 17236
such that any of the requirements of division (C) of section 17237
187.02 of the Revised Code are no longer met, that director's 17238
seat on the board shall become immediately vacant. The governor 17239
shall forthwith fill the vacancy by appointment for the 17240
remainder of the term of office of the vacated seat. 17241

(D) A requirement that the governor appoint one director 17242
to be chairperson of the board and procedures for electing 17243
directors to serve as officers of the corporation and members of 17244
an executive committee; 17245

(E) A provision for the appointment of a chief investment 17246
officer of the corporation by the recommendation of the board 17247
and approval of the governor. The chief investment officer shall 17248
serve at the pleasure of the board and shall have the power to 17249
execute contracts, spend corporation funds, and hire employees 17250
on behalf of the corporation. If the position of chief 17251
investment officer becomes vacant for any reason, the vacancy 17252
shall be filled in the same manner as provided in this division. 17253

(F) Provisions requiring the board to do all of the 17254
following: 17255

(1) Adopt one or more resolutions providing for 17256
compensation of the chief investment officer; 17257

- (2) Approve an employee compensation plan recommended by the chief investment officer; 17258
17259
- (3) Approve a contract with the director of housing and development services for the corporation to assist the director and the department of housing and development services agency with providing services or otherwise carrying out the functions or duties of the agency, including the operation and management of programs, offices, divisions, or boards, as may be determined by the director of housing and development services in consultation with the governor; 17260
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- (4) Approve all major contracts for services recommended by the chief investment officer; 17268
17269
- (5) Establish an annual strategic plan and standards of measure to be used in evaluating the corporation's success in executing the plan; 17270
17271
17272
- (6) Establish a conflicts of interest policy that, at a minimum, complies with section 187.06 of the Revised Code; 17273
17274
- (7) Hold a minimum of four board of directors meetings per year at which a quorum of the board is physically present, and such other meetings, at which directors' physical presence is not required, as may be necessary. Meetings at which a quorum of the board is required to be physically present are subject to divisions (C), (D), and (E) of section 187.03 of the Revised Code. 17275
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- (8) Establish a records retention policy and present the policy, and any subsequent changes to the policy, at a meeting of the board of directors at which a quorum of the board is required to be physically present pursuant to division (F) (7) of this section; 17282
17283
17284
17285
17286

(9) Adopt standards of conduct for the directors.	17287
(G) A statement that directors shall not receive any compensation from the corporation, except that directors may be reimbursed for actual and necessary expenses incurred in connection with services performed for the corporation;	17288 17289 17290 17291
(H) A provision authorizing the board to amend provisions of the corporation's articles of incorporation or regulations, except provisions required by this chapter;	17292 17293 17294
(I) Procedures by which the corporation would be dissolved and by which all corporation rights and assets would be distributed to the state or to another corporation organized under this chapter. These procedures shall incorporate any separate procedures subsequently set forth in this chapter for the dissolution of the corporation. The articles shall state that no dissolution shall take effect until the corporation has made adequate provision for the payment of any outstanding bonds, notes, or other obligations.	17295 17296 17297 17298 17299 17300 17301 17302 17303
(J) A provision establishing an audit committee to be comprised of directors. The articles shall require that the audit committee hire a firm of independent certified public accountants, selected in consultation with the auditor of state, to perform, once each year, a financial audit of the corporation and of any nonprofit entity the sole member of which is JobsOhio. The articles also shall require all of the following:	17304 17305 17306 17307 17308 17309 17310
(1) Commencing with JobsOhio's fiscal year beginning July 1, 2012, the financial statements to be audited are to be prepared in accordance with accounting principles and standards set forth in all applicable pronouncements of the governmental accounting standards board;	17311 17312 17313 17314 17315

(2) The firm of independent certified public accountants 17316
hired is to conduct a supplemental compliance and control review 17317
pursuant to a written agreement by and among the firm, the 17318
auditor of state, JobsOhio, and any nonprofit entity the sole 17319
member of which is JobsOhio; and 17320

(3) A copy of each financial audit report and each report 17321
of the results of the compliance and control review are to be 17322
provided to the governor, the auditor of state, the speaker of 17323
the house of representatives, and the president of the senate. 17324

(K) A provision authorizing a majority of the 17325
disinterested directors to remove a director for misconduct, as 17326
that term may be defined in the articles or regulations of the 17327
corporation. The removal of a director under this division 17328
creates a vacancy on the board that the governor shall fill by 17329
appointment for the remainder of the term of office of the 17330
vacated seat. 17331

Sec. 187.03. (A) JobsOhio may perform such functions as 17332
permitted and shall perform such duties as prescribed by law and 17333
as set forth in any contract entered into under section 187.04 17334
of the Revised Code, but shall not be considered a state or 17335
public department, agency, office, body, institution, or 17336
instrumentality for purposes of section 1.60 or Chapter 102., 17337
121., 125., or 149. of the Revised Code. JobsOhio and its board 17338
of directors are not subject to the following sections of 17339
Chapter 1702. of the Revised Code: sections 1702.03, 1702.08, 17340
1702.09, 1702.21, 1702.24, 1702.26, 1702.27, 1702.28, 1702.29, 17341
1702.301, 1702.33, 1702.34, 1702.37, 1702.38, 1702.40 to 17342
1702.52, 1702.521, 1702.54, 1702.57, 1702.58, 1702.59, 1702.60, 17343
1702.80, and 1702.99. Nothing in this division shall be 17344
construed to impair the powers and duties of the Ohio ethics 17345

commission described in section 102.06 of the Revised Code to 17346
investigate and enforce section 102.02 of the Revised Code with 17347
regard to individuals required to file statements under division 17348
(B) (2) of this section. 17349

(B) (1) Directors and employees of JobsOhio are not 17350
employees or officials of the state and, except as provided in 17351
division (B) (2) of this section, are not subject to Chapter 17352
102., 124., 145., or 4117. of the Revised Code. 17353

(2) The chief investment officer, any other officer or 17354
employee with significant administrative, supervisory, 17355
contracting, or investment authority, and any director of 17356
JobsOhio shall file, with the Ohio ethics commission, a 17357
financial disclosure statement pursuant to section 102.02 of the 17358
Revised Code that includes, in place of the information required 17359
by divisions (A) (2) (b), (g), (h), and (i) of that section, the 17360
information required by divisions (A) and (B) of section 102.022 17361
of the Revised Code. The governor shall comply with all 17362
applicable requirements of section 102.02 of the Revised Code. 17363

(3) Actual or in-kind expenditures for the travel, meals, 17364
or lodging of the governor or of any public official or employee 17365
designated by the governor for the purpose of this division 17366
shall not be considered a violation of section 102.03 of the 17367
Revised Code if the expenditures are made by the corporation, or 17368
on behalf of the corporation by any person, in connection with 17369
the governor's performance of official duties related to 17370
JobsOhio. The governor may designate any person, including a 17371
person who is a public official or employee as defined in 17372
section 102.01 of the Revised Code, for the purpose of this 17373
division if such expenditures are made on behalf of the person 17374
in connection with the governor's performance of official duties 17375

related to JobsOhio. A public official or employee so designated 17376
by the governor shall comply with all applicable requirements of 17377
section 102.02 of the Revised Code. 17378

At the times and frequency agreed to under division (B) (2) 17379
(b) of section 187.04 of the Revised Code, beginning in 2012, 17380
the corporation shall file with the department of housing and 17381
development a written report of all such expenditures paid or 17382
incurred during the preceding calendar year. The report shall 17383
state the dollar value and purpose of each expenditure, the date 17384
of each expenditure, the name of the person that paid or 17385
incurred each expenditure, and the location, if any, where 17386
services or benefits of an expenditure were received, provided 17387
that any such information that may disclose proprietary 17388
information as defined in division (C) of this section shall not 17389
be included in the report. 17390

(4) The prohibition applicable to former public officials 17391
or employees in division (A) (1) of section 102.03 of the Revised 17392
Code does not apply to any person appointed to be a director or 17393
hired as an employee of JobsOhio. 17394

(5) Notwithstanding division (A) (2) of section 145.01 of 17395
the Revised Code, any person who is a former state employee 17396
shall no longer be considered a public employee for purposes of 17397
Chapter 145. of the Revised Code upon commencement of employment 17398
with JobsOhio. 17399

(6) Any director, officer, or employee of JobsOhio may 17400
request an advisory opinion from the Ohio ethics commission with 17401
regard to questions concerning the provisions of sections 102.02 17402
and 102.022 of the Revised Code to which the person is subject. 17403

(C) Meetings of the board of directors at which a quorum 17404

of the board is required to be physically present pursuant to 17405
division (F) of section 187.01 of the Revised Code shall be open 17406
to the public except, by a majority vote of the directors 17407
present at the meeting, such a meeting may be closed to the 17408
public only for one or more of the following purposes: 17409

(1) To consider business strategy of the corporation; 17410

(2) To consider proprietary information belonging to 17411
potential applicants or potential recipients of business 17412
recruitment, retention, or creation incentives. For the purposes 17413
of this division, "proprietary information" means marketing 17414
plans, specific business strategy, production techniques and 17415
trade secrets, financial projections, or personal financial 17416
statements of applicants or members of the applicants' immediate 17417
family, including, but not limited to, tax records or other 17418
similar information not open to the public inspection. 17419

(3) To consider legal matters, including litigation, in 17420
which the corporation is or may be involved; 17421

(4) To consider personnel matters related to an individual 17422
employee of the corporation. 17423

(D) The board of directors shall establish a reasonable 17424
method whereby any person may obtain the time and place of all 17425
public meetings described in division (C) of this section. The 17426
method shall provide that any person, upon request and payment 17427
of a reasonable fee, may obtain reasonable advance notification 17428
of all such meetings. 17429

(E) The board of directors shall promptly prepare, file, 17430
and maintain minutes of all public meetings described in 17431
division (C) of this section. 17432

(F) Not later than the first day of July of each year, the 17433

chief investment officer of JobsOhio shall prepare and submit a report of the corporation's activities for the preceding year to the governor, the speaker and minority leader of the house of representatives, and the president and minority leader of the senate. The annual report shall include the following:

(1) An analysis of the state's economy;

(2) A description of the structure, operation, and financial status of the corporation;

(3) A description of the corporation's strategy to improve the state economy and the standards of measure used to evaluate its progress;

(4) An evaluation of the performance of current strategies and major initiatives;

(5) An analysis of any statutory or administrative barriers to successful economic development, business recruitment, and job growth in the state identified by JobsOhio during the preceding year.

Sec. 187.04. (A) The director of housing and development services, as soon as practical after February 18, 2011, shall execute a contract with JobsOhio for the corporation to assist the director and the department of housing and development services agency with providing services or otherwise carrying out the functions or duties of the agency, including the operation and management of programs, offices, divisions, or boards, as may be determined by the director in consultation with the governor. The approval or disapproval of awards involving public money shall remain functions of the agency. All contracts for grants, loans, and tax incentives involving public money shall be between the agency and the recipient and shall be

enforced by the agency. JobsOhio may not execute contracts 17463
obligating the agency for loans, grants, tax credits, or 17464
incentive awards recommended by JobsOhio to the agency. Prior to 17465
execution, all contracts between the director and JobsOhio 17466
entered into under this section that obligate the agency to pay 17467
JobsOhio for services rendered are subject to controlling board 17468
approval. 17469

The term of an initial contract entered into under this 17470
section shall not extend beyond June 30, 2013. Thereafter, the 17471
director and JobsOhio may renew the contract for subsequent 17472
fiscal biennia, but at no time shall a particular contract be 17473
effective for longer than a fiscal biennium of the general 17474
assembly. 17475

JobsOhio's provision of services to the agency as 17476
described in this section shall be pursuant to a contract 17477
entered into under this section. If at any time the director 17478
determines that the contract with JobsOhio may not be renewed 17479
for the subsequent fiscal biennium, the director shall notify 17480
JobsOhio of the director's decision not later than one hundred 17481
twenty days prior to the end of the current fiscal biennium. If 17482
the director does not provide such written notice to JobsOhio 17483
prior to one hundred days before the end of the current fiscal 17484
biennium, the contract shall be renewed upon such terms as the 17485
parties may agree, subject to the requirements of this section. 17486

(B) A contract entered into under this section shall 17487
include all of the following: 17488

(1) Terms assigning to the corporation the duties of 17489
advising and assisting the director in the director's evaluation 17490
of the agency and the formulation of recommendations under 17491
section 187.05 of the Revised Code; 17492

(2) Terms designating records created or received by JobsOhio that shall be made available to the public under the same conditions as are public records under section 149.43 of the Revised Code. Documents designated to be made available to the public pursuant to the contract shall be kept on file with the agency.

Among records to be designated under this division shall be the following:

(a) The corporation's federal income tax returns;

(b) The report of expenditures described in division (B) (3) of section 187.03 of the Revised Code. The records shall be filed with the agency at such times and frequency as agreed to by the corporation and the agency, which shall not be less frequently than quarterly.

(c) The annual total compensation paid to each officer and employee of the corporation;

(d) A copy of the report for each financial audit of the corporation and of each supplemental compliance and control review of the corporation performed by a firm of independent certified public accountants pursuant to division (J) of section 187.01 of the Revised Code.

(e) Records of any fully executed incentive proposals, to be filed annually;

(f) Records pertaining to the monitoring of commitments made by incentive recipients, to be filed annually;

(g) A copy of the minutes of all public meetings described in division (C) of section 187.03 of the Revised Code not otherwise closed to the public.

(3) The following statement acknowledging that JobsOhio is 17521
not acting as an agent of the state: 17522

"JobsOhio shall have no power or authority to bind the 17523
state or to assume or create an obligation or responsibility, 17524
expressed or implied, on behalf of the state or in its name, nor 17525
shall JobsOhio represent to any person that it has any such 17526
power or authority, except as expressly provided in this 17527
contract." 17528

(C) (1) Records created by JobsOhio are not public records 17529
for the purposes of Chapter 149. of the Revised Code, regardless 17530
of who may have custody of the records, unless the record is 17531
designated to be available to the public by the contract under 17532
division (B) (2) of this section. 17533

(2) Records received by JobsOhio from any person or entity 17534
that is not subject to section 149.43 of the Revised Code are 17535
not public records for purposes of Chapter 149. of the Revised 17536
Code, regardless of who may have custody of the records, unless 17537
the record is designated to be available to the public by the 17538
contract under division (B) (2) of this section. 17539

(3) Records received by JobsOhio from a public office as 17540
defined in section 149.011 of the Revised Code that are not 17541
public records under section 149.43 of the Revised Code when in 17542
the custody of the public office are not public records for the 17543
purposes of section 149.43 of the Revised Code regardless of who 17544
has custody of the records. 17545

(4) Division (B) of section 4701.19 of the Revised Code 17546
applies to any work papers of the firm of independent certified 17547
public accountants engaged to perform the annual financial audit 17548
and the supplemental compliance and control review described in 17549

division (J) of section 187.01 of the Revised Code, and to the 17550
financial audit report and any report of the supplemental 17551
compliance and control review, unless the record is designated 17552
to be available to the public by the contract under division (B) 17553
(2) of this section. 17554

(D) Any contract executed under authority of this section 17555
shall not negate, impair, or otherwise adversely affect the 17556
obligation of this state to pay debt charges on securities 17557
executed by the director or issued by the treasurer of state, 17558
Ohio public facilities commission, or any other issuing 17559
authority under Chapter 122., 151., 165., or 166. of the Revised 17560
Code to fund economic development programs of the state, or to 17561
abide by any pledge or covenant relating to the payment of those 17562
debt charges made in any related proceedings. As used in this 17563
division, "debt charges," "proceedings," and "securities" have 17564
the same meanings as in section 133.01 of the Revised Code. 17565

(E) Nothing in this section, other than the requirement of 17566
controlling board approval, shall prohibit the agency from 17567
contracting with JobsOhio to perform any of the following 17568
functions: 17569

- (1) Promoting and advocating for the state; 17570
- (2) Making recommendations to the agency; 17571
- (3) Performing research for the agency; 17572
- (4) Establishing and managing programs or offices on 17573
behalf of the agency, by contract; 17574
- (5) Negotiating on behalf of the state. 17575

(F) Nothing in this section, other than the requirement of 17576
controlling board approval, shall prohibit the agency from 17577

compensating JobsOhio from funds currently appropriated to the 17578
agency to perform the functions described in division (E) of 17579
this section. 17580

Sec. 187.05. The director of housing and development 17581
~~services~~, as soon as practical after February 18, 2011, shall, 17582
in consultation with the governor, evaluate all powers, 17583
functions, and duties of the department of housing and 17584
~~development services agency~~. Within six months after February 17585
18, 2011, the director shall submit a report to the general 17586
assembly recommending statutory changes necessary to improve the 17587
functioning and efficiency of the ~~agency~~ department and to 17588
transfer specified powers, functions, and duties of the ~~agency~~ 17589
department to other existing agencies of the state or to 17590
JobsOhio, or eliminate specified powers, functions, or duties. 17591
The recommendations shall be submitted in writing to the speaker 17592
and minority leader of the house of representatives and the 17593
president and minority leader of the senate. 17594

After submitting the report, the director, in consultation 17595
with the governor, shall continue to evaluate the ~~agency~~ 17596
department and make additional recommendations on such matters 17597
to the general assembly. 17598

Sec. 187.061. (A) Each officer and employee of JobsOhio 17599
shall do all of the following: 17600

(1) Sign an ethical conduct statement prescribed by the 17601
board of directors of JobsOhio; 17602

(2) Complete an annual course or program of study on 17603
ethics. The course or program of study shall be reviewed and 17604
approved by the board of directors. 17605

(3) Comply with the gift policy prescribed by the board of 17606

directors. 17607

(B) Prior to the renewal of the contract between the 17608
director of housing and development services and JobsOhio as 17609
described in section 187.04 of the Revised Code, the board of 17610
directors shall submit to the controlling board a comprehensive 17611
review of the ethics policies and procedures that have been 17612
adopted by JobsOhio. 17613

Sec. 191.02. There is hereby established the Ohio 17614
broadband pole replacement and undergrounding program within the 17615
department of housing and development to advance the provision 17616
of qualifying broadband service access to residences and 17617
businesses in an unserved area by reimbursing certain costs of 17618
pole replacements, mid-span pole installations, and 17619
undergrounding. 17620

The department shall administer and provide staff 17621
assistance for the program. The department shall be responsible 17622
for receiving and reviewing program applications and for sending 17623
completed applications to the broadband expansion program 17624
authority for final review and award of program reimbursements. 17625

Sec. 191.03. (A) The department of housing and development 17626
shall establish an administrative process to award program 17627
reimbursements under the Ohio broadband pole replacement and 17628
undergrounding program according to the provisions of sections 17629
191.03 to 191.45 of the Revised Code. 17630

(B) The broadband expansion program authority shall award 17631
program reimbursements after reviewing program applications and 17632
determining whether the applications meet the program's 17633
requirements for reimbursement. 17634

Sec. 191.10. In accordance with sections 191.10 to 191.45 17635

of the Revised Code, a provider may submit an application for a program reimbursement under the Ohio broadband pole replacement and undergrounding program, if the provider has deployed qualifying broadband infrastructure in an unserved area and has paid any of the following costs in connection with the deployment of such broadband infrastructure:

- (A) Pole replacement costs;
- (B) Mid-span pole installation costs;
- (C) Undergrounding costs.

The application shall be submitted on a form prescribed by the department of housing and development.

Sec. 191.13. (A) Not later than sixty days after the pole replacement fund created in section 191.27 of the Revised Code receives funds for the purpose of providing program reimbursements under the Ohio broadband pole replacement and undergrounding program, the department of housing and development shall develop and publish an application form for the program and post the form on the department web site.

(B) An application shall include the following information:

(1) The number, cost, and locations of pole replacements, mid-span pole installations, and undergrounding for which reimbursement is requested;

(2) Documentation sufficient to establish that the pole replacements, mid-span pole installations, and undergrounding described in the application have been completed;

(3) Documentation sufficient to establish how the costs for which reimbursement is requested comport with the

reimbursement requirements under the program;	17664
(4) The reimbursement amount requested under the program;	17665
(5) Documentation of any broadband grant funding awarded or received for the area described in the application;	17666 17667
(6) Accounting information that is sufficient to demonstrate that costs for which a program reimbursement is requested are eligible for a program reimbursement pursuant to division (C) of section 191.21 of the Revised Code, if the applicant has received any grant funding described in division (B) (5) of this section;	17668 17669 17670 17671 17672 17673
(7) A notarized statement, from an officer or agent of the applicant, that the contents of the application are true and accurate and that the applicant accepts the requirements of the program as a condition of receiving a program reimbursement;	17674 17675 17676 17677
(8) Any information necessary to demonstrate the applicant's compliance, and agreement to comply, with any conditions associated with the reimbursement awarded to the applicant;	17678 17679 17680 17681
(9) Any other information the department considers necessary for final review and for the award and payment of program reimbursements.	17682 17683 17684
(C) If any federal funds are used for any awards under the program, the application form shall identify and describe any additional federal conditions required in connection with the use of the federal funds.	17685 17686 17687 17688
Sec. 191.15. (A) Before receiving a program reimbursement under the Ohio broadband pole replacement and undergrounding program, each applicant shall agree to do the following:	17689 17690 17691

(1) Not later than ninety days after receipt of a program reimbursement, activate qualifying broadband service to end users utilizing the broadband infrastructure for which the applicant has received reimbursement for pole replacement, mid-span pole installation, or undergrounding costs;

(2) Certify the application's compliance with the requirements of sections 191.10 to 191.24 of the Revised Code;

(3) Comply with any federal requirements associated with the funding used by the broadband expansion program authority in connection with the award;

(4) Refund all or any portion of reimbursements received under the program as specified in section 191.30 of the Revised Code, if pursuant to that section the applicant is found to have materially violated any of the requirements of sections 191.10 to 191.24 of the Revised Code.

(B) For an application regarding a pole replacement or mid-span pole installation, the applicant shall do the following if the applicant is the pole owner, or affiliate of the pole owner:

(1) Comply with division (A) of this section;

(2) Commit that the pole owner will comply with all applicable pole attachment regulations and requirements imposed by the state or federal government;

(3) Commit that the pole owner will exclude from its costs used to calculate its rates or charges for access to its utility poles for which the applicant has been reimbursed as follows:

(a) Under the Ohio broadband pole replacement and undergrounding program or any other broadband grant program;

(b) By a provider, for make-ready charges;	17720
(4) (a) Commit that the pole owner will maintain and make available, upon reasonable request, to the department of <u>housing and development</u> or to a party subject to the rates and charges described in division (B) (3) of this section, accounting documentation sufficient to demonstrate compliance with division (B) (3) of this section;	17721 17722 17723 17724 17725 17726
(b) Division (B) (4) (a) of this section does not apply to an electric distribution utility as defined in section 4928.01 of the Revised Code, unless the electric distribution utility is the applicant.	17727 17728 17729 17730
Sec. 191.17. (A) Not later than sixty days after receiving an application forwarded by the department of <u>housing and development</u> , the broadband expansion program authority shall award program reimbursements to the applicant for costs described in divisions (A) and (B) of section 191.21 of the Revised Code after reviewing the application, and establishing the applicant's eligibility for reimbursement under the Ohio broadband pole replacement and undergrounding program. Except as provided in division (B) of this section, program reimbursements shall be in an amount equal to the lesser of seven thousand five hundred dollars or seventy-five per cent of the total amount paid by the applicant for each pole replacement or mid-span pole installation.	17731 17732 17733 17734 17735 17736 17737 17738 17739 17740 17741 17742 17743
(B) For undergrounding costs described under division (B) of section 191.21 of the Revised Code, the authority shall approve program reimbursements as provided in division (A) of this section, except that the reimbursements may not exceed the reimbursement amount that would be available under division (A) of this section, if the applicant had attached broadband	17744 17745 17746 17747 17748 17749

infrastructure to utility poles instead of undergrounding that 17750
infrastructure. 17751

Sec. 191.19. (A) The department of housing and 17752
development, at the direction of the broadband expansion program 17753
authority, shall issue program reimbursements awarded for 17754
applications approved under the Ohio broadband pole replacement 17755
and undergrounding program. The reimbursements shall be made 17756
using money available for this purpose in the broadband pole 17757
replacement fund created in section 191.27 of the Revised Code. 17758
The authority shall award, and the department shall fund, 17759
reimbursements until funds available for that purpose are no 17760
longer available. 17761

(B) If, upon the exhaustion of the fund, there are any 17762
applications pending, the applications shall be denied. 17763
Applications that have been denied pursuant to this division may 17764
be resubmitted to the department, and, if sufficient money is 17765
later deposited in the fund, reimbursements may be awarded 17766
according to the application and award process under sections 17767
191.10 to 191.24 of the Revised Code. 17768

Sec. 191.27. There is hereby created in the state treasury 17769
the broadband pole replacement fund consisting of money credited 17770
or transferred to the fund, money appropriated by the general 17771
assembly, including from available federal funds, or money 17772
authorized for expenditure by the state controlling board under 17773
section 131.35 of the Revised Code from available federal funds, 17774
and grants, gifts, and contributions made directly to the fund. 17775
Money in the fund shall be used by the department of housing and 17776
development to provide reimbursements awarded under the Ohio 17777
broadband pole replacement and undergrounding program and by the 17778
director of housing and development to administer the program. 17779

Sec. 191.30. (A) The department of housing and development 17780
shall direct an applicant that has been awarded a program 17781
reimbursement under the Ohio broadband pole replacement and 17782
undergrounding program to refund, with interest, all or any 17783
portion of the reimbursements the applicant received under the 17784
program, if the department finds, upon substantial evidence and 17785
after notice and the opportunity to respond, that the applicant 17786
materially violated any of the requirements agreed to under 17787
sections 191.10 to 191.24 of the Revised Code with respect to 17788
all or any portion of the reimbursements received. The interest 17789
included with a refund under this section shall be at the 17790
applicable federal funds rate as specified in division (B) of 17791
section 1304.84 of the Revised Code. 17792

(B) At the direction of the department, refunds submitted 17793
under division (A) of this section shall be deposited into the 17794
broadband pole replacement fund created in section 191.27 of the 17795
Revised Code or the general revenue fund. 17796

Sec. 191.33. Not later than sixty days after the first 17797
amount of money is deposited to the credit of the broadband pole 17798
replacement fund created in section 191.27 of the Revised Code, 17799
the department of housing and development shall publish and 17800
regularly update on its web site the following program 17801
information: 17802

(A) The number of program applications received, 17803
processed, and rejected by the broadband expansion program 17804
authority; 17805

(B) The number, reimbursement amount, and status of 17806
program reimbursements awarded by the authority; 17807

(C) The number of providers receiving reimbursements; 17808

(D) The balance remaining in the fund at the time of the latest program update on the web site.

Sec. 191.35. Beginning not later than one year after the first amount of money is deposited to the credit of the broadband pole replacement fund created in section 191.27 of the Revised Code and annually thereafter, the auditor of state shall audit the fund and its administration by the broadband expansion program authority and the department of housing and development for compliance with the requirements of sections 191.02 to 191.45 of the Revised Code.

Sec. 191.37. Not later than one year after each time money in the broadband pole replacement fund created in section 191.27 of the Revised Code is exhausted, the broadband expansion program authority shall identify, examine, and report on the deployment of qualifying broadband infrastructure under the Ohio broadband pole replacement and undergrounding program and the technology facilitated by the program reimbursements the authority has awarded. The report shall be published on the department of housing and development web site.

Sec. 191.40. Not later than ninety days after ~~the effective date of this section~~ October 3, 2023, the director of housing and development shall adopt rules under Chapter 119. of the Revised Code that are necessary for successful and efficient administration of the broadband pole replacement and undergrounding program.

Sec. 191.44. The department of housing and development in coordination with the Ohio broadband expansion program authority shall do the following, for the period ending six months after the date described in section 191.43 of the Revised Code:

(A) Complete the review of any program applications that 17838
were submitted prior to the date described in section 191.43 of 17839
the Revised Code and pay program reimbursements for the approved 17840
applications; 17841

(B) Complete the review of any program applications 17842
submitted not later than four months after the date described in 17843
section 191.43 of the Revised Code and pay program 17844
reimbursements for the approved applications, if the 17845
reimbursements are for costs that were incurred prior to the 17846
date described in section 191.43 of the Revised Code. 17847

Sec. 191.45. If there is an outstanding balance in the 17848
broadband pole replacement fund after the Ohio broadband pole 17849
replacement program reimbursements are paid pursuant to section 17850
191.44 of the Revised Code, the remaining balance shall be 17851
returned to the original funding sources as determined by the 17852
department of housing and development. 17853

Sec. 308.21. (A) The board of trustees of a regional 17854
airport authority, the board of directors of a port authority, 17855
or the legislative authority of a municipal corporation that 17856
owns, operates, or maintains a qualifying airport may, by 17857
resolution adopted before January 1, 2024, create an airport 17858
development district for the purpose of developing and 17859
implementing plans for public infrastructure improvements that 17860
benefit the qualifying airport and to finance expenditures to 17861
attract or retain airlines, increase the number of scheduled 17862
flights to and from the qualifying airport, or increase use of 17863
the airport by aircraft having greater passenger capacity or 17864
greater first-class seating availability. The resolution shall 17865
include a development plan for the district that, at minimum, 17866
specifies all of the following: 17867

(1) The manner in which the nonprofit corporation that is to govern the district will be formed, operated, and organized; 17868
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(2) The manner in which the board of directors of the nonprofit corporation that is to govern the district are appointed; 17870
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(3) A plan for the public infrastructure improvements and other expenditures to be financed by the district; 17873
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(4) A description of the territory of the district, which shall consist of all parcels of real property that are located within five miles of the qualifying airport. For the purpose of this division, a parcel is located within five miles of a qualifying airport if the distance between any portion of the parcel and any portion of the qualifying airport is five miles or less. 17875
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(B) After adopting a resolution under division (A) of this section, the board of trustees of the regional airport authority, board of directors of the port authority, or legislative authority of the municipal corporation shall submit a copy to the director of housing and development. 17882
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(C) An airport development district is not a political subdivision for any purpose prescribed in the Revised Code. A district shall be considered a public agency under section 102.01 of the Revised Code and a public authority under section 4115.03 of the Revised Code. Districts are subject to sections 121.22 and 121.23 of the Revised Code, but are not subject to sections 121.81 to 121.82 of the Revised Code. 17887
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Sec. 321.261. (A) In each county treasury there shall be created the treasurer's delinquent tax and assessment collection fund and the prosecuting attorney's delinquent tax and 17894
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assessment collection fund. Except as otherwise provided in this 17897
division, two and one-half per cent of all delinquent real 17898
property, personal property, and manufactured and mobile home 17899
taxes and assessments collected by the county treasurer shall be 17900
deposited in the treasurer's delinquent tax and assessment 17901
collection fund, and two and one-half per cent of such 17902
delinquent taxes and assessments shall be deposited in the 17903
prosecuting attorney's delinquent tax and assessment collection 17904
fund. The board of county commissioners shall appropriate to the 17905
county treasurer from the treasurer's delinquent tax and 17906
assessment collection fund, and shall appropriate to the 17907
prosecuting attorney from the prosecuting attorney's delinquent 17908
tax and assessment collection fund, money to the credit of the 17909
respective fund, and except as provided in division (D) of this 17910
section, the appropriation shall be used only for the following 17911
purposes: 17912

(1) By the county treasurer or the county prosecuting 17913
attorney in connection with the collection of delinquent real 17914
property, personal property, and manufactured and mobile home 17915
taxes and assessments, including proceedings related to 17916
foreclosure of the state's lien for such taxes against such 17917
property; 17918

(2) With respect to any portion of the amount appropriated 17919
from the treasurer's delinquent tax and assessment collection 17920
fund for the benefit of a county land reutilization corporation 17921
organized under Chapter 1724. of the Revised Code, the county 17922
land reutilization corporation. Upon the deposit of amounts in 17923
the treasurer's delinquent tax and assessment collection fund, 17924
any amounts allocated at the direction of the treasurer to the 17925
support of the county land reutilization corporation shall be 17926
paid out of such fund to the corporation upon a warrant of the 17927

county auditor. 17928

If the balance in the treasurer's or prosecuting attorney's delinquent tax and assessment collection fund exceeds three times the amount deposited into the fund in the preceding year, the treasurer or prosecuting attorney, on or before the twentieth day of October of the current year, may direct the county auditor to forgo the allocation of delinquent taxes and assessments to that officer's respective fund in the ensuing year. If the county auditor receives such direction, the auditor shall cause the portion of taxes and assessments that otherwise would be credited to the fund under this section in that ensuing year to be allocated and distributed among taxing units' funds as otherwise provided in this chapter and other applicable law. 17929
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(B) During the period of time that a county land reutilization corporation is functioning as such on behalf of a county, the board of county commissioners, upon the request of the county treasurer, may designate by resolution that an additional amount, not exceeding five per cent of all collections of delinquent real property, personal property, and manufactured and mobile home taxes and assessments, shall be deposited in the treasurer's delinquent tax and assessment collection fund and be available for appropriation by the board for the use of the corporation. Any such amounts so deposited and appropriated under this division shall be paid out of the treasurer's delinquent tax and assessment collection fund to the corporation upon a warrant of the county auditor. 17941
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(C) Annually by the first day of December, the county treasurer and the prosecuting attorney each shall submit a report to the board of county commissioners regarding the use of the moneys appropriated from their respective delinquent tax and 17954
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assessment collection funds. Each report shall specify the 17958
amount appropriated from the fund during the current calendar 17959
year, an estimate of the amount so appropriated that will be 17960
expended by the end of the year, a summary of how the amount 17961
appropriated has been expended in connection with delinquent tax 17962
collection activities or land reutilization, and an estimate of 17963
the amount that will be credited to the fund during the ensuing 17964
calendar year. 17965

The annual report of a county land reutilization 17966
corporation required by section 1724.05 of the Revised Code 17967
shall include information regarding the amount and use of the 17968
moneys that the corporation received from the treasurer's 17969
delinquent tax and assessment collection fund. 17970

(D) (1) In any county, if the county treasurer or 17971
prosecuting attorney determines that the balance to the credit 17972
of that officer's corresponding delinquent tax and assessment 17973
collection fund exceeds the amount required to be used as 17974
prescribed by division (A) of this section, the county treasurer 17975
or prosecuting attorney may expend the excess to prevent 17976
residential mortgage foreclosures in the county and to address 17977
problems associated with other foreclosed real property. The 17978
amount used for that purpose in any year may not exceed the 17979
amount that would cause the fund to have a reserve of less than 17980
twenty per cent of the amount expended in the preceding year for 17981
the purposes of division (A) of this section. 17982

Money authorized to be expended under division (D) (1) of 17983
this section shall be used to provide financial assistance in 17984
the form of loans to borrowers in default on their home 17985
mortgages, including for the payment of late fees, to clear 17986
arrearage balances, and to augment moneys used in the county's 17987

foreclosure prevention program. The money also may be used to 17988
assist county land reutilization corporations, municipal 17989
corporations, or townships in the county, upon their application 17990
to the county treasurer, prosecuting attorney, or the county 17991
department of housing and development, in the nuisance abatement 17992
of deteriorated residential buildings in foreclosure, or vacant, 17993
abandoned, tax-delinquent, or blighted real property, including 17994
paying the costs of boarding up such buildings, lot maintenance, 17995
and demolition. 17996

(2) In a county having a population of more than one 17997
hundred thousand according to the department of housing and 17998
development's 2006 census estimate, if the county treasurer or 17999
prosecuting attorney determines that the balance to the credit 18000
of that officer's corresponding delinquent tax and assessment 18001
collection fund exceeds the amount required to be used as 18002
prescribed by division (A) of this section, the county treasurer 18003
or prosecuting attorney may expend the excess to assist county 18004
land reutilization corporations, townships, or municipal 18005
corporations located in the county as provided in division (D) 18006
(2) of this section, provided that the combined amount so 18007
expended each year in a county shall not exceed five million 18008
dollars. Upon application for the funds by a county land 18009
reutilization corporation, township, or municipal corporation, 18010
the county treasurer or prosecuting attorney may assist the 18011
county land reutilization corporation, township, or municipal 18012
corporation in abating foreclosed residential nuisances, 18013
including paying the costs of securing such buildings, lot 18014
maintenance, and demolition. At the prosecuting attorney's 18015
discretion, the prosecuting attorney also may apply the funds to 18016
costs of prosecuting alleged violations of criminal and civil 18017
laws governing real estate and related transactions, including 18018

fraud and abuse. 18019

Sec. 321.262. Notwithstanding section 321.261 of the 18020
Revised Code, in a county having a population of more than four 18021
hundred thousand according to the department of housing and 18022
development's 2006 census estimate, if the county treasurer or 18023
prosecuting attorney determines that the amount appropriated to 18024
the office from the county's delinquent tax and assessment 18025
collection fund exceeds the amount required to be used as 18026
prescribed by that section, the county treasurer or prosecuting 18027
attorney may expend the excess to provide financial assistance 18028
in the form of loans to borrowers in default on their home 18029
mortgages, including for the payment of late fees, to clear 18030
arrearage balances, and to augment moneys used in the county's 18031
foreclosure prevention program, provided that the combined 18032
amount so expended each year in the county shall not exceed 18033
three million dollars. 18034

Sec. 333.03. (A) A person seeking to enter into an 18035
agreement and obtain payments under section 333.02 of the 18036
Revised Code shall provide both of the following to the board of 18037
county commissioners: 18038

(1) A certification by the person's chief financial 18039
officer, or the equivalent if that position does not exist, that 18040
the criteria listed in division (B) of section 333.01 of the 18041
Revised Code will be met; and 18042

(2) An application on a form or in a format acceptable to 18043
the board that describes the proposed impact facility, including 18044
the projected level of investment in and new jobs to be created 18045
at the facility, the rationale used for determining that more 18046
than fifty per cent of the facility's visitors live at least 18047
fifty miles from the facility, the types of activities to be 18048

conducted at the facility, the projected levels of sales to 18049
occur at the facility, a calculation of the facility's square 18050
footage that will be dedicated to educational or exhibition 18051
activities, and any other information the board of county 18052
commissioners reasonably requests about the expected operations 18053
of the facility. 18054

(B) The board of county commissioners shall request the 18055
director of housing and development services to certify that the 18056
proposed facility meets the criteria for an impact facility 18057
listed in division (B) of section 333.01 of the Revised Code. 18058
The board of county commissioners may, but need not, make 18059
findings of fact that a proposed facility meets the criteria for 18060
an impact facility listed in division (B) of section 333.01 of 18061
the Revised Code before or after requesting the certification. 18062
If the director of housing and development services certifies a 18063
proposed facility as an impact facility under this section, and 18064
if the board makes such findings, the findings and certification 18065
are conclusive and not subject to reopening at any time. 18066

Sec. 333.04. (A) After review of the items submitted under 18067
division (A) of section 333.03 of the Revised Code, and after 18068
receipt of the certification from the director of housing and 18069
development services under division (B) of that section, a board 18070
of county commissioners, before June 1, 2015, may enter into an 18071
agreement under section 333.02 of the Revised Code, provided 18072
that the board has determined all of the following: 18073

- (1) The proposed impact facility is economically sound; 18074
- (2) Construction of the proposed impact facility has not 18075
begun prior to the day the agreement is entered into; 18076
- (3) The impact facility will benefit the county by 18077

increasing employment opportunities and strengthening the local and regional economy; and 18078
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(4) Receiving payments from the board of county commissioners is a major factor in the person's decision to go forward with construction of the impact facility. 18080
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(B) An agreement entered into under this section shall include all of the following: 18083
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(1) A description of the impact facility that is the subject of the agreement, including the existing investment level, if any, the proposed amount of investments, the scheduled starting and completion dates for the facility, and the number and type of full-time equivalent positions to be created at the facility; 18085
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(2) The percentage of the county sales and use tax collected at the impact facility that will be used to make payments to the person entering into the agreement; 18091
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(3) The term of the payments and the first calendar quarter in which the person may apply for a payment under section 333.06 of the Revised Code; 18094
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(4) A requirement that the amount of payments made to the person during the term established under division (B) (3) of this section shall not exceed the person's qualifying investment, and that all payments cease when that amount is reached; 18097
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(5) A requirement that the person maintain operations at the impact facility for at least the term established under division (B) (3) of this section; 18101
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(6) A requirement that the person annually certify to the board of county commissioners, on or before a date established 18104
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by the board in the agreement, the level of investment in, the 18106
number of employees and type of full-time equivalent positions 18107
at, and the amount of county sales and use tax collected and 18108
remitted to the tax commissioner or treasurer of state from 18109
sales made at, the facility; 18110

(7) A provision stating that the creation of the proposed 18111
impact facility does not involve the relocation of any full-time 18112
equivalent positions or any tangible personal property to the 18113
impact facility from another facility owned by the person, or a 18114
related member of the person, that is located in another 18115
political subdivision of this state, other than the political 18116
subdivision in which the impact facility is or will be located; 18117

(8) A detailed explanation of how the person determined 18118
that more than fifty per cent of the visitors to the facility 18119
live at least fifty miles from the facility. 18120

(C) No payment may be made under this chapter to a person 18121
that is found to be in violation of the provision described in 18122
division (B) (7) of this section. 18123

Sec. 333.05. (A) Except as otherwise provided in this 18124
division, if a person fails to meet or comply with any provision 18125
of an agreement entered into under section 333.02 of the Revised 18126
Code, the board of county commissioners may amend the agreement 18127
to reduce the percentage or term, or both, of the payments the 18128
person is entitled to receive under the agreement. The reduction 18129
shall commence in the calendar quarter immediately following the 18130
calendar quarter in which the board amends the agreement. If a 18131
person fails to comply with the provision described in division 18132
(B) (7) of section 333.04 of the Revised Code, no payments may be 18133
made under this chapter to that person after the person is found 18134
to be in violation. 18135

(B) A board of county commissioners shall submit to the 18136
department of housing and development and to the tax 18137
commissioner a copy of each agreement entered into under section 18138
333.02 of the Revised Code and any modifications to an agreement 18139
within thirty days after finalization or modification of the 18140
agreement. 18141

Sec. 340.13. (A) As used in this section: 18142

(1) "Minority business enterprise" has the same meaning as 18143
in section 122.71 of the Revised Code. 18144

(2) "EDGE business enterprise" has the same meaning as in 18145
section 122.922 of the Revised Code. 18146

(B) Any minority business enterprise that desires to bid 18147
on a contract under division (C) of this section shall first 18148
apply to the department of housing and development for 18149
certification as a minority business enterprise. Any EDGE 18150
business enterprise that desires to bid on a contract under 18151
division (D) of this section shall first apply to the department 18152
of housing and development for certification as an EDGE business 18153
enterprise. The director of housing and development shall 18154
approve the application of any minority business enterprise or 18155
EDGE business enterprise that complies with the rules adopted 18156
under section 122.71 or 122.922 of the Revised Code, 18157
respectively. The director shall prepare and maintain a list of 18158
minority business enterprises and EDGE business enterprises 18159
certified under those sections. 18160

(C) From the contracts to be awarded for the purchases of 18161
equipment, materials, supplies, or services, other than 18162
contracts entered into under section 340.036 of the Revised 18163
Code, each board of alcohol, drug addiction, and mental health 18164

services shall select a number of contracts with an aggregate 18165
value of approximately fifteen per cent of the total estimated 18166
value of contracts to be awarded in the current fiscal year. The 18167
board shall set aside the contracts so selected for bidding by 18168
minority business enterprises only. The bidding procedures for 18169
such contracts shall be the same as for all other contracts 18170
awarded under section 307.86 of the Revised Code, except that 18171
only minority business enterprises certified and listed pursuant 18172
to division (B) of this section shall be qualified to submit 18173
bids. 18174

(D) To the extent that a board is authorized to enter into 18175
contracts for construction, the board shall strive to attain a 18176
yearly contract dollar procurement goal the aggregate value of 18177
which equals approximately five per cent of the aggregate value 18178
of construction contracts for the current fiscal year for EDGE 18179
business enterprises only. 18180

(E) (1) In the case of contracts set aside under division 18181
(C) of this section, if no bid is submitted by a minority 18182
business enterprise, the contract shall be awarded according to 18183
normal bidding procedures. The board shall from time to time set 18184
aside such additional contracts as are necessary to replace 18185
those contracts previously set aside on which no minority 18186
business enterprise bid. 18187

(2) If a board, after having made a good faith effort, is 18188
unable to comply with the goal of procurement for contracting 18189
with EDGE business enterprises pursuant to division (D) of this 18190
section, the board may apply in writing, on a form prescribed by 18191
the department of administrative services, to the director of 18192
mental health and addiction services for a waiver or 18193
modification of the goal. 18194

(F) This section does not preclude any minority business enterprise or EDGE business enterprise from bidding on any other contract not specifically set aside for minority business enterprises or subject to procurement goals for EDGE business enterprises.

(G) Within ninety days after the beginning of each fiscal year, each board shall file a report with the department of mental health and addiction services that shows for that fiscal year the name of each minority business enterprise and EDGE business enterprise with which the board entered into a contract, the value and type of each such contract, the total value of contracts awarded under divisions (C) and (D) of this section, the total value of contracts awarded for the purchases of equipment, materials, supplies, or services, other than contracts entered into under section 340.036 of the Revised Code, and the total value of contracts entered into for construction.

(H) Any person who intentionally misrepresents self as owning, controlling, operating, or participating in a minority business enterprise or an EDGE business enterprise for the purpose of obtaining contracts or any other benefits under this section shall be guilty of theft by deception as provided for in section 2913.02 of the Revised Code.

Sec. 703.34. (A) As used in this section, "condition for the dissolution of a village" means any of the following:

(1) The village has been declared to be in a fiscal emergency under Chapter 118. of the Revised Code and has been in fiscal emergency for at least three consecutive years with little or no improvement on the conditions that caused the fiscal emergency declaration.

(2) The village has failed to properly follow applicable election laws for at least two consecutive election cycles for any one elected office in the village.

(3) The village has been declared during an audit conducted under section 117.11 of the Revised Code to be unauditible under section 117.41 of the Revised Code in at least two consecutive audits.

(4) The village does not provide at least two services typically provided by municipal government, such as police or fire protection, garbage collection, water or sewer service, emergency medical services, road maintenance, or similar services. "Services" does not include any administrative service or legislative action.

(5) The village has failed for any fiscal year to adopt the tax budget required by section 5705.28 of the Revised Code.

(6) A village elected official has been convicted of theft in office, either under section 2921.41 of the Revised Code or an equivalent criminal statute at the federal level, at least two times in a period of ten years. The convicted official with respect to those convictions may be the same person or different persons.

(B) If the auditor of state finds, in an audit report issued under division (A) or (B) of section 117.11 of the Revised Code of a village that has a population of one hundred fifty persons or less and consists of less than two square miles, that the village meets at least two conditions for the dissolution of a village, the auditor of state shall send a certified copy of the report together with a letter to the attorney general requesting the attorney general to institute

legal action to dissolve the village in accordance with division 18254
(C) of this section. The report and letter shall be sent to the 18255
attorney general within ten business days after the auditor of 18256
state's transmittal of the report to the village. The audit 18257
report transmitted to the village shall be accompanied by a 18258
notice to the village of the auditor's intent to refer the 18259
report to the attorney general for legal action in accordance 18260
with this section. 18261

(C) Within twenty days of receipt of the auditor of 18262
state's report and letter, the attorney general may file a legal 18263
action in the court of common pleas on behalf of the state to 18264
request the dissolution of the village that is the subject of 18265
the audit report. If a legal action is filed, the court shall 18266
hold a hearing within ninety days after the date the attorney 18267
general files the legal action with the court. Notice of the 18268
hearing shall be filed with the attorney general, the clerk of 18269
the village that is the subject of the action, and each fiscal 18270
officer of a township located wholly or partly within the 18271
village. 18272

At the hearing on dissolution, the court shall determine 18273
if the village has a population of one hundred fifty persons or 18274
less, consists of less than two square miles, and meets at least 18275
two conditions for the dissolution of a village. If the court so 18276
finds, the court shall order the dissolution of the village, 18277
which shall proceed in accordance with sections 703.31 to 703.39 18278
of the Revised Code. The attorney general shall file a certified 18279
copy of the court's order of dissolution with the secretary of 18280
state and the county recorder of the county in which the village 18281
is situated, who shall record it in their respective offices. 18282

(D) For purposes of this section, the population of a 18283

village shall be the population determined either at the last 18284
preceding federal decennial census or according to population 18285
estimates certified by the department of housing and development 18286
between decennial censuses. 18287

(E) The procedure in this section is in addition to the 18288
procedure of section 703.33 of the Revised Code for the 18289
dissolution of a village. 18290

Sec. 709.024. (A) A petition filed under section 709.021 18291
of the Revised Code that requests to follow this section is for 18292
the special procedure of annexing land into a municipal 18293
corporation for the purpose of undertaking a significant 18294
economic development project. As used in this section, 18295
"significant economic development project" means one or more 18296
economic development projects that can be classified as 18297
industrial, distribution, high technology, research and 18298
development, or commercial, which projects may include ancillary 18299
residential and retail uses and which projects shall satisfy all 18300
of the following: 18301

(1) Total private real and personal property investment in 18302
a project shall be in excess of ten million dollars through land 18303
and infrastructure, new construction, reconstruction, 18304
installation of fixtures and equipment, or the addition of 18305
inventory, excluding investment solely related to the ancillary 18306
residential and retail elements, if any, of the project. As used 18307
in this division, "private real and personal property 18308
investment" does not include payments in lieu of taxes, however 18309
characterized, under Chapter 725. or 1728. or sections 5709.40 18310
to 5709.43, 5709.45 to 5709.47, 5709.73 to 5709.75, or 5709.78 18311
to 5709.81 of the Revised Code. 18312

(2) There shall be created by the project an additional 18313

annual payroll in excess of one million dollars, excluding 18314
payroll arising solely out of the retail elements, if any, of 18315
the project. 18316

(3) The project has been certified by the state director 18317
of housing and development as meeting the requirements of 18318
divisions (A) (1) and (2) of this section. 18319

(B) Upon the filing of the petition under section 709.021 18320
of the Revised Code in the office of the clerk of the board of 18321
county commissioners, the clerk shall cause the petition to be 18322
entered upon the journal of the board at its next regular 18323
session. This entry shall be the first official act of the board 18324
on the petition. Within five days after the filing of the 18325
petition, the agent for the petitioners shall notify in the 18326
manner and form specified in this division the clerk of the 18327
legislative authority of the municipal corporation to which 18328
annexation is proposed, the fiscal officer of each township any 18329
portion of which is included within the territory proposed for 18330
annexation, the clerk of the board of county commissioners of 18331
each county in which the territory proposed for annexation is 18332
located other than the county in which the petition is filed, 18333
and the owners of property adjacent to the territory proposed 18334
for annexation or adjacent to a road that is adjacent to that 18335
territory and located directly across that road from that 18336
territory. The notice shall refer to the time and date when the 18337
petition was filed and the county in which it was filed and 18338
shall have attached or shall be accompanied by a copy of the 18339
petition and any attachments or documents accompanying the 18340
petition as filed. 18341

Notice to a property owner is sufficient if sent by 18342
regular United States mail to the tax mailing address listed on 18343

the county auditor's records. Notice to the appropriate 18344
government officer shall be given by certified mail, return 18345
receipt requested, or by causing the notice to be personally 18346
served on the officer, with proof of service by affidavit of the 18347
person who delivered the notice. Proof of service of the notice 18348
on each appropriate government officer shall be filed with the 18349
board of county commissioners with which the petition was filed. 18350

(C) (1) Within thirty days after the petition is filed, the 18351
legislative authority of the municipal corporation to which 18352
annexation is proposed and each township any portion of which is 18353
included within the territory proposed for annexation may adopt 18354
and file with the board of county commissioners an ordinance or 18355
resolution consenting or objecting to the proposed annexation. 18356
An objection to the proposed annexation shall be based solely 18357
upon the petition's failure to meet the conditions specified in 18358
division (F) of this section. Failure of the municipal 18359
corporation or any of those townships to timely file an 18360
ordinance or resolution consenting or objecting to the proposed 18361
annexation shall be deemed to constitute consent by that 18362
municipal corporation or township to the proposed annexation. 18363

(2) Within twenty days after receiving the notice required 18364
by division (B) of this section, the legislative authority of 18365
the municipal corporation shall adopt, by ordinance or 18366
resolution, a statement indicating what services the municipal 18367
corporation will provide or cause to be provided, and an 18368
approximate date by which it will provide or cause them to be 18369
provided, to the territory proposed for annexation, upon 18370
annexation. If a hearing is to be conducted under division (E) 18371
of this section, the legislative authority shall file the 18372
statement with the clerk of the board of county commissioners at 18373
least twenty days before the date of the hearing. 18374

(D) If all parties to the annexation proceedings consent 18375
to the proposed annexation, a hearing shall not be held, and the 18376
board, at its next regular session, shall enter upon its journal 18377
a resolution granting the annexation. There is no appeal in law 18378
or in equity from the board's entry of a resolution under this 18379
division. The clerk of the board shall proceed as provided in 18380
division (C) (1) of section 709.033 of the Revised Code. 18381

(E) Unless the petition is granted under division (D) of 18382
this section, a hearing shall be held on the petition. The board 18383
of county commissioners shall hear the petition at its next 18384
regular session and shall notify the agent for the petitioners 18385
of the hearing's date, time, and place. The agent for the 18386
petitioners shall give, within five days after receipt of the 18387
notice of the hearing from the board, to the parties and 18388
property owners entitled to notice under division (B) of this 18389
section, notice of the date, time, and place of the hearing. 18390
Notice to a property owner is sufficient if sent by regular 18391
United States mail to the tax mailing address listed on the 18392
county auditor's records. At the hearing, the parties and any 18393
owner of real estate within the territory proposed to be annexed 18394
are entitled to appear for the purposes described in division 18395
(C) of section 709.032 of the Revised Code. 18396

(F) Within thirty days after a hearing under division (E) 18397
of this section, the board of county commissioners shall enter 18398
upon its journal a resolution granting or denying the proposed 18399
annexation. The resolution shall include specific findings of 18400
fact as to whether or not each of the conditions listed in this 18401
division has been met. If the board grants the annexation, the 18402
clerk of the board shall proceed as provided in division (C) (1) 18403
of section 709.033 of the Revised Code. 18404

The board shall enter a resolution granting the annexation 18405
if it finds, based upon a preponderance of the substantial, 18406
reliable, and probative evidence on the whole record, that each 18407
of the following conditions has been met: 18408

(1) The petition meets all the requirements set forth in, 18409
and was filed in the manner provided in, section 709.021 of the 18410
Revised Code. 18411

(2) The persons who signed the petition are owners of real 18412
estate located in the territory proposed to be annexed in the 18413
petition and constitute all of the owners of real estate in that 18414
territory. 18415

(3) No street or highway will be divided or segmented by 18416
the boundary line between a township and the municipal 18417
corporation as to create a road maintenance problem, or if the 18418
street or highway will be so divided or segmented, the municipal 18419
corporation has agreed, as a condition of the annexation, that 18420
it will assume the maintenance of that street or highway. For 18421
the purposes of this division, "street" or "highway" has the 18422
same meaning as in section 4511.01 of the Revised Code. 18423

(4) The municipal corporation to which the territory is 18424
proposed to be annexed has adopted an ordinance or resolution as 18425
required by division (C) (2) of this section. 18426

(5) The state director of housing and development has 18427
certified that the project meets the requirements of divisions 18428
(A) (1) and (2) of this section and thereby qualifies as a 18429
significant economic development project. The director's 18430
certification is binding on the board of county commissioners. 18431

(G) An owner who signed the petition may appeal a decision 18432
of the board of county commissioners denying the proposed 18433

annexation under section 709.07 of the Revised Code. No other 18434
person has standing to appeal the board's decision in law or in 18435
equity. If the board grants the annexation, there shall be no 18436
appeal in law or in equity. 18437

(H) Notwithstanding anything to the contrary in section 18438
503.07 of the Revised Code, unless otherwise provided in an 18439
annexation agreement entered into pursuant to section 709.192 of 18440
the Revised Code or in a cooperative economic development 18441
agreement entered into pursuant to section 701.07 of the Revised 18442
Code, territory annexed into a municipal corporation pursuant to 18443
this section shall not at any time be excluded from the township 18444
under section 503.07 of the Revised Code and, thus, remains 18445
subject to the township's real property taxes. 18446

(I) A municipal corporation to which annexation is 18447
proposed is entitled in its sole discretion to provide to the 18448
territory proposed for annexation, upon annexation, services in 18449
addition to the services described in the ordinance or 18450
resolution adopted by the legislative authority of the municipal 18451
corporation under division (C) (2) of this section. 18452

Sec. 709.192. (A) The legislative authority of one 18453
municipal corporation, by ordinance or resolution, and the board 18454
of township trustees of one or more townships, by resolution, 18455
may enter into annexation agreements under this section. 18456

(B) An annexation agreement may be entered into for any 18457
period of time and may be amended at any time in the same manner 18458
as it was initially authorized. 18459

(C) Annexation agreements may provide for any of the 18460
following: 18461

(1) The territory to be annexed; 18462

(2) Any periods of time during which no annexations will be made and any areas that will not be annexed;	18463 18464
(3) Land use planning matters;	18465
(4) The provision of joint services and permanent improvements within incorporated or unincorporated areas;	18466 18467
(5) The provision of services and improvements by a municipal corporation in the unincorporated areas;	18468 18469
(6) The provision of services and improvements by a township within the territory of a municipal corporation;	18470 18471
(7) The payment of service fees to a municipal corporation by a township;	18472 18473
(8) The payment of service fees to a township by a municipal corporation;	18474 18475
(9) The reallocation of the minimum mandated levies established pursuant to section 5705.31 of the Revised Code between a municipal corporation and a township in areas annexed after the effective date of this section <u>March 27, 2002</u> ;	18476 18477 18478 18479
(10) The issuance of notes and bonds and other debt obligations by a municipal corporation or township for public purposes authorized by or under an annexation agreement and provision for the allocation of the payment of the principal of, interest on, and other charges and costs of issuing and servicing the repayment of the debt;	18480 18481 18482 18483 18484 18485
(11) Agreements by a municipal corporation and township, with owners or developers of land to be annexed, or with both those landowners and land developers, concerning the provision of public services, facilities, and permanent improvements;	18486 18487 18488 18489

(12) The application of tax abatement statutes within the territory covered by the annexation agreement subsequent to its execution;	18490 18491 18492
(13) Changing township boundaries under Chapter 503. of the Revised Code to exclude newly annexed territory from the original township and providing services to that territory;	18493 18494 18495
(14) Payments in lieu of taxes, if any, to be paid to a township by a municipal corporation, which payments may be in addition to or in lieu of other payments required by law to be made to the township by that municipal corporation;	18496 18497 18498 18499
(15) Any other matter pertaining to the annexation or development of publicly or privately owned territory.	18500 18501
(D) Annexation agreements shall not be in derogation of the powers granted to municipal corporations by Article XVIII, Ohio Constitution, by any other provisions of the Ohio Constitution, or by the provisions of a municipal charter, nor shall municipal corporations and townships agree to share proceeds of any tax levy, although those proceeds may be used to make payments authorized in an annexation agreement.	18502 18503 18504 18505 18506 18507 18508
(E) If any party to an annexation agreement believes another party has failed to perform its part of any provision of that agreement, including the failure to make any payment of moneys due under the agreement, that party shall give notice to the other party clearly stating what breach has occurred. The party receiving the notice has ninety days from the receipt of that notice to cure the breach. If the breach has not been cured within that ninety-day period, the party that sent the notice may sue for recovery of the money due under the agreement, sue for specific enforcement of the agreement, or terminate the	18509 18510 18511 18512 18513 18514 18515 18516 18517 18518

agreement upon giving notice of termination to all the other 18519
parties. 18520

(F) In order to promote economic development or to provide 18521
appropriate state functions and services to any part of the 18522
state, the state may become a party to an annexation agreement 18523
upon the approval of the director of housing and development and 18524
with the written consent of the legislative authority of the 18525
municipal corporation and each of the boards of township 18526
trustees that are parties to the agreement. 18527

(G) The board of county commissioners, by resolution, or 18528
any person, upon request, may become a party to an annexation 18529
agreement, but only upon the approval of the legislative 18530
authority of the municipal corporation and each of the boards of 18531
township trustees that are parties to the agreement, except 18532
that, if the state is a party to the agreement, the director of 18533
housing and development is responsible for giving the approval. 18534

(H) The powers granted by this section and any annexation 18535
agreement entered into under this section shall be liberally 18536
construed to allow parties to these agreements to carry out the 18537
agreements' provisions relevant to government improvements, 18538
facilities, and services, and to promote and support economic 18539
development and the creation and preservation of economic 18540
opportunities. 18541

Sec. 715.70. (A) This section and section 715.71 of the 18542
Revised Code apply only to: 18543

(1) Municipal corporations and townships within a county 18544
that has adopted a charter under Sections 3 and 4 of Article X, 18545
Ohio Constitution; 18546

(2) Municipal corporations and townships that have created 18547

a joint economic development district comprised entirely of real property owned by a municipal corporation at the time the district was created under this section. The real property owned by the municipal corporation shall include an airport owned by the municipal corporation and located entirely beyond the municipal corporation's corporate boundary.

(3) Municipal corporations or townships that are part of or contiguous to a transportation improvement district created under Chapter 5540. of the Revised Code and that have created a joint economic development district under this section or section 715.71 of the Revised Code prior to November 15, 1995;

(4) Municipal corporations that have previously entered into a contract creating a joint economic development district pursuant to division (A) (2) of this section, even if the territory to be included in the district does not meet the requirements of that division.

(B) (1) One or more municipal corporations and one or more townships may enter into a contract approved by the legislative authority of each contracting party pursuant to which they create as a joint economic development district an area or areas for the purpose of facilitating economic development to create or preserve jobs and employment opportunities and to improve the economic welfare of the people in the state and in the area of the contracting parties. A municipal corporation described in division (A) (4) of this section may enter into a contract with other municipal corporations and townships to create a new joint economic development district. In a district that includes a municipal corporation described in division (A) (4) of this section, the territory of each of the contracting parties shall be contiguous to the territory of at least one other contracting

party, or contiguous to the territory of a township or municipal corporation that is contiguous to another contracting party, even if the intervening township or municipal corporation is not a contracting party. The area or areas of land to be included in the district shall not include any parcel of land owned in fee by a municipal corporation or a township or parcel of land that is leased to a municipal corporation or a township, unless the municipal corporation or township is a party to the contract or unless the municipal corporation or township has given its consent to have its parcel of land included in the district by the adoption of a resolution. As used in this division, "parcel of land" means any parcel of land owned by a municipal corporation or a township for at least a six-month period within a five-year period prior to the creation of a district, but "parcel of land" does not include streets or public ways and sewer, water, and other utility lines whether owned in fee or otherwise.

The district created shall be located within the territory of one or more of the participating parties and may consist of all or a portion of such territory. The boundaries of the district shall be described in the contract or in an addendum to the contract.

(2) Prior to the public hearing to be held pursuant to division (D)(2) of this section, the participating parties shall give a copy of the proposed contract to each municipal corporation located within one-quarter mile of the proposed joint economic development district and not otherwise a party to the contract, and afford the municipal corporation the reasonable opportunity, for a period of thirty days following receipt of the proposed contract, to make comments and suggestions to the participating parties regarding elements

contained in the proposed contract. 18609

(3) The district shall not exceed two thousand acres in 18610
area. The territory of the district shall not completely 18611
surround territory that is not included within the boundaries of 18612
the district. 18613

(4) Sections 503.07 to 503.12 of the Revised Code do not 18614
apply to territory included within a district created pursuant 18615
to this section as long as the contract creating the district is 18616
in effect, unless the legislative authority of each municipal 18617
corporation and the board of township trustees of each township 18618
included in the district consent, by ordinance or resolution, to 18619
the application of those sections of the Revised Code. 18620

(5) Upon the execution of the contract creating the 18621
district by the parties to the contract, a participating 18622
municipal corporation or township included within the district 18623
shall file a copy of the fully executed contract with the county 18624
recorder of each county within which a party to the contract is 18625
located, in the miscellaneous records of the county. No 18626
annexation proceeding pursuant to Chapter 709. of the Revised 18627
Code that proposes the annexation to, merger, or consolidation 18628
with a municipal corporation of any unincorporated territory 18629
within the district shall be commenced for a period of three 18630
years after the contract is filed with the county recorder of 18631
each county within which a party to the contract is located 18632
unless each board of township trustees whose territory is 18633
included, in whole or part, within the district and the 18634
territory proposed to be annexed, merged, or consolidated adopts 18635
a resolution consenting to the commencement of the proceeding 18636
and a copy of the resolution is filed with the legislative 18637
authority of each county within which a party to the contract is 18638

located or unless the contract is terminated during this period. 18639

The contract entered into between the municipal 18640
corporations and townships pursuant to this section may provide 18641
for the prohibition of any annexation by the participating 18642
municipal corporations of any unincorporated territory within 18643
the district beyond the three-year mandatory prohibition of any 18644
annexation provided for in division (B) (5) of this section. 18645

(C) (1) After the legislative authority of a municipal 18646
corporation and the board of township trustees have adopted an 18647
ordinance and resolution approving a contract to create a joint 18648
economic development district pursuant to this section, and 18649
after a contract has been signed, the municipal corporations and 18650
townships shall jointly file a petition with the legislative 18651
authority of each county within which a party to the contract is 18652
located. 18653

(a) The petition shall contain all of the following: 18654

(i) A statement that the area or areas of the district are 18655
not greater than two thousand acres and are located within the 18656
territory of one or more of the contracting parties; 18657

(ii) A brief summary of the services to be provided by 18658
each party to the contract or a reference to the portion of the 18659
contract describing those services; 18660

(iii) A description of the area or areas to be designated 18661
as the district; 18662

(iv) The signature of a representative of each of the 18663
contracting parties. 18664

(b) The following documents shall be filed with the 18665
petition: 18666

(i) A signed copy of the contract, together with copies of district maps and plans related to or part of the contract; 18667
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(ii) A certified copy of the ordinances and resolutions of the contracting parties approving the contract; 18669
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(iii) A certificate from each of the contracting parties indicating that the public hearings required by division (D) (2) of this section have been held, the date of the hearings, and evidence of publication of the notice of the hearings; 18671
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(iv) One or more signed statements of persons who are owners of property located in whole or in part within the area to be designated as the district, requesting that the property be included within the district, provided that those statements shall represent a majority of the persons owning property located in whole or in part within the district and persons owning a majority of the acreage located within the district. A signature may be withdrawn by the signer up to but not after the time of the public hearing required by division (D) (2) of this section. 18675
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(2) The legislative authority of each county within which a party to the contract is located shall adopt a resolution approving the petition for the creation of the district if the petition and other documents have been filed in accordance with the requirements of division (C) (1) of this section. If the petition and other documents do not substantially meet the requirements of that division, the legislative authority of any county within which a party to the contract is located may adopt a resolution disapproving the petition for the creation of the district. The legislative authority of each county within which a party to the contract is located shall adopt a resolution approving or disapproving the petition within thirty days after 18685
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the petition was filed. If the legislative authority of each 18697
such county does not adopt the resolution within the thirty-day 18698
period, the petition shall be deemed approved and the contract 18699
shall go into effect immediately after that approval or at such 18700
other time as the contract specifies. 18701

(D) (1) The contract creating the district shall set forth 18702
or provide for the amount or nature of the contribution of each 18703
municipal corporation and township to the development and 18704
operation of the district and may provide for the sharing of the 18705
costs of the operation of and improvements for the district. The 18706
contributions may be in any form to which the contracting 18707
municipal corporations and townships agree and may include but 18708
are not limited to the provision of services, money, real or 18709
personal property, facilities, or equipment. The contract may 18710
provide for the contracting parties to share revenue from taxes 18711
levied on property by one or more of the contracting parties if 18712
those revenues may lawfully be applied to that purpose under the 18713
legislation by which those taxes are levied. The contract shall 18714
provide for new, expanded, or additional services, facilities, 18715
or improvements, including expanded or additional capacity for 18716
or other enhancement of existing services, facilities, or 18717
improvements, provided that those services, facilities, or 18718
improvements, or expanded or additional capacity for or 18719
enhancement of existing services, facilities, or improvements, 18720
required herein have been provided within the two-year period 18721
prior to the execution of the contract. 18722

(2) Before the legislative authority of a municipal 18723
corporation or a board of township trustees passes any ordinance 18724
or resolution approving a contract to create a joint economic 18725
development district pursuant to this section, the legislative 18726
authority of the municipal corporation and the board of township 18727

trustees shall each hold a public hearing concerning the joint 18728
economic development district contract and shall provide thirty 18729
days' public notice of the time and place of the public hearing 18730
in a newspaper of general circulation in the municipal 18731
corporation and the township. The board of township trustees may 18732
provide additional notice to township residents in accordance 18733
with section 9.03 of the Revised Code, and any additional notice 18734
shall include the public hearing announcement; a summary of the 18735
terms of the contract; a statement that the entire text of the 18736
contract and district maps and plans are on file for public 18737
examination in the office of the township fiscal officer; and 18738
information pertaining to any tax changes that will or may occur 18739
as a result of the contract. 18740

During the thirty-day period prior to the public hearing, 18741
a copy of the text of the contract together with copies of 18742
district maps and plans related to or part of the contract shall 18743
be on file, for public examination, in the offices of the clerk 18744
of the legislative authority of the municipal corporation and of 18745
the township fiscal officer. The public hearing provided for in 18746
division (D)(2) of this section shall allow for public comment 18747
and recommendations from the public on the proposed contract. 18748
The contracting parties may include in the contract any of those 18749
recommendations prior to the approval of the contract. 18750

(3) Any resolution of the board of township trustees that 18751
approves a contract that creates a joint economic development 18752
district pursuant to this section shall be subject to a 18753
referendum of the electors of the township. When a referendum 18754
petition, signed by ten per cent of the number of electors in 18755
the township who voted for the office of governor at the most 18756
recent general election for the office of governor, is presented 18757
to the board of township trustees within thirty days after the 18758

board of township trustees adopted the resolution, ordering that 18759
the resolution be submitted to the electors of the township for 18760
their approval or rejection, the board of township trustees 18761
shall, after ten days and not later than four p.m. of the 18762
ninetieth day before the election, certify the text of the 18763
resolution to the board of elections. The board of elections 18764
shall submit the resolution to the electors of the township for 18765
their approval or rejection at the next general, primary, or 18766
special election occurring subsequent to ninety days after the 18767
certifying of the petition to the board of elections. 18768

(4) Upon the creation of a district under this section or 18769
section 715.71 of the Revised Code, one of the contracting 18770
parties shall file a copy of the following with the director of 18771
housing and development: 18772

(a) The petition and other documents described in division 18773
(C)(1) of this section, if the district is created under this 18774
section; 18775

(b) The documents described in division (D) of section 18776
715.71 of the Revised Code, if the district is created under 18777
this section. 18778

(E) The district created by the contract shall be governed 18779
by a board of directors that shall be established by or pursuant 18780
to the contract. The board is a public body for the purposes of 18781
section 121.22 of the Revised Code. The provisions of Chapter 18782
2744. of the Revised Code apply to the board and the district. 18783
The members of the board shall be appointed as provided in the 18784
contract from among the elected members of the legislative 18785
authorities and the elected chief executive officers of the 18786
contracting parties, provided that there shall be at least two 18787
members appointed from each of the contracting parties. 18788

(F) The contract shall enumerate the specific powers, 18789
duties, and functions of the board of directors of a district, 18790
and the contract shall provide for the determination of 18791
procedures that are to govern the board of directors. The 18792
contract may grant to the board the power to adopt a resolution 18793
to levy an income tax within the district. The income tax shall 18794
be used for the purposes of the district and for the purposes of 18795
the contracting municipal corporations and townships pursuant to 18796
the contract. The income tax may be levied in the district based 18797
on income earned by persons working or residing within the 18798
district and based on the net profits of businesses located in 18799
the district. The income tax shall follow the provisions of 18800
Chapter 718. of the Revised Code, except that a vote shall be 18801
required by the electors residing in the district to approve the 18802
rate of income tax. If no electors reside within the district, 18803
then division (F)(4) of this section applies. The rate of the 18804
income tax shall be no higher than the highest rate being levied 18805
by a municipal corporation that is a party to the contract. 18806

(1) Within one hundred eighty days after the first meeting 18807
of the board of directors, the board may levy an income tax, 18808
provided that the rate of the income tax is first submitted to 18809
and approved by the electors of the district at the succeeding 18810
regular or primary election, or a special election called by the 18811
board, occurring subsequent to ninety days after a certified 18812
copy of the resolution levying the income tax and calling for 18813
the election is filed with the board of elections. If the voters 18814
approve the levy of the income tax, the income tax shall be in 18815
force for the full period of the contract establishing the 18816
district. Any increase in the rate of an income tax that was 18817
first levied within one hundred eighty days after the first 18818
meeting of the board of directors shall be approved by a vote of 18819

the electors of the district, shall be in force for the 18820
remaining period of the contract establishing the district, and 18821
shall not be subject to division (F) (2) of this section. 18822

(2) Any resolution of the board of directors levying an 18823
income tax that is adopted subsequent to one hundred eighty days 18824
after the first meeting of the board of directors shall be 18825
subject to a referendum as provided in division (F) (2) of this 18826
section. Any resolution of the board of directors levying an 18827
income tax that is adopted subsequent to one hundred eighty days 18828
after the first meeting of the board of directors shall be 18829
subject to an initiative proceeding to amend or repeal the 18830
resolution levying the income tax as provided in division (F) (2) 18831
of this section. When a referendum petition, signed by ten per 18832
cent of the number of electors in the district who voted for the 18833
office of governor at the most recent general election for the 18834
office of governor, is filed with the county auditor of each 18835
county within which a party to the contract is located within 18836
thirty days after the resolution is adopted by the board or when 18837
an initiative petition, signed by ten per cent of the number of 18838
electors in the district who voted for the office of governor at 18839
the most recent general election for the office of governor, is 18840
filed with the county auditor of each such county ordering that 18841
a resolution to amend or repeal a prior resolution levying an 18842
income tax be submitted to the electors within the district for 18843
their approval or rejection, the county auditor of each such 18844
county, after ten days and not later than four p.m. of the 18845
ninetieth day before the election, shall certify the text of the 18846
resolution to the board of elections of that county. The county 18847
auditor of each such county shall retain the petition. The board 18848
of elections shall submit the resolution to such electors, for 18849
their approval or rejection, at the next general, primary, or 18850

special election occurring subsequent to ninety days after the 18851
certifying of such petition to the board of elections. 18852

(3) Whenever a district is located in the territory of 18853
more than one contracting party, a majority vote of the 18854
electors, if any, in each of the several portions of the 18855
territory of the contracting parties constituting the district 18856
approving the levy of the tax is required before it may be 18857
imposed pursuant to this division. 18858

(4) If there are no electors residing in the district, no 18859
election for the approval or rejection of an income tax shall be 18860
held pursuant to this section, provided that where no electors 18861
reside in the district, the maximum rate of the income tax that 18862
may be levied shall not exceed one per cent. 18863

(5) The board of directors of a district levying an income 18864
tax shall enter into an agreement with one of the municipal 18865
corporations that is a party to the contract to administer, 18866
collect, and enforce the income tax on behalf of the district. 18867
The resolution levying the income tax shall provide the same 18868
credits, if any, to residents of the district for income taxes 18869
paid to other such districts or municipal corporations where the 18870
residents work, as credits provided to residents of the 18871
municipal corporation administering the income tax. 18872

(6) (a) The board shall publish or post public notice of 18873
any resolution adopted levying an income tax in a newspaper of 18874
general circulation within the district once a week for two 18875
consecutive weeks or as provided in section 7.16 of the Revised 18876
Code, before the resolution takes effect. In districts in which 18877
no newspaper is generally circulated, notice shall be 18878
accomplished by posting copies in not less than five of the most 18879
public places in the district, as determined by the board, for a 18880

period of not less than fifteen days before the effective date 18881
of the resolution. 18882

(b) Except as otherwise specified by this division, any 18883
referendum or initiative proceeding within a district shall be 18884
conducted in the same manner as is required for such proceedings 18885
within a municipal corporation pursuant to sections 731.28 to 18886
731.40 of the Revised Code. 18887

(G) Membership on the board of directors does not 18888
constitute the holding of a public office or employment within 18889
the meaning of any section of the Revised Code or any charter 18890
provision prohibiting the holding of other public office or 18891
employment, and shall not constitute an interest, either direct 18892
or indirect, in a contract or expenditure of money by any 18893
municipal corporation, township, county, or other political 18894
subdivision with which the member may be connected. No member of 18895
a board of directors shall be disqualified from holding any 18896
public office or employment, nor shall such member forfeit or be 18897
disqualified from holding any such office or employment, by 18898
reason of the member's membership on the board of directors, 18899
notwithstanding any law or charter provision to the contrary. 18900

(H) The powers and authorizations granted pursuant to this 18901
section or section 715.71 of the Revised Code are in addition to 18902
and not in derogation of all other powers granted to municipal 18903
corporations and townships pursuant to law. When exercising a 18904
power or performing a function or duty under a contract 18905
authorized pursuant to this section or section 715.71 of the 18906
Revised Code, a municipal corporation may exercise all of the 18907
powers of a municipal corporation, and may perform all the 18908
functions and duties of a municipal corporation, within the 18909
district, pursuant to and to the extent consistent with the 18910

contract. When exercising a power or performing a function or 18911
duty under a contract authorized pursuant to this section or 18912
section 715.71 of the Revised Code, a township may exercise all 18913
of the powers of a township, and may perform all the functions 18914
and duties of a township, within the district, pursuant to and 18915
to the extent consistent with the contract. The district board 18916
of directors has no powers except those specifically set forth 18917
in the contract as agreed to by the participating parties. No 18918
political subdivision shall authorize or grant any tax exemption 18919
pursuant to Chapter 1728. or section 3735.67, 5709.62, 5709.63, 18920
or 5709.632 of the Revised Code on any property located within 18921
the district without the consent of the contracting parties. The 18922
prohibition for any tax exemption pursuant to this division 18923
shall not apply to any exemption filed, pending, or approved, or 18924
for which an agreement has been entered into, before the 18925
effective date of the contract entered into by the parties. 18926

(I) Municipal corporations and townships may enter into 18927
binding agreements pursuant to a contract authorized under this 18928
section or section 715.71 of the Revised Code with respect to 18929
the substance and administration of zoning and other land use 18930
regulations, building codes, public permanent improvements, and 18931
other regulatory and proprietary matters that are determined, 18932
pursuant to the contract, to be for a public purpose and to be 18933
desirable with respect to the operation of the district or to 18934
facilitate new or expanded economic development in the state or 18935
the district, provided that no contract shall exempt the 18936
territory within the district from the procedures and processes 18937
of land use regulation applicable pursuant to municipal 18938
corporation, township, and county regulations, including but not 18939
limited to procedures and processes concerning zoning. 18940

(J) A contract creating a joint economic development 18941

district under this section or section 715.71 of the Revised 18942
Code may designate property as a community entertainment 18943
district or may be amended to designate property as a community 18944
entertainment district as prescribed in division (D) of section 18945
4301.80 of the Revised Code. A joint economic development 18946
district contract or amendment designating a community 18947
entertainment district shall include all information and 18948
documentation described in divisions (B) (1) through (6) of 18949
section 4301.80 of the Revised Code. The public notice required 18950
under division (D) (2) of this section and division (C) of 18951
section 715.71 of the Revised Code shall specify that the 18952
contract designates a community entertainment district and 18953
describe the location of that district. Except as provided in 18954
division (F) of section 4301.80 of the Revised Code, an area 18955
designated as a community entertainment district under a joint 18956
economic development district contract shall not lose its 18957
designation even if the contract is canceled or terminated. 18958

(K) A contract entered into pursuant to this section or 18959
section 715.71 of the Revised Code may be amended and it may be 18960
renewed, canceled, or terminated as provided in or pursuant to 18961
the contract. The contract may be amended to add property owned 18962
by one of the contracting parties to the district, or may be 18963
amended to delete property from the district whether or not one 18964
of the contracting parties owns the deleted property. The 18965
contract shall continue in existence throughout its term and 18966
shall be binding on the contracting parties and on any entities 18967
succeeding to such parties, whether by annexation, merger, or 18968
otherwise. The income tax levied by the board pursuant to this 18969
section or section 715.71 of the Revised Code shall apply in the 18970
entire district throughout the term of the contract, 18971
notwithstanding that all or a portion of the district becomes 18972

subject to annexation, merger, or incorporation. No township or 18973
municipal corporation is divested of its rights or obligations 18974
under the contract because of annexation, merger, or succession 18975
of interests. 18976

(L) After the creation of a joint economic development 18977
district described in division (A)(2) of this section, a 18978
municipal corporation that is a contracting party may cease to 18979
own property included in the district, but such property shall 18980
continue to be included in the district and subject to the terms 18981
of the contract. 18982

Sec. 715.72. (A) As used in this section: 18983

(1) "Contracting parties" means one or more municipal 18984
corporations, one or more townships, and, under division (D) of 18985
this section, one or more counties that have entered into a 18986
contract under this section to create a joint economic 18987
development district. 18988

(2) "District" means a joint economic development district 18989
created under this section. 18990

(3) "Contract for utility services" means a contract under 18991
which a municipal corporation agrees to provide to a township or 18992
another municipal corporation water, sewer, electric, or other 18993
utility services necessary to the public health, safety, and 18994
welfare. 18995

(4) "Business" means a sole proprietorship, a corporation 18996
for profit, a pass-through entity as defined in section 5733.04 18997
of the Revised Code, the federal government, the state, the 18998
state's political subdivisions, a nonprofit organization, or a 18999
school district. 19000

(5) "Owner" means a partner of a partnership, a member of 19001

a limited liability company, a majority shareholder of an S corporation, a person with a majority ownership interest in a pass-through entity, or any officer, employee, or agent with authority to make decisions legally binding upon a business.

(6) "Record owner" means the person or persons in whose name a parcel is listed on the tax list or exempt list compiled by the county auditor under section 319.28 or 5713.08 of the Revised Code.

(7) A business "operates within" a district if the net profits of the business or the income of employees of the business would be subject to an income tax levied within the district.

(8) An employee is "employed within" a district if any portion of the employee's income would be subject to an income tax levied within the district.

(9) "Mixed-use development" means a real estate project that tends to mitigate traffic and sprawl by integrating some combination of retail, office, residential, hotel, recreation, and other functions in a pedestrian-oriented environment that maximizes the use of available space by allowing members of the community to live, work, and play in one architecturally expressive area with multiple amenities.

(10) "Water or sewer service plan or agreement" means either of the following:

(a) A state water quality management plan adopted by the Ohio environmental protection agency or another authorized planning agency pursuant to 33 U.S.C. 1288 and 1313 that contemplates that a non-contracting municipal corporation will provide sanitary sewer disposal services to an area within a

proposed joint economic development district; 19031

(b) A binding agreement between a municipal corporation 19032
and a third-party water or sanitary sewer services provider, 19033
including another municipal corporation or other public or 19034
private provider, that provides that a non-contracting municipal 19035
corporation or another provider that is not a contracting party 19036
will provide water or sanitary sewer services to an area within 19037
a proposed joint economic development district. 19038

(11) "Non-contracting municipal corporation" means a 19039
municipal corporation that is not a contracting party. 19040

(B) This section provides alternative procedures and 19041
requirements to those set forth in sections 715.70 and 715.71 of 19042
the Revised Code for creating and operating a joint economic 19043
development district. ~~This section applies to municipal~~ 19044
~~corporations and townships that are located in the same county~~ 19045
~~or in adjacent counties.~~ 19046

(C) One or more municipal corporations, one or more 19047
townships, and, under division (D) of this section, one or more 19048
counties may enter into a contract pursuant to which they 19049
designate one or more areas as a joint economic development 19050
district for the purpose of facilitating economic development 19051
and redevelopment, to create or preserve jobs and employment 19052
opportunities, and to improve the economic welfare of the people 19053
in this state and in the area of the contracting parties. 19054

(1) All or part of the territory of a contracting party 19055
that is a municipal corporation or a township shall be located 19056
in a county that includes all or part of the territory of at 19057
least one other contracting party or in a county adjacent to 19058
such a county. Except as otherwise provided in division (C) (2) 19059

of this section, the territory of each of the contracting 19060
parties shall be contiguous to, or overlap with, the territory 19061
of at least one other contracting party, or contiguous to, or 19062
overlap with, the territory of a non-contracting township, or 19063
municipal corporation, ~~or county that the territory of which is~~ 19064
contiguous to ~~another,~~ or overlaps with, the territory of at 19065
least one other contracting party, ~~even if the intervening~~ 19066
~~township or municipal corporation is not a contracting party.~~ 19067

(2) Contracting parties that have entered into a contract 19068
under section 715.70 or 715.71 of the Revised Code creating a 19069
joint economic development district prior to November 15, 1995, 19070
may enter into a contract under this section even if the 19071
territory of each of the contracting parties is not contiguous 19072
to the territory of at least one other contracting party, or 19073
contiguous to the territory of a township or municipal 19074
corporation that is contiguous to another contracting party as 19075
otherwise required under division (C) (1) of this section. The 19076
contract and district shall meet the requirements of this 19077
section. 19078

(D) If, on or after December 30, 2008, but on or before 19079
June 30, 2009, one or more municipal corporations and one or 19080
more townships enter into a contract or amend an existing 19081
contract under this section, one or more counties in which all 19082
of those municipal corporations or townships are located also 19083
may enter into the contract as a contracting party or parties. 19084

(E) (1) The area or areas to be included in a joint 19085
economic development district shall meet all of the following 19086
criteria: 19087

(a) The area or areas shall be located within the 19088
territory of one or more of the contracting parties and may 19089

consist of all of the territory of any or all of the contracting parties. 19090
19091

(b) No electors, except those residing in a mixed-use development, shall reside within the area or areas on the effective date of the contract creating the district. 19092
19093
19094

(c) The area or areas shall not include any parcel of land owned in fee by or leased to a municipal corporation or township, unless the municipal corporation or township is a contracting party or has given its consent to have the parcel of land included in the district by the adoption of an ordinance or resolution. 19095
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(d) The area or areas shall not include any parcel of land excluded pursuant to division (J) (2) of this section. 19101
19102

(2) The contracting parties may designate excluded parcels within the boundaries of the joint economic development district. Excluded parcels are not part of the district and persons employed or residing on such parcels shall not be subject to any income tax imposed within the district under division (F) (5) of this section. 19103
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(F) (1) The contract creating a joint economic development district shall provide for the amount or nature of the contribution of each contracting party to the development and operation of the district and may provide for the sharing of the costs of the operation of and improvements for the district. The contributions may be in any form to which the contracting parties agree and may include, but are not limited to, the provision of services, money, real or personal property, facilities, or equipment. 19109
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(2) The contract may provide for the contracting parties 19118

to share revenue from taxes levied by one or more of the 19119
contracting parties if those revenues may lawfully be applied to 19120
that purpose under the legislation by which those taxes are 19121
levied. 19122

(3) The contract shall include an economic development 19123
plan for the district that consists of a schedule for the 19124
provision of new, expanded, or additional services, facilities, 19125
or improvements. The contract may provide for expanded or 19126
additional capacity for or other enhancement of existing 19127
services, facilities, or improvements. 19128

(4) The contract shall enumerate the specific powers, 19129
duties, and functions of the board of directors of the district 19130
described under division (P) of this section and shall designate 19131
procedures consistent with that division for appointing members 19132
to the board. The contract shall enumerate rules to govern the 19133
board in carrying out its business under this section. 19134

(5) (a) The contract may grant to the board the power to 19135
adopt a resolution to levy an income tax within the entire 19136
district or within portions of the district designated by the 19137
contract. The income tax shall be used to carry out the economic 19138
development plan for the district or the portion of the district 19139
in which the tax is levied and for any other lawful purpose of 19140
the contracting parties pursuant to the contract, including the 19141
provision of utility services by one or more of the contracting 19142
parties. 19143

(b) An income tax levied under this section shall be based 19144
on both the income earned by persons employed or residing within 19145
the district and the net profit of businesses operating within 19146
the district. 19147

Except as provided in this section, the income tax levied 19148
within the district is subject to Chapter 718. of the Revised 19149
Code, except that no vote shall be required. The rate of the 19150
income tax shall be no higher than the highest rate being levied 19151
by a municipal corporation that is a contracting party. 19152

(c) If the board adopts a resolution to levy an income 19153
tax, it shall enter into an agreement with a municipal 19154
corporation that is a contracting party to administer, collect, 19155
and enforce the income tax on behalf of the district. 19156

(d) A resolution levying an income tax under this section 19157
shall require the contracting parties to annually set aside a 19158
percentage, to be stated in the resolution, of the amount of the 19159
income tax collected for the long-term maintenance of the 19160
district. 19161

(e) An income tax levied under this section shall apply in 19162
the district or the portion of the district in which the 19163
contract authorizes an income tax throughout the term of the 19164
contract creating the district. The tax shall not apply to any 19165
persons employed or residing on a parcel excluded from the 19166
district under division (E) (2) of this section. 19167

(6) If there is unincorporated territory in the district, 19168
the contract shall specify that restrictions on annexation 19169
proceedings under division (R) of this section apply to such 19170
unincorporated territory. The contract may prohibit proceedings 19171
under Chapter 709. of the Revised Code proposing the annexation 19172
to, merger of, or consolidation with a municipal corporation 19173
that is a contracting party of any unincorporated territory 19174
within a township that is a contracting party during the term of 19175
the contract regardless of whether that territory is located 19176
within the district. 19177

(7) The contract may designate property as a community entertainment district, or may be amended to designate property as a community entertainment district, as prescribed in division (D) of section 4301.80 of the Revised Code. A contract or amendment designating a community entertainment district shall include all information and documentation described in divisions (B) (1) to (6) of section 4301.80 of the Revised Code. The public notice required under division (I) of this section shall specify that the contract designates a community entertainment district and describe the location of that district. Except as provided in division (F) of section 4301.80 of the Revised Code, an area designated as a community entertainment district under a joint economic development district contract shall not lose its designation even if the contract is canceled or terminated.

(8) If any part of the district is located either within one-half of one mile of a non-contracting municipal corporation or within an area covered by or subject to a water or sewer service plan or agreement, the contract shall include all of the following:

(a) A preliminary estimate of the costs of providing public utility services, facilities, and improvements to the district, prepared by a professional engineer;

(b) An analysis of the anticipated sources for funding the costs of the public utilities infrastructure needed to serve the district and a projection of when such funds will be available and when such costs are likely to be incurred;

(c) Evidence or estimates indicating that the construction of the public utility infrastructure needed to serve at least some portion of the district will be completed within five years after the creation of the district.

(G) The contract creating a joint economic development district shall continue in existence throughout its term and shall be binding on the contracting parties and on any parties succeeding to the contracting parties, whether by annexation, merger, or consolidation. Except as provided in division (H) of this section, the contract may be amended, renewed, or terminated with the approval of the contracting parties or any parties succeeding to the contracting parties. If the contract is amended to add or remove an area to or from an existing district, the amendment shall be adopted in the manner prescribed under division (L) of this section.

(H) If two or more contracting parties previously have entered into a separate contract for utility services, then amendment, renewal, or termination of the separate contract for utility services shall not constitute any part of the consideration for the contract creating a joint economic development district. A contract creating a joint economic development district shall be rebuttably presumed to violate this division if it is entered into within two years prior or five years subsequent to the amendment, renewal, or termination of a separate contract for utility services that two or more contracting parties previously have entered into. The presumption stated in this division may be rebutted by clear and convincing evidence of both of the following:

(1) That other substantial consideration existed to support the contract creating a joint economic development district;

(2) That the contracting parties entered into the contract creating a joint economic development district freely and without duress or coercion related to the amendment, renewal, or

termination of the separate contract for utility services. 19238

A contract creating a joint economic development district 19239
that violates this division is void and unenforceable. 19240

(I) (1) Before the legislative authority of any of the 19241
contracting parties adopts an ordinance or resolution approving 19242
a contract to create a district, the legislative authority of 19243
each of the contracting parties shall hold a public hearing 19244
concerning the contract and district. Each legislative authority 19245
shall provide at least thirty days' public notice of the time 19246
and place of the public hearing in a newspaper of general 19247
circulation in the municipal corporation, township, or county, 19248
as applicable. During the thirty-day period prior to the public 19249
hearing and until the date that an ordinance or resolution is 19250
adopted under division (K) of this section to approve the joint 19251
economic development district contract, all of the following 19252
documents shall be available for public inspection in the office 19253
of the clerk of the legislative authority of a municipal 19254
corporation and county that is a contracting party and in the 19255
office of the fiscal officer of a township that is a contracting 19256
party: 19257

(a) A copy of the contract creating the district, 19258
including the economic development plan for the district and the 19259
schedule for the provision of new, expanded, or additional 19260
services, facilities, or improvements described in division (F) 19261
(3) of this section; 19262

(b) A description of the area or areas to be included in 19263
the district, including a map in sufficient detail to denote the 19264
specific boundaries of the area or areas and to indicate any 19265
zoning restrictions applicable to the area or areas, and the 19266
parcel number, provided for under section 319.28 of the Revised 19267

Code, of any parcel located within the boundaries of the joint 19268
economic development district and excluded from the district 19269
under division (E) (2) of this section; 19270

(c) If the contract authorizes the board of directors of 19271
the district to adopt a resolution to levy an income tax within 19272
the district or within portions of the district, a schedule for 19273
the collection of the tax. 19274

(2) At least thirty days before the first public hearing 19275
is to be held by one or more legislative authorities on a 19276
proposed district, notice shall be sent in writing to each non- 19277
contracting municipal corporation that is located within one- 19278
half of one mile of the proposed district or that is identified 19279
in a water or sewer service plan or agreement as a future 19280
provider of water or sewer services to all or part of the 19281
proposed district. 19282

(3) A public hearing held under this division shall allow 19283
for public comment and recommendations on the contract and 19284
district. The contracting parties may include in the contract 19285
any of those recommendations prior to approval of the contract. 19286

(J) (1) Before any of the contracting parties approves a 19287
contract under division (K) of this section, the contracting 19288
parties shall circulate one or more petitions to record owners 19289
of real property located within the proposed joint economic 19290
development district and owners of businesses operating within 19291
the proposed district. The petitions shall state that all of the 19292
documents described in divisions (I) (1) (a) to (c) of this 19293
section are available for public inspection in the office of the 19294
clerk of the legislative authority of each municipal corporation 19295
and county that is a contracting party or the office of the 19296
fiscal officer of each township that is a contracting party. The 19297

petitions shall clearly indicate that, by signing the petition, 19298
the record owner or owner consents to the proposed joint 19299
economic development district. 19300

A contracting party may send written notice of the 19301
petitions by certified mail with return receipt requested to the 19302
last known mailing addresses of any or all of the record owners 19303
of real property located within the proposed district or the 19304
owners of businesses operating within the proposed district. The 19305
contracting parties shall equally share the costs of complying 19306
with this division. 19307

(2) If any portion of property located within the proposed 19308
joint economic development district is also either located 19309
within one-half of one mile of a non-contracting municipal 19310
corporation or covered by or subject to a water or sewer service 19311
plan or agreement under which a non-contracting municipal 19312
corporation is identified as a future provider of water or sewer 19313
services to all or part of the proposed district, then that 19314
property and any property contiguous to that property if owned 19315
by the same person shall be excluded from the joint economic 19316
development district unless the owner of the property signs the 19317
petition. 19318

(K) (1) After the public hearings required under division 19319
(I) of this section have been held and the petitions described 19320
in division (J) of this section have been signed by the majority 19321
of the record owners of real property located within the 19322
proposed joint economic development district and by a majority 19323
of the owners of businesses, if any, operating within the 19324
proposed district, each contracting party may adopt an ordinance 19325
or resolution approving the contract to create a joint economic 19326
development district. Not later than ten days after all of the 19327

contracting parties have adopted ordinances or resolutions 19328
approving the district contract, each contracting party shall 19329
give notice of the proposed district to all of the following: 19330

(a) Each record owner of real property to be included in 19331
the district and in the territory of that contracting party who 19332
did not sign the petitions described in division (J) of this 19333
section; 19334

(b) An owner of each business operating within the 19335
district and in the territory of that contracting party no owner 19336
of which signed the petitions described in division (J) of this 19337
section. 19338

(2) Such notices shall be given by certified mail and 19339
shall specify that the property or business is located within an 19340
area to be included in the district and that all of the 19341
documents described in divisions (I) (1) (a) to (c) of this 19342
section are available for public inspection in the office of the 19343
clerk of the legislative authority of each municipal corporation 19344
and county that is a contracting party or the office of the 19345
fiscal officer of each township that is a contracting party. The 19346
contracting parties shall equally share the costs of complying 19347
with division (K) of this section. 19348

(L) (1) The contracting parties may amend the joint 19349
economic development district contract to add any area that was 19350
not originally included in the district if the area satisfies 19351
the criteria prescribed under division (E) of this section. The 19352
contracting parties may also amend the district contract to 19353
remove any area originally included in the district or exclude 19354
one or more parcels located within the district pursuant to 19355
division (E) (2) of this section. 19356

(2) An amendment adding an area to a district, removing an area from the district, or excluding one or more parcels from the district may be approved only by a resolution or ordinance adopted by each of the contracting parties. The contracting parties shall conduct public hearings on the amendment and provide notice in the manner required under division (I) of this section for original contracts. The contracting parties shall make available for public inspection a copy of the amendment, a description of the area to be added, removed, or excluded to or from the district, and a map of that area in sufficient detail to denote the specific boundaries of the area and to indicate any zoning restrictions applicable to the area.

(3) Before adopting a resolution or ordinance approving the addition of an area to the district, the contracting parties shall circulate petitions to the record owners of real property located within the proposed addition to the district and owners of businesses operating within the proposed addition to the district in the same manner required under division (J) of this section for original contracts. The contracting parties may notify such record owners of real property and owners of businesses that the petitions are available for signing in the same manner provided by that division. The contracting parties shall equally share the costs of complying with this division.

(4) The contracting parties to a joint economic development district may vote to approve an amendment to the district contract under this division after the public hearings required under division (L)(2) of this section are completed and, if the amendment adds an area or areas to the district, the petitions required under division (L)(3) of this section have been signed by the majority of record owners of real property located within the area or areas added to the district and by a

majority of the owners of businesses, if any, operating within 19388
the proposed addition to the district. 19389

(5) Not later than ten days after all of the contracting 19390
parties have adopted ordinances or resolutions approving an 19391
amendment adding one or more areas to the district, each 19392
contracting party shall give notice of the addition to all of 19393
the following: 19394

(a) Each record owner of real property to be included in 19395
the addition to the district and in the territory of that 19396
contracting party who did not sign the petitions described in 19397
division (L) (3) of this section; 19398

(b) An owner of each business operating within the 19399
addition to the district and in the territory of that 19400
contracting party no owner of which signed the petitions 19401
described in division (L) (3) of this section. 19402

The contracting parties shall equally share the costs of 19403
complying with division (L) (5) of this section. 19404

(M) (1) A board of township trustees that is a party to a 19405
contract creating a joint economic development district may 19406
choose not to submit its resolution approving the contract to 19407
the electors of the township if all of the following conditions 19408
are satisfied: 19409

(a) The resolution has been approved by a unanimous vote 19410
of the members of the board of township trustees or, if a county 19411
is one of the contracting parties under division (D) of this 19412
section, the resolution has been approved by a majority vote of 19413
the members of the board of township trustees; 19414

(b) The contracting parties have circulated petitions as 19415
required under division (J) of this section and obtained the 19416

signatures required under division (L) of this section; 19417

(c) The territory to be included in the proposed district 19418
is zoned in a manner appropriate to the function of the 19419
district. 19420

(2) If the board of township trustees has not invoked its 19421
authority under division (M) (1) of this section, the board, at 19422
least ninety days before the date of the election, shall file 19423
its resolution approving the district contract with the board of 19424
elections for submission to the electors of the township for 19425
approval at the next succeeding general, primary, or special 19426
election. 19427

(3) Any contract creating a district in which a board of 19428
township trustees is a party shall provide that the contract is 19429
not effective before the thirty-first day after its approval, 19430
including approval by the electors of the township if required 19431
by this section. 19432

(4) If the board of township trustees invokes its 19433
authority under division (M) (1) of this section and does not 19434
submit the district contract to the electors for approval, the 19435
resolution of the board of township trustees approving the 19436
contract is subject to a referendum of the electors of the 19437
township when requested through a petition. When signed by ten 19438
per cent of the number of electors in the township who voted for 19439
the office of governor at the most recent general election, a 19440
referendum petition asking that the resolution be submitted to 19441
the electors of the township may be presented to the board of 19442
township trustees. Such a petition shall be presented within 19443
thirty days after the board of township trustees adopts the 19444
resolution approving the district contract. The board of 19445
township trustees shall, not later than four p.m. of the tenth 19446

day after receipt of the petition, certify the text of the 19447
resolution to the board of elections. The board of elections 19448
shall submit the resolution to the electors of the township for 19449
their approval or rejection at the next general, primary, or 19450
special election occurring at least ninety days after 19451
certification of the resolution. 19452

(N) The ballot respecting a resolution to create a 19453
district or a referendum of such a resolution shall be in the 19454
following form: 19455

"Shall the resolution of the board of township trustees 19456
approving the contract with (here insert name of 19457
every other contracting party) for the creation of a joint 19458
economic development district be approved? 19459

FOR THE RESOLUTION AND CONTRACT 19460

AGAINST THE RESOLUTION AND CONTRACT" 19461

If a majority of the electors of the township voting on 19462
the issue vote for the resolution and contract, the resolution 19463
shall become effective immediately and the contract shall go 19464
into effect on the thirty-first day after the election or 19465
thereafter in accordance with terms of the contract. 19466

(O) Upon the creation of a district under this section, 19467
one of the contracting parties shall file a copy of each of the 19468
following documents with the director of housing and 19469
development: 19470

(1) All of the documents described in divisions (I) (1) (a) 19471
to (c) of this section; 19472

(2) Certified copies of the ordinances and resolutions of 19473
the contracting parties relating to the contract and district; 19474

(3) Documentation from each contracting party that the public hearings required by division (I) of this section have been held, the date of the hearings, and evidence that notice of the hearings was published as required by that division;

(4) A copy of the signed petitions required under divisions (J) and (K) of this section.

(P) A board of directors shall govern each district created under this section.

(1) If there are businesses operating and persons employed within the district, the board shall be composed of the following members:

(a) One member representing the municipal corporations that are contracting parties;

(b) One member representing the townships that are contracting parties;

(c) One member representing the owners of businesses operating within the district;

(d) One member representing the persons employed within the district;

(e) One member representing the counties that are contracting parties, or, if no contracting party is a county, one member selected by the members described in divisions (P) (1) (a) to (d) of this section.

The members of the board shall be appointed as provided in the district contract. Of the members initially appointed to the board, the member described in division (P) (1) (a) of this section shall serve a term of one year; the member described in division (P) (1) (b) of this section shall serve a term of two

years; the member described in division (P) (1) (c) of this 19503
section shall serve a term of three years; and the members 19504
described in divisions (P) (1) (d) and (e) of this section shall 19505
serve terms of four years. Thereafter, terms for each member 19506
shall be for four years, each term ending on the same day of the 19507
same month of the year as did the term that it succeeds. A 19508
member may be reappointed to the board, but no member shall 19509
serve more than two consecutive terms on the board. 19510

The member described in division (P) (1) (e) of this section 19511
shall serve as chairperson of the board described under division 19512
(P) (1) of this section. 19513

(2) If there are no businesses operating or persons 19514
employed within the district, the board shall be composed of the 19515
following members: 19516

(a) One member representing the municipal corporations 19517
that are contracting parties; 19518

(b) One member representing the townships that are 19519
contracting parties; 19520

(c) One member representing the counties that are 19521
contracting parties, or if no contracting party is a county, one 19522
member selected by the members described in divisions (P) (2) (a) 19523
and (b) of this section. 19524

The members of the board shall be appointed as provided in 19525
the district contract. Of the members initially appointed to the 19526
board, the member described in division (P) (2) (a) of this 19527
section shall serve a term of one year; the member described in 19528
division (P) (2) (b) of this section shall serve a term of two 19529
years; and the member described in division (P) (2) (c) of this 19530
section shall serve a term of three years. Thereafter, terms for 19531

each member shall be for four years, each term ending on the 19532
same day of the same month of the year as did the term that it 19533
succeeds. A member may be reappointed to the board, but no 19534
member shall serve more than two consecutive terms on the board. 19535

The member described in division (P) (2) (c) of this section 19536
shall serve as chairperson of a board described under division 19537
(P) (2) of this section. 19538

(3) A board described under division (P) (1) or (2) of this 19539
section has no powers except as described in this section and in 19540
the contract creating the district. 19541

(4) Membership on the board of directors of a joint 19542
economic development district created under this section is not 19543
the holding of a public office or employment within the meaning 19544
of any section of the Revised Code prohibiting the holding of 19545
other public office or employment. Membership on such a board is 19546
not a direct or indirect interest in a contract or expenditure 19547
of money by a municipal corporation, township, county, or other 19548
political subdivision with which a member may be affiliated. 19549
Notwithstanding any provision of law to the contrary, no member 19550
of a board of directors of a joint economic development district 19551
shall forfeit or be disqualified from holding any public office 19552
or employment by reason of membership on the board. 19553

(5) The board of directors of a joint economic development 19554
district is a public body for the purposes of section 121.22 of 19555
the Revised Code. Chapter 2744. of the Revised Code applies to 19556
such a board and the district. 19557

(Q) (1) On or before the date occurring six months after 19558
the effective date of the district contract, an owner of a 19559
business operating within the district may, on behalf of the 19560

business and its employees, file a complaint with the court of 19561
common pleas of the county in which the majority of the 19562
territory of the district is located requesting exemption from 19563
any income tax imposed by the board of directors of the district 19564
under division (F) (5) of this section if all of the following 19565
apply: 19566

(a) The business operated within an unincorporated area of 19567
the district before the effective date of the district contract; 19568

(b) No owner of the business signed a petition described 19569
in division (J) of this section; 19570

(c) Neither the business nor its employees has derived or 19571
will derive any material benefit from the new, expanded, or 19572
additional services, facilities, or improvements described in 19573
the economic development plan for the district, or the material 19574
benefit that has, or will be, derived is negligible in 19575
comparison to the income tax revenue generated from the net 19576
profits of the business and the income of employees of the 19577
business. 19578

The legislative authority of each contracting party shall 19579
be made a party to the proceedings and the business owner filing 19580
the complaint shall serve notice of the complaint by certified 19581
mail to each such contracting party. The court shall not accept 19582
any complaint filed more than six months after the effective 19583
date of the district contract. 19584

(2) Any or all of the contracting parties may submit a 19585
written answer to the complaint submitted under division (Q) (1) 19586
of this section to the court within thirty days after notice of 19587
the complaint was served upon them. Such a contracting party 19588
shall submit to the court, along with the answer, documentation 19589

sufficient to prove that the contracting party sent copies of 19590
the answer to the owner of the business who filed the complaint. 19591

(3) The court shall review each complaint submitted by a 19592
business owner under division (Q) (1) of this section and each 19593
answer submitted by a contracting party under division (Q) (2) of 19594
this section. The court may make a determination on the record 19595
and the evidence thus submitted, or it may conduct a hearing and 19596
request the presence of the business owner and the contracting 19597
parties to present evidence relevant to the complaint. The court 19598
shall make a determination on the complaint not sooner than 19599
thirty days but not later than sixty days after the complaint is 19600
filed by the business owner. The court may make a determination 19601
more than sixty days after the complaint is filed if the 19602
business owner and all contracting parties to the district 19603
consent. 19604

(4) The court shall grant the exemption requested in the 19605
complaint if all of the criteria described in divisions (Q) (1) 19606
(a) to (c) of this section are met. 19607

(5) If all the criteria described in divisions (Q) (1) (a) 19608
to (c) of this section are not met, the court shall deny the 19609
complaint and the exemption. 19610

(6) The court shall send notice of the determination with 19611
respect to the complaint to the owner of the business and each 19612
contracting party. If the court grants the exemption, the net 19613
profits of the business from operations within the district and 19614
the income of its employees from employment within the district 19615
are exempt from any income tax imposed by the board of directors 19616
of the district. If the court denies the exemption, the net 19617
profits of the business and the income of its employees shall be 19618
taxed according to the terms of the district contract and any 19619

taxes, penalties, and interest accrued before the date of the 19620
court's determination shall be paid in full. In addition, no 19621
owner of the business may submit another complaint under 19622
division (Q) (1) of this section for the same district contract. 19623
The court's determination on a complaint filed under division 19624
(Q) of this section is final. 19625

(7) Chapter 2506. of the Revised Code does not apply to 19626
the proceedings described in division (Q) of this section. 19627

(R) (1) No proceeding pursuant to Chapter 709. of the 19628
Revised Code that proposes the annexation to, merger of, or 19629
consolidation with a municipal corporation of any unincorporated 19630
territory within a joint economic development district may be 19631
commenced at any time between the effective date of the contract 19632
creating the district and the date the contract expires, 19633
terminates, or is otherwise rendered unenforceable. This 19634
division does not apply if each board of township trustees whose 19635
territory is included within the district and whose territory is 19636
proposed to be annexed, merged, or consolidated adopts a 19637
resolution consenting to the commencement of the proceeding. 19638
Each such board of township trustees shall file a copy of the 19639
resolution with the clerk of the legislative authority of each 19640
county within which a contracting party is located. 19641

(2) The contract creating a joint economic development 19642
district may prohibit any annexation proceeding by a contracting 19643
municipal corporation of any unincorporated territory within the 19644
district or zone beyond the period described in division (R) (1) 19645
of this section. 19646

(3) No contracting party is divested or relieved of its 19647
rights or obligations under the contract creating a joint 19648
economic development district because of annexation, merger, or 19649

consolidation. 19650

(S) Contracting parties may enter into agreements pursuant 19651
to the contract creating a joint economic development district 19652
with respect to the substance and administration of zoning and 19653
other land use regulations, building codes, permanent public 19654
improvements, and other regulatory and proprietary matters 19655
determined to be for a public purpose. No contract, however, 19656
shall exempt the territory within the district from the 19657
procedures of land use regulation applicable pursuant to 19658
municipal corporation, township, and county regulations, 19659
including, but not limited to, zoning procedures. 19660

(T) The powers granted under this section are in addition 19661
to and not in the derogation of all other powers possessed by or 19662
granted to municipal corporations, townships, and counties 19663
pursuant to law. 19664

(1) When exercising a power or performing a function or 19665
duty under a contract entered into under this section, a 19666
municipal corporation may exercise all the powers of a municipal 19667
corporation, and may perform all the functions and duties of a 19668
municipal corporation, within the district, pursuant to and to 19669
the extent consistent with the contract. 19670

(2) When exercising a power or performing a function or 19671
duty under a contract entered into under division (D) of this 19672
section, a county may exercise all of the powers of a county, 19673
and may perform all the functions and duties of a county, within 19674
the district pursuant to and to the extent consistent with the 19675
contract. 19676

(3) When exercising a power or performing a function or 19677
duty under a contract entered into under this section, a 19678

township may exercise all the powers of a township, and may 19679
perform all the functions and duties of a township, within the 19680
district, pursuant to and to the extent consistent with the 19681
contract. 19682

(U) No political subdivision shall grant any tax exemption 19683
under Chapter 1728. or section 3735.67, 5709.62, 5709.63, or 19684
5709.632 of the Revised Code on any property located within the 19685
district without the consent of all the contracting parties. The 19686
prohibition against granting a tax exemption under this section 19687
does not apply to any exemption filed, pending, or approved 19688
before the effective date of the contract entered into under 19689
this section. 19690

Sec. 902.04. (A) An issuer may from time to time issue 19691
bonds to carry out the lawful purposes set forth in this chapter 19692
including, but not limited to, the purchase of loans or other 19693
evidence of debt from and the making of loans to or through 19694
lending institutions, the payment of the costs of insurance, 19695
letters of credit, certificates of deposit, and purchase 19696
agreements related to the bonds or loans, underwriting, legal, 19697
accounting, financial consulting, rating, printing, and other 19698
services relating to the issuance and sale of the bonds, fees of 19699
any trustee, paying agent, bond registrar, depository, transfer 19700
agent, and authenticating agent, interest on the bonds, 19701
establishment of reserve funds securing the bonds, and any other 19702
costs reasonably related to the issuance, sale, marketing, 19703
servicing, insuring, guaranteeing, and otherwise securing of the 19704
bonds. Any issuer may from time to time, whenever it considers 19705
refunding to be expedient, issue bonds to refund any bonds 19706
issued under this chapter whether the bonds to be refunded have 19707
or have not matured, and may issue bonds partly to refund bonds 19708
then outstanding and partly for any other authorized purpose. 19709

The terms of the issuance and sale of refunding bonds shall be 19710
as provided in this chapter for an original issue of bonds. 19711

(B) Bonds, and the issuance of bonds, pursuant to this 19712
chapter need not comply with any other law applicable to the 19713
issuance of bonds. The deposit, application, safeguarding, and 19714
investment of funds of an issuer received or held under bond 19715
proceedings of the issuer shall not be subject to Chapters 131. 19716
and 135. of the Revised Code. 19717

(C) (1) Bonds issued pursuant to this chapter do not 19718
constitute a debt, or the pledge of the faith and credit, of the 19719
state or any political subdivision thereof, and the holders or 19720
owners of such bonds have no right to have taxes levied by the 19721
general assembly or taxing authority of any political 19722
subdivision for the payment of the principal thereof or interest 19723
thereon. Moneys raised by taxation shall not be obligated or 19724
pledged for the payment of principal of or interest on such 19725
bonds, but such bonds shall be payable solely from the revenues 19726
and security interests pledged for their payment as authorized 19727
by this chapter, unless bonds are issued in anticipation of the 19728
issuance of or are refunded by refunding bonds issued pursuant 19729
to this chapter, which refunding bonds shall be payable solely 19730
from revenues and security interests pledged for their payment 19731
as authorized by this chapter. Bond anticipation notes may be 19732
secured solely or additionally by a covenant of the issuer that 19733
it will do all things necessary for the issuance of the bonds 19734
anticipated or renewal notes in appropriate amount and either 19735
exchange such bonds or renewal notes for such notes or apply the 19736
proceeds therefrom to the extent necessary to make full payment 19737
of the principal of and interest on such notes. 19738

(2) Any pledge of revenues to the payment of bonds is 19739

valid and binding from the time the pledge is made and the 19740
revenues so pledged and thereafter received by the issuer are 19741
immediately subject to the lien of such pledge without any 19742
separation or physical delivery thereof, or further act, and the 19743
lien of any such pledge is valid and binding as against all 19744
parties having claims of any kind in tort, contract, or 19745
otherwise against the issuer, irrespective of whether such 19746
parties have notice thereof, and creates a perfected security 19747
interest for all purposes of Chapter 1309. of the Revised Code. 19748
Neither the resolution or ordinance nor any trust agreement or 19749
indenture by which a pledge is created need be filed or recorded 19750
except in the records of the issuer. 19751

(3) All bonds shall contain on the face thereof a 19752
statement to the effect that the bonds, as to both principal and 19753
interest, are not debts of the state or any political 19754
subdivision thereof, but are payable solely from the revenues 19755
and security interests pledged for their payment. 19756

(D) (1) The bonds shall be authorized by one or more 19757
resolutions or ordinances of the issuing authority, shall bear 19758
such date or dates, and shall mature at such time or times, not 19759
exceeding forty years from the date of issue, and have such 19760
redemption and purchase provisions as are authorized by or 19761
pursuant to such resolutions or ordinances. The bonds shall bear 19762
interest at such rate or rates, or at a variable rate or rates, 19763
as provided in or authorized by or pursuant to such resolutions 19764
or ordinances. The bonds shall be in such denominations, be in 19765
such form, either coupon, registered or book entry, carry such 19766
registration privileges, be payable in such medium of payment, 19767
at such place or places, and be subject to such terms of 19768
redemption as the issuing authority may authorize. The bonds may 19769
be sold by the issuing authority at public or private sale, at 19770

not less than such price or prices as the issuer determines. 19771
Notwithstanding any other provision of this chapter or Chapter 19772
165., 761., or 1724. of the Revised Code, the commission shall 19773
have exclusive power to authorize the issuance and sale of bonds 19774
for agricultural purposes under a composite financing 19775
arrangement in excess of five hundred thousand dollars; provided 19776
that other issuers may issue bonds under composite financing 19777
arrangements in such greater amounts and at such times as shall 19778
be approved by the commission. 19779

(2) Bonds issued by the agricultural financing commission 19780
shall be executed by the chairperson or vice-chairperson of the 19781
commission, manually or by a facsimile signature. The official 19782
seal of the commission or a facsimile thereof shall be affixed 19783
thereto or printed thereon, and any coupons attached thereto 19784
shall bear the signature or facsimile signature of the 19785
chairperson or vice-chairperson of the commission. Bonds and 19786
coupons issued by any other issuer shall be executed by such 19787
officers, in manual or facsimile form, and bear such official 19788
seal or a facsimile thereof, as shall be provided in the bond 19789
proceedings for the bonds. In case any officer whose signature 19790
or a facsimile of whose signature, appears on any bonds or 19791
coupons ceases to be such officer before delivery of bonds, such 19792
signature or facsimile is nevertheless sufficient for all 19793
purposes the same as if the officer had remained in office until 19794
such delivery, and in case the seal has been changed after a 19795
facsimile has been imprinted on such bonds, such facsimile seal 19796
will continue to be sufficient for all purposes. The bonds may 19797
also be issued and executed in book entry form in such manner as 19798
is appropriate to that form. Neither the members of the issuing 19799
authority nor any person executing the bonds is liable 19800
personally on the bonds or subject to any personal liability by 19801

reason of the issuance thereof. 19802

(E) If the issuer is a county or municipal corporation, 19803
then prior to the delivery of bonds issued under authority of 19804
this section, the issuing authority shall send written notice to 19805
the director of agriculture and the director of housing and 19806
development either by certified mail or, if the issuing 19807
authority has record of an internet identifier of record 19808
associated with the director, by ordinary mail and by that 19809
internet identifier of record advising of the proposed delivery 19810
of the bonds, the amount thereof, the proposed lessee of the 19811
project or person to whom the proceeds of the bonds will be 19812
loaned, and a general description of the project or projects to 19813
be financed. 19814

(F) All bonds issued under authority of this chapter, 19815
regardless of form or terms and regardless of any other law to 19816
the contrary, shall have all qualities and incidents of 19817
negotiable instruments, subject to provisions for registration, 19818
and may be issued in coupon, fully registered, or other form, or 19819
any combination thereof, as the issuing authority determines. 19820
Provision may be made for the registration of any coupon bonds 19821
as to principal alone or as to both principal and interest, and 19822
for the conversion into coupon bonds of any fully registered 19823
bonds or bonds registered as to both principal and interest. 19824

(G) As used in this section, "internet identifier of 19825
record" has the same meaning as in section 9.312 of the Revised 19826
Code. 19827

Sec. 991.02. (A) There is hereby created the Ohio 19828
expositions commission, which shall consist of the following 19829
fifteen members: nine members appointed by the governor with the 19830
advice and consent of the senate; the director of housing and 19831

development, the director of natural resources, and the director 19832
of agriculture, or their designated representatives, who shall 19833
be ex officio members with voting rights of the commission; the 19834
dean of the college of food, agricultural, and environmental 19835
sciences of the Ohio state university as a nonvoting, ex officio 19836
member of the commission; and the chairperson of the standing 19837
committee in the house of representatives to which matters 19838
dealing with agriculture are generally referred and the 19839
chairperson of the standing committee in the senate to which 19840
matters dealing with agriculture are generally referred, who 19841
shall be nonvoting members. If the senate is not in session, 19842
recess appointments shall be made by the governor. 19843

(B) Of the nine members of the commission appointed by the 19844
governor, not more than five shall be from one political party, 19845
at least three members shall receive the major portion of their 19846
income from farming, and at least one member shall, at the time 19847
of appointment, be a member of the board of directors of an 19848
agricultural society that was organized in compliance with 19849
section 1711.01 or 1711.02 of the Revised Code. Terms of office 19850
shall be for six years, commencing on the second day of December 19851
and ending on the first day of December. Each member shall hold 19852
office from the date of appointment until the end of the term 19853
for which the member was appointed. Any member appointed to fill 19854
a vacancy occurring prior to the expiration of the term for 19855
which the member's predecessor was appointed shall hold office 19856
for the remainder of that term. Any member shall continue in 19857
office subsequent to the expiration date of the member's term 19858
until the member's successor takes office, or until a period of 19859
sixty days has elapsed, whichever occurs first. 19860

The term of each nonvoting, legislative member of the 19861
commission shall be for two years or until the end of the 19862

member's legislative term, whichever occurs first. 19863

(C) The commission shall annually, during the month of 19864
December, select from among its members a chairperson, a vice- 19865
chairperson, who in the absence of the chairperson shall carry 19866
out the chairperson's duties, and a secretary, who may be a 19867
member or employee of the commission, to record the minutes of 19868
its meetings and to carry out such other duties as may be 19869
assigned by the commission, its chairperson, or its vice- 19870
chairperson. 19871

(D) The director of agriculture, the director of natural 19872
resources, and the director of housing and development, or their 19873
designated representatives, the dean of the college of food, 19874
agricultural, and environmental sciences of the Ohio state 19875
university, and the two legislators appointed to the commission, 19876
as members of the commission shall serve without compensation. 19877

(E) Each of the members of the commission appointed by the 19878
governor shall be paid the rate established pursuant to division 19879
(J) of section 124.15 of the Revised Code. All members of the 19880
commission are entitled to their actual and necessary expenses 19881
incurred in the performance of their duties as such members, 19882
payable from the appropriations for the commission. 19883

(F) The commission shall hold at least one regular meeting 19884
in each quarter of each calendar year, and shall keep a record 19885
of its proceedings, which shall be open to the public for 19886
inspection. Special meetings may be called by the chairperson 19887
and shall be called by the chairperson upon receipt of a written 19888
request therefor signed by two or more members of the 19889
commission. Written notice of the time and place of each meeting 19890
shall be sent to each member of the commission. Six of the 19891
voting members of the commission shall constitute a quorum. 19892

(G) The commission shall employ and prescribe the powers and duties of a general manager who shall serve in the unclassified civil service at a salary fixed pursuant to section 124.14 of the Revised Code. The general manager may employ such assistant managers as the general manager and the commission may approve. At no time shall such assistant managers exceed four in number, one of whom shall be appointed in the classified civil service. The general manager may, subject to the approval of the commission, employ a fiscal officer and such other officers, employees, and consultants with such powers and duties as are necessary to carry out this chapter. With the approval of the commission and in order to implement this chapter, the general manager may employ and fix the compensation of seasonal employees; these employees shall be in the unclassified civil service, and the overtime pay requirements of section 124.18 of the Revised Code do not apply to them. The general manager shall be considered the appointing authority of the commission for purposes of Chapter 124. of the Revised Code.

(H) The governor may remove any appointed voting member of the commission at any time for inefficiency, neglect of duty, or malfeasance in office.

Sec. 1547.81. The director of natural resources or the director's representative may create, supervise, operate, protect, and maintain wild, scenic, and recreational river areas. In creating wild, scenic, and recreational river areas, the director shall classify each such area as either a wild river area, a scenic river area, or a recreational river area. The director or the director's representative may prepare and maintain a plan for the establishment, development, use, and administration of those areas as a part of the comprehensive state plans for water management and outdoor recreation. The

director or the director's representative may cooperate with 19924
federal agencies administering any federal program concerning 19925
wild, scenic, or recreational river areas. 19926

The director may propose for establishment as a wild, 19927
scenic, or recreational river area a part or parts of any 19928
watercourse in this state, with adjacent lands, that in the 19929
director's judgment possesses water conservation, scenic, fish, 19930
wildlife, historic, or outdoor recreation values that should be 19931
preserved. The area shall include lands adjacent to the 19932
watercourse in sufficient width to preserve, protect, and 19933
develop the natural character of the watercourse, but shall not 19934
include any lands more than one thousand feet from the normal 19935
waterlines of the watercourse unless an additional width is 19936
necessary to preserve water conservation, scenic, fish, 19937
wildlife, historic, or outdoor recreation values. 19938

The director shall publish the intention to declare an 19939
area a wild, scenic, or recreational river area at least once in 19940
a newspaper of general circulation in each county, any part of 19941
which is within the area, and shall send written notice of the 19942
intention to the legislative authority of each county, township, 19943
and municipal corporation and to each conservancy district 19944
established under Chapter 6101. of the Revised Code, any part of 19945
which is within the area, and to the director of transportation, 19946
the director of housing and development, the director of 19947
administrative services, and the director of environmental 19948
protection. The notices shall include a copy of a map and 19949
description of the area. 19950

After thirty days from the last date of publication or 19951
dispatch of written notice as required in this section, the 19952
director shall enter a declaration in the director's journal 19953

that the area is a wild river area, scenic river area, or recreational river area. When so entered, the area is a wild, scenic, or recreational river area, as applicable. The director, after thirty days' notice as prescribed in this section, may terminate the status of an area as a wild river area, scenic river area, or recreational river area by an entry in the director's journal.

Declaration by the director that an area is a wild, scenic, or recreational river area does not authorize the director or any governmental agency or political subdivision to restrict the use of land by the owner thereof or any person acting under the landowner's authority or to enter upon the land and does not expand or abridge the regulatory authority of any governmental agency or political subdivision over the area.

The director may enter into a lease or other agreement with a political subdivision to administer all or part of a wild, scenic, or recreational river area and may acquire real property or any estate, right, or interest therein in order to provide for the protection and public recreational use of a wild, scenic, or recreational river area.

The chief of the division of parks and watercraft or the chief's representative may participate in watershed-wide planning with federal, state, and local agencies in order to protect the values of wild, scenic, and recreational river areas.

Sec. 1551.01. As used in this chapter:

(A) "Governmental agency" means the United States government or any department, agency, or instrumentality thereof; any department, agency, or instrumentality of a state

government; any municipal corporation, county, township, board
of education, or other political subdivision or any other body
corporate and politic of a state; or any agency, commission, or
authority established under an interstate compact or agreement.

(B) "Energy resource development facility" means any
energy resource development, research, or conservation facility,
including pilot as well as demonstration facilities, and
including undivided or other interests therein, acquired or to
be acquired, or constructed or to be constructed under this
chapter or Chapter 6121. or 6123. of the Revised Code, or
acquired or to be acquired, or constructed or to be constructed
by a governmental agency or person with all or a part of the
cost thereof being paid from a loan or grant under such
chapters, including all buildings and facilities that the
director of housing and development determines necessary for the
operation of the facility, together with all property, rights,
easements, and interests that may be required for the operation
of the facility, which facilities may include:

(1) Any building, testing facility, testing device, or
support facilities which would provide experimental,
demonstration, or testing capabilities or services not otherwise
available in this state and which are necessary for the
accomplishment of the purposes of this chapter;

(2) Any method, process, structure, or equipment that is
used to store coal, oil, natural gas, fuel for nuclear reactors,
or any other form of energy;

(3) Any method, process, structure, or equipment that is
used to recover or convert coal, oil, natural gas, steam, or
other form of energy from property located within the state for
the purpose of supplying energy for utilization;

(4) Any method, process, structure, or equipment that is designed to result in more efficient recovery, conversion, or utilization of energy resources within the state, including any scrap tire recovery facility for which a registration certificate or permit has been issued under section 3734.78 of the Revised Code;

(5) Any improvement that is designed to improve the thermal efficiency of a building or structure or reduce the fuel or power needed to heat, cool, light, ventilate, or provide hot water in a building or structure;

(6) Any improvement designed to enable the substitution of coal or alternate fuel, other than natural gas, for natural gas or a petroleum fuel, or the conversion of coal to other fuels;

(7) Any improvement designed to enable the combustion of high sulfur coal in compliance with air or water pollution control or solid waste disposal laws, including, but not limited to, any facility for processing coal to remove sulfur before combustion of the coal, for fluidized bed combustion, or for removal of the sulfur before the products of combustion are emitted or discharged.

(C) "Cost" as applied to an energy resource development facility means the cost of acquisition and construction, the cost of acquisition of all land, rights-of-way, property rights, easements, franchise rights, and interests required for such acquisition and construction, the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved, the cost of acquiring or constructing and equipping a principal office and sub-offices of the department of housing and development, the cost of diverting

highways, interchange of highways, access roads to private 20043
property, including the cost of land or easements for such 20044
access roads, the cost of public utility and common carrier 20045
relocation or duplication, the cost of all machinery, 20046
furnishings, and equipment, financing charges, interest prior to 20047
and during construction and for no more than eighteen months 20048
after completion of construction, engineering, expenses of 20049
research and development with respect to the facility, legal 20050
expenses, plans, specifications, surveys, studies, estimates of 20051
cost and revenues, working capital, other expenses necessary or 20052
incident to determining the feasibility or practicability of 20053
acquiring or constructing such facility, administrative expense, 20054
and such other expense as may be necessary or incident to the 20055
acquisition or construction of the facility, the financing of 20056
such acquisition or construction, including the amount 20057
authorized in the resolution of the Ohio water development 20058
authority providing for the issuance of energy resource 20059
development revenue bonds to be paid into any special funds from 20060
the proceeds of such bonds, and the financing of the placing of 20061
such facility in operation. Any obligation, cost, or expense 20062
incurred after August 26, 1975, by any governmental agency or 20063
person for surveys, borings, preparation of plans and 20064
specifications, and other engineering services, or any other 20065
cost described above, in connection with the acquisition or 20066
construction of a facility may be regarded as a part of the cost 20067
of such facility and may be reimbursed out of the proceeds of 20068
energy resource development revenue bonds. 20069

(D) "Revenues" means all rentals and other charges 20070
received by the Ohio water development authority for the use or 20071
services of any energy resource development facility, any 20072
contract, gift, or grant received with respect to any energy 20073

resource development facility, and moneys received with respect 20074
to the lease, sublease, sale, including installment sale or 20075
conditional sale, or other disposition of an energy resource 20076
development facility, moneys received in repayment of and for 20077
interest on any loans made by the authority to a person or 20078
governmental agency, whether from the United States or any 20079
department, administration, or agency thereof, or otherwise, 20080
proceeds of energy resource development revenue bonds to the 20081
extent that the use thereof for payment of principal of, 20082
premium, if any, or interest on the bonds is authorized by the 20083
authority, proceeds from any insurance, condemnation, or 20084
guaranty pertaining to a facility or property mortgaged to 20085
secure bonds or pertaining to the financing of a facility, and 20086
income and profit from the investment of the proceeds of energy 20087
resource development revenue bonds or of any revenues. 20088

(E) "Construction," unless the context indicates a 20089
different meaning or intent, includes construction, 20090
reconstruction, enlargement, improvement, or providing 20091
furnishings or equipment. 20092

(F) "Energy resource development revenue bonds," unless 20093
the context indicates a different meaning or intent, includes 20094
energy resource development revenue bonds, energy resource 20095
development revenue notes, and energy resource development 20096
revenue refunding bonds. 20097

(G) "Energy" means work or heat that is, or can be, 20098
produced from any fuel or source whatsoever. 20099

(H) "Energy audit" means any process by which energy usage 20100
or costs of heating, cooling, lighting, and climate control in a 20101
building or structure are determined. 20102

(I) "Energy conservation" means preservation of energy resources by efficient utilization, and reduction of waste.	20103 20104
(J) "Energy conservation measure" means any modification of a building, structure, machine, appliance, vehicle, improvement, or process in order to improve its efficiency of energy use or energy costs.	20105 20106 20107 20108
(K) "Fuel" means petroleum, crude oil, petroleum product, coal, natural gas, synthetic natural or artificial gas, nuclear, or other substance used primarily for its energy content.	20109 20110 20111
(L) "Net energy analysis" means the determination of the amount of energy remaining after all energy outputs have been subtracted from the energy inputs of a given system.	20112 20113 20114
Sec. 1551.05. The department of development <u>housing and development</u> shall:	20115 20116
(A) Monitor and assess technological advancements in energy conservation and development, and maintain to the extent practicable a capability for independent technology assessment to support formulation of state energy policy;	20117 20118 20119 20120
(B) Review laws, rules, and state agency policies that affect energy utilization, and recommend to the agencies and the general assembly changes to achieve energy conservation and development;	20121 20122 20123 20124
(C) Develop methods for the performance of energy audits of buildings and structures and net energy analyses, employing whenever possible existing knowledge and practices, in order to identify energy cost savings to be realized through energy conservation measures, and prepare or identify curricula or source materials for training of persons conducting energy audits;	20125 20126 20127 20128 20129 20130 20131

(D) Implement a continuing public education effort 20132
designed to inform individuals and organizations about specific 20133
and appropriate ways to conserve energy; 20134

(E) Provide technical assistance, information on 20135
technological advancements in energy production, use, and 20136
conservation, energy efficiency information, recommendations to 20137
state agencies and local governments, assistance in the 20138
identification, evaluation, and implementation of measures to 20139
reduce energy consumption and waste, and public information on 20140
energy conservation measures, criteria, and alternatives to 20141
assist consumers in purchasing appliances, machinery, power 20142
tools, and similar products; 20143

(F) Identify, project, and monitor reduction in energy 20144
demand due to energy conservation measures in the industrial, 20145
commercial, residential, transportation, and energy production 20146
sectors and the state as a whole; 20147

(G) Annually apply for, receive, accept, and administer 20148
assistance on behalf of the state pursuant to and in compliance 20149
with the "Energy Policy and Conservation Act," 89 Stat. 871, 42 20150
U.S.C.A. 6201, as amended. 20151

Sec. 1551.06. The department of housing and development 20152
shall be the coordinating agency responsible for involving all 20153
other appropriate agencies of state government in developing 20154
programs to conserve energy, and shall be responsible for 20155
minimizing duplication of effort among state agencies and 20156
programs in the state. 20157

All state departments, agencies, institutions, 20158
universities, colleges, authorities, boards, and commissions, 20159
and all political subdivisions and quasi-governmental agencies 20160

of the state shall cooperate and coordinate all such activities 20161
with the department to ensure orderly and efficient 20162
administration and enforcement. 20163

Sec. 1551.11. (A) To achieve the purposes of sections 20164
1551.01 to 1551.25 of the Revised Code, the director of housing 20165
and development may: 20166

(1) Identify, plan, organize, initiate, and sponsor 20167
studies, research, and experimental, pilot, and demonstration 20168
facilities and projects that would lead to the development and 20169
more efficient utilization of present, new, or alternative 20170
energy sources in this state, to the conservation of energy, to 20171
the attraction of federal and other development funding in 20172
emerging and established national or state priority areas, or to 20173
the enhancement of the economic development of the state; 20174

(2) Promote, assist, and provide financial assistance for 20175
the development of nonprofit corporations organized and 20176
established under Chapter 1702. of the Revised Code to further 20177
the purposes of this section; 20178

(3) Seek out, apply for, receive, and accept grants, 20179
gifts, contributions, loans, and other assistance in any form 20180
from public and private sources, including assistance from any 20181
governmental agency; 20182

(4) Make grants under division (F) of section 1551.12 of 20183
the Revised Code from funds that are appropriated by the general 20184
assembly and from gifts or grants obtained under division (A) (3) 20185
of this section for the purposes of developing, constructing, or 20186
operating experimental, pilot, and demonstration facilities or 20187
programs which develop, test, or demonstrate more efficient and 20188
environmentally acceptable methods of extracting energy 20189

resources; new concepts, programs, or technology for the 20190
conservation of energy; new concepts, programs, or technology 20191
for the efficient and environmentally acceptable utilization of 20192
present, new, or alternative energy sources; or concepts, 20193
programs, or technology which develop resources of the state. 20194
Grants may be made, without limitation, for projects and 20195
programs such as experimental demonstrations of the use of Ohio 20196
coal in processes which would facilitate its widespread use as a 20197
source of energy; experimental demonstrations of new or improved 20198
coal, natural gas, and natural petroleum extraction techniques 20199
and of reclamation techniques at the extraction sites; 20200
experimental demonstrations or development of solar heating and 20201
cooling and potentially energy-efficient construction in public 20202
buildings, schools, offices, commercial establishments, and 20203
residential homes; development of programs or experimental 20204
demonstrations of the utilization of waste products in energy 20205
production and mineral and energy conservation; and development 20206
of programs or experimental demonstrations of technologies which 20207
would permit utility pricing policies which may reduce the 20208
consumer costs of energy. 20209

(5) Enter into agreements with persons and governmental 20210
agencies, in any combination, for the purposes of this section. 20211

(B) Any materials or data submitted to, made available by 20212
or to, or received by the director under division (A) of this 20213
section, division (F) of section 1551.12, or division (B) of 20214
section 1551.15 of the Revised Code, and any information taken 20215
from those materials or data for any purpose, to the extent that 20216
those materials or data consist of trade secrets or other 20217
proprietary information, are not public information or public 20218
documents and shall not be open to public inspection. 20219

(C) The exercise by the director of the powers conferred 20220
by sections 1551.01 to 1551.25 of the Revised Code for the 20221
preservation or creation of jobs and employment opportunities 20222
for the people of this state through the development and 20223
efficient utilization of energy resources of the state is in all 20224
respects for the benefit of the people of the state, and is 20225
determined to be an essential government function and public 20226
purpose of the state. 20227

Sec. 1551.12. The director of housing and development may: 20228

(A) Seek, solicit, or acquire personal property or any 20229
estate, interest, or right in real property, or services, funds, 20230
and other things of value of any kind or character by purchase, 20231
lease, gift, grant, contribution, exchange, or otherwise from 20232
any person or governmental agency to be held, used, and applied 20233
in accordance with and for the purposes of sections 1551.01 to 20234
1551.25 of the Revised Code; 20235

(B) Contract for the operation of, and establish rules for 20236
the use of, facilities over which the director has supervision 20237
or control, which rules may include the limitation of ingress to 20238
or egress from such facilities as may be necessary to maintain 20239
the security of such facilities and to provide for the safety of 20240
those on the premises of such facilities; 20241

(C) Purchase such fire and extended coverage insurance and 20242
insurance protecting against liability for damage to property or 20243
injury to or death of persons as the director may consider 20244
necessary and proper under sections 1551.01 to 1551.25 of the 20245
Revised Code; 20246

(D) Sponsor, conduct, assist, and encourage conferences, 20247
seminars, meetings, institutes, and other forms of meetings; 20248

authorize, prepare, publish, and disseminate any form of 20249
studies, reports, and other publications; originate, prepare, 20250
and assist proposals for the expenditure or granting of funds by 20251
any governmental agency or person for purposes of energy 20252
resource development; and investigate, initiate, sponsor, 20253
participate in, and assist with cooperative activities and 20254
programs involving governmental agencies and other entities of 20255
other states and jurisdictions; 20256

(E) Do all acts and things necessary and proper to carry 20257
out the powers granted and the duties imposed by sections 20258
1551.01 to 1551.25 of the Revised Code; 20259

(F) Make grants of funds to any person, organization, or 20260
governmental agency of the state for the furnishing of goods or 20261
performance of services. 20262

Any person or governmental agency that receives funds from 20263
the department of housing and development, or utilizes the 20264
facilities of the department under sections 1551.01 to 1551.25 20265
of the Revised Code shall agree in writing that all know-how, 20266
trade secrets, and other forms of property, rights, and interest 20267
arising out of developments, discoveries, or inventions, 20268
including patents, copyrights, or royalties thereon, which 20269
result in whole or in part from research, studies, or testing 20270
conducted by use of such funds or facilities shall be the sole 20271
property of the department, except as may be otherwise 20272
negotiated and provided by contract in advance of such research, 20273
studies, or testing. However, such exceptions do not apply to 20274
the director or employees of the department participating in or 20275
performing research, tests, or studies. 20276

Rights retained by the department may be assigned, 20277
licensed, transferred, sold, or otherwise disposed of, in whole 20278

or in part, to any person or governmental agency. Any and all 20279
income, royalties, or proceeds derived or retained from such 20280
dispositions shall be paid to the state and credited to the 20281
general revenue fund. 20282

Any instrument by which real property is acquired pursuant 20283
to this section shall identify the agency of this state that has 20284
the use and benefit of the real property as specified in section 20285
5301.012 of the Revised Code. 20286

Sec. 1551.15. (A) All general revenue fund moneys required 20287
by the department of housing and development for purposes of 20288
sections 1551.01 to 1551.25 of the Revised Code are subject to 20289
appropriation by the general assembly. 20290

(B) The director of housing and development may enter into 20291
agreements, make grants, or enter into contracts for the 20292
purposes of effecting the construction and operation in this 20293
state of experimental, pilot, or demonstration energy resource 20294
development facilities. Before making grants or entering 20295
contracts, the director shall determine that all of the 20296
following criteria are met: 20297

(1) The urgency of public need for the potential results 20298
of the experimental, pilot, or demonstration project is high, 20299
and there is little likelihood that similar results would be 20300
achieved in this state in a timely manner in the absence of 20301
state assistance; 20302

(2) The potential opportunities for private interests to 20303
recapture the investment in the undertaking through the normal 20304
commercial exploitation of proprietary knowledge appear to be 20305
inadequate to encourage timely results in this state; 20306

(3) The extent of the problems treated and the objectives 20307

sought by the project are consistent with the purposes of 20308
sections 1551.01 to 1551.25 of the Revised Code and of general 20309
significance to the state. 20310

This determination by the director shall include the facts 20311
or reasons justifying it and shall be journalized by the 20312
director. 20313

(C) The director may use funds as appropriated, donated, 20314
granted, or received for any of the following purposes: 20315

(1) Construction and related architectural or engineering 20316
studies or purchase of physical plant and equipment for an 20317
experimental, pilot, or demonstration energy resource 20318
development facility; 20319

(2) Acquisition and improvement of land, construction of 20320
roads, and provision of other public facilities incidental and 20321
necessary to the accomplishment of experimental, pilot, or 20322
demonstration energy resource development facilities; 20323

(3) Operation of an energy resource development 20324
experimental, pilot, or demonstration project or facility, which 20325
could include but not be limited to labor, feedstocks, and 20326
repair or replacement parts; 20327

(4) Purchase of all or a portion of the usable output of 20328
energy resource development experimental, pilot, or 20329
demonstration projects and the disposition of this output for 20330
use in the facilities of governmental agencies. 20331

(D) Each grant made pursuant to this section shall be 20332
accomplished through written agreements between the department 20333
and the person or governmental agency which would effect the 20334
construction and operation of the project or facility, and 20335
between the department and the persons and governmental agencies 20336

which would share the expenses and costs of the project or 20337
facility. In addition to such other terms as may be required by 20338
law or advised by counsel, each agreement shall provide for each 20339
of the following conditions: 20340

(1) The limitation of the department's financial 20341
obligations in the project or facility to a specified dollar 20342
amount which shall not exceed one-third of the total costs of 20343
the project or facility; 20344

(2) The financial participation in the project or facility 20345
by the federal government or its agencies, by private 20346
corporations doing business in this state, by local governmental 20347
agencies, or by other organizations; 20348

(3) The disposition of the assets of the project or 20349
facility, should it be terminated or abandoned, in such manner 20350
that the department shall be repaid in the same proportion as 20351
its share in the total of moneys, property, or other assets 20352
expended, contributed, or invested in the project or facility; 20353

(4) The criteria for the identification if and when the 20354
project or facility is commercially viable through the 20355
profitable disposition of its output; 20356

(5) The termination of the department's financial support 20357
at such time the project or facility is commercially viable and 20358
the repayment of the department through the future profits, if 20359
any, of the project or facility. 20360

Sec. 1551.19. The director of housing and development 20361
shall adopt, consistent with the "Energy Policy and Conservation 20362
Act of 1975," 89 Stat. 871, 42 U.S.C.A. 6291, as amended: 20363

(A) Mandatory lighting efficiency rules for all existing 20364
public buildings above a minimum size established by the 20365

director which are owned, leased, or controlled by the state, 20366
except by state colleges and universities; 20367

(B) Lighting efficiency recommendations for all other 20368
existing public buildings larger than the minimum size 20369
established by the director, including those which are owned, 20370
leased, or controlled by state colleges and universities. 20371

For the purposes of this section, "public building" means 20372
any building that is open to the public during normal business 20373
hours. 20374

Sec. 1551.20. (A) As used in this section, "solar or wind 20375
energy system" means any method used directly to provide space 20376
heating or cooling, hot water, industrial process heat, or 20377
mechanical or electric power by the collection, conversion, or 20378
storage of solar or wind energy including, but not limited to, 20379
active or passive solar systems. It does not include any 20380
equipment that is part of a conventional system for such 20381
purposes, that is, a system that does not use solar or wind 20382
energy; nor does it include a roof or any windows or walls that 20383
would be contained in a similar structure not designed or 20384
modified to use solar energy for space heating or cooling, 20385
except for those modifications to the design or construction of 20386
such roof, windows, or walls that are necessary to their 20387
improved use to capture solar energy for space heating or 20388
cooling. 20389

As used in this section, "hydrothermal energy system" 20390
means any method used directly to provide a heating or cooling 20391
effect by causing a thermal exchange with the earth utilizing 20392
any water source, including ground or surface water by use of 20393
appropriate heat exchange equipment. 20394

(B) The director of housing and development shall adopt 20395
rules in accordance with Chapter 119. of the Revised Code 20396
establishing guidelines for identifying solar, wind, or 20397
hydrothermal energy systems and components thereof, and 20398
guidelines for the safety and thermal efficiency of such 20399
systems. The rules shall distinguish such systems from 20400
conventional systems and components thereof, and shall 20401
distinguish from conventional roof, window, or wall design or 20402
construction those modifications to the design or construction 20403
of roofs, windows, or walls that are necessary to their improved 20404
use to capture solar energy for space heating or cooling. The 20405
rules shall determine the eligibility of solar, wind, and 20406
hydrothermal energy systems for the tax exemption under section 20407
5709.53 of the Revised Code. 20408

(C) At the request of any person who designs, 20409
manufactures, installs, or constructs solar, wind, or 20410
hydrothermal energy systems, the director shall review the 20411
detailed construction plans and design calculations for any such 20412
system to determine whether the system complies with the 20413
guidelines adopted under division (B) of this section. If the 20414
system complies with the guidelines, the director shall enter 20415
the name of the system on a list of solar, wind, or hydrothermal 20416
energy systems eligible for the tax exemption under section 20417
5709.53 of the Revised Code. 20418

(D) At the request of any person who desires to design or 20419
install a solar, wind, or hydrothermal energy system for ~~his~~ the 20420
person's own use, the director shall review the plans for or a 20421
narrative description of the system, and the list of components 20422
and materials to be incorporated therein to determine whether 20423
the system complies with the guidelines adopted under division 20424
(B) of this section. If the system complies, the director shall 20425

issue a certificate to that effect to the applicant. 20426

Sec. 1551.311. The general assembly hereby finds and 20427
declares that the future of the Ohio coal industry lies in the 20428
development of clean coal technology and that the 20429
disproportionate economic impact on the state under Title IV of 20430
the "Clean Air Act Amendments of 1990," 104 Stat. 2584, 42 20431
U.S.C.A. 7651, warrants maximum federal assistance to this state 20432
for such development. It is therefore imperative that the 20433
department of housing and development, its Ohio coal development 20434
office, the Ohio coal industry, the Ohio Washington office in 20435
the office of the governor, and the state's congressional 20436
delegation make every effort to acquire any federal assistance 20437
available for the development of clean coal technology, 20438
including assisting entities eligible for grants in their 20439
acquisition. The Ohio coal development agenda required by 20440
section 1551.34 of the Revised Code shall include, in addition 20441
to the other information required by that section, a description 20442
of such efforts and a description of the current status of the 20443
development of clean coal technology in this state and 20444
elsewhere. 20445

Sec. 1551.32. (A) There is hereby established within the 20446
department of housing and development the Ohio coal development 20447
office whose purposes are to do all of the following: 20448

(1) Encourage, promote, and support siting, financing, 20449
construction, and operation of commercially available or scaled 20450
facilities and technologies, including, without limitation, 20451
commercial-scale demonstration facilities and, when necessary or 20452
appropriate to demonstrate the commercial acceptability of a 20453
specific technology, up to three installations within this state 20454
utilizing the specific technology, to more efficiently produce, 20455

beneficiate, market, or use Ohio coal;	20456
(2) Encourage, promote, and support the market acceptance	20457
and increased market use of Ohio coal through technology and	20458
market development;	20459
(3) Assist in the financing of coal development	20460
facilities;	20461
(4) Encourage, promote, and support, in state-owned	20462
buildings, facilities, and operations, use of Ohio coal and	20463
electricity sold by utilities and others in this state that use	20464
Ohio coal for generation;	20465
(5) Improve environmental quality, particularly through	20466
cleaner use of Ohio coal;	20467
(6) Assist and cooperate with governmental agencies,	20468
universities and colleges, coal producers, coal miners, electric	20469
utilities and other coal users, public and private sector coal	20470
development interests, and others in achieving these purposes.	20471
(B) The office shall give priority to improvement or	20472
reconstruction of existing facilities and equipment when	20473
economically feasible, to construction and operation of	20474
commercial-scale facilities, and to technologies, equipment, and	20475
other techniques that enable maximum use of Ohio coal in an	20476
environmentally acceptable, cost-effective manner.	20477
Sec. 1551.33. (A) The director of <u>housing and</u> development	20478
shall appoint and fix the compensation of the director of the	20479
Ohio coal development office. The director shall serve at the	20480
pleasure of the director of <u>housing and</u> development.	20481
(B) The director of the office shall do all of the	20482
following:	20483

- (1) Biennially prepare and maintain the Ohio coal development agenda required under section 1551.34 of the Revised Code; 20484
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- (2) Propose and support policies for the office consistent with the Ohio coal development agenda and develop means to implement the agenda; 20487
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- (3) Initiate, undertake, and support projects to carry out the office's purposes and ensure that the projects are consistent with and meet the selection criteria established by the Ohio coal development agenda; 20490
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- (4) Actively encourage joint participation in and, when feasible, joint funding of the office's projects with governmental agencies, electric utilities, universities and colleges, other public or private interests, or any other person; 20494
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- (5) Establish a table of organization for and employ such employees and agents as are necessary for the administration and operation of the office. Any such employees shall be in the unclassified service and shall serve at the pleasure of the director of housing and development. 20499
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- (6) Convene the technical advisory committee established under section 1551.35 of the Revised Code; 20504
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- (7) Review, with the assistance of the technical advisory committee, proposed coal research and development projects as defined in section 1555.01 of the Revised Code, and coal development projects, submitted to the office by public utilities for the purpose of section 4905.304 of the Revised Code. If the director and the advisory committee determine that any such facility or project has as its purpose the enhanced use 20506
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of Ohio coal in an environmentally acceptable, cost effective 20513
manner, promotes energy conservation, is cost effective, and is 20514
environmentally sound, the director shall submit to the public 20515
utilities commission a report recommending that the commission 20516
allow the recovery of costs associated with the facility or 20517
project under section 4905.304 of the Revised Code and including 20518
the reasons for the recommendation. 20519

(8) Establish such policies, procedures, and guidelines as 20520
are necessary to achieve the office's purposes. 20521

(C) With the approval of the director of housing and 20522
development-, the director of the office may exercise any of the 20523
powers and duties that the director of housing and development 20524
considers appropriate or desirable to achieve the office's 20525
purposes, including, but not limited to, the powers and duties 20526
enumerated in sections 1551.11, 1551.12, and 1551.15 of the 20527
Revised Code. 20528

Additionally, the director of the office may make loans to 20529
governmental agencies or persons for projects to carry out the 20530
office's purposes. Fees, charges, rates of interest, times of 20531
payment of interest and principal, and other terms, conditions, 20532
and provisions of the loans shall be such as the director of the 20533
office determines to be appropriate and in furtherance of the 20534
purposes for which the loans are made. The mortgage lien 20535
securing any moneys lent by the director of the office may be 20536
subordinate to the mortgage lien securing any moneys lent or 20537
invested by a financial institution, but shall be superior to 20538
that securing any moneys lent or expended by any other person. 20539
The moneys used in making the loans shall be disbursed upon 20540
order of the director of the office. 20541

Sec. 1551.35. (A) There is hereby established a technical 20542

advisory committee to assist the director of the Ohio coal 20543
development office in achieving the office's purposes. The 20544
director of housing and development shall appoint to the 20545
committee one member of the public utilities commission and one 20546
representative each of coal production companies, the united 20547
mine workers of America, and electric utilities, as well as two 20548
people with a background in coal research and development 20549
technology, one of whom is employed at the time of the member's 20550
appointment by a state university, as defined in section 20551
3345.011 of the Revised Code. The director of environmental 20552
protection shall serve on the committee as an ex officio member. 20553
Any member of the committee may designate in writing a 20554
substitute to serve in the member's absence on the committee. 20555
The director of environmental protection may designate in 20556
writing the chief of the air pollution control division of the 20557
environmental protection agency to represent the agency. Members 20558
shall serve on the committee at the pleasure of their appointing 20559
authority. Members of the committee appointed by the director of 20560
housing and development, when engaged in their official duties 20561
as members of the committee, shall be compensated on a per diem 20562
basis in accordance with division (J) of section 124.15 of the 20563
Revised Code, except that the member of the public utilities 20564
commission and, while employed by a state university, the member 20565
with a background in coal research, shall not be so compensated. 20566
Members shall receive their actual and necessary expenses 20567
incurred in the performance of their duties. 20568

(B) The technical advisory committee shall review and make 20569
recommendations concerning the Ohio coal development agenda 20570
required under section 1551.34 of the Revised Code, project 20571
proposals, research and development projects submitted to the 20572
office by public utilities for the purpose of section 4905.304 20573

of the Revised Code, proposals for grants, loans, and loan 20574
guarantees for purposes of sections 1555.01 to 1555.06 of the 20575
Revised Code, and such other topics as the director of the 20576
office considers appropriate. 20577

(C) The technical advisory committee may hold an executive 20578
session at any regular or special meeting for the purpose of 20579
considering research and development project proposals or 20580
applications for assistance submitted to the Ohio coal 20581
development office under section 1551.33, or sections 1555.01 to 20582
1555.06, of the Revised Code, to the extent that the proposals 20583
or applications consist of trade secrets or other proprietary 20584
information. 20585

Any materials or data submitted to, made available to, or 20586
received by the department of housing and development or the 20587
director of the Ohio coal development office in connection with 20588
agreements for assistance entered into under this chapter or 20589
Chapter 1555. of the Revised Code, or any information taken from 20590
those materials or data for any purpose, to the extent that the 20591
materials or data consist of trade secrets or other proprietary 20592
information, are not public records for the purposes of section 20593
149.43 of the Revised Code. 20594

As used in this division, "trade secrets" has the same 20595
meaning as in section 1333.61 of the Revised Code. 20596

Sec. 1555.02. It is hereby declared to be the public 20597
policy of this state through the operations of the Ohio coal 20598
development office under this chapter to contribute toward one 20599
or more of the following: to provide for the comfort, health, 20600
safety, and general welfare of all employees and other 20601
inhabitants of this state through research and development 20602
directed toward the discovery of new technologies or the 20603

demonstration or application of existing technologies to enable 20604
the conversion or use of Ohio coal as a fuel or chemical 20605
feedstock in an environmentally acceptable manner thereby 20606
enhancing the marketability and fostering the use of this 20607
state's vast reserves of coal, to assist in the financing of 20608
coal research and development and coal research and development 20609
projects or facilities for persons doing business in this state 20610
and educational and scientific institutions located in this 20611
state, to create or preserve jobs and employment opportunities 20612
or improve the economic welfare of the people of this state, or 20613
to assist and cooperate with such persons and educational and 20614
scientific institutions in conducting coal research and 20615
development. In furtherance of this public policy, the Ohio coal 20616
development office, with the advice of the technical advisory 20617
committee created in section 1551.35 of the Revised Code and the 20618
approval of the director of housing and development, may make 20619
loans, guarantee loans, and make grants to persons doing 20620
business in this state or to educational or scientific 20621
institutions located in this state for coal research and 20622
development projects by such persons or educational or 20623
scientific institutions; may, with the advice of the technical 20624
advisory committee and the approval of the director of housing 20625
and development, request the issuance of coal research and 20626
development general obligations under section 151.07 of the 20627
Revised Code to provide funds for making such loans, loan 20628
guarantees, and grants; and may, with the advice of the 20629
technical advisory committee and the approval of the director of 20630
housing and development, expend moneys credited to the coal 20631
research and development fund created in section 1555.15 of the 20632
Revised Code for the purpose of making such loans, loan 20633
guarantees, and grants. Determinations by the director of the 20634
Ohio coal development office that coal research and development 20635

or a coal research and development facility is a coal research 20636
and development project under this chapter and is consistent 20637
with the purposes of Section 15 of Article VIII, Ohio 20638
Constitution, and this chapter shall be conclusive as to the 20639
validity and enforceability of the coal research and development 20640
general obligations issued to finance such project and of the 20641
authorizations, trust agreements or indentures, loan agreements, 20642
loan guarantee agreements, or grant agreements, and other 20643
agreements made in connection therewith, all in accordance with 20644
their terms. 20645

Sec. 1555.03. For the purposes of this chapter, the 20646
director of the Ohio coal development office may: 20647

(A) With the advice of the technical advisory committee 20648
created in section 1551.35 of the Revised Code and the approval 20649
of the director of housing and development, make loans, 20650
guarantee loans, and make grants to persons doing business in 20651
this state or to educational or scientific institutions located 20652
in this state for coal research and development projects by any 20653
such person or educational or scientific institution and adopt 20654
rules under Chapter 119. of the Revised Code for making such 20655
loans, guarantees, and grants. 20656

(B) In making loans, loan guarantees, and grants under 20657
division (A) of this section and section 1555.04 of the Revised 20658
Code, the director of the office shall ensure that an adequate 20659
portion of the total amount of those loans, loan guarantees, and 20660
grants, as determined by the director with the advice of the 20661
technical advisory committee, is used for conducting research on 20662
fundamental scientific problems related to the utilization of 20663
Ohio coal and shall ensure, to the maximum feasible extent, 20664
joint financial participation by the federal government or other 20665

investors or interested parties in conjunction with any such 20666
loan, loan guarantee, or grant. The director, in each grant 20667
agreement or contract under division (A) of this section, loan 20668
contract or agreement under this division or section 1555.04 of 20669
the Revised Code, and contract of guarantee under section 20670
1555.05 of the Revised Code, shall require that the facility or 20671
project be maintained and kept in good condition and repair by 20672
the person or educational or scientific institution to whom the 20673
grant or loan was made or for whom the guarantee was made. 20674

(C) From time to time, with the advice of the technical 20675
advisory committee and the approval of the director of housing 20676
and development, request the issuance of coal research and 20677
development general obligations under section 151.07 of the 20678
Revised Code, for any of the purposes set forth in Section 15 of 20679
Article VIII, Ohio Constitution, and subject to the limitations 20680
therein upon the aggregate total amount of obligations that may 20681
be outstanding at any time. 20682

(D) Include as a condition of any loan, loan guarantee, or 20683
grant contract or agreement with any such person or educational 20684
or scientific institution that the director of the office 20685
receive, in addition to payments of principal and interest on 20686
any such loan or service charges for any such guarantee, as 20687
appropriate, as authorized by Section 15 of Article VIII, Ohio 20688
Constitution, a reasonable royalty or portion of the income or 20689
profits arising out of the developments, discoveries, or 20690
inventions, including patents or copyrights, that result in 20691
whole or in part from coal research and development projects 20692
conducted under any such contract or agreement, in such amounts 20693
and for such period of years as may be negotiated and provided 20694
by the contract or agreement in advance of the making of the 20695
grant, loan, or loan guarantee. Moneys received by the director 20696

of the office under this section may be credited to the coal 20697
research and development bond service fund or used to make 20698
additional loans, loan guarantees, grants, or agreements under 20699
this section. 20700

(E) Employ managers, superintendents, and other employees 20701
and retain or contract with consulting engineers, financial 20702
consultants, accounting experts, architects, and such other 20703
consultants and independent contractors as are necessary in the 20704
judgment of the director of the office to carry out this 20705
chapter, and fix the compensation thereof. 20706

(F) Receive and accept from any federal agency, subject to 20707
the approval of the governor, grants for or in aid of the 20708
construction or operation of any coal research and development 20709
project or for coal research and development, and receive and 20710
accept aid or contributions from any source of money, property, 20711
labor, or other things of value, to be held, used, and applied 20712
only for the purposes for which such grants and contributions 20713
are made. 20714

(G) Purchase fire and extended coverage and liability 20715
insurance for any coal research and development project, 20716
insurance protecting the office and its officers and employees 20717
against liability for damage to property or injury to or death 20718
of persons arising from its operations, and any other insurance 20719
the director of the office determines necessary or proper under 20720
this chapter. Any moneys received by the director from the 20721
proceeds of any such insurance with respect to a coal research 20722
and development project and any moneys received by the director 20723
from the proceeds of any settlement, judgment, foreclosure, or 20724
other insurance with respect to a coal research and development 20725
project or facility shall be credited to the coal research and 20726

development bond service fund. 20727

(H) In the exercise of the powers of the director of the 20728
office under this chapter, call to the director's assistance, 20729
temporarily, from time to time, any engineers, technical 20730
experts, financial experts, and other employees in any state 20731
department, agency, or commission, or in the Ohio state 20732
university, or other educational institutions financed wholly or 20733
partially by this state for purposes of assisting the director 20734
of the office with reviewing and evaluating applications for 20735
financial assistance under this chapter, monitoring performance 20736
of coal research and development projects receiving financial 20737
assistance under this chapter, and reviewing and evaluating the 20738
progress and findings of those projects. Such engineers, 20739
experts, and employees shall not receive any additional 20740
compensation over that which they receive from the department, 20741
agency, commission, or educational institution by which they are 20742
employed, but they shall be reimbursed for their actual and 20743
necessary expenses incurred while working under the direction of 20744
the director. 20745

(I) Do all acts necessary or proper to carry out the 20746
powers expressly granted in this chapter. 20747

Sec. 1555.04. (A) With respect to coal research and 20748
development projects financed wholly or partially from a loan or 20749
loan guarantee under this chapter, the director of the Ohio coal 20750
development office, in addition to other powers under this 20751
chapter, with the advice of the technical advisory committee 20752
created in section 1551.35 of the Revised Code and the approval 20753
of the director of housing and development, may enter into loan 20754
agreements, accept notes and other forms of obligation to 20755
evidence such indebtedness and mortgages, liens, pledges, 20756

assignments, or other security interests to secure such 20757
indebtedness, which may be prior or subordinate to or on a 20758
parity with other indebtedness, obligations, mortgages, pledges, 20759
assignments, other security interests, or liens or encumbrances, 20760
and take such actions as the director of the office considers 20761
appropriate to protect such security and safeguard against 20762
losses, including, without limitation, foreclosure and the 20763
bidding upon and purchase of property upon foreclosure or other 20764
sale. 20765

(B) The authority granted by this section is cumulative 20766
and supplementary to all other authority granted in this 20767
chapter. The authority granted by this section does not alter or 20768
impair any similar authority granted elsewhere in this chapter 20769
with respect to other projects. 20770

Sec. 1555.05. (A) Subject to any limitations as to 20771
aggregate amounts thereof that may from time to time be 20772
prescribed by the general assembly and to other applicable 20773
provisions of this chapter, and subject to the one-hundred- 20774
million-dollar limitation provided in Section 15 of Article 20775
VIII, Ohio Constitution, the director of the Ohio coal 20776
development office, on behalf of this state, with the advice of 20777
the technical advisory committee created in section 1551.35 of 20778
the Revised Code and the approval of the director of housing and 20779
development, may enter into contracts to guarantee the repayment 20780
or payment of the unpaid principal amount of loans made to pay 20781
the costs of coal research and development projects. 20782

(B) The contract of guarantee may make provision for the 20783
conditions of, time for, and manner of fulfillment of the 20784
guarantee commitment, subrogation of this state to the rights of 20785
the parties guaranteed and exercise of such parties' rights by 20786

the state, giving the state the option of making payment of the 20787
principal amount guaranteed in one or more installments and, if 20788
deferred, to pay interest thereon from the source specified in 20789
division (A) of this section, and any other terms or conditions 20790
customary to such guarantees and as the director of the office 20791
may approve, and may contain provisions for securing the 20792
guarantee in the manner consistent with this section, covenants 20793
on behalf of this state to issue obligations under section 20794
1555.08 of the Revised Code to provide moneys to fulfill such 20795
guarantees and covenants, and covenants restricting the 20796
aggregate amount of guarantees that may be contracted under this 20797
section and obligations that may be issued under section 151.07 20798
of the Revised Code, and terms pertinent to either, to better 20799
secure the parties guaranteed. 20800

(C) The director of the office may fix service charges for 20801
making a guarantee. Such charges shall be payable at such times 20802
and place and in such amounts and manner as may be prescribed by 20803
the director. Moneys received from such charges shall be 20804
credited to the coal research and development bond service fund. 20805

(D) Any guaranteed parties under this section, by any 20806
suitable form of legal proceedings and except to the extent that 20807
their rights are restricted by the guarantee documents, may 20808
protect and enforce any rights under the laws of this state or 20809
granted by such guarantee or guarantee documents. Such rights 20810
include the right to compel the performance of all duties of the 20811
office required by this section or the guarantee or guarantee 20812
documents; and in the event of default with respect to the 20813
payment of any guarantees, to apply to a court having 20814
jurisdiction of the cause to appoint a receiver to receive and 20815
administer the moneys pledged to such guarantee with full power 20816
to pay, and to provide for payment of, such guarantee, and with 20817

such powers, subject to the direction of the court, as are 20818
accorded receivers in general equity cases, excluding any power 20819
to pledge or apply additional revenues or receipts or other 20820
income or moneys of this state. Each duty of the office and its 20821
director and employees required or undertaken under this section 20822
or a guarantee made under this section is hereby established as 20823
a duty of the office and of its director and each such employee 20824
having authority to perform such duty, specifically enjoined by 20825
the law resulting from an office, trust, or station within the 20826
meaning of section 2731.01 of the Revised Code. The persons who 20827
are at the time the director of the office, or its employees, 20828
are not liable in their personal capacities on any guarantees or 20829
contracts to make guarantees by the director. 20830

Sec. 1555.06. Upon application by the director of the Ohio 20831
coal development office with the approval of the director of 20832
housing and development, the controlling board, from 20833
appropriations available to the board, may provide funds for 20834
surveys or studies by the office of any proposed coal research 20835
and development project subject to repayment by the office from 20836
funds available to it, within the time fixed by the board. Funds 20837
to be repaid shall be charged by the office to the appropriate 20838
coal research and development project and the amount thereof 20839
shall be a cost of the project. This section does not abrogate 20840
the authority of the controlling board to otherwise provide 20841
funds for use by the office in the exercise of the powers 20842
granted to it by this chapter. 20843

Sec. 1555.08. (A) Subject to the limitations provided in 20844
Section 15 of Article VIII, Ohio Constitution, the commissioners 20845
of the sinking fund, upon certification by the director of the 20846
Ohio coal development office of the amount of moneys or 20847
additional moneys needed in the coal research and development 20848

fund for the purpose of making grants or loans for allowable 20849
costs, or needed for capitalized interest, for funding reserves, 20850
and for paying costs and expenses incurred in connection with 20851
the issuance, carrying, securing, paying, redeeming, or 20852
retirement of the obligations or any obligations refunded 20853
thereby, including payment of costs and expenses relating to 20854
letters of credit, lines of credit, insurance, put agreements, 20855
standby purchase agreements, indexing, marketing, remarketing 20856
and administrative arrangements, interest swap or hedging 20857
agreements, and any other credit enhancement, liquidity, 20858
remarketing, renewal, or refunding arrangements, all of which 20859
are authorized by this section, or providing moneys for loan 20860
guarantees, shall issue obligations of the state under this 20861
section in amounts authorized by the general assembly; provided 20862
that such obligations may be issued to the extent necessary to 20863
satisfy the covenants in contracts of guarantee made under 20864
section 1555.05 of the Revised Code to issue obligations to meet 20865
such guarantees, notwithstanding limitations otherwise 20866
applicable to the issuance of obligations under this section 20867
except the one-hundred-million-dollar limitation provided in 20868
Section 15 of Article VIII, Ohio Constitution. The proceeds of 20869
such obligations, except for the portion to be deposited in the 20870
coal research and development bond service fund as may be 20871
provided in the bond proceedings, shall as provided in the bond 20872
proceedings be deposited in the coal research and development 20873
fund. The commissioners of the sinking fund may appoint 20874
trustees, paying agents, and transfer agents and may retain the 20875
services of financial advisors, accounting experts, and 20876
attorneys, and retain or contract for the services of marketing, 20877
remarketing, indexing, and administrative agents, other 20878
consultants, and independent contractors, including printing 20879
services, as are necessary in their judgment to carry out this 20880

section. 20881

(B) The full faith and credit of the state of Ohio is 20882
hereby pledged to obligations issued under this section. The 20883
right of the holders and owners to payment of bond service 20884
charges is limited to all or that portion of the moneys pledged 20885
thereto pursuant to the bond proceedings in accordance with this 20886
section, and each such obligation shall bear on its face a 20887
statement to that effect. 20888

(C) Obligations shall be authorized by resolution of the 20889
commissioners of the sinking fund on request of the director of 20890
the Ohio coal development office as provided in section 1555.02 20891
of the Revised Code and the bond proceedings shall provide for 20892
the purpose thereof and the principal amount or amounts, and 20893
shall provide for or authorize the manner or agency for 20894
determining the principal maturity or maturities, not exceeding 20895
forty years from the date of issuance, the interest rate or 20896
rates or the maximum interest rate, the date of the obligations 20897
and the dates of payment of interest thereon, their 20898
denomination, and the establishment within or without the state 20899
of a place or places of payment of bond service charges. 20900
Sections 9.98 to 9.983 of the Revised Code apply to obligations 20901
issued under this section. The purpose of such obligations may 20902
be stated in the bond proceedings in terms describing the 20903
general purpose or purposes to be served. The bond proceedings 20904
shall also provide, subject to the provisions of any other 20905
applicable bond proceedings, for the pledge of all, or such part 20906
as the commissioners of the sinking fund may determine, of the 20907
moneys credited to the coal research and development bond 20908
service fund to the payment of bond service charges, which 20909
pledges may be made either prior or subordinate to other 20910
expenses, claims, or payments and may be made to secure the 20911

obligations on a parity with obligations theretofore or 20912
thereafter issued, if and to the extent provided in the bond 20913
proceedings. The moneys so pledged and thereafter received by 20914
the state are immediately subject to the lien of such pledge 20915
without any physical delivery thereof or further act, and the 20916
lien of any such pledges is valid and binding against all 20917
parties having claims of any kind against the state or any 20918
governmental agency of the state, irrespective of whether such 20919
parties have notice thereof, and shall create a perfected 20920
security interest for all purposes of Chapter 1309. of the 20921
Revised Code, without the necessity for separation or delivery 20922
of funds or for the filing or recording of the bond proceedings 20923
by which such pledge is created or any certificate, statement, 20924
or other document with respect thereto; and the pledge of such 20925
moneys is effective and the money therefrom and thereof may be 20926
applied to the purposes for which pledged without necessity for 20927
any act of appropriation. Every pledge, and every covenant and 20928
agreement made with respect thereto, made in the bond 20929
proceedings may therein be extended to the benefit of the owners 20930
and holders of obligations authorized by this section, and to 20931
any trustee therefor, for the further security of the payment of 20932
the bond service charges. 20933

(D) The bond proceedings may contain additional provisions 20934
as to: 20935

(1) The redemption of obligations prior to maturity at the 20936
option of the commissioners of the sinking fund at such price or 20937
prices and under such terms and conditions as are provided in 20938
the bond proceedings; 20939

(2) Other terms of the obligations; 20940

(3) Limitations on the issuance of additional obligations; 20941

(4) The terms of any trust agreement or indenture securing the obligations or under which the obligations may be issued; 20942
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(5) The deposit, investment, and application of the coal research and development bond service fund, and the safeguarding of moneys on hand or on deposit, without regard to Chapter 131. or 135. of the Revised Code, but subject to any special provisions of this chapter, with respect to particular moneys; provided, that any bank or trust company which acts as depository of any moneys in the fund may furnish such indemnifying bonds or may pledge such securities as required by the commissioners of the sinking fund; 20944
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(6) Any other provision of the bond proceedings being binding upon the commissioners of the sinking fund, or such other body or person as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision; 20953
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(7) Any provision which may be made in a trust agreement or indenture; 20958
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(8) Any other or additional agreements with the holders of the obligations, or the trustee therefor, relating to the obligations or the security therefor, including the assignment of mortgages or other security obtained or to be obtained for loans under this chapter. 20960
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(E) The obligations may have the great seal of the state or a facsimile thereof affixed thereto or printed thereon. The obligations shall be signed by such members of the commissioners of the sinking fund as are designated in the resolution authorizing the obligations or bear the facsimile signatures of such members. Any coupons attached to the obligations shall bear 20965
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the facsimile signature of the treasurer of state. Any 20971
obligations may be executed by the persons who, on the date of 20972
execution, are the commissioners although on the date of such 20973
bonds the persons were not the commissioners. Any coupons may be 20974
executed by the person who, on the date of execution, is the 20975
treasurer of state although on the date of such coupons the 20976
person was not the treasurer of state. In case any officer or 20977
commissioner whose signature or a facsimile of whose signature 20978
appears on any such obligations or any coupons ceases to be such 20979
officer or commissioner before delivery thereof, such signature 20980
or facsimile is nevertheless valid and sufficient for all 20981
purposes as if the individual had remained such officer or 20982
commissioner until such delivery; and in case the seal to be 20983
affixed to obligations has been changed after a facsimile of the 20984
seal has been imprinted on such obligations, such facsimile seal 20985
shall continue to be sufficient as to such obligations and 20986
obligations issued in substitution or exchange therefor. 20987

(F) All obligations except loan guarantees are negotiable 20988
instruments and securities under Chapter 1308. of the Revised 20989
Code, subject to the provisions of the bond proceedings as to 20990
registration. The obligations may be issued in coupon or in 20991
registered form, or both, as the commissioners of the sinking 20992
fund determine. Provision may be made for the registration of 20993
any obligations with coupons attached thereto as to principal 20994
alone or as to both principal and interest, their exchange for 20995
obligations so registered, and for the conversion or 20996
reconversion into obligations with coupons attached thereto of 20997
any obligations registered as to both principal and interest, 20998
and for reasonable charges for such registration, exchange, 20999
conversion, and reconversion. 21000

(G) Obligations may be sold at public sale or at private 21001

sale, as determined in the bond proceedings. 21002

(H) Pending preparation of definitive obligations, the 21003
commissioners of the sinking fund may issue interim receipts or 21004
certificates which shall be exchanged for such definitive 21005
obligations. 21006

(I) In the discretion of the commissioners of the sinking 21007
fund, obligations may be secured additionally by a trust 21008
agreement or indenture between the commissioners and a corporate 21009
trustee, which may be any trust company or bank having a place 21010
of business within the state. Any such agreement or indenture 21011
may contain the resolution authorizing the issuance of the 21012
obligations, any provisions that may be contained in any bond 21013
proceedings, and other provisions that are customary or 21014
appropriate in an agreement or indenture of such type, 21015
including, but not limited to: 21016

(1) Maintenance of each pledge, trust agreement, 21017
indenture, or other instrument comprising part of the bond 21018
proceedings until the state has fully paid the bond service 21019
charges on the obligations secured thereby, or provision 21020
therefor has been made; 21021

(2) In the event of default in any payments required to be 21022
made by the bond proceedings, or any other agreement of the 21023
commissioners of the sinking fund made as a part of the contract 21024
under which the obligations were issued, enforcement of such 21025
payments or agreement by mandamus, the appointment of a 21026
receiver, suit in equity, action at law, or any combination of 21027
the foregoing; 21028

(3) The rights and remedies of the holders of obligations 21029
and of the trustee, and provisions for protecting and enforcing 21030

them, including limitations on rights of individual holders of obligations; 21031
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(4) The replacement of any obligations that become mutilated or are destroyed, lost, or stolen; 21033
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(5) Such other provisions as the trustee and the commissioners of the sinking fund agree upon, including limitations, conditions, or qualifications relating to any of the foregoing. 21035
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(J) Any holder of obligations or a trustee under the bond proceedings, except to the extent that the holder's rights are restricted by the bond proceedings, may by any suitable form of legal proceedings protect and enforce any rights under the laws of this state or granted by such bond proceedings. Such rights include the right to compel the performance of all duties of the commissioners of the sinking fund, the department of housing and development, or the Ohio coal development office required by this chapter and Chapter 1551. of the Revised Code or the bond proceedings; to enjoin unlawful activities; and in the event of default with respect to the payment of any bond service charges on any obligations or in the performance of any covenant or agreement on the part of the commissioners, the department, or the office in the bond proceedings, to apply to a court having jurisdiction of the cause to appoint a receiver to receive and administer the moneys pledged, other than those in the custody of the treasurer of state, that are pledged to the payment of the bond service charges on such obligations or that are the subject of the covenant or agreement, with full power to pay, and to provide for payment of bond service charges on, such obligations, and with such powers, subject to the direction of the court, as are accorded receivers in general equity cases, 21039
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excluding any power to pledge additional revenues or receipts or 21061
other income or moneys of the commissioners of the sinking fund 21062
or the state or governmental agencies of the state to the 21063
payment of such principal and interest and excluding the power 21064
to take possession of, mortgage, or cause the sale or otherwise 21065
dispose of any project. 21066

Each duty of the commissioners of the sinking fund and 21067
their employees, and of each governmental agency and its 21068
officers, members, or employees, undertaken pursuant to the bond 21069
proceedings or any grant, loan, or loan guarantee agreement made 21070
under authority of this chapter, and in every agreement by or 21071
with the commissioners, is hereby established as a duty of the 21072
commissioners, and of each such officer, member, or employee 21073
having authority to perform such duty, specifically enjoined by 21074
the law resulting from an office, trust, or station within the 21075
meaning of section 2731.01 of the Revised Code. 21076

The persons who are at the time the commissioners of the 21077
sinking fund, or their employees, are not liable in their 21078
personal capacities on any obligations issued by the 21079
commissioners or any agreements of or with the commissioners. 21080

(K) Obligations issued under this section are lawful 21081
investments for banks, societies for savings, savings and loan 21082
associations, deposit guarantee associations, trust companies, 21083
trustees, fiduciaries, insurance companies, including domestic 21084
for life and domestic not for life, trustees or other officers 21085
having charge of sinking and bond retirement or other special 21086
funds of political subdivisions and taxing districts of this 21087
state, the commissioners of the sinking fund of the state, the 21088
administrator of workers' compensation, the state teachers 21089
retirement system, the public employees retirement system, the 21090

school employees retirement system, and the Ohio police and fire 21091
pension fund, notwithstanding any other provisions of the 21092
Revised Code or rules adopted pursuant thereto by any 21093
governmental agency of the state with respect to investments by 21094
them, and are also acceptable as security for the deposit of 21095
public moneys. 21096

(L) If the law or the instrument creating a trust pursuant 21097
to division (I) of this section expressly permits investment in 21098
direct obligations of the United States or an agency of the 21099
United States, unless expressly prohibited by the instrument, 21100
such moneys also may be invested in no-front-end-load money 21101
market mutual funds consisting exclusively of obligations of the 21102
United States or an agency of the United States and in 21103
repurchase agreements, including those issued by the fiduciary 21104
itself, secured by obligations of the United States or an agency 21105
of the United States; and in collective investment funds 21106
established in accordance with section 1111.14 of the Revised 21107
Code and consisting exclusively of any such securities, 21108
notwithstanding division (A)(1)(c) of that section. The income 21109
from such investments shall be credited to such funds as the 21110
commissioners of the sinking fund determine, and such 21111
investments may be sold at such times as the commissioners 21112
determine or authorize. 21113

(M) Provision may be made in the applicable bond 21114
proceedings for the establishment of separate accounts in the 21115
bond service fund and for the application of such accounts only 21116
to the specified bond service charges on obligations pertinent 21117
to such accounts and bond service fund and for other accounts 21118
therein within the general purposes of such fund. Moneys to the 21119
credit of the bond service fund shall be disbursed on the order 21120
of the treasurer of state; provided, that no such order is 21121

required for the payment from the bond service fund when due of 21122
bond service charges on obligations. 21123

(N) The commissioners of the sinking fund may pledge all, 21124
or such portion as they determine, of the receipts of the bond 21125
service fund to the payment of bond service charges on 21126
obligations issued under this section, and for the establishment 21127
and maintenance of any reserves, as provided in the bond 21128
proceedings, and make other provisions therein with respect to 21129
pledged receipts as authorized by this chapter, which provisions 21130
control notwithstanding any other provisions of law pertaining 21131
thereto. 21132

(O) The commissioners of the sinking fund may covenant in 21133
the bond proceedings, and any such covenants control 21134
notwithstanding any other provision of law, that the state and 21135
applicable officers and governmental agencies of the state, 21136
including the general assembly, so long as any obligations are 21137
outstanding, shall: 21138

(1) Maintain statutory authority for and cause to be 21139
levied and collected taxes so that the pledged receipts are 21140
sufficient in amount to meet bond service charges, and the 21141
establishment and maintenance of any reserves and other 21142
requirements provided for in the bond proceedings, and, as 21143
necessary, to meet covenants contained in any loan guarantees 21144
made under this chapter; 21145

(2) Take or permit no action, by statute or otherwise, 21146
that would impair the exemption from federal income taxation of 21147
the interest on the obligations. 21148

(P) All moneys received by or on account of the state and 21149
required by the applicable bond proceedings, consistent with 21150

this section, to be deposited, transferred, or credited to the 21151
coal research and development bond service fund, and all other 21152
moneys transferred or allocated to or received for the purposes 21153
of the fund, shall be credited to such fund and to any separate 21154
accounts therein, subject to applicable provisions of the bond 21155
proceedings, but without necessity for any act of appropriation. 21156
During the period beginning with the date of the first issuance 21157
of obligations and continuing during such time as any such 21158
obligations are outstanding, and so long as moneys in the bond 21159
service fund are insufficient to pay all bond service charges on 21160
such obligations becoming due in each year, a sufficient amount 21161
of moneys of the state are committed and shall be paid to the 21162
bond service fund in each year for the purpose of paying the 21163
bond service charges becoming due in that year without necessity 21164
for further act of appropriation for such purpose. The bond 21165
service fund is a trust fund and is hereby pledged to the 21166
payment of bond service charges to the extent provided in the 21167
applicable bond proceedings, and payment thereof from such fund 21168
shall be made or provided for by the treasurer of state in 21169
accordance with such bond proceedings without necessity for any 21170
act of appropriation. All investment earnings of the fund shall 21171
be credited to the fund. 21172

(Q) For purposes of establishing the limitations contained 21173
in Section 15 of Article VIII, Ohio Constitution, the "principal 21174
amount" refers to the aggregate of the offering price of the 21175
bonds or notes. "Principal amount" does not refer to the 21176
aggregate value at maturity or redemption of the bonds or notes. 21177

(R) This section applies only with respect to obligations 21178
issued and delivered prior to September 30, 2000. 21179

Sec. 1555.17. All final actions of the director of the 21180

Ohio coal development office shall be journalized and such 21181
journal shall be open to inspection of the public at all 21182
reasonable times. Any materials or data, to the extent that they 21183
consist of trade secrets, as defined in section 1333.61 of the 21184
Revised Code, or other proprietary information, that are 21185
submitted or made available to, or received by, the department 21186
of housing and development or the director of the Ohio coal 21187
development office, in connection with agreements for assistance 21188
entered into under this chapter or Chapter 1551. of the Revised 21189
Code, or any information taken from those materials or data, are 21190
not public records for the purposes of section 149.43 of the 21191
Revised Code. 21192

Sec. 1728.01. As used in sections 1728.01 to 1728.13 of 21193
the Revised Code: 21194

(A) "Governing body" means, in the case of a municipal 21195
corporation, the city council or legislative authority. 21196

(B) "Community urban redevelopment corporation" means a 21197
corporation qualified under Chapter 1728. of the Revised Code, 21198
to acquire, construct, operate, and maintain a project 21199
hereunder, or to acquire, operate, and maintain a project 21200
constructed by a corporation so qualified under Chapter 1728. of 21201
the Revised Code, and the term "corporation" when used within 21202
Chapter 1728. of the Revised Code, shall be understood to be a 21203
contraction of the term "community urban redevelopment 21204
corporation" except when the context indicates otherwise. 21205

(C) "Impacted city" means a municipal corporation that 21206
meets the requirements of either division (C) (1) or (2) of this 21207
section: 21208

(1) In attempting to cope with the problems of 21209

urbanization, to create or preserve jobs and employment 21210
opportunities, and to improve the economic welfare of the people 21211
of the municipal corporation, the municipal corporation has at 21212
some time: 21213

(a) Taken affirmative action by its legislative body to 21214
permit the construction of housing by a metropolitan housing 21215
authority organized pursuant to sections 3735.27 to 3735.39 of 21216
the Revised Code within its corporate boundaries or to permit 21217
such a metropolitan housing authority to lease dwelling units 21218
within its corporate boundaries; and 21219

(b) Been certified by the director of the department of 21220
housing and development that a workable program for community 21221
improvement (which shall include an official plan of action for 21222
effectively dealing with the problem of urban slums and blight 21223
within the community and for the establishment and preservation 21224
of a well-planned community with well-organized residential 21225
neighborhoods of decent homes and suitable living environment 21226
for adequate family life) for utilizing appropriate private and 21227
public resources to eliminate, and to prevent the development or 21228
spread of, slums and urban blight, to encourage needed urban 21229
rehabilitation, to provide for the redevelopment of blighted, 21230
deteriorated, or slum areas, to undertake such activities or 21231
other feasible community activities as may be suitably employed 21232
to achieve the objectives of such a program has been adopted. A 21233
determination by the United States that the impacted city's 21234
workable program meets the federal workable program requirements 21235
shall be sufficient for the director's certification. 21236

(2) Been declared a major disaster area, or part of a 21237
major disaster area, pursuant to the "Disaster Relief Act of 21238
1970," 84 Stat. 1744, 42 U.S.C.A. 4401, as now or hereafter 21239

amended, and has been extensively damaged or destroyed by a 21240
major disaster, provided that impacted city status obtained 21241
pursuant to division (C) (2) of this section lasts for only a 21242
limited period from the date of the declaration, as determined 21243
by the rules promulgated pursuant to division (G) of section 21244
122.06 of the Revised Code, but in the event that an impacted 21245
city, while qualified under such division, enters into a 21246
financial agreement with a community urban redevelopment 21247
corporation pursuant to section 1728.07 of the Revised Code, a 21248
loss of certification under such rules shall not affect that 21249
agreement or the project to which it relates. 21250

(D) "Community development plan" means a plan, as it 21251
exists from time to time, for the redevelopment and renewal of a 21252
blighted area, which plan shall conform to the general plan for 21253
the municipality, and shall be sufficiently complete to indicate 21254
such land acquisition, demolition, and removal of structures, 21255
redevelopment, improvements, and rehabilitation as may be 21256
proposed to be carried out in such blighted area, zoning, and 21257
any planning changes, land uses, maximum densities, and building 21258
requirements. 21259

(E) "Blighted area" has the meaning defined in section 21260
1.08 of the Revised Code. 21261

(F) "Project" means: 21262

(1) As to blighted areas within all municipal 21263
corporations, the undertaking and execution of the redevelopment 21264
of a blighted area by a community urban redevelopment 21265
corporation, in whole or in part, pursuant to a community 21266
development plan approved by the governing body of the municipal 21267
corporation in which such blighted area is situated and in 21268
accordance with an agreement for the sale or lease of all or a 21269

portion of the land concerned in such redevelopment to the 21270
corporation by a municipal corporation, or agency, or authority 21271
including the work to be done in reference thereto, the 21272
designation of the particular proposed buildings to be 21273
constructed and their uses and purposes, the landscaping of the 21274
premises, the streets and access roads, recreational facilities, 21275
if any, the furnishing of the public utilities, the financial 21276
arrangements, and the terms and conditions of the proposed 21277
municipal corporation and approval; and 21278

(2) In addition as to blighted areas within impacted 21279
cities, the undertaking and activities of a community urban 21280
redevelopment corporation in a blighted area for the elimination 21281
and for the prevention of the development or spread of blight 21282
pursuant to a community development plan approved by the 21283
governing body of the impacted city and to the extent agreed to 21284
by the governing body of the impacted city in the financial 21285
agreement provided for in section 1728.07 of the Revised Code 21286
and may involve clearance and redevelopment, or rehabilitation 21287
or conservation or any combination or part thereof, in 21288
accordance with such community development plan, and such 21289
aforesaid undertakings and activities may include acquisition of 21290
a blighted area or portion by purchase or otherwise, and 21291
demolition and removal of buildings and improvements. 21292

(G) "Total project unit cost" or "total project cost" 21293
means the aggregate of the following items as related to any 21294
unit of a project if the project is to be undertaken in units or 21295
to the total project if the project is not to be undertaken in 21296
units: 21297

(1) Cost of the land to the community urban redevelopment 21298
corporation; 21299

(2) Architects', engineers', and attorneys' fees paid or payable by the corporation in connection with the planning, construction, and financing of the project;	21300 21301 21302
(3) Surveying and testing charges in connection therewith;	21303
(4) Actual construction cost as certified by the architect, including the cost of any preparation of the site undertaken at the corporation's expense;	21304 21305 21306
(5) Insurance, interest, and finance costs during construction;	21307 21308
(6) Cost of obtaining initial permanent financing;	21309
(7) Commissions and other expenses paid or payable in connection with initial leasing;	21310 21311
(8) Real estate taxes and assessments during the construction period;	21312 21313
(9) Developer's overhead based on a percentage of division (G) (4) of this section, to be computed in accordance with the following schedule:	21314 21315 21316

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	1	2
A	\$500,000 or less	- 10 per cent
B	500,001 through \$ 1,000,000	- \$50,000 plus 8 per cent on excess above \$500,000
C	1,000,001 through 2,000,000	- 90,000 plus 7 per cent on excess above 1,000,000

D	2,000,001 through 3,500,000	- 160,000 plus 5.6667 per cent on excess above 2,000,000
E	3,500,001 through 5,500,000	- 245,000 plus 4.25 per cent on excess above 3,500,000
F	5,500,001 through 10,000,000	- 330,000 plus 3.7778 per cent on excess above 5,500,000
G	Over 10,000,000	- 5 per cent

(H) "Annual gross revenue" means the total annual gross 21318
rental and other income of a community urban redevelopment 21319
corporation from the project. If in any leasing, any real estate 21320
taxes or assessments on property included in the project, any 21321
premiums for fire or other insurance on or concerning property 21322
included in the project, or any operating or maintenance 21323
expenses ordinarily paid by a landlord are to be paid by the 21324
tenant, such payments shall be computed and deemed to be part of 21325
the rent and shall be included in the annual gross revenue. The 21326
financial agreement provided for in section 1728.07 of the 21327
Revised Code shall establish the method of computing such 21328
additional revenue, and may establish a method of arbitration 21329
where either the landlord or the tenant disputes the amount of 21330
such payments so included in the annual gross revenue. 21331

(I) "Major disaster" means any tornado, storm, flood, high 21332
water, wind-driven water, tidal wave, earthquake, fire, or other 21333
catastrophe. 21334

Sec. 1728.07. Every approved project shall be evidenced by 21335
a financial agreement between the municipal corporation and the 21336
community urban redevelopment corporation. Such agreement shall 21337

be prepared by the community urban redevelopment corporation and 21338
submitted as a separate part of its application for project 21339
approval. 21340

The financial agreement shall be in the form of a contract 21341
requiring full performance within twenty years from the date of 21342
completion of the project and shall, as a minimum, include the 21343
following: 21344

(A) That all improvements in the project to be constructed 21345
or acquired by the corporation shall be exempt from taxation, 21346
subject to section 1728.10 of the Revised Code; 21347

(B) That the corporation shall make payments in lieu of 21348
real estate taxes not less than the amount as provided by 21349
section 1728.11 of the Revised Code; or if the municipal 21350
corporation is an impacted city, not less than the amount as 21351
provided by section 1728.111 of the Revised Code; 21352

(C) That the corporation, its successors and assigns, 21353
shall use, develop, and redevelop the real property of the 21354
project in accordance with, and for the period of, the community 21355
development plan approved by the governing body of the municipal 21356
corporation for the blighted area in which the project is 21357
situated and shall so bind its successors and assigns by 21358
appropriate agreements and covenants running with the land 21359
enforceable by the municipal corporation. 21360

(D) If the municipal corporation is an impacted city, the 21361
extent of the undertakings and activities of the corporation for 21362
the elimination and for the prevention of the development or 21363
spread of blight. 21364

(E) That the corporation or the municipal corporation, or 21365
both, shall provide for carrying out relocation of persons, 21366

families, business concerns, and others displaced by the 21367
project, pursuant to a relocation plan, including the method for 21368
the relocation of residents in decent, safe, and sanitary 21369
dwelling accommodations, and reasonable moving costs, determined 21370
to be feasible by the governing body of the municipal 21371
corporation. Where the relocation plan is carried out by the 21372
corporation, its officers, employees, agents, or lessees, the 21373
municipal corporation shall enforce and supervise the 21374
corporation's compliance with the relocation plan. If the 21375
corporation refuses or fails to comply with the relocation plan 21376
and the municipal corporation fails or refuses to enforce 21377
compliance with such plan, the director of housing and 21378
development may request the attorney general to commence a civil 21379
action against the municipality and the corporation to require 21380
compliance with such relocation plan. Prior to requesting action 21381
by the attorney general the director shall give notice of the 21382
proposed action to the municipality and the corporation, provide 21383
an opportunity to such municipality and corporation for 21384
discussions on the matter, and allow a reasonable time in which 21385
the corporation may begin compliance with the relocation plan, 21386
or the municipality may commence enforcement of the relocation 21387
plan. 21388

(F) That the corporation shall submit annually, within 21389
ninety days after the close of its fiscal year, its auditor's 21390
reports to the mayor and governing body of the municipal 21391
corporation; 21392

(G) That the corporation shall, upon request, permit 21393
inspection of property, equipment, buildings, and other 21394
facilities of the corporation, and also permit examination and 21395
audit of its books, contracts, records, documents, and papers by 21396
authorized representatives of the municipal corporation; 21397

(H) That in the event of any dispute between the parties 21398
the matters in controversy shall be resolved by arbitration in 21399
the manner provided therein; 21400

(I) That operation under the financial agreement is 21401
terminable by the corporation in the manner provided by Chapter 21402
1728. of the Revised Code; 21403

(J) That the corporation shall, at all times prior to the 21404
expiration or other termination of the financial agreement, 21405
remain bound by Chapter 1728. of the Revised Code; 21406

(K) Modifications of the financial agreement may from time 21407
to time be made by agreement between the governing body of the 21408
municipal corporation and the community urban redevelopment 21409
corporation. 21410

Sec. 3326.02. There is hereby established the STEM 21411
committee of the department of education and workforce 21412
consisting of the following members: 21413

(A) The director of education and workforce, or the 21414
director's designee; 21415

(B) The chancellor of higher education, or the 21416
chancellor's designee; 21417

(C) The director of housing and development, or the 21418
director's designee; 21419

(D) Four members of the public, two of whom shall be 21420
appointed by the governor, one of whom shall be appointed by the 21421
speaker of the house of representatives, and one of whom shall 21422
be appointed by the president of the senate. Members of the 21423
public shall be appointed based on their expertise in business 21424
or in STEM fields. 21425

All members of the committee appointed under division (D) 21426
of this section shall serve at the pleasure of their appointing 21427
authority. 21428

If a member listed in divisions (A) to (C) of this section 21429
elects to assign a designee to participate in committee business 21430
on the member's behalf, the member shall assign that designation 21431
to a single person for the time period in which the designation 21432
is effective. 21433

Members of the committee shall receive no compensation for 21434
their services. The department of education and workforce shall 21435
provide administrative support for the committee. 21436

Sec. 3327.17. The department of housing and development 21437
shall establish a biodiesel school bus program under which the 21438
director of housing and development shall make grants to school 21439
districts that use biodiesel fuel for pupil transportation to 21440
help offset incremental costs incurred by using biodiesel 21441
instead of one hundred per cent petroleum diesel. 21442

As used in this section, "biodiesel" has the same meaning 21443
as in section 122.075 of the Revised Code. 21444

Sec. 3333.373. (A) The scholarship rules advisory 21445
committee is hereby established. The committee shall consist of 21446
the chancellor of higher education or the chancellor's designee, 21447
the treasurer of state or the treasurer of state's designee, the 21448
director of housing and development or the director's designee, 21449
one state senator appointed by the president of the senate, one 21450
state representative appointed by the speaker of the house of 21451
representatives, and two public members appointed by the 21452
chancellor of higher education representing the interests of the 21453
state-assisted eligible institutions and private nonprofit 21454

eligible institutions, respectively. 21455

(B) The committee shall provide recommendations to the 21456
chancellor of higher education as to rules, criteria, and 21457
guidelines necessary and appropriate to implement the 21458
scholarship and fellowship programs created by sections 3333.37 21459
to 3333.375 of the Revised Code. 21460

(C) The committee shall meet at least annually to review 21461
the scholarship and fellowship programs guidelines; make 21462
recommendations to amend, rescind, or modify the policy 21463
guidelines; and approve scholarship and fellowship awards to 21464
eligible students. 21465

(D) Sections 101.82 to 101.87 of the Revised Code do not 21466
apply to this section. 21467

Sec. 3333.50. The chancellor of higher education, in 21468
consultation with the governor and the department of housing and 21469
development, shall develop a critical needs rapid response 21470
system to respond quickly to critical workforce shortages in the 21471
state. Not later than ninety days after a critical workforce 21472
shortage is identified, the chancellor shall submit to the 21473
governor a proposal for addressing the shortage through 21474
initiatives of the department of higher education or 21475
institutions of higher education. 21476

Sec. 3366.01. As used in this chapter, the following words 21477
and terms have the following meanings unless the context 21478
indicates a different meaning or intent: 21479

(A) "Bond proceedings" means the order, trust, agreement, 21480
indenture and other agreements, or amendments and supplements to 21481
the foregoing, or any one or more or combination thereof, 21482
authorizing or providing for the terms and conditions applicable 21483

to, or providing for the issuance, security, or liquidity of, 21484
obligations and the provisions contained in such obligations. 21485

(B) "Bond service charges" means principal, including 21486
mandatory sinking fund requirements for retirement of 21487
obligations, and interest, and redemption premium, if any, 21488
required to be paid on obligations. 21489

(C) "Bond service fund" means the applicable fund and 21490
accounts therein created in the bond proceedings for and pledged 21491
to the payment of bond service charges, including all moneys and 21492
investments, and earnings from investments, credited and to be 21493
credited thereto. 21494

(D) "Costs of attendance" means all costs of a student 21495
incurred in connection with a program of study at an eligible 21496
institution, as determined by the institution, including 21497
tuition; instructional fees; room and board; books, computers, 21498
and supplies; and other related fees, charges, and expenses. 21499

(E) "Designated administrator" means, with respect to all 21500
obligations issued prior to September 1, 1999, and to all 21501
nonfederal education loans, the nonprofit corporation designated 21502
on November 10, 1992, under division (D) of section 3351.07 of 21503
the Revised Code to operate exclusively for charitable and 21504
educational purposes by expanding access to higher education 21505
financing programs for students and families in need of student 21506
financial aid. For all other purposes, "designated 21507
administrator" means the Ohio corporation that is a subsidiary 21508
of the nonprofit corporation designated under division (D) of 21509
section 3351.07 of the Revised Code and that has agreed to enter 21510
into an administration agreement with the issuing authority and 21511
the director of housing and development, or any other person 21512
that enters into an administration agreement with the issuing 21513

authority and the director of housing and development. 21514

(F) "Education loan" means a loan made by an eligible 21515
lender pursuant to the policy guidelines to or for the benefit 21516
of a student for the purpose of financing part or all of the 21517
student's costs of attendance. 21518

(G) "Eligible borrower" means any of the following: 21519

(1) Individuals who are residents of the state, and who 21520
are attending and are in good standing in, or who have been 21521
accepted for attendance at, any eligible institution located in 21522
this state or elsewhere, on a part-time or full-time basis, to 21523
pursue an associate, baccalaureate, or advanced degree or a 21524
nursing diploma; 21525

(2) Individuals who reside outside the state and who have 21526
been accepted for attendance at, or who are attending and are in 21527
good standing in, any eligible institution located in this 21528
state, on a part-time or full-time basis, to pursue an 21529
associate, baccalaureate, or advanced degree or a nursing 21530
diploma; 21531

(3) Individuals who are parents or legal guardians of, or 21532
other persons, as set forth in the policy guidelines, borrowing 21533
under an education loan for the benefit of individuals meeting 21534
requirements set forth in division (G)(1) or (2) of this 21535
section, in order to assist them in paying costs of attendance. 21536

(H)(1) "Eligible institution" means an institution 21537
described in any of divisions (H)(1)(a), (b), (c), or (d) of 21538
this section that satisfies all of the requirements set forth in 21539
divisions (H)(2), (3), and (4) of this section. 21540

(a) The institution is a state-assisted post-secondary 21541
educational institution within this state. 21542

(b) The institution is a nonprofit institution within this state having a certificate of authorization from the Ohio board of regents pursuant to Chapter 1713. of the Revised Code.

(c) The institution is a post-secondary educational institution similar to one described in division (H) (1) (a) or (b) of this section that is located outside this state and that is similarly approved by the appropriate agency of that state.

(d) The institution is a private institution exempt from regulation under Chapter 3332. of the Revised Code as prescribed in section 3333.046 of the Revised Code.

(2) The institution is accredited by the appropriate regional and, when appropriate, professional accrediting associations within whose jurisdiction it falls.

(3) The institution satisfies the eligibility requirements for participation in the federal family education loan program authorized under Title IV, Part B, of the "Higher Education Act of 1965," 20 U.S.C.A. 1071 et seq., as amended, as long as that program remains in existence.

(4) The institution satisfies the other conditions set forth in the policy guidelines.

(I) "Eligible lender" means, with respect to lenders making nonfederal education loans, a bank, national banking association, savings bank, savings and loan association, or credit union having an office in this state that satisfies the criteria for eligible lenders established pursuant to the policy guidelines. With respect to lenders making federal education loans, "eligible lender" means any person that is permitted to make loans under the federal family education loan program authorized under Title IV, Part B, of the "Higher Education Act

of 1965," 20 U.S.C.A. 1071 et seq., as amended; that has an 21572
office in this state; and that satisfies the criteria for 21573
eligible lenders established pursuant to the policy guidelines. 21574

(J) "Federal education loan" means an education loan that 21575
is originated in compliance with the federal family education 21576
loan program authorized under Title IV, Part B, of the "Higher 21577
Education Act of 1965," 20 U.S.C.A. 1071 et seq., as amended. 21578

(K) "Governmental agency" means the state and any state 21579
department, division, commission, institution, or authority; the 21580
United States or any agency thereof; or any agency, commission, 21581
or authority established pursuant to an interstate compact or 21582
agreement; or any combination of the foregoing. 21583

(L) "Issuing authority" means the treasurer of state, or 21584
the officer who by law performs the functions of the treasurer 21585
of state. 21586

(M) "Nonfederal education loan" means any education loan 21587
that is not a federal education loan. 21588

(N) "Obligations" means the bonds, notes, or securities of 21589
this state issued by the issuing authority pursuant to this 21590
chapter. 21591

(O) "Person" means any individual, corporation, business 21592
trust, estate, trust, partnership, or association, any federal, 21593
state, interstate, regional, or local governmental agency, any 21594
subdivision of the state, or any combination of these. 21595

(P) "Pledged receipts" means, to the extent the following 21596
are pledged by the bond proceedings for the payment of bond 21597
service charges: all receipts representing moneys accruing from 21598
or in connection with the repayment of education loans, 21599
including interest and payments from any guarantee or insurance 21600

in respect to such education loans; accrued interest received 21601
from the sale of obligations; the balances in the special funds; 21602
income from the investment of the special funds; all right, 21603
title, and interest of the state and the designated 21604
administrator in the education loans and any guarantees or 21605
insurance in respect thereof, and any money representing the 21606
proceeds of obligations or any income from or interest on those 21607
proceeds; or any other gifts, grants, donations, and pledges and 21608
any income and receipts therefrom, available and pledged for the 21609
payment of bond service charges. 21610

(Q) "Policy guidelines" means the rules adopted pursuant 21611
to division (A) of section 3366.03 of the Revised Code. 21612

(R) "Proceeds loan" means the transfer, pursuant to a loan 21613
agreement or agency agreement, of the proceeds of the 21614
obligations, or the deposit of the proceeds of the obligations 21615
with a trustee in trust under a trust agreement, indenture, or 21616
other trust document under the bond proceedings pending their 21617
disbursement for the purposes authorized by this chapter. 21618

(S) "Resident" means any student who would qualify as a 21619
resident of this state for state subsidy and tuition surcharge 21620
purposes under rules adopted by the Ohio board of regents under 21621
section 3333.31 of the Revised Code. 21622

(T) "Special funds" or "funds" means the bond service fund 21623
and any other funds, including reserve funds, created under the 21624
bond proceedings, including all moneys and investments, and 21625
earnings from investment, credited and to be credited thereto. 21626

(U) "Student" means an individual described in division 21627
(G) (1) or (2) of this section who meets requirements established 21628
under the policy guidelines. "Student" includes dependent and 21629

independent undergraduate, graduate, and professional students. 21630

(V) "Subdivision" has the same meaning as in division (MM) 21631
of section 133.01 of the Revised Code. 21632

Sec. 3366.03. (A) In furtherance of the public policy and 21633
purpose set forth in section 3366.02 of the Revised Code and to 21634
implement that purpose, the director of housing and development, 21635
with the approval of the issuing authority, shall adopt, amend, 21636
or rescind rules, pursuant to Chapter 119. of the Revised Code, 21637
establishing such policy guidelines as the director considers 21638
necessary or appropriate to provide for creating a secondary 21639
market for education loans as authorized by this chapter. The 21640
policy guidelines shall include such provisions as the director 21641
considers appropriate to further the public policy and purpose 21642
set forth in section 3366.02 of the Revised Code. 21643

(B) The director of housing and development or the issuing 21644
authority or both may: 21645

(1) Enter into agreements with any designated 21646
administrator to provide for the proceeds loan for the purchase 21647
of education loans on the secondary market; 21648

(2) Enter into agreements with any designated 21649
administrator to provide for stimulating the making of education 21650
loans through the ~~the~~ acquisition of such loans, in accordance 21651
with the policy guidelines; and 21652

(3) Do all other acts and enter into contracts and execute 21653
all instruments necessary or appropriate to carry out the 21654
provisions of this chapter. 21655

(C) All expenses and obligations incurred by the issuing 21656
authority or the director of housing and development in carrying 21657
out duties and in exercising powers under this chapter shall be 21658

payable solely from, as appropriate, pledged receipts, moneys 21659
from the sale of obligations, or any amounts contributed by the 21660
designated administrator. This chapter does not authorize the 21661
issuing authority to incur debt or bonded indebtedness of the 21662
state, or to obligate or pledge any moneys other than pledged 21663
receipts for the payment of any obligations. 21664

(D) The designated administrator, subject to the 21665
applicable provisions of this chapter, shall purchase education 21666
loans from eligible lenders directly or indirectly, with moneys 21667
loaned or otherwise provided to it under this chapter from the 21668
proceeds of obligations, which education loans are used by and 21669
for students for paying costs of attendance at eligible 21670
institutions. 21671

(E) In accordance with the policy guidelines, the 21672
designated administrator shall do all of the following: 21673

(1) Specify the terms of and procedures for making, 21674
selling, purchasing, servicing, and collecting those education 21675
loans eligible for purchase under the guidelines; 21676

(2) Take such actions as may be necessary or appropriate 21677
to establish the terms of, purchase, service or otherwise 21678
administer, and collect any education loan; 21679

(3) With respect to those loans acquired pursuant to this 21680
chapter, establish the fees including, without limitation, 21681
origination and loan fees; charges; rates of interest; times of 21682
payment of interest and principal; late charges; aggregate 21683
amounts of education loans to be issued per year and in total; 21684
eligibility and credit criteria of eligible borrowers; 21685
refinancing or consolidation provisions; criteria for 21686
participation by eligible lenders; criteria for allocating the 21687

distribution of education loans among students attending or 21688
planning to attend different eligible institutions; terms of 21689
sales and purchases of education loans; and other terms, 21690
conditions, and provisions of and security for education loans. 21691

The designated administrator shall not purchase any 21692
education loan unless the loan conforms to the policy 21693
guidelines. 21694

(F) If the director of housing and development determines 21695
that education loans are not being made in the amount or manner 21696
anticipated, the designated administrator, with the consent of 21697
the director, may enter into special arrangements with certain 21698
eligible lenders pursuant to guidelines adopted under this 21699
chapter to stimulate the provision of education loans. 21700

(G) The designated administrator may establish additional 21701
procedures and set other terms and conditions not inconsistent 21702
with the policy guidelines as may be necessary or appropriate in 21703
connection with the program authorized under this chapter. 21704

(H) At least annually by a date specified by the director 21705
of housing and development, the designated administrator shall 21706
provide to the issuing authority and the director of housing and 21707
development reports on the use of the proceeds of obligations. 21708

(I) For purposes of this chapter, any designated 21709
administrator other than the nonprofit corporation designated 21710
under division (D) of section 3351.07 of the Revised Code shall 21711
be a person that maintains its principal place of business in 21712
the state and that has as its principal business the making, 21713
purchasing, holding, or selling of loans made to finance 21714
individuals' cost of post-secondary education. 21715

Sec. 3366.04. (A) The issuing authority may issue 21716

obligations under this section to provide money to make proceeds 21717
loans to the designated administrator for the purpose of 21718
acquiring education loans, or needed for capitalized interest, 21719
for funding reserves, and for paying costs and expenses incurred 21720
in connection with the issuance, carrying, securing, paying, 21721
redeeming, or retirement of the obligations or any obligations 21722
refunded thereby, including payment of costs and expenses 21723
relating to letters of credit, lines of credit, insurance, put 21724
agreements, standby purchase agreements, indexing, marketing, 21725
remarketing and administrative arrangements, interest swap or 21726
hedging agreements, and any other credit enhancement facility as 21727
defined in division (H) of section 133.01 of the Revised Code, 21728
liquidity, remarketing, renewal, or refunding arrangements, all 21729
of which are authorized by this section. The proceeds thereof 21730
shall, as provided in the bond proceedings, be loaned, or 21731
otherwise made available as a proceeds loan, to the designated 21732
administrator. The issuing authority may appoint trustees, 21733
paying agents, and transfer agents and may retain the services 21734
of financial advisors, accounting experts, and attorneys, and 21735
retain or contract for the services of marketing, remarketing, 21736
indexing, and administrative agents, other consultants, and 21737
independent contractors, including printing services, as are 21738
necessary to carry out the provisions of this section. The costs 21739
of such services are allowable costs payable from the proceeds 21740
of such obligations. 21741

(B) The holders or owners of obligations shall have no 21742
right to have taxes levied by the general assembly, or any 21743
moneys other than pledged receipts obligated or pledged, and any 21744
moneys other than pledged receipts shall not be obligated or 21745
pledged, for the payment of bond service charges. The 21746
obligations are not debts of the state, bond service charges are 21747

payable solely from the revenues and funds pledged as pledged 21748
receipts for their payment, and the right of such holders and 21749
owners to payment of bond service charges is limited to pledged 21750
receipts as provided in the bond proceedings, and each such 21751
obligation shall bear on its face a statement to that effect. No 21752
money, including money from the general revenue fund, shall be 21753
appropriated, obligated, or used to pay bond service charges or 21754
the costs incurred in the administration of this chapter, other 21755
than pledged receipts. 21756

(C) Obligations shall be authorized by order of the 21757
issuing authority at the request of the designated administrator 21758
and with the approval of the director of housing and 21759
development, and the bond proceedings shall provide for the 21760
purpose thereof and the principal amount or amounts, and shall 21761
provide for or authorize the manner for determining the 21762
principal maturity or maturities, the interest rate or rates or 21763
the maximum interest rate, the date of the obligations and the 21764
dates of payment of interest thereon, their denomination, and 21765
the establishment within or outside this state of a place or 21766
places of payment of bond service charges. Sections 9.98 to 21767
9.983 of the Revised Code apply to obligations issued under this 21768
section. The purpose of such obligations may be stated in the 21769
bond proceedings in terms describing the general purpose to be 21770
served. The bond proceedings shall also provide, subject to the 21771
provisions of any other applicable bond proceedings, for the 21772
pledge of, and the granting of a security interest in, all, or 21773
such part as the issuing authority may determine, of the pledged 21774
receipts to the payment of bond service charges, which pledge 21775
may be made and security interest granted, subject to the 21776
provisions of any applicable prior bond proceedings, either 21777
prior to or on a parity with or subordinate to other expenses, 21778

claims, or payments, and may be made or granted to secure 21779
obligations senior or subordinate to, or on a parity with, 21780
obligations theretofore or thereafter issued, if and to the 21781
extent provided in the bond proceedings. The pledged receipts so 21782
pledged or subject to a security interest and thereafter 21783
received by the issuing authority or the designated 21784
administrator on behalf of the issuing authority or otherwise 21785
received are immediately subject to such pledge and security 21786
interest without any physical delivery thereof or further act, 21787
and such pledge and security interest are valid, binding, and 21788
enforceable against all parties having claims of any kind 21789
against the state or any governmental agency, or against the 21790
designated administrator, whether or not such parties have 21791
notice thereof, and shall create a perfected security interest 21792
for all purposes of Chapter 1309. of the Revised Code, without 21793
the necessity for separation or delivery or possession of the 21794
pledged receipts, or for the filing or recording of the bond 21795
proceedings by which such pledge and security interest are 21796
created or any certificate, statement, or other document with 21797
respect thereto; and the pledge of such pledged receipts and the 21798
security interest are effective and the money therefrom and 21799
thereof may be applied to the purposes for which pledged without 21800
necessity for any act of appropriation. Every pledge made and 21801
security interest granted, and every covenant and agreement made 21802
with respect thereto in the bond proceedings may therein be 21803
extended to the benefit of the owners and holders of obligations 21804
authorized by this section, and to any trustee therefor, for the 21805
further security of the payment of the bond service charges. 21806

(D) The bond proceedings may contain additional provisions 21807
as to: 21808

(1) The redemption of obligations prior to maturity at 21809

such price or prices and under such terms and conditions as are	21810
provided in the bond proceedings;	21811
(2) Other terms of the obligations;	21812
(3) Limitations on the issuance of additional obligations;	21813
(4) The terms of any trust agreement or indenture securing	21814
the obligations or under which the same may be issued;	21815
(5) The investment of the proceeds of obligations and	21816
amounts on deposit in the special funds;	21817
(6) Any or every provision of the bond proceedings being	21818
binding upon such officer, board, commission, authority, agency,	21819
department, or other person or body as may from time to time	21820
have the authority under law to take such actions as may be	21821
necessary to perform all or any part of the duty required by	21822
such provision;	21823
(7) Any provision that may be made in a trust agreement or	21824
indenture;	21825
(8) Provisions for the use of the proceeds of repayment of	21826
education loans to acquire additional education loans;	21827
(9) Any other or additional agreements with the holders of	21828
the obligations, the trustee therefor, or the designated	21829
administrator, relating to the obligations or the security	21830
therefor, including the assignment of security obtained or to be	21831
obtained for education loans.	21832
(E) The obligations and any coupons pertaining to	21833
obligations shall be in the form specified in the bond	21834
proceedings and shall be signed by or bear the facsimile	21835
signature of the issuing authority. Any obligations or coupons	21836
may be executed by the person who, on the date of execution, is	21837

the proper issuing authority although on the date of such bonds 21838
or coupons such person was not the issuing authority. In case 21839
the issuing authority whose signature or a facsimile of whose 21840
signature appears on any such obligation or coupon ceases to be 21841
the issuing authority before delivery thereof, such signature or 21842
facsimile is nevertheless valid and sufficient for all purposes 21843
as if that official had remained the issuing authority until 21844
such delivery. 21845

(F) All obligations are negotiable instruments and 21846
securities under Chapter 1308. of the Revised Code, subject to 21847
the provisions of the bond proceedings as to registration. The 21848
obligations may be issued in coupon or in registered form, or 21849
both, as the issuing authority determines. Provision may be made 21850
for the registration of any obligations with coupons attached 21851
thereto as to principal alone or as to both principal and 21852
interest, their exchange for obligations so registered, and for 21853
the conversion or reconversion into obligations with coupons 21854
attached thereto of any obligations registered as to both 21855
principal and interest, and for reasonable charges for such 21856
registration, exchange, conversion, and reconversion. 21857

(G) Obligations may be sold at public sale or at private 21858
sale, as determined by the issuing authority in the bond 21859
proceedings. 21860

(H) Pending preparation of definitive obligations, the 21861
issuing authority may issue interim receipts or certificates 21862
which shall be exchanged for such definitive obligations. 21863

(I) In the discretion of the issuing authority, 21864
obligations may be secured additionally by a trust agreement or 21865
indenture between the issuing authority and a corporate trustee 21866
and, if so provided for in the bond proceedings, any other 21867

necessary or appropriate party. Any such trustee shall be a 21868
trust company, bank, or national banking association authorized 21869
to exercise trust powers within the state. Any such agreement or 21870
indenture may contain the order authorizing the issuance of the 21871
obligations, any provisions that may be contained in any bond 21872
proceedings, and other provisions which are customary or 21873
appropriate in an agreement or indenture of such type, 21874
including, but not limited to: 21875

(1) Maintenance of each pledge, security interest, and 21876
trust agreement, indenture, or other instrument comprising part 21877
of the bond proceedings until the bond service charges on the 21878
obligations secured thereby have been fully paid, or provision 21879
therefor has been made in accordance with the bond proceedings; 21880

(2) In the event of default in any payments required to be 21881
made by the bond proceedings, or any other agreement of the 21882
issuing authority made as a part of the contract under which the 21883
obligations were issued, enforcement of such payments or 21884
agreement by mandamus, the appointment of a receiver, suit in 21885
equity, action at law, or any combination of the foregoing; 21886

(3) The rights and remedies of the holders of obligations 21887
and of the trustee, and provisions for protecting and enforcing 21888
them, including limitations on rights of individual holders of 21889
obligations; 21890

(4) The replacement of any obligations that become 21891
mutilated or are destroyed, lost, or stolen; 21892

(5) Such other provisions as the trustee and the issuing 21893
authority agree upon, including limitations, conditions, or 21894
qualifications relating to the education loans that may be made 21895
or acquired pursuant to the trust agreement or indenture. 21896

(J) Any holder of obligations or a trustee under the bond proceedings, except to the extent that rights are restricted by the bond proceedings, may by any suitable form of legal proceedings, protect and enforce any rights under the laws of this state or granted by such bond proceedings. Such rights include the right to compel the performance of all duties of the issuing authority or the director of housing and development required by this chapter or the bond proceedings; to enjoin unlawful activities; and, in the event of default with respect to the payment of any bond service charges on any obligations or in the performance of any covenant or agreement on the part of the issuing authority or the director of housing and development in the bond proceedings, to apply to a court having jurisdiction to appoint a receiver to receive and administer the pledged receipts pledged to the payment of the bond service charges on such obligations or which are the subject of the covenant or agreement, with full power to pay and to provide for payment of bond service charges on such obligations and with such powers, subject to the direction of the court, as are accorded receivers in general equity cases, excluding any power to pledge revenues or receipts or other income or moneys, other than pledged receipts, and excluding any power to take possession of, or cause the sale or otherwise dispose of, any property other than the pledged receipts.

Each duty of the issuing authority, of each governmental agency including the director of housing and development, of the designated administrator, and of any of the officers, members, or employees of any of the foregoing, undertaken pursuant to the bond proceedings or any agreement made under authority of this chapter, and each duty in every agreement by or with the issuing authority under this chapter, each governmental agency including

the director of housing and development, and the designated 21928
administrator, is hereby established as a duty of the issuing 21929
authority, the governmental agency, or the designated 21930
administrator, respectively, and of each such officer, member, 21931
or employee having authority to perform such duty, specifically 21932
enjoined by the law resulting from an office, trust, or station 21933
within the meaning of section 2731.01 of the Revised Code. 21934

The person who is at the time the issuing authority or the 21935
director of housing and development, or the officers or 21936
employees of either of them, are not liable in their personal 21937
capacities on any obligations or any agreements of or with the 21938
issuing authority or the director of housing and development. 21939

(K) The issuing authority may issue obligations for the 21940
refunding, including funding and retirement, and advance 21941
refunding with or without payment or redemption prior to 21942
maturity, of any obligations previously issued. Such obligations 21943
may be issued in amounts sufficient for payment of the principal 21944
amount of the prior obligations, any redemption premiums 21945
thereon, principal maturities of any such obligations maturing 21946
prior to the redemption of the remaining obligations on a parity 21947
therewith, interest accrued or to accrue to the maturity dates 21948
or dates of redemption of such obligations, and expenses 21949
incurred or to be incurred in connection with such issuance and 21950
such refunding, funding, and retirement. Subject to the bond 21951
proceedings therefor, the portion of proceeds of the sale of 21952
obligations issued under this division to be applied to bond 21953
service charges on the prior obligations shall be credited to an 21954
appropriate account held by the trustee for such prior or new 21955
obligations or to the appropriate account in the bond service 21956
fund for such obligations. Obligations authorized under this 21957
division shall be deemed to be issued for those purposes for 21958

which such prior obligations were issued and are subject to the 21959
provisions of this section pertaining to other obligations, 21960
except as otherwise provided in this section. 21961

(L) The authority to issue obligations under this section 21962
includes authority to issue obligations in the form of bond 21963
anticipation notes and to renew the same from time to time by 21964
the issuance of new notes. The holders of such notes or interest 21965
coupons pertaining thereto shall have a right to be paid solely 21966
from the pledged receipts and special funds that may be pledged 21967
to the payment of the bonds anticipated, or from the proceeds of 21968
such anticipated bonds or renewal notes, or both, as the issuing 21969
authority provides in the order authorizing such notes. Such 21970
notes may be additionally secured by covenants of the issuing 21971
authority and the director of housing and development to the 21972
effect that the issuing authority and the director of housing 21973
and development will do such or all things necessary for the 21974
issuance of such bonds or renewal notes in appropriate amounts, 21975
and apply the proceeds thereof to the extent necessary, to make 21976
full payment of the principal of and interest on such notes at 21977
the time or times contemplated, as provided in such order. For 21978
this purpose, the issuing authority shall issue bonds or renewal 21979
notes in such principal amount and upon such terms as may be 21980
necessary to provide funds to pay, when required, the principal 21981
of and interest and any premium on such notes. Subject to this 21982
division, all provisions for and references to obligations in 21983
this section are applicable to notes authorized under this 21984
division. 21985

The issuing authority in the bond proceedings authorizing 21986
the issuance of bond anticipation notes shall set forth for such 21987
bonds an estimated interest rate and a schedule of principal 21988
payments for such bonds and the annual maturity dates thereof, 21989

but this provision does not modify any authority in this section 21990
to pledge receipts to, to grant a security interest in those 21991
receipts for the purpose of securing, and to covenant to issue 21992
bonds to fund, the payment of principal of and interest and any 21993
premium on such notes, or to provide in the bond proceedings 21994
authorizing the issuance of the anticipated bonds interest rates 21995
and a schedule of principal payments for such bonds and the 21996
annual maturity dates thereof which differ from the estimates in 21997
the bond proceedings authorizing the issuance of such bond 21998
anticipation notes. 21999

(M) Obligations issued under this section are lawful 22000
investments for banks; savings banks; savings and loan 22001
associations; credit union share guarantee corporations; trust 22002
companies; trustees; fiduciaries; insurance companies, including 22003
domestic for life and domestic not for life; trustees or other 22004
officers having charge of sinking and bond retirement or other 22005
special funds of the state and of subdivisions and taxing 22006
districts of the state; the commissioners of the sinking fund of 22007
the state; the administrator of workers' compensation, subject 22008
to the approval of the workers' compensation board; the state 22009
teachers retirement system; the public employees retirement 22010
system; the school employees retirement system; and the Ohio 22011
police and fire pension fund, notwithstanding any other 22012
provisions of the Revised Code or rules adopted pursuant to 22013
those provisions by any agency of the state with respect to 22014
investments by them, and are also eligible as security for the 22015
repayment of the deposit of public moneys. 22016

(N) Provision may be made in the applicable bond 22017
proceedings for the establishment of separate accounts in the 22018
bond service fund and for the application of such accounts only 22019
to the specified bond service charges on obligations pertinent 22020

to such accounts and bond service fund and for other accounts 22021
therein within the general purposes of such fund. Unless 22022
otherwise provided in any applicable bond proceedings, moneys to 22023
the credit of or in the several special funds established 22024
pursuant to this section shall be invested and disbursed as 22025
provided in the bond proceedings. 22026

(O) The issuing authority shall pledge and grant a 22027
security interest in all, or such portion as the issuing 22028
authority determines, of the pledged receipts to the payment of 22029
bond service charges on obligations, and for the establishment 22030
and maintenance of any reserves, as provided in the bond 22031
proceedings, and make other provisions therein with respect to 22032
pledged receipts as authorized by this chapter, which provisions 22033
are controlling notwithstanding any other provisions of law 22034
pertaining thereto. 22035

(P) The obligations, the transfer thereof, and the 22036
interest, accreted amount, and other income therefrom, including 22037
any profit made on the sale thereof, shall at all times be free 22038
from taxation, direct or indirect, within this state. 22039

Sec. 3735.27. (A) Whenever the director of housing and 22040
development has determined that there is need for a housing 22041
authority in any portion of any county that comprises two or 22042
more political subdivisions or portions of two or more political 22043
subdivisions but is less than all the territory within the 22044
county, a metropolitan housing authority shall be declared to 22045
exist, and the territorial limits of the authority shall be 22046
defined, by a letter from the director. The director shall issue 22047
a determination from the department of housing and development 22048
declaring that there is need for a housing authority within 22049
those territorial limits after finding either of the following: 22050

(1) Unsanitary or unsafe inhabited housing accommodations exist in that area; 22051
22052

(2) There is a shortage of safe and sanitary housing accommodations in that area available to persons who lack the amount of income that is necessary, as determined by the director, to enable them, without financial assistance, to live in decent, safe, and sanitary dwellings without congestion. 22053
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In determining whether dwelling accommodations are unsafe or unsanitary, the director may take into consideration the degree of congestion, the percentage of land coverage, the light, air, space, and access available to the inhabitants of the dwelling accommodations, the size and arrangement of rooms, the sanitary facilities, and the extent to which conditions exist in the dwelling accommodations that endanger life or property by fire or other causes. 22058
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The territorial limits of a metropolitan housing authority as defined by the director under this division shall be fixed for the authority upon proof of a letter from the director declaring the need for the authority to function in those territorial limits. Any such letter from the director, any certificate of determination issued by the director, and any certificate of appointment of members of the authority shall be admissible in evidence in any suit, action, or proceeding. 22066
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A certified copy of the letter from the director declaring the existence of a metropolitan housing authority and the territorial limits of its district shall be immediately forwarded to each appointing authority. A metropolitan housing authority shall consist of members who are residents of the territory in which they serve. 22074
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(B) (1) Except as otherwise provided in division (C), (D), 22080
(E), or (F) of this section, the members of a metropolitan 22081
housing authority shall be appointed as follows: 22082

(a) (i) In a district in a county in which a charter has 22083
been adopted under Article X, Section 3 of the Ohio 22084
Constitution, and in which the most populous city is not the 22085
city with the largest ratio of housing units owned or managed by 22086
the authority to population, one member shall be appointed by 22087
the probate court, one member shall be appointed by the court of 22088
common pleas, one member shall be appointed by the board of 22089
county commissioners, one member shall be appointed by the chief 22090
executive officer of the city that has the largest ratio of 22091
housing units owned or managed by the authority to population, 22092
and two members shall be appointed by the chief executive 22093
officer of the most populous city in the district. 22094

(ii) If, in a district that appoints members pursuant to 22095
division (B) (1) (a) of this section, the most populous city 22096
becomes the city with the largest ratio of housing units owned 22097
or managed by the authority to population, when the term of 22098
office of the member who was appointed by the chief executive 22099
officer of the city with the largest ratio expires, that member 22100
shall not be reappointed, and the membership of the authority 22101
shall be as described in division (B) (1) (b) of this section. 22102

(b) In any district other than one described in division 22103
(B) (1) (a) of this section, one member shall be appointed by the 22104
probate court, one member shall be appointed by the court of 22105
common pleas, one member shall be appointed by the board of 22106
county commissioners, and two members shall be appointed by the 22107
chief executive officer of the most populous city in the 22108
district. 22109

(2) At the time of the initial appointment of the authority, the member appointed by the probate court shall be appointed for a period of four years, the member appointed by the court of common pleas shall be appointed for three years, the member appointed by the board of county commissioners shall be appointed for two years, one member appointed by the chief executive officer of the most populous city in the district shall be appointed for one year, and the other member appointed by the chief executive officer of the most populous city in the district shall be appointed for five years.

If appointments are made under division (B)(1)(a) of this section, the member appointed by the chief executive officer of the city in the district that is not the most populous city, but that has the largest ratio of housing units owned or managed by the authority to population, shall be appointed for five years.

After the initial appointments, all members of the authority shall be appointed for five-year terms, and any vacancy occurring upon the expiration of a term shall be filled by the appointing authority that made the initial appointment.

(3) For purposes of this division, population shall be determined according to the last preceding federal census.

(C) For any metropolitan housing authority district that contained, as of the 1990 federal census, a population of at least one million, two members of the authority shall be appointed by the legislative authority of the most populous city in the district, two members shall be appointed by the chief executive officer of the most populous city in the district, and one member shall be appointed by the chief executive officer, with the approval of the legislative authority, of the city in the district that has the second highest number of housing units

owned or managed by the authority. 22140

At the time of the initial appointment of the authority, 22141
one member appointed by the legislative authority of the most 22142
populous city in the district shall be appointed for three 22143
years, and one such member shall be appointed for one year; the 22144
member appointed by the chief executive officer of the city with 22145
the second highest number of housing units owned or managed by 22146
the authority shall be appointed, with the approval of the 22147
legislative authority, for three years; and one member appointed 22148
by the chief executive officer of the most populous city in the 22149
district shall be appointed for three years, and one such member 22150
shall be appointed for one year. Thereafter, all members of the 22151
authority shall be appointed for three-year terms, and any 22152
vacancy shall be filled by the same appointing power that made 22153
the initial appointment. At the expiration of the term of any 22154
member appointed by the chief executive officer of the most 22155
populous city in the district before March 15, 1983, the chief 22156
executive officer of the most populous city in the district 22157
shall fill the vacancy by appointment for a three-year term. At 22158
the expiration of the term of any member appointed by the board 22159
of county commissioners before March 15, 1983, the chief 22160
executive officer of the city in the district with the second 22161
highest number of housing units owned or managed by the 22162
authority shall, with the approval of the municipal legislative 22163
authority, fill the vacancy by appointment for a three-year 22164
term. At the expiration of the term of any member appointed 22165
before March 15, 1983, by the court of common pleas or the 22166
probate court, the legislative authority of the most populous 22167
city in the district shall fill the vacancy by appointment for a 22168
three-year term. 22169

After March 15, 1983, at least one of the members 22170

appointed by the chief executive officer of the most populous 22171
city shall be a resident of a dwelling unit owned or managed by 22172
the authority. At least one of the initial appointments by the 22173
chief executive officer of the most populous city, after March 22174
15, 1983, shall be a resident of a dwelling unit owned or 22175
managed by the authority. Thereafter, any member appointed by 22176
the chief executive officer of the most populous city for the 22177
term established by this initial appointment, or for any 22178
succeeding term, shall be a person who resides in a dwelling 22179
unit owned or managed by the authority. If there is an elected, 22180
representative body of all residents of the authority, the chief 22181
executive officer of the most populous city shall, whenever 22182
there is a vacancy in this resident term, provide written notice 22183
of the vacancy to the representative body. If the representative 22184
body submits to the chief executive officer of the most populous 22185
city, in writing and within sixty days after the date on which 22186
it was notified of the vacancy, the names of at least five 22187
residents of the authority who are willing and qualified to 22188
serve as a member, the chief executive officer of the most 22189
populous city shall appoint to the resident term one of the 22190
residents recommended by the representative body. At no time 22191
shall residents constitute a majority of the members of the 22192
authority. 22193

(D) (1) For any metropolitan housing authority district 22194
that is located in a county that has, according to the most 22195
recent federal decennial census, a population greater than seven 22196
hundred thousand but less than nine hundred thousand, the 22197
members of the metropolitan housing authority shall be selected 22198
as follows: 22199

(a) One member shall be appointed by the probate court. 22200

(b) One member shall be appointed by the court of common pleas. 22201
22202

(c) One member shall be appointed by the board of county commissioners. 22203
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(d) Two members shall be appointed by the mayor of the most populous city in the district, subject to approval by city council. At least one of the initial appointments by the mayor shall be a resident of a dwelling unit owned or managed by the authority. Thereafter, any member appointed by the mayor of the most populous city for the term established by the initial appointment, or for any succeeding term, shall be a person who resides in a dwelling unit owned or managed by the authority. If there is an elected, representative body of all residents of the authority, the mayor of the most populous city shall, whenever there is a vacancy in the resident term, provide written notice of the vacancy to the representative body. If the representative body submits to the mayor of the most populous city, in writing and within sixty days after the date on which it was notified of the vacancy, the names of at least five residents of the authority who are willing and qualified to serve as a member, the mayor of the most populous city shall appoint to the resident term one of the residents recommended by the representative body. At no time shall residents constitute a majority of the members of the authority. 22205
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(e) One member shall be nominated by the township association of the county. The name of the nominee submitted by the township association of the county shall be sent to the board of county commissioners and the executive director of the metropolitan housing authority, if applicable. The board of county commissioners shall accept or reject the nominee. 22225
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(f) One member shall be nominated by the municipal league 22231
of the county. The name of the nominee submitted by the 22232
municipal league of the county shall be sent to the board of 22233
county commissioners and the executive director of the 22234
metropolitan housing authority, if applicable. The nominee shall 22235
not be a resident of the district's most populous city and shall 22236
represent a city that is substantially impacted as described in 22237
division (I) of this section. The board of county commissioners 22238
shall accept or reject the nominee. 22239

(2) At the time of the initial appointment of the 22240
authority described in division (D)(1) of this section, the 22241
member appointed by the probate court shall be appointed for a 22242
period of four years; the member appointed by the court of 22243
common pleas shall be appointed for three years; the member 22244
appointed by the board of county commissioners shall be 22245
appointed for two years; one member appointed by the mayor of 22246
the most populous city in the district shall be appointed for 22247
one year, and the other member appointed by the mayor of the 22248
most populous city in the district shall be appointed for five 22249
years; the member nominated by the township association of the 22250
county shall be appointed for the same number of years as the 22251
nonresident member of the authority appointed by the mayor of 22252
the most populous city in the district; and the member nominated 22253
by the municipal league of the county shall be appointed for the 22254
same number of years as the resident member of the authority 22255
appointed by the mayor of the most populous city in the 22256
district. 22257

After the initial appointments, all members of the 22258
authority shall be appointed for five-year terms, and any 22259
vacancy occurring upon the expiration of a term shall be filled 22260
by the authority that made the initial appointment or 22261

nomination. 22262

(E) (1) For any metropolitan housing authority district 22263
located in a county that had, as of the 2000 federal census, a 22264
population of at least four hundred thousand and no city with a 22265
population greater than thirty per cent of the total population 22266
of the county, one member of the authority shall be appointed by 22267
the probate court, one member shall be appointed by the court of 22268
common pleas, one member shall be appointed by the chief 22269
executive officer of the most populous city in the district, and 22270
two members shall be appointed by the board of county 22271
commissioners. 22272

(2) At the time of the initial appointment of a 22273
metropolitan housing authority pursuant to this division, the 22274
member appointed by the probate court shall be appointed for a 22275
period of four years, the member appointed by the court of 22276
common pleas shall be appointed for three years, the member 22277
appointed by the chief executive officer of the most populous 22278
city shall be appointed for two years, one member appointed by 22279
the board of county commissioners shall be appointed for one 22280
year, and the other member appointed by the board of county 22281
commissioners shall be appointed for five years. Thereafter, all 22282
members of the authority shall be appointed for five-year terms, 22283
with each term ending on the same day of the same month as the 22284
term that it succeeds. Vacancies shall be filled in the manner 22285
provided in the original appointments. Any member appointed to 22286
fill a vacancy occurring prior to the expiration of the term 22287
shall hold office as a member for the remainder of that term. 22288

(F) (1) One resident member shall be appointed to a 22289
metropolitan housing authority when required by federal law. The 22290
chief executive officer of the most populous city in the 22291

district shall appoint that resident member for a term of five 22292
years. Subsequent terms of that resident member also shall be 22293
for five years, and any vacancy in the position of the resident 22294
member shall be filled by the chief executive officer of the 22295
most populous city in the district. Any member appointed to fill 22296
such a vacancy shall hold office as a resident member for the 22297
remainder of that term. If, at any time, a resident member no 22298
longer qualifies as a resident, another resident member shall be 22299
appointed by the appointing authority who originally appointed 22300
the resident member to serve for the unexpired portion of that 22301
term. 22302

(2) On and after September 29, 2005, any metropolitan 22303
housing authority to which two additional members were appointed 22304
pursuant to former division (E) (1) of this section as enacted by 22305
Amended Substitute House Bill No. 95 of the 125th general 22306
assembly shall continue to have those additional members. Their 22307
terms shall be for five years, and vacancies in their positions 22308
shall be filled in the manner provided for their original 22309
appointment under former division (E) (1) of this section as so 22310
enacted. 22311

(G) Public officials, other than the officers having the 22312
appointing power under this section, shall be eligible to serve 22313
as members, officers, or employees of a metropolitan housing 22314
authority notwithstanding any statute, charter, or law to the 22315
contrary. Not more than two such public officials shall be 22316
members of the authority at any one time. 22317

All members of an authority shall serve without 22318
compensation but shall be entitled to be reimbursed for all 22319
necessary expenses incurred. 22320

After a metropolitan housing authority district is formed, 22321

the director may enlarge the territory within the district to 22322
include other political subdivisions, or portions of other 22323
political subdivisions, but the territorial limits of the 22324
district shall be less than that of the county. 22325

(H) (1) Any vote taken by a metropolitan housing authority 22326
shall require a majority affirmative vote to pass. A tie vote 22327
shall constitute a defeat of any measure receiving equal numbers 22328
of votes for and against it. 22329

(2) The members of a metropolitan housing authority shall 22330
act in the best interest of the district and shall not act 22331
solely as representatives of their respective appointing 22332
authorities. 22333

(I) "Substantially impacted" as used in division (D) (1) (f) 22334
of this section means a city within a metropolitan housing 22335
authority that, based on the percentage of housing units that 22336
are subsidized housing, is in the top one-third of cities within 22337
the county. 22338

Sec. 3735.39. Whenever a metropolitan housing authority 22339
desires to discontinue its operations it shall make application 22340
to the director of housing and development, for authority to 22341
dissolve. If such application is granted, the director shall 22342
take possession and dispose of all property belonging to the 22343
authority, and, after paying the debts and liabilities of the 22344
authority and the expenses of administering the dissolution, the 22345
balance remaining shall be paid into the sinking fund of the 22346
county in which the authority existed. 22347

Sec. 3735.66. The legislative authority of a political 22348
subdivision may survey the housing within the municipal 22349
corporation in the case of a municipal corporation, the 22350

unincorporated area of the township in the case of a limited 22351
home rule township, and the unincorporated area of the county in 22352
the case of a county. After the survey, the legislative 22353
authority may adopt a resolution describing the boundaries of 22354
community reinvestment areas which contain the conditions 22355
required for the finding under division (B) of section 3735.65 22356
of the Revised Code. The findings resulting from the survey 22357
shall be incorporated in the resolution describing the 22358
boundaries of an area. The legislative authority may stipulate 22359
in the resolution that only new structures or remodeling 22360
classified as to use as commercial, industrial, or residential, 22361
or some combination thereof, and otherwise satisfying the 22362
requirements of section 3735.67 of the Revised Code are eligible 22363
for exemption from taxation under that section. If the 22364
resolution does not include such a stipulation, all new 22365
structures and remodeling satisfying the requirements of section 22366
3735.67 of the Revised Code are eligible for exemption from 22367
taxation regardless of classification. Whether or not the 22368
resolution includes such a stipulation, the classification of 22369
the structures or remodeling eligible for exemption in the area 22370
shall at all times be consistent with zoning restrictions 22371
applicable to the area. For the purposes of sections 3735.65 to 22372
3735.70 of the Revised Code, whether a structure or remodeling 22373
composed of multiple units is classified as commercial or 22374
residential shall be determined by resolution or ordinance of 22375
the legislative authority or, in the absence of such a 22376
determination, by the classification of the use of the structure 22377
or remodeling under the applicable zoning regulations. 22378

 If construction or remodeling classified as residential is 22379
eligible for exemption from taxation, the resolution shall 22380
specify a percentage, not to exceed one hundred per cent, of the 22381

assessed valuation of such property to be exempted. The 22382
percentage specified shall apply to all residential construction 22383
or remodeling for which exemption is granted. 22384

Territory of a community reinvestment area designated by a 22385
municipal corporation shall include only territory of the 22386
municipal corporation. Territory of an area designated by a 22387
limited home rule township shall include only unincorporated 22388
territory of the township that is not already included in an 22389
area designated by a county. Territory of an area designated by 22390
a county shall include only unincorporated territory of the 22391
county that is not already included in an area designated by a 22392
limited home rule township. 22393

Upon the adoption of the resolution, the legislative 22394
authority shall send, by certified mail, one copy of the 22395
resolution and a map of the community reinvestment area in 22396
sufficient detail to denote the specific boundaries of the area, 22397
to the director of housing and development. 22398

The resolution adopted pursuant to this section shall be 22399
published in a newspaper of general circulation in the political 22400
subdivision that adopted the resolution once a week for two 22401
consecutive weeks or as provided in section 7.16 of the Revised 22402
Code, immediately following its adoption. 22403

Each legislative authority adopting a resolution pursuant 22404
to this section shall designate a housing officer. The 22405
legislative authority or housing officer shall not grant any 22406
exemption from taxation under section 3735.67 of the Revised 22407
Code until the director assigns to each community reinvestment 22408
area a unique designation by which the area shall be identified 22409
for purposes of sections 3735.65 to 3735.70 of the Revised Code. 22410

Sec. 3735.671. (A) If construction or remodeling of 22411
commercial or industrial property is to be exempted from 22412
taxation pursuant to section 3735.67 of the Revised Code, the 22413
legislative authority and the owner of the property, prior to 22414
the commencement of construction or remodeling, shall enter into 22415
a written agreement, binding on both parties for a period of 22416
time that does not end prior to the end of the period of the 22417
exemption, that includes all of the information and statements 22418
described in divisions (B) (1) to (8) of this section. Agreements 22419
may include terms not described in those divisions or otherwise 22420
prescribed by the model agreement adopted by the director of 22421
housing and development under division (B) of this section, but 22422
such terms shall in no way derogate from the information and 22423
statements described in divisions (B) (1) to (8) of this section. 22424

(1) Except as otherwise provided in division (A) (2) or (3) 22425
of this section, an agreement entered into under this section 22426
shall not be approved by the legislative authority unless the 22427
board of education of the city, local, or exempted village 22428
school district within the territory of which the property is or 22429
will be located approves the agreement. For the purpose of 22430
obtaining such approval, the legislative authority shall certify 22431
a copy of the agreement to the board of education not later than 22432
forty-five days prior to approving the agreement, excluding 22433
Saturday, Sunday, and a legal holiday as defined in section 1.14 22434
of the Revised Code. The board of education, by resolution 22435
adopted by a majority of the board, shall approve or disapprove 22436
the agreement and certify a copy of the resolution to the 22437
legislative authority not later than fourteen days prior to the 22438
date stipulated by the legislative authority as the date upon 22439
which approval of the agreement is to be formally considered by 22440
the legislative authority. The board of education may include in 22441

the resolution conditions under which the board would approve 22442
the agreement. The legislative authority may approve an 22443
agreement at any time after the board of education certifies its 22444
resolution approving the agreement to the legislative authority, 22445
or, if the board approves the agreement conditionally, at any 22446
time after the conditions are agreed to by the board and the 22447
legislative authority. 22448

(2) Approval of an agreement by the board of education is 22449
not required under division (A)(1) of this section if, for each 22450
tax year the real property is exempted from taxation, the sum of 22451
the following quantities, as estimated at or prior to the time 22452
the agreement is formally approved by the legislative authority, 22453
equals or exceeds twenty-five per cent of the amount of taxes, 22454
as estimated at or prior to that time, that would have been 22455
charged and payable that year upon the real property had that 22456
property not been exempted from taxation: 22457

(a) The amount of taxes charged and payable on any portion 22458
of the assessed valuation of the new structure or of the 22459
increased assessed valuation of an existing structure after 22460
remodeling began that will not be exempted from taxation under 22461
the agreement; 22462

(b) The amount of taxes charged and payable on tangible 22463
personal property located on the premises of the new structure 22464
or of the structure to be remodeled under the agreement, whether 22465
payable by the owner of the structure or by a related member, as 22466
defined in section 5733.042 of the Revised Code without regard 22467
to division (B) of that section. 22468

(c) The amount of any cash payment by the owner of the new 22469
structure or structure to be remodeled to the school district, 22470
the dollar value, as mutually agreed to by the owner and the 22471

board of education, of any property or services provided by the 22472
owner of the property to the school district, whether by gift, 22473
loan, or otherwise, and any payment by the legislative authority 22474
to the school district pursuant to section 5709.82 of the 22475
Revised Code. 22476

The estimates of quantities used for purposes of division 22477
(A) (2) of this section shall be estimated by the legislative 22478
authority. The legislative authority shall certify to the board 22479
of education that the estimates have been made in good faith. 22480
Departures of the actual quantities from the estimates 22481
subsequent to approval of the agreement by the board of 22482
education do not invalidate the agreement. 22483

(3) If a board of education has adopted a resolution 22484
waiving its right to approve agreements and the resolution 22485
remains in effect, approval of an agreement by the board is not 22486
required under division (A) (1) of this section. If a board of 22487
education has adopted a resolution allowing a legislative 22488
authority to deliver the notice required under this division 22489
fewer than forty-five business days prior to the legislative 22490
authority's execution of the agreement, the legislative 22491
authority shall deliver the notice to the board not later than 22492
the number of days prior to such execution as prescribed by the 22493
board in its resolution. If a board of education adopts a 22494
resolution waiving its right to approve agreements or shortening 22495
the notification period, the board shall certify a copy of the 22496
resolution to the legislative authority. If the board of 22497
education rescinds such a resolution, it shall certify notice of 22498
the rescission to the legislative authority. 22499

(4) If the owner of the property or the legislative 22500
authority agree to make any payment to the school district as 22501

described in division (A) (2) (c) of this section, the owner or 22502
legislative authority shall agree to make payments to the joint 22503
vocational school district within which the property is located 22504
at the same rate or amount and under the same terms received by 22505
the city, local, or exempted village school district. 22506

(B) The director of housing and development shall adopt 22507
rules in accordance with Chapter 119. of the Revised Code 22508
prescribing the form of a model agreement that a legislative 22509
authority may, in its discretion, use as the basis for an 22510
agreement to be executed under this section. The model agreement 22511
may include any term necessary for the administration and 22512
enforcement of such agreements by the director and legislative 22513
authority, but must include all of the following: 22514

(1) A space to include the description of real property to 22515
be exempted from taxation under the agreement and to identify 22516
the property's owners; 22517

(2) A space to denote the percentage of the assessed 22518
valuation of real property exempted from taxation and the period 22519
for which the exemption is granted; 22520

(3) A statement requiring the owner to pay real property 22521
taxes not exempted under the agreement, as required by law, and 22522
requiring rescission of the agreement if the owner fails to pay 22523
those taxes beginning in and after the year any such taxes are 22524
charged; 22525

(4) A statement that the owner certifies, at the time the 22526
agreement is executed, that the owner does not owe any 22527
delinquent property taxes or taxes for which the owner is liable 22528
under Chapter 5735., 5739., 5741., 5743., 5747., or 5753. of the 22529
Revised Code, or, if such delinquent taxes are owed, that the 22530

owner is paying the delinquent taxes pursuant to an undertaking 22531
enforceable by the state or an agent or instrumentality thereof, 22532
has filed a petition in bankruptcy, or has had a bankruptcy 22533
petition filed against the owner; 22534

(5) A statement requiring the owner to provide to the 22535
property tax incentive review council any information reasonably 22536
required by the council to evaluate the applicant's compliance 22537
with the agreement; 22538

(6) A statement that the agreement is not transferable or 22539
assignable without the approval of the local authority; 22540

(7) A statement describing the circumstances under which 22541
an agreement may be revoked by the local authority for 22542
noncompliance and the manner by which already-received benefits 22543
may be recovered; 22544

(8) A statement requiring the owner to provide an estimate 22545
of the following for each agreement: 22546

(a) The number of employment opportunities created due to 22547
the remodeling or construction, as well as the payroll 22548
attributable to those opportunities; 22549

(b) The number of employment opportunities retained due to 22550
the remodeling or construction, as well as the payroll 22551
attributable to those opportunities. 22552

Once the director adopts rules prescribing a model 22553
agreement under this division, the model agreement may not be 22554
changed unless the director adopts, amends, or rescinds those 22555
rules in accordance with Chapter 119. of the Revised Code. 22556

(C) If any person that is party to an agreement granting 22557
an exemption from taxation discontinues operations at the 22558

structure to which that exemption applies prior to the 22559
expiration of the term of the agreement, that person, any 22560
successor to that person, and any related member shall not enter 22561
into an agreement under this section or section 5709.62, 22562
5709.63, or 5709.632 of the Revised Code, and no legislative 22563
authority shall enter into such an agreement with such a person, 22564
successor, or related member prior to the expiration of three 22565
years after the person's discontinuation of operations. As used 22566
in this division, "successor" means a person to which the assets 22567
or equity of another person has been transferred, which transfer 22568
resulted in the full or partial nonrecognition of gain or loss, 22569
or resulted in a carryover basis, both as determined by rule 22570
adopted by the tax commissioner. "Related member" has the same 22571
meaning as defined in section 5733.042 of the Revised Code 22572
without regard to division (B) of that section. 22573

The director of housing and development shall review all 22574
agreements submitted to the director under section 3735.672 of 22575
the Revised Code for the purpose of enforcing this division. If 22576
the director determines there has been a violation of this 22577
division, the director shall notify the legislative authority of 22578
such violation, and the legislative authority immediately shall 22579
revoke the exemption granted under the agreement. 22580

Sec. 3735.672. (A) On or before the thirty-first day of 22581
March each year, a legislative authority that has entered into 22582
an agreement with a party under section 3735.671 of the Revised 22583
Code shall submit to the director of housing and development a 22584
report on all such agreements in effect during the preceding 22585
calendar year. The report shall include the following: 22586

(1) The total number of community reinvestment areas 22587
designated by the political subdivision, and the total 22588

population of each area according to the most recent data available;	22589 22590
(2) The total number of agreements within each area;	22591
(3) The number of agreements approved and executed during the calendar year for which the report is submitted, the total number of agreements in effect on the thirty-first day of December of the preceding calendar year, the number of agreements that expired during the calendar year for which the report is submitted, and the number of agreements scheduled to expire during the calendar year in which the report is submitted. For each agreement that expired during the calendar year for which the report is submitted, the legislative authority shall include the amount of taxes exempted under the agreement.	22592 22593 22594 22595 22596 22597 22598 22599 22600 22601 22602
(4) The number of agreements the terms of which a party has failed to comply with, indicating separately for each such agreement the value of the real property exempted pursuant to the agreement and a comparison of the estimated and actual amounts described in division (B) (8) of section 3735.671 of the Revised Code;	22603 22604 22605 22606 22607 22608
(5) Any changes to zoning restrictions in any part of a community reinvestment area, including a map of the area indicating the new zoning restrictions in the area;	22609 22610 22611
(6) A copy of any agreement approved and executed or amended during the calendar year for which the report is submitted.	22612 22613 22614
(B) Upon the failure of a political subdivision to comply with division (A) of this section:	22615 22616
(1) Beginning on the first day of April of the calendar	22617

year in which the political subdivision fails to comply with 22618
that division, the political subdivision shall not enter into 22619
any agreements under section 3735.671 of the Revised Code until 22620
the political subdivision has complied with division (A) of this 22621
section. 22622

(2) On the first day of each ensuing calendar month until 22623
the political subdivision complies with that division, the 22624
director of housing and development shall either order the 22625
proper county auditor to deduct from the next succeeding payment 22626
of taxes to the political subdivision under section 321.31, 22627
321.32, 321.33, or 321.34 of the Revised Code an amount equal to 22628
five hundred dollars for each calendar month the political 22629
subdivision fails to comply with that division, or order the 22630
county auditor to deduct such an amount from the next succeeding 22631
payment to the political subdivision from the undivided local 22632
government fund under section 5747.51 of the Revised Code. At 22633
the time such a payment is made, the county auditor shall comply 22634
with the director's order by issuing a warrant, drawn on the 22635
fund from which such money would have been paid, to the director 22636
of housing and development, who shall deposit the warrant into 22637
the tax incentives operating fund created by section 122.174 of 22638
the Revised Code. 22639

(C) The department of housing and development shall 22640
publish on its web site a list of all community reinvestment 22641
areas within the state, with an accompanying display of their 22642
geographical boundaries within each political subdivision. The 22643
list shall also include, for each community reinvestment area, a 22644
copy of the resolution governing that area and any agreement 22645
entered into under section 3735.671 of the Revised Code for any 22646
commercial or industrial property within the area. This list 22647
shall be updated annually. 22648

Sec. 3735.673. If a person operating in a political 22649
subdivision intends to relocate or relocates part or all of its 22650
operations to another political subdivision and has entered into 22651
or intends to enter into an agreement under section 3735.671 of 22652
the Revised Code with that political subdivision, the 22653
legislative authority of the political subdivision to which that 22654
person intends to relocate or relocates shall serve the 22655
legislative authority of the subdivision from which that person 22656
intends to relocate or relocates with notice of the person's 22657
intention to relocate, accompanied by a copy of the agreement to 22658
be entered into or entered into pursuant to section 3735.671 of 22659
the Revised Code and a statement of the person's reasons for 22660
relocation. The legislative authority also shall serve such 22661
notice on the director of housing and development. In both 22662
cases, service shall be by personal service or certified mail, 22663
return receipt requested, not later than thirty days prior to 22664
the day of the first public meeting at which the agreement is 22665
deliberated by the legislative authority of the political 22666
subdivision to which the person intends to relocate or 22667
relocates. With the approval of the director of housing and 22668
development, service shall be not later than fifteen days prior 22669
to the day of the first public meeting of the legislative 22670
authority at which the agreement is deliberated. The legislative 22671
authority required to serve notice shall seek such approval by 22672
applying to the director at the earliest possible time prior to 22673
that meeting. The director may approve the later service if the 22674
director determines that earlier notice is not possible or would 22675
be likely to jeopardize realization of the project. If approval 22676
for a later notice is applied for, the legislative authority 22677
need not serve notice to the director as otherwise required by 22678
this section. 22679

If the legislative authority required to serve such notice 22680
fails to do so as prescribed by this section, the legislative 22681
authority shall not enter into an agreement under that section 22682
with that person. 22683

This section applies only to relocations of operations 22684
that result or would result in the reduction of employment or 22685
the cessation of operations at a place of business in this 22686
state. 22687

Sec. 3735.69. (A) A community reinvestment area housing 22688
council shall be appointed for each community reinvestment area, 22689
as follows: 22690

(1) When the area is designated by a municipal 22691
corporation, the council shall be composed of two members 22692
appointed by the mayor of the municipal corporation, two members 22693
appointed by the legislative authority of the municipal 22694
corporation, and one member appointed by the planning commission 22695
of the municipal corporation. The majority of the foregoing 22696
members shall then appoint two additional members who shall be 22697
residents of the municipal corporation. 22698

(2) When the area is designated by a limited home rule 22699
township, the council shall be composed of two members appointed 22700
by the board of trustees of the township, one member appointed 22701
by the township law director, one member appointed by the 22702
township zoning commission or, if the township has not 22703
established such a commission, the county planning commission, 22704
and one member appointed by the board of county commissioners of 22705
the county where the area is located. 22706

(3) When the area is designated by a county, the council 22707
shall be composed of one member appointed by each member of the 22708

board of county commissioners of the county where the area is 22709
located and two members appointed by the county planning 22710
commission. The majority of the foregoing members shall then 22711
appoint two additional members who shall be residents of the 22712
county. Terms of the members of the council shall be for three 22713
years. 22714

An unexpired term resulting from a vacancy in the council 22715
shall be filled in the same manner as the initial appointment 22716
was made. 22717

The council shall make an annual inspection of the 22718
properties within the community reinvestment area for which an 22719
exemption has been granted under section 3735.67 of the Revised 22720
Code. The council shall also hear appeals under section 3735.70 22721
of the Revised Code. 22722

(B) On or before the thirty-first day of March each year, 22723
any political subdivision that has created a community 22724
reinvestment area under section 3735.66 of the Revised Code 22725
shall submit to the director of housing and development a status 22726
report summarizing the activities and projects for which an 22727
exemption has been granted in that area. 22728

Sec. 3742.32. (A) The director of health shall appoint an 22729
advisory council to assist in the ongoing development and 22730
implementation of the child lead poisoning prevention program 22731
created under section 3742.31 of the Revised Code. The advisory 22732
council shall consist of the following members: 22733

(1) A representative of the department of medicaid; 22734

(2) A representative of the bureau of child care in the 22735
department of job and family services; 22736

(3) A representative of the department of environmental 22737

protection;	22738
(4) A representative of the department of education and workforce;	22739 22740
(5) A representative of the department of <u>housing and</u> development;	22741 22742
(6) A representative of the Ohio apartment owner's association;	22743 22744
(7) A representative of the Ohio healthy homes network;	22745
(8) A representative of the Ohio environmental health association;	22746 22747
(9) An Ohio representative of the American coatings association;	22748 22749
(10) A representative from Ohio realtors;	22750
(11) A representative of the Ohio housing finance agency;	22751
(12) A physician knowledgeable in the field of lead poisoning prevention;	22752 22753
(13) A representative of the public.	22754
(B) The advisory council shall do both of the following:	22755
(1) Provide the director with advice regarding the policies the child lead poisoning prevention program should emphasize, preferred methods of financing the program, and any other matter relevant to the program's operation;	22756 22757 22758 22759
(2) Submit a report of the state's activities to the governor, president of the senate, and speaker of the house of representatives on or before the first day of March each year.	22760 22761 22762
(C) The advisory council is not subject to sections 101.82	22763

to 101.87 of the Revised Code. 22764

Sec. 3746.121. Upon receiving a request submitted under 22765
section 122.16 of the Revised Code for verification of eligible 22766
costs associated with a voluntary action incurred by the 22767
applicant for the agreement under that section, a certified 22768
professional shall submit to the director of housing and 22769
development verification of the eligible costs associated with 22770
the voluntary action as defined in section 122.16 of the Revised 22771
Code. The verification shall be submitted in the form of an 22772
affidavit subject to section 3746.20 of the Revised Code, shall 22773
state that the information contained in the verification is true 22774
to the best of the knowledge, information, and belief of the 22775
certified professional, and shall be accompanied by any 22776
receipts, invoices, canceled checks, or other documents 22777
evidencing eligible costs associated with the voluntary action 22778
that are provided by the applicant. Verification submitted under 22779
this section does not constitute a finding or representation by 22780
the certified professional that eligible costs associated with 22781
the voluntary action are reasonable. 22782

Sec. 3746.20. (A) All of the following shall be submitted 22783
by affidavit: 22784

(1) Any information, data, documents, or reports submitted 22785
by any of the following to another person for the purposes of a 22786
voluntary action conducted under this chapter and rules adopted 22787
under it: 22788

(a) The person undertaking the voluntary action; 22789

(b) A certified professional; 22790

(c) Any other person who performed work that was conducted 22791
to support a request for a no further action letter as provided 22792

in division (B) (2) of section 3746.10 of the Revised Code;	22793
(d) A certified laboratory;	22794
(e) An accredited laboratory.	22795
(2) Any information submitted by an environmental professional to the director of environmental protection for the purposes of complying with rules adopted under division (B) (5) (a) or (c) of section 3746.04 of the Revised Code;	22796 22797 22798 22799
(3) The verification of eligible costs associated with a voluntary action submitted by a certified professional to the director of <u>housing and development</u> pursuant to section 3746.121 of the Revised Code.	22800 22801 22802 22803
(B) No person shall materially falsify, tamper with, or render inaccurate any information, data, documents, or reports generated for the purposes of or used in documenting or preparing a no further action letter under this chapter or rules adopted under it or verification of eligible costs under section 3746.121 of the Revised Code.	22804 22805 22806 22807 22808 22809
Violation of this division is not falsification under section 2921.13 of the Revised Code.	22810 22811
(C) In accordance with rules adopted under division (B) (5) (f) of section 3746.04 of the Revised Code, the director permanently shall revoke the certification of a certified professional who violates division (B) of this section.	22812 22813 22814 22815
(D) No person, with purpose to deceive a certified professional, accredited laboratory, or a contractor thereof, or the environmental protection agency or a contractor thereof, shall withhold, conceal, or destroy any data, information, records, or documents relating to a voluntary action.	22816 22817 22818 22819 22820

Sec. 3775.04. (A) (1) A type A sports gaming proprietor 22821
license authorizes a sports gaming proprietor to offer sports 22822
gaming through one or more online sports pools. 22823

(2) (a) Except as otherwise provided under division (A) (2) 22824
(b) of this section, the Ohio casino control commission shall 22825
license not more than twenty-five type A sports gaming 22826
proprietors at any one time. 22827

(b) When twenty-five type A sports gaming proprietors are 22828
licensed in this state, the commission may issue additional type 22829
A sports gaming proprietor licenses to eligible applicants who 22830
demonstrate to the commission that the sports gaming market in 22831
this state needs additional type A sports gaming proprietors. 22832

(3) A type A sports gaming proprietor shall meet at least 22833
one of the following requirements at all times: 22834

(a) The type A sports gaming proprietor also shall operate 22835
a sports gaming facility under a type B sports gaming proprietor 22836
license. 22837

(b) The type A sports gaming proprietor shall maintain at 22838
least one operational place of business in this state at which 22839
the sports gaming proprietor regularly maintains multiple 22840
employees. 22841

(4) The commission shall adopt by rule a procedure 22842
allowing the commission to revoke a type A sports gaming 22843
proprietor license if the licensee does not offer sports gaming 22844
to patrons under the license for a continuous period of one year 22845
or more. 22846

(B) (1) A type B sports gaming proprietor license 22847
authorizes a sports gaming proprietor to offer sports gaming at 22848
one sports gaming facility at a location specified on the 22849

license. 22850

(2) The commission shall license not more than forty type B sports gaming proprietors at any one time. 22851
22852

(3) (a) (i) Except as otherwise provided in division (B) (3) 22853
(a) (ii) of this section, no sports gaming facility shall be 22854
located in a county with a population of less than one hundred 22855
thousand, as determined by the 2010 federal decennial census. 22856

(ii) The commission may issue an initial or renewed type B 22857
sports gaming proprietor license for one sports gaming facility 22858
to be located in a county with a population of fifty thousand or 22859
more, but less than one hundred thousand, as determined by the 22860
2010 federal decennial census, at any one time, if the 22861
commission determines, in consultation with the department of 22862
housing and development, that the county received at least five 22863
million visitors for purposes of tourism during the most recent 22864
calendar year for which the necessary data are available. 22865

(b) (i) Except as otherwise provided in division (B) (3) (b) 22866
(ii) of this section, not more than one sports gaming facility 22867
shall be located in a county with a population of one hundred 22868
thousand or more, but less than four hundred thousand, as 22869
determined by the 2010 federal decennial census, at any one 22870
time. 22871

(ii) Not more than two sports gaming facilities shall be 22872
located in a county with a population of one hundred thousand or 22873
more, but less than four hundred thousand, as determined by the 22874
2010 federal decennial census, at any one time, if a video 22875
lottery sales agent operates video lottery terminals at a 22876
facility in the county. 22877

(c) Not more than three sports gaming facilities shall be 22878

located in a county with a population of four hundred thousand 22879
or more, but less than eight hundred thousand, as determined by 22880
the 2010 federal decennial census, at any one time. 22881

(d) Not more than five sports gaming facilities shall be 22882
located in a county with a population of eight hundred thousand 22883
or more, as determined by the 2010 federal decennial census, at 22884
any one time. 22885

(4) The commission shall issue an initial type B sports 22886
gaming proprietor license only to a person who conducts 22887
significant economic activity in the county in which the sports 22888
gaming facility is to be located, as determined by the 22889
commission in consultation with the department of housing and 22890
development. 22891

(C) (1) A type C sports gaming proprietor license 22892
authorizes a sports gaming proprietor to offer sports gaming 22893
through self-service or clerk-operated sports gaming terminals 22894
located at one or more type C sports gaming hosts' facilities 22895
under section 3770.25 of the Revised Code. 22896

(2) The commission shall license at least two, and not 22897
more than twenty, type C sports gaming proprietors at any one 22898
time. However, if only one eligible and suitable person applies 22899
for a type C sports gaming proprietor license, the commission 22900
shall issue the license. 22901

(D) An applicant for an initial or renewed type A, type B, 22902
or type C sports gaming proprietor license shall do all of the 22903
following: 22904

(1) Submit a written application on a form furnished by 22905
the commission. 22906

(a) If the application is for an initial type B sports 22907

gaming proprietor license, the application shall specify both of 22908
the following: 22909

(i) The intended location of the sports gaming facility 22910
or, at a minimum, the county in which the sports gaming facility 22911
is to be located if the license is granted; 22912

(ii) The expected overall capital investment in the sports 22913
gaming facility, including its size, furnishings, and equipment. 22914

(b) If the application is for a renewed type B sports 22915
gaming proprietor license, the application shall specify one of 22916
the following, as applicable: 22917

(i) If the sports gaming proprietor does not intend to 22918
relocate the sports gaming facility, the location of the sports 22919
gaming facility; 22920

(ii) If the sports gaming proprietor intends to relocate 22921
the sports gaming facility, the intended new location of the 22922
sports gaming facility or, at a minimum, the county in which the 22923
sports gaming facility is to be located if the renewal is 22924
granted. 22925

(2) Pay the fee required under division (C) (3) of section 22926
109.572 of the Revised Code, along with a nonrefundable 22927
application fee in an amount prescribed by the commission by 22928
rule; 22929

(3) Submit an audit of the applicant's financial 22930
transactions and the condition of the applicant's total 22931
operations for the previous fiscal year prepared by a certified 22932
public accountant in accordance with generally accepted 22933
accounting principles and state and federal laws; 22934

(4) Satisfy any other requirements for licensure under 22935

this chapter and rules adopted under this chapter. 22936

(E) After receiving a sports gaming proprietor license, 22937
the sports gaming proprietor shall pay the following 22938
nonrefundable license fees, as applicable, not later than the 22939
dates indicated, and shall give to the state a surety bond, in 22940
an amount and in the form approved by the commission, to 22941
guarantee that the sports gaming proprietor faithfully makes all 22942
payments required by this chapter and rules adopted under this 22943
chapter during the period of the license: 22944

(1) For an initial or renewed type A sports gaming 22945
proprietor license: 22946

22947

	1	2	3	4	5	6
A		Upon	One year	Two years	Three	Four
		issuance of	after	after	years	years
		license	license	license	after	after
			issued	issued	license	license
					issued	issued
B	Initial or	\$500,000	\$125,000	\$125,000	\$125,000	\$125,000
	renewed license -					
	type A sports					
	gaming proprietor					
	that is a					
	professional					
	sports					
	organization and					
	that is not					

	contracting with more than one mobile management services provider					
C	Initial or renewed license - any other type A sports gaming proprietor that is not contracting with more than one mobile management services provider	\$750,000	\$187,500	\$187,500	\$187,500	\$187,500
D	Initial license - type A sports gaming proprietor that is a professional sports organization and that is contracting with two mobile management services providers	\$1,666,667	\$416,667	\$416,667	\$416,667	\$416,667
E	Initial license - any other type A	\$2,500,000	\$625,000	\$625,000	\$625,000	\$625,000

sports gaming
proprietor that
is contracting
with two mobile
management
services
providers

F	Renewed license - type A sports gaming proprietor that is a professional sports organization and that is contracting with two mobile management services providers	\$500,000	\$125,000	\$125,000	\$125,000	\$125,000
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G	Renewed license - any other type A sports gaming proprietor that is contracting with two mobile management services providers	\$750,000	\$187,500	\$187,500	\$187,500	\$187,500
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(2) For an initial or renewed type B sports gaming proprietor license: 22948
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22950

	1	2	3	4	5	6
A		Upon issuance of license	One year after license issued	Two years after license issued	Three years after license issued	Four years after license issued
B	Type B sports gaming proprietor that is also a type A sports gaming proprietor	\$100,000	\$10,000	\$10,000	\$10,000	\$10,000
C	Type B sports gaming proprietor that is not also a type A sports gaming proprietor	\$50,000	\$10,000	\$10,000	\$10,000	\$10,000

(3) For a type C sports gaming proprietor license, one hundred thousand dollars upon being issued an initial license and twenty-five thousand dollars upon being issued a renewed license. 22951
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(F) (1) A sports gaming proprietor license shall be valid for a term of five years. 22955
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(2) Upon the expiration of a sports gaming proprietor 22957

license, the sports gaming proprietor may apply to renew the 22958
license in the same manner as for an initial license, unless the 22959
license is suspended or revoked or the commission determines 22960
that the sports gaming proprietor is not in compliance with this 22961
chapter and the rules adopted under this chapter. 22962

**Sec. 3780.03. Establishment and authority of division of 22963
cannabis control; adoption of rules. 22964**

(A) There is hereby established a division of cannabis control 22965
within the department of commerce. 22966

(B) To ensure the proper oversight and control of the adult use 22967
cannabis industry, the division of cannabis control shall have 22968
the authority to license, regulate, investigate, and penalize 22969
adult use cannabis operators, adult use testing laboratories, 22970
and individuals required to be licensed under this chapter. 22971

(C) The division of cannabis control shall adopt, and as 22972
advisable and necessary shall amend or repeal, rules on the 22973
following: 22974

(1) Prevention of practices detrimental to the public interest 22975
consistent with this chapter, and also ways to educate the 22976
public about this chapter; 22977

(2) Establishing application, licensure, and renewal standards 22978
and procedures for license applicants or license holders related 22979
to adult use cannabis operators, adult use testing laboratories, 22980
and individuals required to be licensed, including any 22981
additional background check requirements, the disqualifying 22982
offenses under section 3780.01 of the Revised Code that prohibit 22983
licensure, and any exemption criteria from licensing 22984
requirements for institutional or private investors who do not 22985
have significant control or influence over a license applicant 22986

or license holder, and whose ownership in a license is for 22987
investment purposes only; 22988

(3) Establishing reasonable application, licensure, and renewal 22989
fees amounts to ensure license applicants and license holders 22990
under this chapter pay for the actual costs for administration 22991
and licensure for the division of cannabis control; 22992

(4) Establishing standards for provisional licenses for an 22993
individual who is required to be licensed and who has exigent 22994
circumstances. Such standards for provisional licenses must 22995
include submission of a complete application and compliance with 22996
a required background check. A provisional license shall be 22997
valid not longer than three months. A provisional license may be 22998
renewed, at the division of cannabis control's discretion, for 22999
an additional three months. In establishing standards with 23000
regard to instant background checks the division of cannabis 23001
control may use all available resources~~+~~. 23002

(5) Specifying the process and reasons for which a license 23003
holder may be fined, suspended either with or without a prior 23004
hearing, revoked, or not renewed or issued; 23005

(6) The process and requirements for division of cannabis 23006
control approval of any requested change in ownership or 23007
transfer of control of an adult use cannabis operator or adult 23008
use testing laboratory; 23009

(7) Establishing ~~process~~ processes and standards for expanding 23010
the size of the cultivation area for a cultivation facility; 23011

(8) Establishing standards and procedures for the testing of 23012
adult use cannabis by an adult use testing laboratory licensed 23013
under this chapter. When establishing standards and procedures 23014
for the testing of cannabis, the division of cannabis control 23015

- shall do all of the following: 23016
- (a) Specify when testing must be conducted; 23017
- (b) Determine the minimum amount of adult use cannabis that must
be tested; 23018
23019
- (c) Specify the manner in which testing is to be conducted in an
effort to ensure uniformity of cannabis products processed ~~for~~
and dispensed; and 23020
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- (d) Specify the manner in which test results are provided. 23023
- (9) The minimum amount of insurance or surety bond that must be
maintained by an adult use cannabis operator and adult use
testing laboratory; 23024
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- (10) Requiring the division of cannabis control to adopt
reasonable standards for any adult use cannabis samples, and
advertising as prescribed in section 3780.21 of the Revised
Code; 23027
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- (11) Requiring that the records, including financial statements,
of an adult use cannabis operator or adult use testing
laboratory be maintained in the manner up to two years as
prescribed by the division of cannabis control and which shall
be made available for inspection upon demand by the division of
cannabis control, but shall be subject to section 3780.31 of the
Revised Code; 23031
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- (12) Prescribing technical standards and requirements consistent
with industry standards that must be met for security and
surveillance equipment necessary for the provision of security
and surveillance of adult use cannabis operators and adult use
testing laboratories; 23038
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- (13) Prescribing requirements for a license holder's provision 23043

of security services for an adult use cannabis operator and 23044
adult use testing laboratories which shall include the license 23045
holder's option to use armed or unarmed services including 23046
through agents of the license holder; 23047

(14) Prescribing standards according to which license holders 23048
shall keep accounts and standards according to which adult use 23049
cannabis operators and adult use testing laboratories accounts 23050
shall be audited, and establish guidance for assisting the 23051
department of taxation in levying and collecting the adult use 23052
tax levied under section 3780.22 of the Revised Code; 23053

(15) Determining penalties for violation of division of cannabis 23054
control rules or this chapter, and a process for imposing such 23055
penalties; 23056

(16) Training requirements for employees and agents of adult use 23057
cannabis operators and adult use laboratories; 23058

(17) Prescribing standards and procedures to allow for adult use 23059
cannabis delivery to adult use consumers, and online and mobile 23060
ordering procedures, which may only be conducted by an adult use 23061
dispensary or their agent; 23062

(18) Prescribing cannabis inventory requirements to be 23063
maintained in an electronic database consistent with section 23064
3780.05 of the Revised Code; 23065

(19) Prescribing standards and procedures for product packaging 23066
and labeling of adult use cannabis products; 23067

(20) Prescribing standards and procedures in coordination with 23068
the department of housing and development to administer and 23069
enforce the cannabis social equity and jobs program as 23070
prescribed under section 3780.19 of the Revised Code; 23071

(21) Establishing a tetrahydrocannabinol content limit for adult use cannabis, which for plant material the content limit shall be ~~no~~not less than thirty-five per cent and for extracts the content limit shall be ~~no~~not less than ninety per cent, but that such content limits may be increased or eliminated by the division of cannabis control; and

(22) Prescribing duty to update requirements for license holders.

(D) All rules adopted under this section and chapter shall be adopted in accordance with Chapter 119. of the Revised Code.

(E) In addition to the rules described in division (C) of this section, the division of cannabis control may adopt any other rules it considers necessary for the administration, implementation, and enforcement of this chapter consistent with this chapter.

(F) When adopting rules under this section, the division of cannabis control shall consider standards and procedures that have been found to be best practices relative to the use and regulation of adult use cannabis and shall harmonize any rules with the rules adopted pursuant to sections 3796.03 and 3796.04 of the Revised Code to minimize duplication of operational requirements and fees as much as possible. If there is a conflict with Chapter 3796. of the Revised Code and related rules, and ~~chapter~~Chapter 3780. of the Revised Code and related rules, then ~~chapter~~Chapter 3780. of the Revised Code and related rules shall govern.

Sec. 3780.19. Cannabis social equity and jobs program.

(A) As used in this section, "cannabis social equity and jobs program participant" means a person certified as a participant

in the cannabis social equity and jobs program by the department 23101
of housing and development under this section ~~of the Revised~~ 23102
~~Code~~. 23103

(B) The department of housing and development shall establish a 23104
business assistance program known as the cannabis social equity 23105
and jobs program funded by the cannabis social equity and jobs 23106
fund, and shall adopt rules in accordance with Chapter 119, of 23107
the Revised Code to administer the program including the 23108
following: 23109

(1) Establish procedures by which a person may apply for 23110
certification under the cannabis social equity and jobs program; 23111

(2) Establish a system of certifying cannabis social equity and 23112
~~job~~ jobs program applicants based on a requirement that the 23113
business owner or owners show both social and economic 23114
disadvantage based on the following, as determined to be 23115
sufficient by the department of housing and development: 23116

(a) Wealth of the business seeking certification as well as the 23117
personal wealth of the owner or owners of the business ~~;~~ 23118

(b) Social disadvantage based on any of the following: 23119

(i) The business owner or owners demonstrate membership in a 23120
racial minority group or show personal disadvantage due to 23121
color, ethnic origin, gender, physical disability, or long-term 23122
residence in an area of high unemployment; 23123

(ii) The owner or owners, or their spouse, child, or parent, 23124
have been arrested for, convicted of, or adjudicated delinquent 23125
for a marijuana related offense as determined by rule by the 23126
department of housing and development prior to the effective 23127
date of this section. 23128

(c) Economic disadvantage based on economic and business size 23129
thresholds and eligibility criteria designed to stimulate 23130
economic development through license awards to businesses 23131
located in qualified census tracts. 23132

(3) Establish standards to determine when a cannabis social 23133
equity and jobs program participant no longer qualifies for 23134
cannabis social equity and jobs program certification; 23135

(4) Develop a process for evaluating and adjusting goals 23136
established by this section to determine what adjustments are 23137
necessary to achieve participation goals established by the 23138
department of housing and development; 23139

(5) Implement an outreach program to educate potential 23140
participants about the cannabis social equity and jobs program; 23141

(6) Implement a system of self-reporting by cannabis social 23142
equity and jobs program participants on compliance, as well as 23143
an on-site inspection process to validate the qualifications of 23144
a cannabis social equity and jobs program; 23145

(7) Establish a process for when there is a transfer of a 23146
license from a certified cannabis social equity and jobs program 23147
participant to a person or entity that does not qualify as a 23148
participant to the cannabis social equity and jobs program, 23149
which process shall not undermine the policy goals of the 23150
program; 23151

(8) Provide financial assistance, loans, grants, and technical 23152
assistance to persons certified by the department under the 23153
cannabis social equity and jobs program pursuant to rules 23154
adopted under this section. Notwithstanding any other law to the 23155
contrary, the cannabis social equity and jobs program fund is 23156
not subject to budgetary sweeps, administrative charge-backs, or 23157

any other fiscal or budgetary maneuver that would in any way 23158
transfer any amounts from the cannabis social equity and jobs 23159
program fund into any other fund of the state; 23160

(9) Encourage employment practices, in which an adult use 23161
cannabis operator can demonstrate a plan of action to inform, 23162
hire, and educate minorities, women, veterans, and persons with 23163
disabilities; ~~and~~ engage in fair labor practices; ~~and~~ provide 23164
worker protections; 23165

(10) Study and fund judicial and criminal justice reform 23166
including bail, parole, sentencing reform, expungement and 23167
sealing of records, legal aid, and community policing related to 23168
marijuana; 23169

(11) Study and propose policy reforms to address the social and 23170
economic impacts of the enforcement of marijuana laws and to 23171
track and prevent underage use of marijuana; 23172

(12) Fund direct investment in disproportionately impacted 23173
communities to enhance education, entrepreneurship, legal aid, 23174
youth development, violence prevention, and the arts related to 23175
the program; and 23176

(13) Utilize the cannabis social equity and jobs fund 23177
exclusively for the purposes of this section and for the 23178
implementation of this section. 23179

(C) For certified cannabis social equity and job program 23180
participants, the division of cannabis control shall waive at 23181
least fifty ~~percent~~ per cent of any license or application fees 23182
associated with a license holder's application or license. 23183

(D) Any business or personal financial information, or trade 23184
secrets submitted by a cannabis social equity and jobs program 23185
applicant to the department of housing and development pursuant 23186

to this section are not public records for purposes of section 23187
149.43 of the Revised Code, unless the division of cannabis 23188
control or department of housing and development is required to 23189
present the financial information or trade secrets at a public 23190
hearing or public proceeding regarding the applicant's 23191
eligibility to participate in the program in which case the 23192
agency shall only disclose any required information. 23193

(E) Any license or other preference to persons certified under 23194
the cannabis social equity and jobs program under this section 23195
shall be based on substantiated evidence that the preference is 23196
needed to address the goals of cannabis social equity and ~~job~~ 23197
jobs program under this chapter. 23198

(F) The department of housing and development shall create a 23199
cannabis social equity and jobs program advisory group 23200
promulgated through rule in accordance with Chapter 119. of the 23201
Revised Code. The advisory group may develop and submit to the 23202
department of housing and development ~~on~~ any recommendations 23203
related to the cannabis social equity and jobs program under 23204
sections 3780.18 and 3780.19 of the Revised Code. 23205

Sec. 4121.123. (A) There is hereby created the workers' 23206
compensation board of directors nominating committee consisting 23207
of the following: 23208

(1) Three individuals who are members of affiliated 23209
employee organizations of the Ohio chapter of the American 23210
federation of labor-congress of industrial organizations, who 23211
are selected by the Ohio chapter of the American federation of 23212
labor-congress of industrial organizations and who, on account 23213
of their previous vocation, employment, or affiliations, can be 23214
classed as representative of employees who are members of an 23215
employee organization. Terms of office shall be for one year, 23216

with each term ending on the same day of the same month as did 23217
the term that it succeeds. 23218

(2) Two individuals who, on account of their previous 23219
vocation, employment, or affiliations, can be classed as 23220
representative of employees, one of whom shall be an injured 23221
worker with a valid, open, and active workers' compensation 23222
claim and at least one of these two representatives also shall 23223
represent employees who are not members of an employee 23224
organization. The president of the senate and the speaker of the 23225
house of representatives each shall appoint annually one of 23226
these members. The member who is an injured worker shall serve 23227
for a full term even if the member's workers' compensation claim 23228
is invalidated, closed, or inactivated during the member's term. 23229

(3) The chief executive officer, or the equivalent of the 23230
chief executive officer, of the Ohio chamber of commerce, the 23231
Ohio manufacturers' association, the Ohio self-insurers' 23232
association, the Ohio council of retail merchants, the national 23233
federation of independent business, and the Ohio farm bureau; 23234

(4) The director of housing and development; 23235

(5) The president of the Ohio township association and the 23236
president of the Ohio county commissioners association, or if 23237
any of the following circumstances apply: 23238

(a) In the event of a vacancy in either presidency, a 23239
designee appointed by the governing body authorized to appoint 23240
the president. A designee so appointed shall serve on the 23241
nominating committee only until the vacancy in the presidency is 23242
filled. 23243

(b) In the event that the president of the Ohio township 23244
association is unavailable, a designee selected by the 23245

president; 23246

(c) In the event that the president of the Ohio county 23247
commissioners association is unavailable, a designee selected by 23248
the president. 23249

(B) Each member appointed under divisions (A) (1) and (2) 23250
of this section shall hold office from the date of the member's 23251
appointment until the end of the term for which the member was 23252
appointed. Such members may be reappointed. Vacancies shall be 23253
filled in the manner provided for original appointments. Any 23254
such member appointed to fill a vacancy occurring prior to the 23255
expiration date of the term for which the member's predecessor 23256
was appointed shall hold office as a member for the remainder of 23257
that term. Such a member shall continue in office subsequent to 23258
the expiration date of the member's term until the member's 23259
successor takes office or until a period of sixty days has 23260
elapsed, whichever occurs first. 23261

(C) The nominating committee shall meet at the request of 23262
the governor or as the nominating committee determines 23263
appropriate in order to make recommendations to the governor for 23264
the appointment of members of the bureau of workers' 23265
compensation board of directors under section 4121.12 of the 23266
Revised Code. 23267

(D) The director of housing and development shall serve as 23268
chairperson of the nominating committee and have no voting 23269
rights on matters coming before the nominating committee, except 23270
that the director may vote in the event of a tie vote of the 23271
nominating committee. Annually, the nominating committee shall 23272
select a secretary from among its members. The nominating 23273
committee may adopt by-laws governing its proceedings. 23274

(E) Members of the nominating committee shall be paid 23275
their reasonable and necessary expenses pursuant to section 23276
126.31 of the Revised Code while engaged in the performance of 23277
their duties as members of the nominating committee. 23278

(F) The nominating committee shall: 23279

(1) Review and evaluate possible appointees for the board. 23280
In reviewing and evaluating possible appointees for the board, 23281
the nominating committee may accept comments from, cooperate 23282
with, and request information from any person. 23283

(2) Make recommendations to the governor for the 23284
appointment of members to the board as provided in division (C) 23285
of section 4121.12 of the Revised Code. 23286

(G) The nominating committee may make recommendations to 23287
the general assembly concerning changes in legislation that will 23288
assist the nominating committee in the performance of its 23289
duties. 23290

Sec. 4164.04. There is hereby created and constituted 23291
within the department of housing and development, the Ohio 23292
nuclear development authority. The authority's exercise of 23293
powers conferred by this chapter is the performance of an 23294
essential governmental function and addresses matters of public 23295
necessity for which public moneys may be spent. 23296

Sec. 4164.12. For the purpose of carrying out the Ohio 23297
nuclear development authority's duties under the Revised Code, 23298
the authority may make use of the staff and experts employed at 23299
the department of housing and development in such manner as is 23300
provided by mutual arrangement between the authority and the 23301
department. 23302

Sec. 4301.17. (A) (1) Subject to local option as provided 23303

in sections 4301.32 to 4301.40 of the Revised Code, five state 23304
liquor stores or agencies may be established in each county. One 23305
additional store may be established in any county for each 23306
twenty thousand of population of that county or major fraction 23307
thereof in excess of the first forty thousand, according to the 23308
last preceding federal decennial census or according to the 23309
population estimates certified by the department of housing and 23310
development between decennial censuses. A person engaged in a 23311
mercantile business may act as the agent for the division of 23312
liquor control for the sale of spirituous liquor in a municipal 23313
corporation, in the unincorporated area of a township, or in an 23314
area designated and approved as a resort area under section 23315
4303.262 of the Revised Code. The division shall fix the 23316
compensation for such an agent in the manner it considers best, 23317
but the compensation shall not exceed seven per cent of the 23318
gross sales made by the agent in any one year. 23319

(2) The division shall adopt rules in accordance with 23320
Chapter 119. of the Revised Code governing the allocation and 23321
equitable distribution of agency store contracts. The division 23322
shall comply with the rules when awarding a contract under 23323
division (A) (1) of this section. 23324

(3) Pursuant to an agency store's contract, an agency 23325
store may be issued a D-1 permit to sell beer, a D-2 permit to 23326
sell wine and mixed beverages, and a D-5 permit to sell beer, 23327
wine, mixed beverages, and spirituous liquor. 23328

(4) Pursuant to an agency store's contract, an agency 23329
store may be issued a D-3 permit to sell spirituous liquor if 23330
the agency store contains at least ten thousand square feet of 23331
sales floor area. A D-3 permit issued to an agency store shall 23332
not be transferred to a new location. The division shall revoke 23333

any D-3 permit issued to an agency store under division (A) (4) 23334
of this section if the agent no longer operates the agency 23335
store. The division shall not issue a D-3a permit to an agency 23336
store. 23337

(5) An agency store to which a D-8 permit has been issued 23338
may allow the sale of tasting samples of spirituous liquor in 23339
accordance with section 4301.171 of the Revised Code. 23340

(6) An agency store may sell beer, wine, mixed beverages, 23341
and spirituous liquor only between the hours of nine a.m. and 23342
eleven p.m. 23343

(B) When an agency contract is proposed, when an existing 23344
agency contract is assigned, when an existing agency proposes to 23345
relocate, or when an existing agency is relocated and assigned, 23346
before entering into any contract, consenting to any assignment, 23347
or consenting to any relocation, the division shall notify the 23348
legislative authority of the municipal corporation in which the 23349
agency store is to be located, or the board of county 23350
commissioners and the board of township trustees of the county 23351
and the township in which the agency store is to be located if 23352
the agency store is to be located outside the corporate limits 23353
of a municipal corporation, of the proposed contract, 23354
assignment, or relocation, and an opportunity shall be provided 23355
officials or employees of the municipal corporation or county 23356
and township for a complete hearing upon the advisability of 23357
entering into the contract or consenting to the assignment or 23358
relocation. When the division sends notice to the legislative 23359
authority of the political subdivision, the division shall 23360
notify the chief peace officer of the political subdivision, who 23361
may appear and testify, either in person or through a 23362
representative, at any hearing held on the advisability of 23363

entering into the contract or consenting to the assignment or 23364
relocation. 23365

If the proposed agency store, the assignment of an agency 23366
contract, or the relocation of an agency store would be located 23367
within five hundred feet of a school, church, library, public 23368
playground, or township park, the division shall not enter into 23369
an agency contract until it has provided notice of the proposed 23370
contract to the authorities in control of the school, church, 23371
library, public playground, or township park and has provided 23372
those authorities with an opportunity for a complete hearing 23373
upon the advisability of entering into the contract. If an 23374
agency store so located is operating under an agency contract, 23375
the division may consent to relocation of the agency store or to 23376
the assignment of that contract to operate an agency store at 23377
the same location. The division may also consent to the 23378
assignment of an existing agency contract simultaneously with 23379
the relocation of the agency store. In any such assignment or 23380
relocation, the assignee and the location shall be subject to 23381
the same requirements that the existing location met at the time 23382
that the contract was first entered into as well as any 23383
additional requirements imposed by the division in rules adopted 23384
by the superintendent of liquor control. The division shall not 23385
consent to an assignment or relocation of an agency store until 23386
it has notified the authorities in control of the school, 23387
church, library, public playground, or township park and has 23388
provided those authorities with an opportunity for a complete 23389
hearing upon the advisability of consenting to the assignment or 23390
relocation. 23391

Any hearing provided for in this division shall be held in 23392
the central office of the division, except that upon written 23393
request of the legislative authority of the municipal 23394

corporation, the board of county commissioners, the board of 23395
township trustees, or the authorities in control of the school, 23396
church, library, public playground, or township park, the 23397
hearing shall be held in the county seat of the county where the 23398
proposed agency store is to be located. 23399

(C) All agency contracts entered into by the division 23400
pursuant to this section shall be in writing and shall contain a 23401
clause providing for the termination of the contract at will by 23402
the division upon its giving ninety days' notice in writing to 23403
the agent of its intention to do so. Any agency contract may 23404
include a clause requiring the agent to report to the 23405
appropriate law enforcement agency the name and address of any 23406
individual under twenty-one years of age who attempts to make an 23407
illegal purchase. 23408

The division shall issue a C-1 and C-2 permit to each 23409
agent who prior to November 1, 1994, had not been issued both of 23410
these permits, notwithstanding the population quota restrictions 23411
contained in section 4303.29 of the Revised Code or in any rule 23412
of the liquor control commission and notwithstanding the 23413
requirements of section 4303.31 of the Revised Code. The 23414
location of a C-1 or C-2 permit issued to such an agent shall 23415
not be transferred. The division shall revoke any C-1 or C-2 23416
permit issued to an agent under this paragraph if the agent no 23417
longer operates an agency store. 23418

The division may enter into agreements with the department 23419
of housing and development to implement a minority loan program 23420
to provide low-interest loans to minority business enterprises, 23421
as defined in section 122.71 of the Revised Code, that are 23422
awarded liquor agency contracts or assignments. 23423

(D) If the division closes a state liquor store and 23424

replaces that store with an agency store, any employees of the 23425
division employed at that state liquor store who lose their jobs 23426
at that store as a result shall be given preference by the agent 23427
who operates the agency store in filling any vacancies that 23428
occur among the agent's employees, if that preference does not 23429
conflict with the agent's obligations pursuant to a collective 23430
bargaining agreement. 23431

If the division closes a state liquor store and replaces 23432
the store with an agency store, any employees of the division 23433
employed at the state liquor store who lose their jobs at that 23434
store as a result may displace other employees as provided in 23435
sections 124.321 to 124.328 of the Revised Code. If an employee 23436
cannot displace other employees and is laid off, the employee 23437
shall be reinstated in another job as provided in sections 23438
124.321 to 124.328 of the Revised Code, except that the 23439
employee's rights of reinstatement in a job at a state liquor 23440
store shall continue for a period of two years after the date of 23441
the employee's layoff and shall apply to jobs at state liquor 23442
stores located in the employee's layoff jurisdiction and any 23443
layoff jurisdiction adjacent to the employee's layoff 23444
jurisdiction. 23445

(E) The division shall require every agent to give bond 23446
with surety to the satisfaction of the division, in the amount 23447
the division fixes, conditioned for the faithful performance of 23448
the agent's duties as prescribed by the division. 23449

Sec. 4303.181. (A) Permit D-5a may be issued either to the 23450
owner or operator of a hotel or motel that is required to be 23451
licensed under section 3731.03 of the Revised Code, that 23452
contains at least fifty rooms for registered transient guests or 23453
is owned by a state institution of higher education as defined 23454

in section 3345.011 of the Revised Code or a private college or 23455
university, and that qualifies under the other requirements of 23456
this section, or to the owner or operator of a restaurant 23457
specified under this section, to sell beer and any intoxicating 23458
liquor at retail, only by the individual drink in glass and from 23459
the container, for consumption on the premises where sold, and 23460
to registered guests in their rooms, which may be sold by means 23461
of a controlled access alcohol and beverage cabinet in 23462
accordance with division (B) of section 4301.21 of the Revised 23463
Code; and to sell the same products in the same manner and 23464
amounts not for consumption on the premises as may be sold by 23465
holders of D-1 and D-2 permits. The premises of the hotel or 23466
motel shall include a retail food establishment or a food 23467
service operation licensed pursuant to Chapter 3717. of the 23468
Revised Code that operates as a restaurant for purposes of this 23469
chapter and that is affiliated with the hotel or motel and 23470
within or contiguous to the hotel or motel, and that serves food 23471
within the hotel or motel, but the principal business of the 23472
owner or operator of the hotel or motel shall be the 23473
accommodation of transient guests. In addition to the privileges 23474
authorized in this division, the holder of a D-5a permit may 23475
exercise the same privileges, and shall observe the same hours 23476
of operation, as the holder of a D-5 permit. 23477

The owner or operator of a hotel, motel, or restaurant who 23478
qualified for and held a D-5a permit on August 4, 1976, may, if 23479
the owner or operator held another permit before holding a D-5a 23480
permit, either retain a D-5a permit or apply for the permit 23481
formerly held, and the division of liquor control shall issue 23482
the permit for which the owner or operator applies and formerly 23483
held, notwithstanding any quota. 23484

A D-5a permit shall not be transferred to another 23485

location. No quota restriction shall be placed on the number of 23486
D-5a permits that may be issued. 23487

The fee for this permit is two thousand three hundred 23488
forty-four dollars. 23489

(B) Permit D-5b may be issued to the owner, operator, 23490
tenant, lessee, or occupant of an enclosed shopping center to 23491
sell beer and intoxicating liquor at retail, only by the 23492
individual drink in glass and from the container, for 23493
consumption on the premises where sold; and to sell the same 23494
products in the same manner and amount not for consumption on 23495
the premises as may be sold by holders of D-1 and D-2 permits. 23496
In addition to the privileges authorized in this division, the 23497
holder of a D-5b permit may exercise the same privileges, and 23498
shall observe the same hours of operation, as a holder of a D-5 23499
permit. 23500

A D-5b permit shall not be transferred to another 23501
location. 23502

One D-5b permit may be issued at an enclosed shopping 23503
center containing at least two hundred twenty-five thousand, but 23504
less than four hundred thousand, square feet of floor area. 23505

Two D-5b permits may be issued at an enclosed shopping 23506
center containing at least four hundred thousand square feet of 23507
floor area. No more than one D-5b permit may be issued at an 23508
enclosed shopping center for each additional two hundred 23509
thousand square feet of floor area or fraction of that floor 23510
area, up to a maximum of five D-5b permits for each enclosed 23511
shopping center. The number of D-5b permits that may be issued 23512
at an enclosed shopping center shall be determined by 23513
subtracting the number of D-3 and D-5 permits issued in the 23514

enclosed shopping center from the number of D-5b permits that 23515
otherwise may be issued at the enclosed shopping center under 23516
the formulas provided in this division. Except as provided in 23517
this section, no quota shall be placed on the number of D-5b 23518
permits that may be issued. Notwithstanding any quota provided 23519
in this section, the holder of any D-5b permit first issued in 23520
accordance with this section is entitled to its renewal in 23521
accordance with section 4303.271 of the Revised Code. 23522

The holder of a D-5b permit issued before April 4, 1984, 23523
whose tenancy is terminated for a cause other than nonpayment of 23524
rent, may return the D-5b permit to the division of liquor 23525
control, and the division shall cancel that permit. Upon 23526
cancellation of that permit and upon the permit holder's payment 23527
of taxes, contributions, premiums, assessments, and other debts 23528
owing or accrued upon the date of cancellation to this state and 23529
its political subdivisions and a filing with the division of a 23530
certification of that payment, the division shall issue to that 23531
person either a D-5 permit, or a D-1, a D-2, and a D-3 permit, 23532
as that person requests. The division shall issue the D-5 23533
permit, or the D-1, D-2, and D-3 permits, even if the number of 23534
D-1, D-2, D-3, or D-5 permits currently issued in the municipal 23535
corporation or in the unincorporated area of the township where 23536
that person's proposed premises is located equals or exceeds the 23537
maximum number of such permits that can be issued in that 23538
municipal corporation or in the unincorporated area of that 23539
township under the population quota restrictions contained in 23540
section 4303.29 of the Revised Code. Any D-1, D-2, D-3, or D-5 23541
permit so issued shall not be transferred to another location. 23542
If a D-5b permit is canceled under the provisions of this 23543
paragraph, the number of D-5b permits that may be issued at the 23544
enclosed shopping center for which the D-5b permit was issued, 23545

under the formula provided in this division, shall be reduced by 23546
one if the enclosed shopping center was entitled to more than 23547
one D-5b permit under the formula. 23548

The fee for this permit is two thousand three hundred 23549
forty-four dollars. 23550

(C) Permit D-5c may be issued to the owner or operator of 23551
a retail food establishment or a food service operation licensed 23552
pursuant to Chapter 3717. of the Revised Code that operates as a 23553
restaurant for purposes of this chapter and that qualifies under 23554
the other requirements of this section to sell beer and any 23555
intoxicating liquor at retail, only by the individual drink in 23556
glass and from the container, for consumption on the premises 23557
where sold, and to sell the same products in the same manner and 23558
amounts not for consumption on the premises as may be sold by 23559
holders of D-1 and D-2 permits. In addition to the privileges 23560
authorized in this division, the holder of a D-5c permit may 23561
exercise the same privileges, and shall observe the same hours 23562
of operation, as the holder of a D-5 permit. 23563

To qualify for a D-5c permit, the owner or operator of a 23564
retail food establishment or a food service operation licensed 23565
pursuant to Chapter 3717. of the Revised Code that operates as a 23566
restaurant for purposes of this chapter, shall have operated the 23567
restaurant at the proposed premises for not less than twenty- 23568
four consecutive months immediately preceding the filing of the 23569
application for the permit, have applied for a D-5 permit no 23570
later than December 31, 1988, and appear on the division's quota 23571
waiting list for not less than six months immediately preceding 23572
the filing of the application for the permit. In addition to 23573
these requirements, the proposed D-5c permit premises shall be 23574
located within a municipal corporation and further within an 23575

election precinct that, at the time of the application, has no more than twenty-five per cent of its total land area zoned for residential use.

A D-5c permit shall not be transferred to another location. No quota restriction shall be placed on the number of such permits that may be issued.

Any person who has held a D-5c permit for at least two years may apply for a D-5 permit, and the division of liquor control shall issue the D-5 permit notwithstanding the quota restrictions contained in section 4303.29 of the Revised Code or in any rule of the liquor control commission.

The fee for this permit is one thousand five hundred sixty-three dollars.

(D) (1) Permit D-5d may be issued to the owner or operator of a retail food establishment or a food service operation licensed pursuant to Chapter 3717. of the Revised Code that operates as a restaurant for purposes of this chapter and that is located at an airport operated by a municipal corporation, at an airport operated by a board of county commissioners pursuant to section 307.20 of the Revised Code, at an airport operated by a port authority pursuant to Chapter 4582. of the Revised Code, or at an airport operated by a regional airport authority pursuant to Chapter 308. of the Revised Code.

(2) The holder of a D-5d permit may sell either of the following:

(a) Beer and any intoxicating liquor at retail, only by the individual drink in glass and from the container, for consumption on the premises where sold. In addition, such consumption may occur in the area of the airport terminal that

is restricted to persons taking flights to and from the airport, 23605
provided all of the following apply: 23606

(i) The airport's governing body authorizes the 23607
consumption of beer and intoxicating liquor in that area. 23608

(ii) The D-5d permit holder is located in that area. 23609

(iii) The airport is a public-use airport, as defined in 23610
section 4563.30 of the Revised Code, that has commercial flight 23611
activity and has one or more passenger or property screening 23612
checkpoints or restricted areas used as security measures. 23613

(iv) The beer or intoxicating liquor is served solely in 23614
plastic bottles or other plastic containers that clearly 23615
identify the D-5d permit holder. 23616

(b) The same products in the same manner and amounts not 23617
for consumption on the premises where sold as may be sold by the 23618
holders of D-1 and D-2 permits. 23619

In addition to the privileges authorized in division (D) 23620
of this section, the holder of a D-5d permit may exercise the 23621
same privileges, and shall observe the same hours of operation, 23622
as the holder of a D-5 permit. 23623

(3) A D-5d permit shall not be transferred to another 23624
location. No quota restrictions shall be placed on the number of 23625
such permits that may be issued. 23626

(4) The fee for the D-5d permit is two thousand three 23627
hundred forty-four dollars. 23628

(E) Permit D-5e may be issued to any nonprofit 23629
organization that is exempt from federal income taxation under 23630
the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 23631
501(c)(3), as amended, or that is a charitable organization 23632

under any chapter of the Revised Code, and that owns or operates 23633
a riverboat that meets all of the following: 23634

(1) Is permanently docked at one location; 23635

(2) Is designated as an historical riverboat by the Ohio 23636
history connection; 23637

(3) Contains not less than fifteen hundred square feet of 23638
floor area; 23639

(4) Has a seating capacity of fifty or more persons. 23640

The holder of a D-5e permit may sell beer and intoxicating 23641
liquor at retail, only by the individual drink in glass and from 23642
the container, for consumption on the premises where sold. 23643

A D-5e permit shall not be transferred to another 23644
location. No quota restriction shall be placed on the number of 23645
such permits that may be issued. The population quota 23646
restrictions contained in section 4303.29 of the Revised Code or 23647
in any rule of the liquor control commission shall not apply to 23648
this division, and the division shall issue a D-5e permit to any 23649
applicant who meets the requirements of this division. However, 23650
the division shall not issue a D-5e permit if the permit 23651
premises or proposed permit premises are located within an area 23652
in which the sale of spirituous liquor by the glass is 23653
prohibited. 23654

In addition to the privileges authorized in this division, 23655
the holder of a D-5e permit may exercise the same privileges, 23656
and shall observe the same hours of operation, as the holder of 23657
a D-5 permit. 23658

The fee for this permit is one thousand two hundred 23659
nineteen dollars. 23660

(F) Permit D-5f may be issued to the owner or operator of a retail food establishment or a food service operation licensed under Chapter 3717. of the Revised Code that operates as a restaurant for purposes of this chapter and that meets all of the following:

(1) It contains not less than twenty-five hundred square feet of floor area.

(2) It is located on or in, or immediately adjacent to, the shoreline of, a navigable river.

(3) It provides docking space for twenty-five boats.

(4) It provides entertainment and recreation, provided that not less than fifty per cent of the business on the permit premises shall be preparing and serving meals for a consideration.

In addition, each application for a D-5f permit shall be accompanied by a certification from the local legislative authority that the issuance of the D-5f permit is not inconsistent with that political subdivision's comprehensive development plan or other economic development goal as officially established by the local legislative authority.

The holder of a D-5f permit may sell beer and intoxicating liquor at retail, only by the individual drink in glass and from the container, for consumption on the premises where sold.

A D-5f permit shall not be transferred to another location.

The division of liquor control shall not issue a D-5f permit if the permit premises or proposed permit premises are located within an area in which the sale of spirituous liquor by

the glass is prohibited. In addition to the privileges 23689
authorized in this division, the holder of a D-5f permit may 23690
exercise the same privileges, and shall observe the same hours 23691
of operation, as the holder of a D-5 permit. 23692

A fee for this permit is two thousand three hundred forty- 23693
four dollars. 23694

As used in this division, "navigable river" means a river 23695
that is also a "navigable water" as defined in the "Federal 23696
Power Act," 94 Stat. 770 (1980), 16 U.S.C. 796. 23697

(G) Permit D-5g may be issued to a nonprofit corporation 23698
that is either the owner or the operator of a national 23699
professional sports museum. The holder of a D-5g permit may sell 23700
beer and any intoxicating liquor at retail, only by the 23701
individual drink in glass and from the container, for 23702
consumption on the premises where sold. The holder of a D-5g 23703
permit shall sell no beer or intoxicating liquor for consumption 23704
on the premises where sold after two-thirty a.m. A D-5g permit 23705
shall not be transferred to another location. No quota 23706
restrictions shall be placed on the number of D-5g permits that 23707
may be issued. In addition to the privileges authorized in this 23708
division, the holder of a D-5g permit may exercise the same 23709
privileges, and shall observe the same hours of operation, as 23710
the holder of a D-5 permit. 23711

The fee for this permit is one thousand eight hundred 23712
seventy-five dollars. 23713

(H) (1) Permit D-5h may be issued to any nonprofit 23714
organization that is exempt from federal income taxation under 23715
the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 23716
501(c) (3), as amended, that owns or operates any of the 23717

following: 23718

(a) A fine arts museum, provided that the nonprofit 23719
organization has no less than one thousand five hundred bona 23720
fide members possessing full membership privileges; 23721

(b) A community arts center. As used in division (H) (1) (b) 23722
of this section, "community arts center" means a facility that 23723
provides arts programming to the community in more than one arts 23724
discipline, including, but not limited to, exhibits of works of 23725
art and performances by both professional and amateur artists. 23726

(c) A community theater, provided that the nonprofit 23727
organization is a member of the Ohio arts council and the 23728
American community theatre association and has been in existence 23729
for not less than ten years. As used in division (H) (1) (c) of 23730
this section, "community theater" means a facility that contains 23731
at least one hundred fifty seats and has a primary function of 23732
presenting live theatrical performances and providing 23733
recreational opportunities to the community. 23734

(2) The holder of a D-5h permit may sell beer and any 23735
intoxicating liquor at retail, only by the individual drink in 23736
glass and from the container, for consumption on the premises 23737
where sold. A D-5h permit shall not be transferred to another 23738
location. No quota restrictions shall be placed on the number of 23739
D-5h permits that may be issued. 23740

(3) In addition to the privileges authorized in this 23741
division, the holder of a D-5h permit may exercise the same 23742
privileges, and shall observe the same hours of operation, as 23743
the holder of a D-5 permit. 23744

(4) The fee for a D-5h permit is one thousand eight 23745
hundred seventy-five dollars. 23746

(I) Permit D-5i may be issued to the owner or operator of a retail food establishment or a food service operation licensed under Chapter 3717. of the Revised Code that operates as a restaurant for purposes of this chapter and that meets all of the following requirements:

(1) It is located in a municipal corporation or a township with a population of one hundred thousand or less.

(2) It has inside seating capacity for at least one hundred forty persons.

(3) It has at least four thousand square feet of floor area.

(4) It offers full-course meals, appetizers, and sandwiches.

(5) Its receipts from beer and liquor sales, excluding wine sales, do not exceed twenty-five per cent of its total gross receipts.

(6) It has at least one of the following characteristics:

(a) The value of its real and personal property exceeds seven hundred twenty-five thousand dollars.

(b) It is located on property that is owned or leased by the state or a state agency, and its owner or operator has authorization from the state or the state agency that owns or leases the property to obtain a D-5i permit.

The holder of a D-5i permit may sell beer and any intoxicating liquor at retail, only by the individual drink in glass and from the container, for consumption on the premises where sold, and may sell the same products in the same manner and amounts not for consumption on the premises where sold as

may be sold by the holders of D-1 and D-2 permits. In addition 23775
to the privileges authorized in this division, the holder of a 23776
D-5i permit may exercise the same privileges, and shall observe 23777
the same hours of operation, as the holder of a D-5 permit. 23778

A D-5i permit shall not be transferred to another 23779
location. The division of liquor control shall not renew a D-5i 23780
permit unless the retail food establishment or food service 23781
operation for which it is issued continues to meet the 23782
requirements described in divisions (I) (1) to (6) of this 23783
section. No quota restrictions shall be placed on the number of 23784
D-5i permits that may be issued. The fee for the D-5i permit is 23785
two thousand three hundred forty-four dollars. 23786

(J) Permit D-5j may be issued to the owner or the operator 23787
of a retail food establishment or a food service operation 23788
licensed under Chapter 3717. of the Revised Code to sell beer 23789
and intoxicating liquor at retail, only by the individual drink 23790
in glass and from the container, for consumption on the premises 23791
where sold and to sell beer and intoxicating liquor in the same 23792
manner and amounts not for consumption on the premises where 23793
sold as may be sold by the holders of D-1 and D-2 permits. The 23794
holder of a D-5j permit may exercise the same privileges, and 23795
shall observe the same hours of operation, as the holder of a D- 23796
5 permit. 23797

The D-5j permit shall be issued only within a community 23798
entertainment district that is designated under section 4301.80 23799
of the Revised Code. The permit shall not be issued to a 23800
community entertainment district that is designated under 23801
divisions (B) and (C) of section 4301.80 of the Revised Code if 23802
the district does not meet one of the following qualifications: 23803

(1) It is located in a municipal corporation with a 23804

population of at least one hundred thousand. 23805

(2) It is located in a municipal corporation with a 23806
population of at least twenty thousand, and either of the 23807
following applies: 23808

(a) It contains an amusement park the rides of which have 23809
been issued a permit by the department of agriculture under 23810
Chapter 1711. of the Revised Code. 23811

(b) Not less than fifty million dollars will be invested 23812
in development and construction in the community entertainment 23813
district's area located in the municipal corporation. 23814

(3) It is located in a township with a population of at 23815
least forty thousand. 23816

(4) It is located in a township with a population of at 23817
least twenty thousand, and not less than seventy million dollars 23818
will be invested in development and construction in the 23819
community entertainment district's area located in the township. 23820

(5) It is located in a municipal corporation with a 23821
population between seven thousand and twenty thousand, and both 23822
of the following apply: 23823

(a) The municipal corporation was incorporated as a 23824
village prior to calendar year 1880 and currently has a historic 23825
downtown business district. 23826

(b) The municipal corporation is located in the same 23827
county as another municipal corporation with at least one 23828
community entertainment district. 23829

(6) It is located in a municipal corporation with a 23830
population of at least ten thousand, and not less than seventy 23831
million dollars will be invested in development and construction 23832

in the community entertainment district's area located in the 23833
municipal corporation. 23834

(7) It is located in a municipal corporation with a 23835
population of at least three thousand, and not less than one 23836
hundred fifty million dollars will be invested in development 23837
and construction in the community entertainment district's area 23838
located in the municipal corporation. 23839

The location of a D-5j permit may be transferred only 23840
within the geographic boundaries of the community entertainment 23841
district in which it was issued and shall not be transferred 23842
outside the geographic boundaries of that district. 23843

Not more than one D-5j permit shall be issued within each 23844
community entertainment district for each five acres of land 23845
located within the district. Not more than fifteen D-5j permits 23846
may be issued within a single community entertainment district. 23847
Except as otherwise provided in division (J)(4) of this section, 23848
no quota restrictions shall be placed upon the number of D-5j 23849
permits that may be issued. 23850

The fee for a D-5j permit is two thousand three hundred 23851
forty-four dollars. 23852

(K) (1) Permit D-5k may be issued to any nonprofit 23853
organization that is exempt from federal income taxation under 23854
the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 23855
501(c)(3), as amended, that is the owner or operator of a 23856
botanical garden recognized by the American association of 23857
botanical gardens and arboreta, and that has not less than 23858
twenty-five hundred bona fide members. 23859

(2) The holder of a D-5k permit may sell beer and any 23860
intoxicating liquor at retail, only by the individual drink in 23861

glass and from the container, on the premises where sold. 23862

(3) In addition to the privileges authorized in this 23863
division, the holder of a D-5k permit may exercise the same 23864
privileges, and shall observe the same hours of operation, as 23865
the holder of a D-5 permit. 23866

(4) A D-5k permit shall not be transferred to another 23867
location. 23868

(5) No quota restrictions shall be placed on the number of 23869
D-5k permits that may be issued. 23870

(6) The fee for the D-5k permit is one thousand eight 23871
hundred seventy-five dollars. 23872

(L) (1) Permit D-5l may be issued to the owner or the 23873
operator of a retail food establishment or a food service 23874
operation licensed under Chapter 3717. of the Revised Code to 23875
sell beer and intoxicating liquor at retail, only by the 23876
individual drink in glass and from the container, for 23877
consumption on the premises where sold and to sell beer and 23878
intoxicating liquor in the same manner and amounts not for 23879
consumption on the premises where sold as may be sold by the 23880
holders of D-1 and D-2 permits. The holder of a D-5l permit may 23881
exercise the same privileges, and shall observe the same hours 23882
of operation, as the holder of a D-5 permit. 23883

(2) The D-5l permit shall be issued only to a premises to 23884
which all of the following apply: 23885

(a) The premises has gross annual receipts from the sale 23886
of food and meals that constitute not less than seventy-five per 23887
cent of its total gross annual receipts. 23888

(b) The premises is located within a revitalization 23889

district that is designated under section 4301.81 of the Revised Code. 23890
Code. 23891

(c) The premises is located in a municipal corporation or township in which the number of D-5 permits issued equals or exceeds the number of those permits that may be issued in that municipal corporation or township under section 4303.29 of the Revised Code. 23892
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(d) The premises meets any of the following qualifications: 23897
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(i) It is located in a county with a population of one hundred twenty-five thousand or less according to the population estimates certified by the department of housing and development services ~~agency~~ for calendar year 2006. 23899
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(ii) It is located in the municipal corporation that has the largest population in a county when the county has a population between two hundred fifteen thousand and two hundred twenty-five thousand according to the population estimates certified by the department of housing and development services ~~agency~~ for calendar year 2006. Division (L) (2) (d) (ii) of this section applies only to a municipal corporation that is wholly located in a county. 23903
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(iii) It is located in the municipal corporation that has the largest population in a county when the county has a population between one hundred forty thousand and one hundred forty-one thousand according to the population estimates certified by the department of housing and development services ~~agency~~ for calendar year 2006. Division (L) (2) (d) (iii) of this section applies only to a municipal corporation that is wholly located in a county. 23911
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(iv) It is located in a township with a population density of less than four hundred fifty people per square mile. For purposes of division (L) (2) (d) (iv) of this section, the population of a township is considered to be the population shown by the most recent regular federal decennial census.

(v) It is located in a municipal corporation that is wholly located within the geographic boundaries of a township, provided that the municipal corporation and the unincorporated portion of the township have a combined population density of less than four hundred fifty people per square mile. For purposes of division (L) (2) (d) (v) of this section, the population of a municipal corporation and unincorporated portion of a township is the population shown by the most recent federal decennial census.

(vi) It is located in a county with a population of not less than one hundred seventy-two thousand and not more than one hundred ninety-five thousand. For purposes of division (L) (2) (d) (vi) of this section, the population of a county is the population shown by the most recent decennial census.

(vii) It is located in a municipal corporation with a population of less than ten thousand and the municipal corporation is located in a county with a population of more than one million. For purposes of division (L) (2) (d) (vii) of this section, the population of a municipal corporation and a county is the population shown by the most recent decennial census.

(3) The location of a D-51 permit may be transferred only within the geographic boundaries of the revitalization district in which it was issued and shall not be transferred outside the geographic boundaries of that district.

(4) Not more than one D-5l permit shall be issued within 23949
each revitalization district for each five acres of land located 23950
within the district. Not more than fifteen D-5l permits may be 23951
issued within a single revitalization district. Except as 23952
otherwise provided in division (L)(4) of this section, no quota 23953
restrictions shall be placed upon the number of D-5l permits 23954
that may be issued. 23955

(5) No D-5l permit shall be issued to an adult 23956
entertainment establishment as defined in section 2907.39 of the 23957
Revised Code. 23958

(6) The fee for a D-5l permit is two thousand three 23959
hundred forty-four dollars. 23960

(M) Permit D-5m may be issued to either the owner or the 23961
operator of a retail food establishment or food service 23962
operation licensed under Chapter 3717. of the Revised Code that 23963
operates as a restaurant for purposes of this chapter and that 23964
is located in, or affiliated with, a center for the preservation 23965
of wild animals as defined in section 4301.404 of the Revised 23966
Code, to sell beer and any intoxicating liquor at retail, only 23967
by the glass and from the container, for consumption on the 23968
premises where sold, and to sell the same products in the same 23969
manner and amounts not for consumption on the premises as may be 23970
sold by the holders of D-1 and D-2 permits. In addition to the 23971
privileges authorized by this division, the holder of a D-5m 23972
permit may exercise the same privileges, and shall observe the 23973
same hours of operation, as the holder of a D-5 permit. 23974

A D-5m permit shall not be transferred to another 23975
location. No quota restrictions shall be placed on the number of 23976
D-5m permits that may be issued. The fee for a permit D-5m is 23977
two thousand three hundred forty-four dollars. 23978

(N) Permit D-5n shall be issued to either a casino operator or a casino management company licensed under Chapter 3772. of the Revised Code that operates a casino facility under that chapter, to sell beer and any intoxicating liquor at retail, only by the individual drink in glass and from the container, for consumption on the premises where sold, and to sell the same products in the same manner and amounts not for consumption on the premises as may be sold by the holders of D-1 and D-2 permits. In addition to the privileges authorized by this division, the holder of a D-5n permit may exercise the same privileges, and shall observe the same hours for beer and intoxicating liquor sales, as the holder of a D-5 permit. A D-5n permit shall not be transferred to another location. Only one D-5n permit may be issued per casino facility and not more than four D-5n permits shall be issued in this state. The fee for a permit D-5n shall be twenty thousand dollars. The holder of a D-5n permit may conduct casino gaming on the permit premises notwithstanding any provision of the Revised Code or Administrative Code.

(O) Permit D-5o may be issued to the owner or operator of a retail food establishment or a food service operation licensed under Chapter 3717. of the Revised Code that operates as a restaurant for purposes of this chapter and that is located within a casino facility for which a D-5n permit has been issued. The holder of a D-5o permit may sell beer and any intoxicating liquor at retail, only by the individual drink in glass and from the container, for consumption on the premises where sold, and may sell the same products in the same manner and amounts not for consumption on the premises where sold as may be sold by the holders of D-1 and D-2 permits. In addition to the privileges authorized by this division, the holder of a

D-5o permit may exercise the same privileges, and shall observe 24010
the same hours for beer and intoxicating liquor sales, as the 24011
holder of a D-5 permit. A D-5o permit shall not be transferred 24012
to another location. No quota restrictions shall be placed on 24013
the number of such permits that may be issued. The fee for this 24014
permit is two thousand three hundred forty-four dollars. 24015

Sec. 4303.262. The department of housing and development 24016
shall designate resort areas, certify the geographical limits of 24017
such areas, and certify the tourist population of and the custom 24018
and habits of the tourists in such areas. The liquor control 24019
commission shall give notice as herein provided of public 24020
hearings to be held for the purpose of determining whether class 24021
D-7 permits shall be issued within such areas. 24022

When the resort area certified by the department is 24023
located in whole or in part within the corporate limits of a 24024
municipal corporation, the liquor control commission shall 24025
notify the clerk of the legislative authority of such municipal 24026
corporation, by certified mail, of the date of the public 24027
hearing to determine whether such area shall be designated a 24028
resort area for purposes of issuing D-7 permits. 24029

When the area certified by the department is located in 24030
whole or in part outside the corporate limits of a municipal 24031
corporation, the liquor control commission shall notify, by 24032
certified mail, the clerk of the board of county commissioners 24033
of the county in which such resort area is located. Such notice 24034
shall state the date of the public hearing to determine whether 24035
such area shall be designated a resort area for purposes of 24036
issuing D-7 permits. 24037

In addition to the notice to the clerk of the legislative 24038
authority or the clerk of the county commissioners, or both, the 24039

liquor control commission shall cause public notice of the date 24040
of hearing for the purpose of designating such area as a resort 24041
area for the purpose of issuing D-7 permits to be published in a 24042
newspaper of general circulation within the area to be so 24043
designated. The hearing shall be held in a place designated by 24044
the liquor control commission. 24045

At the public hearing the department shall testify 24046
concerning its findings and conclusions as to the designation of 24047
such area as a resort area. The legislative authority and the 24048
board of county commissioners shall be given the right to offer 24049
testimony either in support of or opposition to the designation 24050
of such area as a resort area. In addition, the liquor control 24051
commission shall give members of the general public the 24052
opportunity to give testimony either in support of or in 24053
opposition to such designation. Any member of the general public 24054
desiring to give testimony at such hearing shall give notice of 24055
such fact to the liquor control commission within five days of 24056
such hearing. The liquor control commission may limit the number 24057
of private citizens given the opportunity to testify at such 24058
public hearing and limit the length of their presentation. Any 24059
such limitation shall include an equal number of speakers in 24060
opposition to and in favor of such designation. 24061

Within thirty days of such public hearing the liquor 24062
control commission shall approve or deny by order the 24063
designation as a resort area and may before approval modify the 24064
geographical limits certified to it. In its order the liquor 24065
control commission shall consider the testimony presented to it 24066
at such hearing and shall take into consideration the transient 24067
population during the resort season, the custom and habits of 24068
visitors and tourists to the area, and the promotion of the 24069
resort and tourist industry within the area. The commission 24070

shall revoke or modify the designation as a "resort area" when 24071
the area no longer qualifies. No revocation or modification of 24072
the designation shall be made unless the notice and hearing 24073
procedures provided in this section for the original designation 24074
of the area are followed. 24075

Sec. 4503.591. (A) If a professional sports team located 24076
in this state desires to have its logo appear on license plates 24077
issued by this state, it shall enter into a contract with either 24078
a sports commission to permit such display, as permitted by 24079
division (E) of this section, or with a community charity, as 24080
permitted by division (G) of this section. 24081

(B) The owner or lessee of any passenger car, 24082
noncommercial motor vehicle, recreational vehicle, or other 24083
vehicle of a class approved by the registrar of motor vehicles 24084
may apply to the registrar for the registration of the vehicle 24085
and issuance of license plates bearing the logo of a 24086
professional sports team that has entered into a contract 24087
described in division (A) of this section. The application shall 24088
designate the sports team whose logo the owner or lessee desires 24089
to appear on the license plates. Failure to designate a 24090
participating professional sports team shall result in rejection 24091
by the registrar of the registration application. An application 24092
made under this section may be combined with a request for a 24093
special reserved license plate under section 4503.40 or 4503.42 24094
of the Revised Code. Upon receipt of the completed application 24095
and compliance by the applicant with divisions (C) and (D) of 24096
this section, the registrar shall issue to the applicant the 24097
appropriate vehicle registration and a set of license plates 24098
bearing the logo of the professional sports team the owner 24099
designated in the application and a validation sticker, or a 24100
validation sticker alone when required by section 4503.191 of 24101

the Revised Code. 24102

In addition to the letters and numbers ordinarily 24103
inscribed thereon, professional sports team license plates shall 24104
bear the logo of a participating professional sports team, and 24105
shall display county identification stickers that identify the 24106
county of registration as required under section 4503.19 of the 24107
Revised Code. 24108

(C) The professional sports team license plates and 24109
validation sticker, or validation sticker alone, as the case may 24110
be, shall be issued upon payment of the regular license tax as 24111
prescribed under section 4503.04 of the Revised Code, any 24112
applicable motor vehicle license tax levied under Chapter 4504. 24113
of the Revised Code, an additional fee of ten dollars, and 24114
compliance with all other applicable laws relating to the 24115
registration of motor vehicles. If the application for a 24116
professional sports team license plate is combined with a 24117
request for a special reserved license plate under section 24118
4503.40 or 4503.42 of the Revised Code, the license plates and 24119
validation sticker, or validation sticker alone, shall be issued 24120
upon payment of the taxes and fees described in this division 24121
plus the additional fee prescribed under section 4503.40 or 24122
4503.42 of the Revised Code and compliance with all other 24123
applicable laws relating to the registration of motor vehicles. 24124

(D) For each application for registration and registration 24125
renewal notice the registrar receives under this section, the 24126
registrar shall collect a contribution of twenty-five dollars. 24127
The registrar shall transmit this contribution to the treasurer 24128
of state for deposit into the license plate contribution fund 24129
created by section 4501.21 of the Revised Code. 24130

The registrar shall transmit the additional fee of ten 24131

dollars, which is to compensate the bureau of motor vehicles for 24132
the additional services required in the issuing of professional 24133
sports team license plates, to the treasurer of state for 24134
deposit into the state treasury to the credit of the public 24135
safety - highway purposes fund created by section 4501.06 of the 24136
Revised Code. 24137

(E) If a professional sports team located in this state 24138
desires to have its logo appear on license plates issued by this 24139
state and it desires to do so pursuant to this division, it 24140
shall inform the largest convention and visitors' bureau of the 24141
county in which the professional sports team is located of that 24142
desire. That convention and visitors' bureau shall create a 24143
sports commission to operate in that county to receive the 24144
contributions that are paid by applicants who choose to be 24145
issued license plates bearing the logo of that professional 24146
sports team for display on their motor vehicles. The sports 24147
commission shall negotiate with the professional sports team to 24148
permit the display of the team's logo on license plates issued 24149
by this state, enter into the contract with the team to permit 24150
such display, and pay to the team any licensing or rights fee 24151
that must be paid in connection with the issuance of the license 24152
plates. Upon execution of the contract, the sports commission 24153
shall provide a copy of it to the registrar, along with any 24154
other documentation the registrar may require. Upon receipt of 24155
the contract and any required additional documentation, and when 24156
the numerical requirement contained in section 4503.78 of the 24157
Revised Code has been met relative to that particular 24158
professional sports team, the registrar shall take the measures 24159
necessary to issue license plates bearing the logo of that team. 24160

(F) A sports commission shall expend the money it receives 24161
pursuant to section 4501.21 of the Revised Code to attract 24162

amateur regional, national, and international sporting events to 24163
the municipal corporation, county, or township in which it is 24164
located, and it may sponsor such events. Prior to attracting or 24165
sponsoring such events, the sports commission shall perform an 24166
economic analysis to determine whether the proposed event will 24167
have a positive economic effect on the greater area in which the 24168
event will be held. A sports commission shall not expend any 24169
money it receives under that section to attract or sponsor an 24170
amateur regional, national, or international sporting event if 24171
its economic analysis does not result in a finding that the 24172
proposed event will have a positive economic effect on the 24173
greater area in which the event will be held. 24174

A sports commission that receives money pursuant to that 24175
section, in addition to any other duties imposed on it by law 24176
and notwithstanding the scope of those duties, also shall 24177
encourage the economic development of this state through the 24178
promotion of tourism within all areas of this state. A sports 24179
commission that receives ten thousand dollars or more during any 24180
calendar year shall submit a written report to the director of 24181
housing and development, on or before the first day of October 24182
of the next succeeding year, detailing its efforts and 24183
expenditures in the promotion of tourism during the calendar 24184
year in which it received the ten thousand dollars or more. 24185

As used in this division, "promotion of tourism" means the 24186
encouragement through advertising, educational and informational 24187
means, and public relations, both within the state and outside 24188
of it, of travel by persons away from their homes for pleasure, 24189
personal reasons, or other purposes, except to work, to this 24190
state or to the region in which the sports commission is 24191
located. 24192

(G) If a professional sports team located in this state 24193
desires to have its logo appear on license plates issued by this 24194
state and it does not desire to do so pursuant to division (E) 24195
of this section, it shall do so pursuant to this division. The 24196
professional sports team shall notify a community charity of 24197
that desire. That community charity may negotiate with the 24198
professional sports team to permit the display of the team's 24199
logo on license plates issued by this state, enter into a 24200
contract with the team to permit such display, and pay to the 24201
team any licensing or rights fee that must be paid in connection 24202
with the issuance of the license plates. Upon execution of a 24203
contract, the community charity shall provide a copy of it to 24204
the registrar along with any other documentation the registrar 24205
may require. Upon receipt of the contract and any required 24206
additional documentation, and when the numerical requirement 24207
contained in section 4503.78 of the Revised Code has been met 24208
relative to that particular professional sports team, the 24209
registrar shall take the measures necessary to issue license 24210
plates bearing the logo of that team. 24211

(H) (1) A community charity shall expend the money it 24212
receives pursuant to section 4501.21 of the Revised Code solely 24213
to provide financial support to a sports commission for the 24214
purposes described in division (F) of this section and to 24215
nonprofit organizations located in this state that seek to 24216
improve the lives of those who are less fortunate and who reside 24217
in the region and state in which is located the sports team with 24218
which the community charity entered into a contract pursuant to 24219
division (G) of this section. Such organizations shall achieve 24220
this purpose through activities such as youth sports programs; 24221
educational, health, social, and community service programs; or 24222
services such as emergency assistance or employment, education, 24223

housing, and nutrition services. 24224

The community charity shall not expend any money it 24225
receives pursuant to section 4501.21 of the Revised Code if the 24226
expenditure will be received by a nonprofit organization that 24227
will use the money in a manner or for a purpose that is not 24228
described in this division. 24229

(2) The community charity shall provide a written 24230
quarterly report to the director of housing and development and 24231
the director of job and family services detailing the 24232
expenditures of the money it receives pursuant to section 24233
4501.21 of the Revised Code. The report shall include the amount 24234
of such money received and an accounting of all expenditures of 24235
such money. 24236

(I) For purposes of this section: 24237

(1) The "largest" convention and visitors' bureau of a 24238
county is the bureau that receives the largest amount of money 24239
generated in that county from excise taxes levied on lodging 24240
transactions under sections 351.021, 5739.08, and 5739.09 of the 24241
Revised Code. 24242

(2) "Sports commission" means a commission consisting of 24243
at least fifteen members that is a nonprofit corporation 24244
organized under the laws of this state that is entitled to tax 24245
exempt status under section 501(c)(3) of the "Internal Revenue 24246
Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 501, as amended, and 24247
whose function is to attract, promote, or sponsor sports and 24248
athletic events within a municipal corporation, county, or 24249
township. 24250

A sports commission may provide all services related to 24251
attracting, promoting, or sponsoring such events, including, but 24252

not limited to, the booking of athletes and teams, scheduling, 24253
and hiring or contracting for staff, ushers, managers, and other 24254
persons whose functions are directly related to the sports and 24255
athletic events the commission attracts, promotes, or sponsors. 24256

(3) "Community charity" means a nonprofit corporation 24257
organized under the laws of this state that is entitled to tax 24258
exempt status under section 501(c)(3) of the "Internal Revenue 24259
Code of 1986," 100 Stat. 2085, 26 U.S.C. 501, as amended, and 24260
that enters into a contract with a professional sports team 24261
pursuant to division (G) of this section. 24262

(4) "Nonprofit organization" means a nonprofit corporation 24263
organized under the laws of this state that is entitled to tax 24264
exempt status under section 501(c)(3) of the "Internal Revenue 24265
Code of 1986," 100 Stat. 2085, 26 U.S.C. 501, as amended, and 24266
that receives money from a community charity pursuant to 24267
division (H)(1) of this section. 24268

Sec. 4582.58. (A) All final actions of the port authority 24269
shall be journalized and the journal and the records of the port 24270
authority shall be open to public inspection at all reasonable 24271
times. Not later than the first day of April every year, every 24272
port authority shall submit a report to the director of housing 24273
and development detailing the projects and activities of the 24274
port authority during the previous calendar year. The report 24275
shall include, but not be limited to, all aspects of those 24276
projects and activities, including the progress and status of 24277
the projects and their costs, and any other information the 24278
director determines should be included in the report. 24279

(B) Financial and proprietary information, including trade 24280
secrets, submitted by or on behalf of an employer to a port 24281
authority or to a nonprofit corporation engaged by contract to 24282

provide economic development services for a port authority, in 24283
connection with the relocation, location, expansion, 24284
improvement, or preservation of the business of that employer is 24285
not a public record subject to section 149.43 of the Revised 24286
Code. Any other information submitted by such an employer under 24287
those circumstances is not a public record subject to section 24288
149.43 of the Revised Code until that employer commits in 24289
writing to proceed with the relocation, location, expansion, 24290
improvement, or preservation. 24291

(C) Notwithstanding section 121.22 of the Revised Code, 24292
the board of directors of a port authority and the board of 24293
trustees of a nonprofit corporation described in division (B) of 24294
this section, and any committee or subcommittee of either, when 24295
considering information that is not a public record under this 24296
section, may close any meeting during the consideration of that 24297
information pursuant to a vote of the majority of the members 24298
present on a motion stating that such information is to be 24299
considered. No other matters shall be considered during the 24300
closed session. 24301

Sec. 4901.021. (A) There is hereby created a public 24302
utilities commission nominating council consisting of the 24303
following: 24304

(1) The chairperson of the consumers' counsel governing 24305
board; 24306

(2) The president of the accountancy board; 24307

(3) The chairperson of the state board of registration for 24308
professional engineers and surveyors; 24309

(4) The president of the Ohio state bar association; 24310

(5) The president of the Ohio municipal league; 24311

- (6) The director of housing and development or the director's department-employed designee; 24312
24313
- (7) A member of the public appointed by the speaker of the house of representatives, to serve at the pleasure of the speaker; 24314
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24316
- (8) A member of the public appointed by the president of the senate, to serve at the pleasure of the president; 24317
24318
- (9) A representative of the regulated public utilities of the state appointed by the governor, to serve at the pleasure of the governor; 24319
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24321
- (10) A representative of the business community appointed by the governor, to serve at the pleasure of the governor; 24322
24323
- (11) A representative of organized labor appointed by the governor, to serve at the pleasure of the governor; 24324
24325
- (12) A senior citizen sixty-five years of age or older appointed by the director of aging, to serve at the pleasure of the director. 24326
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24328
- (B) At its first meeting each calendar year, the council shall select from among its members a chairperson and secretary. The council may adopt bylaws governing its proceedings. 24329
24330
24331
- (C) The council shall keep a record of its proceedings. 24332
Special meetings may be called by the chairperson, and shall be called by the chairperson upon receipt of a written request for a meeting signed by two or more members of the council. Written notice of the time and place of each meeting shall be sent to each member of the council. With the approval of the association's or league's governing body, the president of the Ohio state bar association or the president of the Ohio 24333
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municipal league, respectively, may designate an alternate to 24340
represent the president at meetings of the council. With the 24341
approval of the board, the president of the accountancy board or 24342
the chairperson of the state board of registration for 24343
professional engineers and surveyors may designate such an 24344
alternate. Six members, or their alternates, constitute a 24345
quorum. 24346

(D) The council shall: 24347

(1) Review and evaluate possible appointees for the office 24348
of commissioner of the public utilities commission; 24349

(2) Consistent with division (D) of section 4901.02 of the 24350
Revised Code, not more than eighty-five nor less than sixty days 24351
prior to the expiration of the term of a public utilities 24352
commissioner or not more than thirty days after the death of, 24353
resignation of, or termination of service by, a public utilities 24354
commissioner, provide the governor with a list of four 24355
individuals who are, in the judgment of the council, the most 24356
fully qualified to accede to the office of commissioner. The 24357
council shall not include the name of an individual upon the 24358
list, if the appointment of that individual by the governor 24359
would result in more than three members of the commission 24360
belonging to or being affiliated with the same political party. 24361
The council shall include on the list only the names of 24362
attorneys admitted to the practice of law in any state or the 24363
District of Columbia if an attorney must be appointed to fulfill 24364
the requirement of division (D) of section 4901.02 of the 24365
Revised Code. To the extent possible, in its performance of this 24366
duty, the council shall continually attempt to ensure that the 24367
primary focus of the background of two commissioners is in 24368
energy and that the primary focus of the background of two 24369

commissioners is in transportation or communications technology. 24370

(E) In reviewing and evaluating possible appointees for 24371
the office of public utilities commissioner, the council may 24372
accept comments from, cooperate with, and request information 24373
from any person. The council may make recommendations to the 24374
general assembly concerning changes in legislation to assist the 24375
council in the performance of its duties. 24376

(F) Within thirty days of receipt of the council's 24377
recommendations, the governor shall fill a vacancy occurring in 24378
the office of commissioner by appointment of one of the persons 24379
recommended by the council. Nothing in this section shall 24380
prevent the governor in the governor's discretion from rejecting 24381
all of the nominees of the council and reconvening the council 24382
in order to select four additional nominees. However, when the 24383
governor has reconvened the council and the council has provided 24384
the governor with a second list of four names, the governor 24385
shall make the appointment from one of the names on the first 24386
list or the second list. Each appointment by the governor shall 24387
be subject to the advice and consent of the senate. 24388

(G) Members of the council shall be compensated on a per 24389
diem basis pursuant to the procedures set forth in section 24390
124.14 of the Revised Code plus reasonable travel expenses. All 24391
the expenses of the nominating council shall be paid from moneys 24392
appropriated to the public utilities commission for that 24393
purpose. 24394

Sec. 4906.02. (A) (1) There is hereby created within the 24395
public utilities commission the power siting board, composed of 24396
the chairperson of the public utilities commission, the director 24397
of environmental protection, the director of health, the 24398
director of housing and development, the director of natural 24399

resources, the director of agriculture, and a representative of 24400
the public who shall be an engineer and shall be appointed by 24401
the governor, from a list of three nominees submitted to the 24402
governor by the office of the consumers' counsel, with the 24403
advice and consent of the senate and shall serve for a term of 24404
four years. The chairperson of the public utilities commission 24405
shall be chairperson of the board and its chief executive 24406
officer. The chairperson shall designate one of the voting 24407
members of the board to act as vice-chairperson who shall 24408
possess during the absence or disability of the chairperson all 24409
of the powers of the chairperson. All hearings, studies, and 24410
consideration of applications for certificates shall be 24411
conducted by the board or representatives of its members. 24412

In addition, the board shall include four legislative 24413
members who may participate fully in all the board's 24414
deliberations and activities except that they shall serve as 24415
nonvoting members. The speaker of the house of representatives 24416
shall appoint one legislative member, and the president of the 24417
senate and minority leader of each house shall each appoint one 24418
legislative member. Each such legislative leader shall designate 24419
an alternate to attend meetings of the board when the regular 24420
legislative member appointed by the legislative leader is unable 24421
to attend. Each legislative member and alternate shall serve for 24422
the duration of the elected term that the legislative member is 24423
serving at the time of appointment. A quorum of the board is a 24424
majority of its voting members. 24425

The representative of the public and, notwithstanding 24426
section 101.26 of the Revised Code, legislative members of the 24427
board or their designated alternates, when engaged in their 24428
duties as members of the board, shall be paid at the per diem 24429
rate of step 1, pay range 32, under schedule B of section 124.15 24430

of the Revised Code and shall be reimbursed for the actual and 24431
necessary expenses they incur in the discharge of their official 24432
duties. 24433

(2) In all cases involving an application for a 24434
certificate or a material amendment to an existing certificate 24435
for a utility facility, as defined in section 303.57 of the 24436
Revised Code, the board shall include two voting ad hoc members, 24437
as described in section 4906.021 of the Revised Code. 24438

(B) The chairperson shall keep a complete record of all 24439
proceedings of the board, issue all necessary process, writs, 24440
warrants, and notices, keep all books, maps, documents, and 24441
papers ordered filed by the board, conduct investigations 24442
pursuant to section 4906.07 of the Revised Code, and perform 24443
such other duties as the board may prescribe. 24444

(C) The chairperson of the public utilities commission may 24445
assign or transfer duties among the commission's staff. However, 24446
the board's authority to grant certificates under section 24447
4906.10 of the Revised Code shall not be exercised by any 24448
officer, employee, or body other than the board itself. 24449

(D) (1) The chairperson may call to the chairperson's 24450
assistance, temporarily, any employee of the environmental 24451
protection agency, the department of natural resources, the 24452
department of agriculture, the department of health, or the 24453
department of housing and development, for the purpose of making 24454
studies, conducting hearings, investigating applications, or 24455
preparing any report required or authorized under this chapter. 24456
Such employees shall not receive any additional compensation 24457
over that which they receive from the agency by which they are 24458
employed, but they shall be reimbursed for their actual and 24459
necessary expenses incurred while working under the direction of 24460

the chairperson. All contracts for special services are subject 24461
to the approval of the chairperson. 24462

(2) Subject to controlling board approval, the board may 24463
contract for the services of any expert or analyst, other than 24464
an employee described in division (D)(1) of this section, for 24465
the purposes of carrying out the board's powers and duties as 24466
described in Chapter 4906. of the Revised Code. Any such expert 24467
or analyst shall be compensated from the application fee, or if 24468
necessary, supplemental application fees assessed in accordance 24469
with division (F) of section 4906.06 of the Revised Code. 24470

(E) The board's offices shall be located in those of the 24471
public utilities commission. 24472

Sec. 4928.06. (A) Beginning on the starting date of 24473
competitive retail electric service, the public utilities 24474
commission shall ensure that the policy specified in section 24475
4928.02 of the Revised Code is effectuated. To the extent 24476
necessary, the commission shall adopt rules to carry out this 24477
chapter. Initial rules necessary for the commencement of the 24478
competitive retail electric service under this chapter shall be 24479
adopted within one hundred eighty days after the effective date 24480
of this section. Except as otherwise provided in this chapter, 24481
the proceedings and orders of the commission under the chapter 24482
shall be subject to and governed by Chapter 4903. of the Revised 24483
Code. 24484

(B) If the commission determines, on or after the starting 24485
date of competitive retail electric service, that there is a 24486
decline or loss of effective competition with respect to a 24487
competitive retail electric service of an electric utility, 24488
which service was declared competitive by commission order 24489
issued pursuant to division (A) of section 4928.04 of the 24490

Revised Code, the commission shall ensure that that service is 24491
provided at compensatory, fair, and nondiscriminatory prices and 24492
terms and conditions. 24493

(C) In addition to its authority under section 4928.04 of 24494
the Revised Code and divisions (A) and (B) of this section, the 24495
commission, on an ongoing basis, shall monitor and evaluate the 24496
provision of retail electric service in this state for the 24497
purpose of discerning any noncompetitive retail electric service 24498
that should be available on a competitive basis on or after the 24499
starting date of competitive retail electric service pursuant to 24500
a declaration in the Revised Code, and for the purpose of 24501
discerning any competitive retail electric service that is no 24502
longer subject to effective competition on or after that date. 24503
Upon such evaluation, the commission periodically shall report 24504
its findings and any recommendations for legislation to the 24505
standing committees of both houses of the general assembly that 24506
have primary jurisdiction regarding public utility legislation. 24507
Until 2008, the commission and the consumer's counsel also shall 24508
provide biennial reports to those standing committees, regarding 24509
the effectiveness of competition in the supply of competitive 24510
retail electric services in this state. In addition, until the 24511
end of all market development periods as determined by the 24512
commission under section 4928.40 of the Revised Code, those 24513
standing committees shall meet at least biennially to consider 24514
the effect on this state of electric service restructuring and 24515
to receive reports from the commission, consumers' counsel, and 24516
director of housing and development. 24517

(D) In determining, for purposes of division (B) or (C) of 24518
this section, whether there is effective competition in the 24519
provision of a retail electric service or reasonably available 24520
alternatives for that service, the commission shall consider 24521

factors including, but not limited to, all of the following: 24522

(1) The number and size of alternative providers of that 24523
service; 24524

(2) The extent to which the service is available from 24525
alternative suppliers in the relevant market; 24526

(3) The ability of alternative suppliers to make 24527
functionally equivalent or substitute services readily available 24528
at competitive prices, terms, and conditions; 24529

(4) Other indicators of market power, which may include 24530
market share, growth in market share, ease of entry, and the 24531
affiliation of suppliers of services. 24532

The burden of proof shall be on any entity requesting, 24533
under division (B) or (C) of this section, a determination by 24534
the commission of the existence of or a lack of effective 24535
competition or reasonably available alternatives. 24536

(E) (1) Beginning on the starting date of competitive 24537
retail electric service, the commission has authority under 24538
Chapters 4901. to 4909. of the Revised Code, and shall exercise 24539
that authority, to resolve abuses of market power by any 24540
electric utility that interfere with effective competition in 24541
the provision of retail electric service. 24542

(2) In addition to the commission's authority under 24543
division (E) (1) of this section, the commission, beginning the 24544
first year after the market development period of a particular 24545
electric utility and after reasonable notice and opportunity for 24546
hearing, may take such measures within a transmission 24547
constrained area in the utility's certified territory as are 24548
necessary to ensure that retail electric generation service is 24549
provided at reasonable rates within that area. The commission 24550

may exercise this authority only upon findings that an electric utility is or has engaged in the abuse of market power and that that abuse is not adequately mitigated by rules and practices of any independent transmission entity controlling the transmission facilities. Any such measure shall be taken only to the extent necessary to protect customers in the area from the particular abuse of market power and to the extent the commission's authority is not preempted by federal law. The measure shall remain in effect until the commission, after reasonable notice and opportunity for hearing, determines that the particular abuse of market power has been mitigated.

(F) An electric utility, electric services company, electric cooperative, or governmental aggregator subject to certification under section 4928.08 of the Revised Code shall provide the commission with such information, regarding a competitive retail electric service for which it is subject to certification, as the commission considers necessary to carry out this chapter. An electric utility shall provide the commission with such information as the commission considers necessary to carry out divisions (B) to (E) of this section. The commission shall take such measures as it considers necessary to protect the confidentiality of any such information.

The commission shall require each electric utility to file with the commission on and after the starting date of competitive retail electric service an annual report of its intrastate gross receipts and sales of kilowatt hours of electricity, and shall require each electric services company, electric cooperative, and governmental aggregator subject to certification to file an annual report on and after that starting date of such receipts and sales from the provision of those retail electric services for which it is subject to

certification. For the purpose of the reports, sales of kilowatt 24582
hours of electricity are deemed to occur at the meter of the 24583
retail customer. 24584

Sec. 4928.43. (A) Each state agency that provides 24585
employment assistance and job training programs, including the 24586
bureau of employment services and the department of housing and 24587
development, shall provide concentrated attention through those 24588
programs to assisting employees whose employment is affected by 24589
electric industry restructuring under this chapter. 24590

(B) To the extent not prohibited by federal law or any law 24591
of this state and except as otherwise provided in a labor 24592
contract or other agreement, no unencumbered money in a pension 24593
fund for employees of electric utilities shall be used for any 24594
purpose other than to pay allowable pensions or early retirement 24595
buyouts for the employees. 24596

Sec. 4928.51. (A) There is hereby established in the state 24597
treasury a universal service fund, into which shall be deposited 24598
all universal service revenues remitted to the director of 24599
housing and development under this section, for the exclusive 24600
purposes of providing funding for the low-income customer 24601
assistance programs and for the consumer education program 24602
authorized under section 4928.56 of the Revised Code, and paying 24603
the administrative costs of the low-income customer assistance 24604
programs and the consumer education program. Interest on the 24605
fund shall be credited to the fund. Disbursements from the fund 24606
shall be made to any supplier that provides a competitive retail 24607
electric service or a noncompetitive retail electric service to 24608
a customer who is approved to receive assistance under a 24609
specified low-income customer assistance program and to any 24610
authorized provider of weatherization or energy efficiency 24611

service to a customer approved to receive such assistance under 24612
a specified low-income customer assistance program. 24613

(B) Universal service revenues shall include all of the 24614
following: 24615

(1) Revenues remitted to the director after collection by 24616
an electric distribution utility beginning July 1, 2000, 24617
attributable to the collection from customers of the universal 24618
service rider prescribed under section 4928.52 of the Revised 24619
Code; 24620

(2) Revenues remitted to the director that have been 24621
collected by an electric distribution utility beginning July 1, 24622
2000, as customer payments under the percentage of income 24623
payment plan program, including revenues remitted under division 24624
(C) of this section; 24625

(3) Adequate revenues remitted to the director after 24626
collection by a municipal electric utility or electric 24627
cooperative in this state not earlier than July 1, 2000, upon 24628
the utility's or cooperative's decision to participate in the 24629
low-income customer assistance programs. 24630

(C) (1) Beginning July 1, 2000, an electric distribution 24631
utility shall transfer to the director the right to collect all 24632
arrearage payments of a customer for percentage of income 24633
payment plan program debt owed to the utility on the day before 24634
that date or retain the right to collect that debt but remit to 24635
the director all program revenues received by the utility for 24636
that customer. 24637

(2) A current or past percentage of income payment plan 24638
program customer is relieved of any payment obligation under the 24639
percentage of income payment program for any unpaid arrears 24640

accrued by the customer under the program as of the effective 24641
date of this section if the customer, as determined by the 24642
director, meets both of the following criteria: 24643

(a) The customer as of that date has complied with 24644
customer payment responsibilities under the program. 24645

(b) The customer is permanently and totally disabled as 24646
defined in section 5117.01 of the Revised Code or is sixty-five 24647
years of age or older as defined in that section. 24648

(D) The public utilities commission shall complete an 24649
audit of each electric utility by July 1, 2000, for the purpose 24650
of establishing a baseline for the percentage of income payment 24651
plan program component of the low-income assistance programs. 24652

Sec. 4928.52. (A) Beginning July 1, 2000, the universal 24653
service rider shall replace the percentage of income payment 24654
plan rider in existence on the effective date of this section 24655
and any amount in the rates of an electric utility for the 24656
funding of low-income customer energy efficiency programs. The 24657
universal service rider shall be a rider on retail electric 24658
distribution service rates as such rates are determined by the 24659
public utilities commission pursuant to this chapter. The 24660
universal service rider for the first five years after the 24661
starting date of competitive retail electric service shall be 24662
the sum of all of the following: 24663

(1) The level of the percentage of income payment plan 24664
program rider in existence on the effective date of this 24665
section; 24666

(2) An amount equal to the level of funding for low-income 24667
customer energy efficiency programs provided through electric 24668
utility rates in effect on the effective date of this section; 24669

(3) Any additional amount necessary and sufficient to fund 24670
through the universal service rider the administrative costs of 24671
the low-income customer assistance programs and the consumer 24672
education program created in section 4928.56 of the Revised 24673
Code. 24674

(B) If, during or after the five-year period specified in 24675
division (A) of this section, the director of housing and 24676
development, after consultation with the public benefits 24677
advisory board created under section 4928.58 of the Revised 24678
Code, determines that revenues in the universal service fund and 24679
revenues from federal or other sources of funding for those 24680
programs, including general revenue fund appropriations for the 24681
Ohio energy credit program, will be insufficient to cover the 24682
administrative costs of the low-income customer assistance 24683
programs and the consumer education program and provide adequate 24684
funding for those programs, the director shall file a petition 24685
with the commission for an increase in the universal service 24686
rider. The commission, after reasonable notice and opportunity 24687
for hearing, may adjust the universal service rider by the 24688
minimum amount necessary to provide the additional revenues. The 24689
commission shall not decrease the universal service rider 24690
without the approval of the director, after consultation by the 24691
director with the advisory board. 24692

(C) The universal service rider established under division 24693
(A) or (B) of this section shall be set in such a manner so as 24694
not to shift among the customer classes of electric distribution 24695
utilities the costs of funding low-income customer assistance 24696
programs. 24697

Sec. 4928.53. (A) Beginning July 1, 2000, the director of 24698
housing and development is hereby authorized to administer the 24699

low-income customer assistance programs. For that purpose, the 24700
public utilities commission shall cooperate with and provide 24701
such assistance as the director requires for administration of 24702
the low-income customer assistance programs. The director shall 24703
consolidate the administration of and redesign and coordinate 24704
the operations of those programs within the department to 24705
provide, to the maximum extent possible, for efficient program 24706
administration and a one-stop application and eligibility 24707
determination process at the local level for consumers. 24708

(B) (1) Not later than March 1, 2000, the director, in 24709
accordance with Chapter 119. of the Revised Code, shall adopt 24710
rules to carry out sections 4928.51 to 4928.58 of the Revised 24711
Code and ensure the effective and efficient administration and 24712
operation of the low-income customer assistance programs. The 24713
rules shall take effect on July 1, 2000. 24714

(2) The director's authority to adopt rules under this 24715
division for the Ohio energy credit program shall be subject to 24716
such rule-making authority as is conferred on the director by 24717
sections 5117.01 to 5117.12 of the Revised Code, as amended by 24718
Sub. S.B. No. 3 of the 123rd general assembly, except that rules 24719
initially adopted by the director for the Ohio energy credit 24720
program shall incorporate the substance of those sections as 24721
they exist on the effective date of this section. 24722

(3) The director's authority to adopt rules under this 24723
division for the percentage of income payment plan program shall 24724
include authority to adopt rules prescribing criteria for 24725
customer eligibility and policies regarding payment and 24726
crediting arrangements and responsibilities, procedures for 24727
verifying customer eligibility, procedures for disbursing public 24728
funds to suppliers and otherwise administering funds under the 24729

director's jurisdiction, and requirements as to timely 24730
remittances of revenues described in division (B) of section 24731
4928.51 of the Revised Code. The rules shall prohibit the 24732
imposition of a waiting period before enrolling an eligible 24733
customer in the percentage of income payment plan. The 24734
director's authority in division (B) (3) of this section excludes 24735
authority to prescribe service disconnection and customer 24736
billing policies and procedures and to address complaints 24737
against suppliers under the percentage of payment plan program, 24738
which excluded authority shall be exercised by the public 24739
utilities commission, in coordination with the director. Rules 24740
adopted by the director under this division for the percentage 24741
of income payment plan program shall specify a level of payment 24742
responsibility to be borne by an eligible customer based on a 24743
percentage of the customer's income. Rules initially adopted by 24744
the director for the percentage of income payment plan program 24745
shall incorporate the eligibility criteria and payment 24746
arrangement and responsibility policies set forth in rule 24747
4901:1-18-04(B) of the Ohio Administrative Code in effect on the 24748
effective date of this section. 24749

Sec. 4928.54. The director of housing and development 24750
~~services~~ shall aggregate percentage of income payment plan 24751
program customers for the purpose of establishing a competitive 24752
procurement process for the supply of competitive retail 24753
electric service for those customers. The process shall be an 24754
auction. Only bidders certified under section 4928.08 of the 24755
Revised Code may participate in the auction. 24756

Sec. 4928.543. The director of housing and development 24757
~~services~~ shall adopt rules in accordance with Chapter 119. of 24758
the Revised Code to implement sections 4928.54, 4928.541, and 24759
4928.542 of the Revised Code. The rules shall ensure a fair and 24760

unbiased auction process and the performance of the winning bidder or bidders. 24761
24762

Sec. 4928.544. (A) For the purpose of facilitating 24763
compliance with sections 4928.54, 4928.541, and 4928.542 of the 24764
Revised Code, and upon written request by the director of 24765
housing and development~~services~~, the public utilities 24766
commission shall design, manage, and supervise the competitive 24767
procurement process required by section 4928.54 of the Revised 24768
Code. To the extent reasonably possible, and to minimize costs, 24769
the process may be designed based on any existing competitive 24770
procurement process for the establishment of the default 24771
generation supply price for electric distribution utilities. 24772

This division does not preclude a process design that is 24773
based on a competitive procurement process that applies to the 24774
combined certified territories of electric distribution 24775
utilities subject to common ownership. 24776

(B) The director of housing and development ~~services~~ shall 24777
reimburse the commission for its costs incurred under division 24778
(A) of this section. The reimbursements constitute 24779
administrative costs of the low-income customer assistance 24780
programs for the purpose of division (A) of section 4928.51 of 24781
the Revised Code. 24782

Sec. 4928.55. The director of housing and development 24783
~~services~~ shall establish an energy efficiency and weatherization 24784
program targeted, to the extent practicable, to high-cost, high- 24785
volume use structures occupied by customers eligible for the 24786
percentage of income payment plan program, with the goal of 24787
reducing the energy bills of the occupants. Acceptance of energy 24788
efficiency and weatherization services provided by the program 24789
shall be a condition for the eligibility of any such customer to 24790

participate in the percentage of income payment plan program. 24791

Sec. 4928.56. The director of housing and development may 24792
adopt rules in accordance with Chapter 119. of the Revised Code 24793
establishing an education program for consumers eligible to 24794
participate in the low-income customer assistance programs. The 24795
education program shall provide information to consumers 24796
regarding energy efficiency and energy conservation. 24797

Sec. 4928.57. On and after the starting date of 24798
competitive retail electric service, the director of housing and 24799
development shall provide a report every two years until 2008 to 24800
the standing committees of the general assembly that deal with 24801
public utility matters, regarding the effectiveness of the low- 24802
income customer assistance programs and the consumer education 24803
program, and the effectiveness of the advanced energy program 24804
created under sections 4928.61 to 4928.63 of the Revised Code. 24805

Sec. 4928.58. (A) There is hereby created the public 24806
benefits advisory board, which has the purpose of ensuring that 24807
energy services be provided to low-income consumers in this 24808
state in an affordable manner consistent with the policy 24809
specified in section 4928.02 of the Revised Code. The advisory 24810
board shall consist of twenty-one members as follows: the 24811
director of housing and development, the chairperson of the 24812
public utilities commission, the consumers' counsel, and the 24813
director of the air quality development authority, each serving 24814
ex officio and represented by a designee at the official's 24815
discretion; two members of the house of representatives 24816
appointed by the speaker of the house of representatives, 24817
neither of the same political party, and two members of the 24818
senate appointed by the president of the senate, neither of the 24819
same political party; and thirteen members appointed by the 24820

governor with the advice and consent of the senate, consisting 24821
of one representative of suppliers of competitive retail 24822
electric service; one representative of the residential class of 24823
electric utility customers; one representative of the industrial 24824
class of electric utility customers; one representative of the 24825
commercial class of electric utility customers; one 24826
representative of agricultural or rural customers of an electric 24827
utility; two customers receiving assistance under one or more of 24828
the low-income customer assistance programs, to represent 24829
customers eligible for any such assistance, including senior 24830
citizens; one representative of the general public; one 24831
representative of local intake agencies; one representative of a 24832
community-based organization serving low-income customers; one 24833
representative of environmental protection interests; one 24834
representative of lending institutions; and one person 24835
considered an expert in energy efficiency or renewables 24836
technology. Initial appointments shall be made not later than 24837
November 1, 1999. 24838

(B) Initial terms of six of the appointed members shall 24839
end on June 30, 2003, and initial terms of the remaining seven 24840
appointed members shall end on June 30, 2004. Thereafter, terms 24841
of appointed members shall be for three years, with each term 24842
ending on the same day of the same month as the term it 24843
succeeds. Each member shall hold office from the date of the 24844
member's appointment until the end of the term for which the 24845
member was appointed. Members may be reappointed. 24846

Vacancies shall be filled in the manner provided for 24847
original appointments. Any member appointed to fill a vacancy 24848
occurring prior to the expiration date of the term for which the 24849
member's predecessor was appointed shall hold office as a member 24850
for the remainder of that term. A member shall continue in 24851

office after the expiration date of the member's term until the 24852
member's successor takes office or until a period of sixty days 24853
has elapsed, whichever occurs first. 24854

(C) Board members shall be reimbursed for their actual and 24855
necessary expenses incurred in the performance of board duties. 24856
The reimbursements constitute, as applicable, administrative 24857
costs of the low-income customer assistance programs for the 24858
purpose of division (A) of section 4928.51 of the Revised Code 24859
or administrative costs of the advanced energy program for the 24860
purpose of division (A) of section 4528.61 of the Revised Code. 24861

(D) The advisory board shall select a chairperson from 24862
among its members. Only board members appointed by the governor 24863
with the advice and consent of the senate shall be voting 24864
members of the board; each shall have one vote in all 24865
deliberations of the board. A majority of the voting members 24866
constitute a quorum. 24867

(E) The duties of the advisory board shall be as follows: 24868

(1) Advise the director in the administration of the 24869
universal service fund and the low-income customer assistance 24870
programs and advise the director on the director's 24871
recommendation to the commission regarding the appropriate level 24872
of the universal service rider; 24873

(2) Advise the director on the administration of the 24874
advanced energy program and the advanced energy fund under 24875
sections 4928.61 to 4928.63 of the Revised Code. 24876

(F) The advisory board is not an agency for purposes of 24877
sections 101.82 to 101.87 of the Revised Code. 24878

Sec. 4928.581. (A) The public benefits advisory board 24879
shall conduct an independent investigation and analysis for the 24880

purpose of making the report required under division (B) of this section. 24881
24882

(B) With the approval of a majority of its voting members, 24883
the board shall prepare a written report containing all of the 24884
following: 24885

(1) For each year since the establishment of the universal 24886
service fund and for each electric distribution utility, the 24887
annual amount of revenue collected from customers for the 24888
purpose of supporting the universal service fund and the low- 24889
income customer assistance programs. 24890

(2) For 2016, 2017, and 2018, and for each electric 24891
distribution utility, a forecast of the annual amount of revenue 24892
that will be collected from customers for the purpose of 24893
supporting the universal service fund and the low-income 24894
customer assistance programs, assuming no changes are made to 24895
the programs. The forecast shall identify all assumptions, input 24896
variables, and values assigned to input variables. The forecast 24897
may include alternative outcomes based on variations in the 24898
assumptions, variables, and values, so as to show the 24899
sensitivity of the forecast to alternative inputs. 24900

(3) A recommendation as to any changes that should be made 24901
to the design and implementation of the current universal 24902
service fund and the low-income customer assistance programs to 24903
ensure that energy services are provided to low-income and other 24904
consumers in this state in an affordable manner consistent with 24905
the policy specified in section 4928.02 of the Revised Code. 24906

(C) The report required under division (B) of this section 24907
may include dissenting views and alternative recommendations. 24908

(D) On or before December 15, 2015, the board shall submit 24909

the report required under division (B) of this section to the 24910
governor, the president of the senate, the speaker of the house 24911
of representatives, each member of the standing committees of 24912
both houses of the general assembly that have primary 24913
jurisdiction regarding public utility legislation, the director 24914
of housing and development~~services~~, the chairperson of the 24915
public utilities commission, the Ohio consumers' counsel, and 24916
each member of the public benefits advisory board. 24917

Sec. 4928.582. (A) To discharge the duties under section 24918
4928.581 of the Revised Code, the public benefits advisory board 24919
may obtain professional services as the board determines 24920
appropriate. The professionals shall be promptly reimbursed by 24921
the director of housing and development ~~services~~ for the actual 24922
and necessary expenses incurred in the performance of their 24923
duties under section 4928.581 of the Revised Code. The 24924
reimbursements constitute administrative costs of the low-income 24925
customer assistance programs for the purpose of division (A) of 24926
section 4928.51 of the Revised Code. 24927

(B) The chairperson of the board may execute, subject to 24928
the advice and consent of the board, any professional-services 24929
retention agreements that the board determines appropriate. 24930

Sec. 4928.583. The director of housing and development 24931
~~services~~, the public utilities commission, and each electric 24932
distribution utility shall promptly respond to requests by the 24933
public benefits advisory board for information needed to prepare 24934
the report required under section 4928.581 of the Revised Code. 24935

Sec. 4928.61. (A) There is hereby established in the state 24936
treasury the advanced energy fund, into which shall be deposited 24937
all advanced energy revenues remitted to the director of housing 24938
and development under division (B) of this section, for the 24939

exclusive purposes of funding the advanced energy program 24940
created under section 4928.62 of the Revised Code and paying the 24941
program's administrative costs. Interest on the fund shall be 24942
credited to the fund. 24943

(B) Advanced energy revenues shall include all of the 24944
following: 24945

(1) Revenues remitted to the director after collection by 24946
each electric distribution utility in this state of a temporary 24947
rider on retail electric distribution service rates as such 24948
rates are determined by the public utilities commission pursuant 24949
to this chapter. The rider shall be a uniform amount statewide, 24950
determined by the director of housing and development, after 24951
consultation with the public benefits advisory board created by 24952
section 4928.58 of the Revised Code. The amount shall be 24953
determined by dividing an aggregate revenue target for a given 24954
year as determined by the director, after consultation with the 24955
advisory board, by the number of customers of electric 24956
distribution utilities in this state in the prior year. Such 24957
aggregate revenue target shall not exceed more than fifteen 24958
million dollars in any year through 2005 and shall not exceed 24959
more than five million dollars in any year after 2005. The rider 24960
shall be imposed beginning on the effective date of the 24961
amendment of this section by Sub. H.B. 251 of the 126th general 24962
assembly, January 4, 2007, and shall terminate at the end of ten 24963
years following the starting date of competitive retail electric 24964
service or until the advanced energy fund, including interest, 24965
reaches one hundred million dollars, whichever is first. 24966

(2) Revenues from payments, repayments, and collections 24967
under the advanced energy program and from program income; 24968

(3) Revenues remitted to the director after collection by 24969

a municipal electric utility or electric cooperative in this state upon the utility's or cooperative's decision to participate in the advanced energy fund;

(4) Revenues from renewable energy compliance payments as provided under division (C) (2) of section 4928.64 of the Revised Code;

(5) Revenue from forfeitures under division (C) of section 4928.66 of the Revised Code;

(6) Funds transferred pursuant to division (B) of Section 512.10 of S.B. 315 of the 129th general assembly;

(7) Interest earnings on the advanced energy fund.

(C) (1) Each electric distribution utility in this state shall remit to the director on a quarterly basis the revenues described in divisions (B) (1) and (2) of this section. Such remittances shall occur within thirty days after the end of each calendar quarter.

(2) Each participating electric cooperative and participating municipal electric utility shall remit to the director on a quarterly basis the revenues described in division (B) (3) of this section. Such remittances shall occur within thirty days after the end of each calendar quarter. For the purpose of division (B) (3) of this section, the participation of an electric cooperative or municipal electric utility in the energy efficiency revolving loan program as it existed immediately prior to the effective date of the amendment of this section by Sub. H.B. 251 of the 126th general assembly, January 4, 2007, does not constitute a decision to participate in the advanced energy fund under this section as so amended.

(3) All remittances under divisions (C) (1) and (2) of this

section shall continue only until the end of ten years following 24999
the starting date of competitive retail electric service or 25000
until the advanced energy fund, including interest, reaches one 25001
hundred million dollars, whichever is first. 25002

(D) Any moneys collected in rates for non-low-income 25003
customer energy efficiency programs, as of October 5, 1999, and 25004
not contributed to the energy efficiency revolving loan fund 25005
authorized under this section prior to the effective date of its 25006
amendment by Sub. H.B. 251 of the 126th general assembly, 25007
January 4, 2007, shall be used to continue to fund cost- 25008
effective, residential energy efficiency programs, be 25009
contributed into the universal service fund as a supplement to 25010
that required under section 4928.53 of the Revised Code, or be 25011
returned to ratepayers in the form of a rate reduction at the 25012
option of the affected electric distribution utility. 25013

Sec. 4928.62. (A) There is hereby created the advanced 25014
energy program, which shall be administered by the director of 25015
housing and development. Under the program, the director may 25016
authorize the use of moneys in the advanced energy fund for 25017
financial, technical, and related assistance for advanced energy 25018
projects in this state or for economic development assistance, 25019
in furtherance of the purposes set forth in section 4928.63 of 25020
the Revised Code. 25021

(1) To the extent feasible given approved applications for 25022
assistance, the assistance shall be distributed among the 25023
certified territories of electric distribution utilities and 25024
participating electric cooperatives, and among the service areas 25025
of participating municipal electric utilities, in amounts 25026
proportionate to the remittances of each utility and cooperative 25027
under divisions (B) (1) and (3) of section 4928.61 of the Revised 25028

Code.	25029
(2) The funds described in division (B) (6) of section 4928.61 of the Revised Code shall not be subject to the territorial requirements of division (A) (1) of this section.	25030 25031 25032
(3) The director shall not authorize financial assistance for an advanced energy project under the program unless the director first determines that the project will create new jobs or preserve existing jobs in this state or use innovative technologies or materials.	25033 25034 25035 25036 25037
(B) In carrying out sections 4928.61 to 4928.63 of the Revised Code, the director may do all of the following to further the public interest in advanced energy projects and economic development:	25038 25039 25040 25041
(1) Award grants, contracts, loans, loan participation agreements, linked deposits, and energy production incentives;	25042 25043
(2) Acquire in the name of the director any property of any kind or character in accordance with this section, by purchase, purchase at foreclosure, or exchange, on such terms and in such manner as the director considers proper;	25044 25045 25046 25047
(3) Make and enter into all contracts and agreements necessary or incidental to the performance of the director's duties and the exercise of the director's powers under sections 4928.61 to 4928.63 of the Revised Code;	25048 25049 25050 25051
(4) Employ or enter into contracts with financial consultants, marketing consultants, consulting engineers, architects, managers, construction experts, attorneys, technical monitors, energy evaluators, or other employees or agents as the director considers necessary, and fix their compensation;	25052 25053 25054 25055 25056

(5) Adopt rules prescribing the application procedures for financial assistance under the advanced energy program; the fees, charges, interest rates, payment schedules, local match requirements, and other terms and conditions of any grants, contracts, loans, loan participation agreements, linked deposits, and energy production incentives; criteria pertaining to the eligibility of participating lending institutions; and any other matters necessary for the implementation of the program;

(6) Do all things necessary and appropriate for the operation of the program.

(C) The department of housing and development may hold ownership to any unclaimed energy efficiency and renewable energy emission allowances provided for in Chapter 3745-14 of the Administrative Code or otherwise, that result from advanced energy projects that receive funding from the advanced energy fund, and it may use the allowances to further the public interest in advanced energy projects or for economic development.

(D) Financial statements, financial data, and trade secrets submitted to or received by the director from an applicant or recipient of financial assistance under sections 4928.61 to 4928.63 of the Revised Code, or any information taken from those statements, data, or trade secrets for any purpose, are not public records for the purpose of section 149.43 of the Revised Code.

(E) Nothing in the amendments of sections 4928.61, 4928.62, and 4928.63 of the Revised Code by Sub. H.B. 251 of the 126th general assembly shall affect any pending or effected assistance, pending or effected purchases or exchanges of

property made, or pending or effected contracts or agreements 25087
entered into pursuant to division (A) or (B) of this section as 25088
the section existed prior to the effective date of those 25089
amendments, January 4, 2007, or shall affect the exemption 25090
provided under division (C) of this section as the section 25091
existed prior to that effective date. 25092

(F) Any assistance a school district receives for an 25093
advanced energy project, including a geothermal heating, 25094
ventilating, and air conditioning system, shall be in addition 25095
to any assistance provided under Chapter 3318. of the Revised 25096
Code and shall not be included as part of the district or state 25097
portion of the basic project cost under that chapter. 25098

Sec. 4928.63. The director of housing and development and 25099
the public benefits advisory board have the powers and duties 25100
provided in sections 4928.61 and 4928.62 of the Revised Code, in 25101
order to promote the welfare of the people of this state; 25102
stabilize the economy; assist in the improvement and development 25103
within this state of not-for-profit entity, industrial, 25104
commercial, distribution, residential, and research buildings 25105
and activities required for the people of this state; improve 25106
the economic welfare of the people of this state by reducing 25107
energy costs and by reducing energy usage in a cost-efficient 25108
manner using, as determined by the director, both the most 25109
appropriate national, federal, or other standards for products 25110
and the best practices for the use of technology, products, or 25111
services in the context of a total facility or building; and 25112
assist in the lowering of energy demand to reduce air, water, or 25113
thermal pollution. It is hereby determined that the 25114
accomplishment of those purposes is essential so that the people 25115
of this state may maintain their present high standards in 25116
comparison with the people of other states and so that 25117

opportunities for improving the economic welfare of the people 25118
of this state, for improving the housing of residents of this 25119
state, and for favorable markets for the products of this 25120
state's natural resources, agriculture, and manufacturing shall 25121
be improved; and that it is necessary for this state to 25122
establish the program authorized pursuant to sections 4928.61 25123
and 4928.62 of the Revised Code. 25124

Sec. 4928.75. Beginning in fiscal year 2021 and each 25125
fiscal year thereafter, the director of housing and development 25126
~~services~~ shall, in each fiscal year, submit a completed waiver 25127
request in accordance with section 96.83 of Title 45 of the Code 25128
of Federal Regulations to the United States department of health 25129
and human services and any other applicable federal agencies for 25130
the state to expend twenty-five per cent of federal low-income 25131
home energy assistance programs funds from the home energy 25132
assistance block grants for weatherization services allowed by 25133
section 96.83(a) of Title 45 of the Code of Federal Regulations 25134
to the United States department of health and human services. 25135

Sec. 4929.16. As used in sections 4929.16 to 4929.167 of 25136
the Revised Code: 25137

(A) "Infrastructure development" means constructing, 25138
upgrading, extending, or any other investment in, or associated 25139
with, transmission or distribution facilities that, except as 25140
provided for in division (B) (2) (b) of this section, a natural 25141
gas company owns and operates. 25142

(B) (1) "Infrastructure development costs" means costs 25143
associated with an investment in infrastructure development to 25144
which either of the following apply: 25145

(a) The investment is for any deposit required by the 25146

natural gas company, as defined in the line-extension provision 25147
of the company's tariff, less any contribution in aid of 25148
construction received from the owner or developer of the 25149
project. 25150

(b) The investment is designed to provide natural gas 25151
service to a site or economic development project that is 25152
supported by JobsOhio, any JobsOhio network or regional partner, 25153
or the department of housing and development. 25154

(2) "Infrastructure development costs" includes all of the 25155
following: 25156

(a) Planning, development, and construction costs, 25157
including costs incurred prior to the approval of an economic 25158
development project pursuant to section 4929.163 of the Revised 25159
Code; 25160

(b) Costs associated with establishing or upgrading any 25161
connections with any source of supply to serve an economic 25162
development project, including interstate or intrastate 25163
pipelines, regardless of ownership of the facilities; 25164

(c) A return on all infrastructure development costs, with 25165
such return equal to the natural gas company's return on equity 25166
authorized in the natural gas company's most recently approved 25167
rate case under section 4909.18 of the Revised Code. 25168

Sec. 4929.161. (A) A natural gas company may file an 25169
application with the public utilities commission for approval of 25170
an infrastructure development rider to recover prudently 25171
incurred infrastructure development costs of one or more 25172
economic development projects approved under section 4929.163 of 25173
the Revised Code. 25174

(B) The commission shall approve a maximum of one 25175

infrastructure development rider per company. 25176

(C) The commission shall not accept an application for 25177
infrastructure development costs described under division (B) (1) 25178
(b) of section 4929.16 of the Revised Code unless a natural gas 25179
company has obtained a notification by JobsOhio, any JobsOhio 25180
network or regional partner, or the director of housing and 25181
development that the project should be considered. The 25182
commission shall not approve an application for an economic 25183
development project that includes infrastructure development 25184
costs described under division (B) (1) (b) of section 4929.16 of 25185
the Revised Code filed beyond six years from March 28, 2024, the 25186
effective date of the amendment to this section by H.B. 201 of 25187
the 135th general assembly. 25188

(D) Notwithstanding division (C) of this section, recovery 25189
of infrastructure development costs pursuant to section 4929.16 25190
of the Revised Code for any approved economic development 25191
projects filed within six years of March 28, 2024, the effective 25192
date of the amendment to this section by H.B. 201 of the 135th 25193
general assembly, shall continue until such time as all costs 25194
eligible for recovery under sections 4929.16 to 4929.163 of the 25195
Revised Code are recovered. 25196

Sec. 4929.163. (A) A natural gas company may file an 25197
application with the public utilities commission for approval of 25198
an economic development project for which the company will incur 25199
infrastructure development costs. 25200

(B) The company shall file the application for project 25201
approval prior to beginning the project. 25202

(C) The application for project approval, to the extent 25203
applicable, shall contain a description of each of the 25204

following:	25205
(1) The economic development project;	25206
(2) The infrastructure development costs to be expended on the project;	25207 25208
(3) How the project meets the criteria set forth in rules adopted under division (D) of this section;	25209 25210
(4) The support for the project by an economic development entity or chamber of commerce. For purposes of this application requirement, "economic development entity" includes any of the following:	25211 25212 25213 25214
(a) JobsOhio or any JobsOhio network or regional partner;	25215
(b) Department of <u>housing and</u> development;	25216
(c) Port authority created under Chapter 4582. of the Revised Code;	25217 25218
(d) Special improvement district created under Chapter 1710. of the Revised Code;	25219 25220
(e) Community urban redevelopment corporation qualified to operate under Chapter 1728. of the Revised Code;	25221 25222
(f) Community improvement corporation organized under Chapter 1724. of the Revised Code;	25223 25224
(g) New community authority organized under Chapter 349. of the Revised Code;	25225 25226
(h) Joint economic development district created under section 715.70 or 715.71 of the Revised Code;	25227 25228
(i) Development corporation organized under Chapter 1726. of the Revised Code;	25229 25230

(j) Municipal utility district designated under section 715.84 of the Revised Code.	25231 25232
(D) (1) The commission shall adopt rules setting forth the criteria for project approval under this section.	25233 25234
(2) The commission may approve a project under this section that involves infrastructure development costs described in division (B) (1) (a) of section 4929.16 of the Revised Code if the infrastructure development costs, excluding the return set forth in division (B) (2) (c) of section 4929.16 of the Revised Code, are projected to generate a return on the company's investment that is less than the most recently authorized return on equity.	25235 25236 25237 25238 25239 25240 25241 25242
(E) The commission shall adopt rules to provide for an accelerated review of an application filed under division (A) of this section. The rules shall provide for the automatic approval of the application not later than thirty days after the date of the application filing unless the commission suspends the application for good cause shown. If the application is suspended, the commission shall approve, deny, modify, or hold a hearing on the application not later than forty-five days after the date that the suspension begins.	25243 25244 25245 25246 25247 25248 25249 25250 25251
Sec. 4981.02. (A) There is hereby created the Ohio rail development commission, as an independent agency of the state within the department of transportation, consisting of the following members:	25252 25253 25254 25255
(1) Two members of the Ohio senate, one of whom shall be appointed by and serve at the pleasure of the president of the senate and one of whom shall be appointed by and serve at the pleasure of the minority leader of the senate;	25256 25257 25258 25259

- (2) Two members of the Ohio house of representatives, one of whom shall be appointed by and serve at the pleasure of the speaker of the house of representatives and one of whom shall be appointed by and serve at the pleasure of the minority leader of the house of representatives; 25260
25261
25262
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25264
- (3) Two members representing the general public, one of whom shall be appointed by the president of the senate and one of whom shall be appointed by the speaker of the house of representatives; 25265
25266
25267
25268
- (4) The director of transportation, or the director's designee, who shall be an ex officio member; 25269
25270
- (5) The director of housing and development, or the director's designee, who shall be an ex officio member; 25271
25272
- (6) The following members appointed by the governor with the advice and consent of the senate: 25273
25274
- (a) One member, who shall serve as chairperson of the commission until October 21, 2025, or an earlier date if the member resigns or otherwise leaves office; 25275
25276
25277
- (b) One member, who shall represent the interests of a freight rail company; 25278
25279
- (c) One member, who shall represent the interests of passenger rail service; 25280
25281
- (d) One member, who shall have expertise in infrastructure financing; 25282
25283
- (e) One member, who shall represent the interests of organized labor; 25284
25285
- (f) One member, who shall represent the interests of 25286

manufacturers; 25287

(g) One member who shall represent the general public, 25288
subject to division (B) of this section. 25289

(B) Beginning on October 21, 2025, or at an earlier date 25290
if there is a vacancy in the position of chairperson, the 25291
director of transportation or the director's designee shall 25292
serve as the chairperson of the commission. Upon the director or 25293
director's designee assuming the position of chairperson, the 25294
governor shall appoint an additional member to the commission to 25295
represent the general public. 25296

(C) All members shall be reimbursed for actual expenses 25297
incurred in the performance of their duties. The members of the 25298
commission from the Ohio senate and the Ohio house of 25299
representatives shall serve as nonvoting members. No more than 25300
four members of the seven appointed to the commission by the 25301
governor shall be from the same political party. Each member of 25302
the commission shall be a resident of this state. 25303

(D) Within sixty days after October 20, 1994, the governor 25304
shall make initial appointments to the commission. Of the 25305
initial appointments made to the commission, three shall be for 25306
a term ending three years after October 20, 1994, and three 25307
shall be for a term ending six years after that date. Terms for 25308
all other appointments made to the commission shall be for six 25309
years. Vacancies shall be filled in the manner provided for 25310
original appointments. Any member appointed to fill a vacancy 25311
shall have the same qualifications as the member's predecessor. 25312
Each term shall end on the same day of the same month of the 25313
year as did the term which it succeeds. Each appointed member 25314
shall hold office from the date of the member's appointment 25315
until the end of the term for which the member was appointed. 25316

Any member appointed to fill a vacancy before the expiration of 25317
the term for which the member's predecessor was appointed shall 25318
hold office for the remainder of that term. Any appointed member 25319
shall continue in office subsequent to the expiration date of 25320
the member's term until the member's successor takes office, or 25321
for a period of sixty days, whichever occurs first. All members 25322
shall be eligible for reappointment. 25323

(E) The commission may employ an executive director, who 25324
shall have appropriate experience as determined by the 25325
commission, and a secretary-treasurer and other employees that 25326
the commission considers appropriate. The commission may fix the 25327
compensation of the employees. 25328

(F) Six members of the commission shall constitute a 25329
quorum, and the affirmative vote of six members shall be 25330
necessary for any action taken by the commission. No vacancy in 25331
the membership of the commission shall impair the rights of a 25332
quorum to exercise all the rights and perform all the duties of 25333
the commission. 25334

(G) All members of the commission are subject to Chapter 25335
102. of the Revised Code. 25336

(H) The department of transportation may use all 25337
appropriate sources of revenue to assist the commission in 25338
developing and implementing rail service. 25339

(I) Expenditures by the department of transportation, the 25340
Ohio rail development commission, or any other state agency for 25341
capital improvements for the development of passenger rail shall 25342
be subject to the approval of the controlling board with an 25343
affirmative vote of not fewer than five members, including the 25344
affirmative vote of a majority of the controlling board members 25345

appointed by the president of the senate and a majority of the 25346
controlling board members appointed by the speaker of the house 25347
of representatives. All public funds acquired by the commission 25348
shall be used for developing, implementing, and regulating rail 25349
service and not for operating rail service unless the general 25350
assembly specifically approves the expenditure of funds for 25351
operating rail service. 25352

Sec. 4981.03. (A) The Ohio rail development commission 25353
shall do all of the following: 25354

(1) Develop, promote, and support safe, adequate, and 25355
efficient rail service throughout the state; 25356

(2) Maintain adequate programs of investigation, research, 25357
promotion, planning, and development for rail service, which 25358
programs shall include the consideration of recommendations by 25359
public or private planning organizations; 25360

(3) Provide for the participation of private corporations 25361
or organizations and the public in the development, 25362
construction, operation, and maintenance of rail service, and as 25363
franchisees of rail service. 25364

(B) In regard to rail service, the Ohio rail development 25365
commission is the successor of the Ohio high speed rail 25366
authority and the division of rail transportation of the 25367
department of transportation. The commission shall succeed to 25368
all federal allotments, entitlements, subsidies, and grants now 25369
existing, whether such allotments, entitlements, subsidies, and 25370
grants are encumbered or unencumbered, in the same manner and 25371
with the same authority as the Ohio high speed rail authority 25372
and the division of rail transportation exercised prior to 25373
October 20, 1994. 25374

(C) Every authority, commission, department, or other agency of this state shall provide the commission with data, plans, research, and any other information that the commission requests to assist it in performing its duties pursuant to this chapter.

(D) The commission may request and contract with any railroad to provide it with data and information necessary to carry out the purposes of this chapter. All railroads operating within this state shall provide the requested data and information to the commission. The commission shall not disclose any confidential data or information supplied to it.

(E) The commission shall cooperate with the director of housing and development by exercising the commission's duty to promote and develop rail service in this state in conjunction with the director's exercise of ~~his~~ duty to promote the economic development of this state.

(F) The commission, when developing rail service throughout the state, may give priority to projects undertaken within the geographic boundaries of qualifying subdivisions.

Sec. 5101.16. (A) As used in this section and sections 5101.161 and 5101.162 of the Revised Code:

(1) "Disability financial assistance" means the financial assistance program established under former Chapter 5115. of the Revised Code.

(2) "Supplemental nutrition assistance program" means the program administered by the department of job and family services pursuant to section 5101.54 of the Revised Code.

(3) "Ohio works first" means the program established by Chapter 5107. of the Revised Code.

(4) "Prevention, retention, and contingency" means the program established by Chapter 5108. of the Revised Code.	25404 25405
(5) "Public assistance expenditures" means expenditures for all of the following:	25406 25407
(a) Ohio works first;	25408
(b) County administration of Ohio works first;	25409
(c) Prevention, retention, and contingency;	25410
(d) County administration of prevention, retention, and contingency;	25411 25412
(e) Disability financial assistance;	25413
(f) County administration of disability financial assistance;	25414 25415
(g) County administration of the supplemental nutrition assistance program;	25416 25417
(h) County administration of medicaid, excluding administrative expenditures for transportation services covered by the medicaid program.	25418 25419 25420
(6) "Title IV-A program" has the same meaning as in section 5101.80 of the Revised Code.	25421 25422
(B) Each board of county commissioners shall pay the county share of public assistance expenditures in accordance with section 5101.161 of the Revised Code. Except as provided in division (C) of this section, a county's share of public assistance expenditures is the sum of all of the following for state fiscal year 1998 and each state fiscal year thereafter:	25423 25424 25425 25426 25427 25428
(1) The amount that is twenty-five per cent of the county's total expenditures for disability financial assistance	25429 25430

and county administration of that program during the state 25431
fiscal year ending in the previous calendar year that the 25432
department of job and family services determines are allowable. 25433

(2) The amount that is ten per cent, or other percentage 25434
determined under division (D) of this section, of the county's 25435
total expenditures for county administration of the supplemental 25436
nutrition assistance program and medicaid (excluding 25437
administrative expenditures for transportation services covered 25438
by the medicaid program) during the state fiscal year ending in 25439
the previous calendar year that the department determines are 25440
allowable, less the amount of federal reimbursement credited to 25441
the county under division (E) of this section for the state 25442
fiscal year ending in the previous calendar year; 25443

(3) A percentage of the actual amount of the county share 25444
of program and administrative expenditures during federal fiscal 25445
year 1994 for assistance and services, other than child care, 25446
provided under Titles IV-A and IV-F of the "Social Security 25447
Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as those titles 25448
existed prior to the enactment of the "Personal Responsibility 25449
and Work Opportunity Reconciliation Act of 1996," 110 Stat. 25450
2105. The department of job and family services shall determine 25451
the actual amount of the county share from expenditure reports 25452
submitted to the United States department of health and human 25453
services. The percentage shall be the percentage established in 25454
rules adopted under division (F) of this section. 25455

(C) (1) If a county's share of public assistance 25456
expenditures determined under division (B) of this section for a 25457
state fiscal year exceeds one hundred five per cent of the 25458
county's share for those expenditures for the immediately 25459
preceding state fiscal year, the department of job and family 25460

services shall reduce the county's share for expenditures under 25461
divisions (B) (1) and (2) of this section so that the total of 25462
the county's share for expenditures under division (B) of this 25463
section equals one hundred five per cent of the county's share 25464
of those expenditures for the immediately preceding state fiscal 25465
year. 25466

(2) A county's share of public assistance expenditures 25467
determined under division (B) of this section may be increased 25468
pursuant to section 5101.163 of the Revised Code and a sanction 25469
under section 5101.24 of the Revised Code. An increase made 25470
pursuant to section 5101.163 of the Revised Code may cause the 25471
county's share to exceed the limit established by division (C) 25472
(1) of this section. 25473

(D) (1) If the per capita tax duplicate of a county is less 25474
than the per capita tax duplicate of the state as a whole and 25475
division (D) (2) of this section does not apply to the county, 25476
the percentage to be used for the purpose of division (B) (2) of 25477
this section is the product of ten multiplied by a fraction of 25478
which the numerator is the per capita tax duplicate of the 25479
county and the denominator is the per capita tax duplicate of 25480
the state as a whole. The department of job and family services 25481
shall compute the per capita tax duplicate for the state and for 25482
each county by dividing the tax duplicate for the most recent 25483
available year by the current estimate of population prepared by 25484
the development services agency. 25485

(2) If the percentage of families in a county with an 25486
annual income of less than three thousand dollars is greater 25487
than the percentage of such families in the state and division 25488
(D) (1) of this section does not apply to the county, the 25489
percentage to be used for the purpose of division (B) (2) of this 25490

section is the product of ten multiplied by a fraction of which 25491
the numerator is the percentage of families in the state with an 25492
annual income of less than three thousand dollars a year and the 25493
denominator is the percentage of such families in the county. 25494
The department of job and family services shall compute the 25495
percentage of families with an annual income of less than three 25496
thousand dollars for the state and for each county by 25497
multiplying the most recent estimate of such families published 25498
by the department of housing and development~~services agency~~, by 25499
a fraction, the numerator of which is the estimate of average 25500
annual personal income published by the bureau of economic 25501
analysis of the United States department of commerce for the 25502
year on which the census estimate is based and the denominator 25503
of which is the most recent such estimate published by the 25504
bureau. 25505

(3) If the per capita tax duplicate of a county is less 25506
than the per capita tax duplicate of the state as a whole and 25507
the percentage of families in the county with an annual income 25508
of less than three thousand dollars is greater than the 25509
percentage of such families in the state, the percentage to be 25510
used for the purpose of division (B) (2) of this section shall be 25511
determined as follows: 25512

(a) Multiply ten by the fraction determined under division 25513
(D) (1) of this section; 25514

(b) Multiply the product determined under division (D) (3) 25515
(a) of this section by the fraction determined under division 25516
(D) (2) of this section. 25517

(4) The department of job and family services shall 25518
determine, for each county, the percentage to be used for the 25519
purpose of division (B) (2) of this section not later than the 25520

first day of July of the year preceding the state fiscal year 25521
for which the percentage is used. 25522

(E) The department of job and family services shall credit 25523
to a county the amount of federal reimbursement the department 25524
receives from the United States departments of agriculture and 25525
health and human services for the county's expenditures for 25526
administration of the supplemental nutrition assistance program 25527
and medicaid (excluding administrative expenditures for 25528
transportation services covered by the medicaid program) that 25529
the department determines are allowable administrative 25530
expenditures. 25531

(F) (1) The director of job and family services shall adopt 25532
rules in accordance with section 111.15 of the Revised Code to 25533
establish all of the following: 25534

(a) The method the department is to use to change a 25535
county's share of public assistance expenditures determined 25536
under division (B) of this section as provided in division (C) 25537
of this section; 25538

(b) The allocation methodology and formula the department 25539
will use to determine the amount of funds to credit to a county 25540
under this section; 25541

(c) The method the department will use to change the 25542
payment of the county share of public assistance expenditures 25543
from a calendar-year basis to a state fiscal year basis; 25544

(d) The percentage to be used for the purpose of division 25545
(B) (3) of this section, which shall, except as provided in 25546
section 5101.163 of the Revised Code, meet both of the following 25547
requirements: 25548

(i) The percentage shall not be less than seventy-five per 25549

cent nor more than eighty-two per cent; 25550

(ii) The percentage shall not exceed the percentage that 25551
the state's qualified state expenditures is of the state's 25552
historic state expenditures as those terms are defined in 42 25553
U.S.C. 609(a) (7). 25554

(e) Other procedures and requirements necessary to 25555
implement this section. 25556

(2) The director of job and family services may amend the 25557
rule adopted under division (F) (1) (d) of this section to modify 25558
the percentage on determination that the amount the general 25559
assembly appropriates for Title IV-A programs makes the 25560
modification necessary. The rule shall be adopted and amended as 25561
if an internal management rule and in consultation with the 25562
director of budget and management. 25563

Sec. 5104.30. (A) The department of job and family 25564
services is hereby designated as the state agency responsible 25565
for administration and coordination of federal and state funding 25566
for publicly funded child care in this state. Publicly funded 25567
child care shall be provided to the following: 25568

(1) Recipients of transitional child care as provided 25569
under section 5104.34 of the Revised Code; 25570

(2) Participants in the Ohio works first program 25571
established under Chapter 5107. of the Revised Code; 25572

(3) Individuals who would be participating in the Ohio 25573
works first program if not for a sanction under section 5107.16 25574
of the Revised Code and who continue to participate in a work 25575
activity, developmental activity, or alternative work activity 25576
pursuant to an assignment under section 5107.42 of the Revised 25577
Code; 25578

(4) A family receiving publicly funded child care on 25579
October 1, 1997, until the family's income reaches one hundred 25580
fifty per cent of the federal poverty line; 25581

(5) Subject to available funds, other individuals 25582
determined eligible in accordance with rules adopted under 25583
section 5104.38 of the Revised Code. 25584

The department shall apply to the United States department 25585
of health and human services for authority to operate a 25586
coordinated program for publicly funded child care, if the 25587
director of job and family services determines that the 25588
application is necessary. For purposes of this section, the 25589
department of job and family services may enter into agreements 25590
with other state agencies that are involved in regulation or 25591
funding of child care. The department shall consider the special 25592
needs of migrant workers when it administers and coordinates 25593
publicly funded child care and shall develop appropriate 25594
procedures for accommodating the needs of migrant workers for 25595
publicly funded child care. 25596

(B) The department of job and family services shall 25597
distribute state and federal funds for publicly funded child 25598
care, including appropriations of state funds for publicly 25599
funded child care and appropriations of federal funds available 25600
under the child care block grant act, Title IV-A, and Title XX. 25601
The department may use any state funds appropriated for publicly 25602
funded child care as the state share required to match any 25603
federal funds appropriated for publicly funded child care. 25604

(C) In the use of federal funds available under the child 25605
care block grant act, all of the following apply: 25606

(1) The department may use the federal funds to hire staff 25607

to prepare any rules required under this chapter and to 25608
administer and coordinate federal and state funding for publicly 25609
funded child care. 25610

(2) Not more than five per cent of the aggregate amount of 25611
the federal funds received for a fiscal year may be expended for 25612
administrative costs. 25613

(3) The department shall allocate and use at least four 25614
per cent of the federal funds for the following: 25615

(a) Activities designed to provide comprehensive consumer 25616
education to parents and the public; 25617

(b) Activities that increase parental choice; 25618

(c) Activities, including child care resource and referral 25619
services, designed to improve the quality, and increase the 25620
supply, of child care; 25621

(d) Establishing the step up to quality program pursuant 25622
to section 5104.29 of the Revised Code. 25623

(4) The department shall ensure that the federal funds 25624
will be used only to supplement, and will not be used to 25625
supplant, federal, state, and local funds available on the 25626
effective date of the child care block grant act for publicly 25627
funded child care and related programs. If authorized by rules 25628
adopted by the department pursuant to section 5104.42 of the 25629
Revised Code, county departments of job and family services may 25630
purchase child care from funds obtained through any other means. 25631

(D) The department shall encourage the development of 25632
suitable child care throughout the state, especially in areas 25633
with high concentrations of recipients of public assistance and 25634
families with low incomes. The department shall encourage the 25635

development of suitable child care designed to accommodate the 25636
special needs of migrant workers. On request, the department, 25637
through its employees or contracts with state or community child 25638
care resource and referral service organizations, shall provide 25639
consultation to groups and individuals interested in developing 25640
child care. The department of job and family services may enter 25641
into interagency agreements with the department of education and 25642
workforce, the chancellor of higher education, the department of 25643
housing and development, and other state agencies and entities 25644
whenever the cooperative efforts of the other state agencies and 25645
entities are necessary for the department of job and family 25646
services to fulfill its duties and responsibilities under this 25647
chapter. 25648

The department shall develop and maintain a registry of 25649
persons providing child care. The director shall adopt rules in 25650
accordance with Chapter 119. of the Revised Code establishing 25651
procedures and requirements for the registry's administration. 25652

(E) (1) The director shall adopt rules in accordance with 25653
Chapter 119. of the Revised Code establishing both of the 25654
following: 25655

(a) Reimbursement rates for providers of publicly funded 25656
child care not later than the first day of July in each odd- 25657
numbered year; 25658

(b) A procedure for reimbursing and paying providers of 25659
publicly funded child care. 25660

(2) In establishing reimbursement rates under division (E) 25661
(1) (a) of this section, the director shall do all of the 25662
following: 25663

(a) Use the information obtained in accordance with 45 25664

C.F.R. 98.45;	25665
(b) Establish an enhanced reimbursement rate for providers who provide child care for caretaker parents who work nontraditional hours;	25666 25667 25668
(c) With regard to the step up to quality program established pursuant to section 5104.29 of the Revised Code, establish enhanced reimbursement rates for child care providers that participate in the program.	25669 25670 25671 25672
(3) In establishing reimbursement rates under division (E) (1) (a) of this section, the director may establish different reimbursement rates based on any of the following:	25673 25674 25675
(a) Geographic location of the provider;	25676
(b) Type of care provided;	25677
(c) Age of the child served;	25678
(d) Special needs of the child served;	25679
(e) Whether the expanded hours of service are provided;	25680
(f) Whether weekend service is provided;	25681
(g) Whether the provider has exceeded the minimum requirements of state statutes and rules governing child care;	25682 25683
(h) Any other factors the director considers appropriate.	25684
Sec. 5117.02. (A) The director of <u>housing and development</u> shall adopt rules, or amendments and rescissions of rules, pursuant to section 4928.52 of the Revised Code, for the administration of the Ohio energy credit program under sections 5117.01 to 5117.12 of the Revised Code.	25685 25686 25687 25688 25689
(B) As a means of efficiently administering the program,	25690

the director may extend, by as much as a total of thirty days, 25691
any date specified in such sections for the performance of a 25692
particular action by an individual or an officer. 25693

(C) (1) Except as provided in division (C) (2) of this 25694
section, the director shall adopt, in accordance with divisions 25695
(A), (B), (C), (D), (E), and (F) of section 119.03 and section 25696
119.04 of the Revised Code, whatever rules, or amendments or 25697
rescissions of rules are required by or are otherwise necessary 25698
to implement sections 5117.01 to 5117.12 of the Revised Code. A 25699
rule, amendment, or rescission adopted under this division is 25700
not exempt from the hearing requirements of section 119.03 of 25701
the Revised Code pursuant to division (H) of that section, or 25702
subject to section 111.15 of the Revised Code. 25703

(2) If an emergency necessitates the immediate adoption of 25704
a rule, or the immediate adoption of an amendment or rescission 25705
of a rule that is required by or otherwise necessary to 25706
implement sections 5117.01 to 5117.12 of the Revised Code, the 25707
director immediately may adopt the emergency rule, amendment, or 25708
rescission without complying with division (A), (B), (C), (D), 25709
(E), or (F) of section 119.03 of the Revised Code so long as the 25710
director states the reasons for the necessity in the emergency 25711
rule, amendment, or rescission. The emergency rule, amendment, 25712
or rescission is effective on the day the emergency rule, 25713
amendment, or rescission, in final form and in compliance with 25714
division (A) (2) of section 119.04 of the Revised Code, is filed 25715
in electronic form with the secretary of state, the director of 25716
the legislative service commission, and the joint committee on 25717
agency rule review. If all filings are not completed on the same 25718
day, the emergency rule, amendment, or rescission is effective 25719
on the day on which the latest filing is completed. An emergency 25720
rule, amendment, or rescission adopted under this division is 25721

not subject to section 111.15 or division (G) of section 119.03 25722
of the Revised Code. An emergency rule, amendment, or rescission 25723
adopted under this division continues in effect until amended or 25724
rescinded by the director in accordance with division (C) (1) or 25725
(2) of this section, except that the rescission of an emergency 25726
rescission does not revive the rule rescinded. 25727

(D) Except where otherwise provided, each form, 25728
application, notice, and the like used in fulfilling the 25729
requirements of sections 5117.01 to 5117.12 of the Revised Code 25730
shall be approved by the director. 25731

Sec. 5117.03. (A) (1) The director of housing and 25732
development shall prescribe the form of the application for 25733
assistance under the Ohio energy credit program. The application 25734
shall be in the form of a signed statement, shall require no 25735
more information than is necessary to establish an applicant's 25736
eligibility under section 5117.07 of the Revised Code, and shall 25737
be clear and concise in its format, requirements, and 25738
instructions. The form shall request the following information: 25739

(a) The name and address of the applicant; 25740

(b) The type of energy or commodity that is the source of 25741
the heat produced by the primary heating system in the residence 25742
of the applicant; 25743

(c) The name of the energy company or energy dealer that 25744
supplies the energy or commodity that is the source of the heat 25745
produced by the primary heating system in the residence of the 25746
applicant and, if the applicant receives the applicant's energy 25747
from a company, the applicant's account number; 25748

(d) The applicant's total income or current total income; 25749

(e) In the case of an application based upon physical 25750

disability, a certification signed by a physician, in the case 25751
of an application based upon mental disability, a certification 25752
signed by a physician or psychologist, or in the case of either 25753
such disability, a certification from a state or federal agency 25754
having the function of so classifying persons; 25755

(f) The age of the applicant; 25756

(g) Any other information required to make eligibility 25757
determinations under section 5117.07 of the Revised Code. 25758

Each form shall contain a statement that signing such 25759
application constitutes a delegation of authority by the 25760
applicant to the director to examine any financial records that 25761
relate to income earned by the applicant as stated on the 25762
application for the purpose of determining eligibility under 25763
section 5117.07 of the Revised Code and possible violation of 25764
division (B) of section 5117.11 of the Revised Code. 25765

(2) The director shall mail or otherwise provide an 25766
application form to each person requesting such form. 25767

(B) (1) The director shall devise and prescribe an 25768
application renewal form on which the head of household may 25769
indicate by check mark that the head of household received a 25770
credit or payment for the preceding heating season. Application 25771
renewal forms shall seek from persons applying on such basis a 25772
certification by the applicant attesting to the applicant's 25773
permanent and total disability and the name of a physician, 25774
psychologist, or government agency willing to provide an 25775
additional certification if so requested under division (D) of 25776
section 5117.07 of the Revised Code. Such forms shall also 25777
include such other information as the director requires and 25778
shall be clear and concise in format, requirements, and 25779

instructions. 25780

(2) On or before the fifteenth day of June, the director 25781
shall mail or otherwise provide an application renewal form to 25782
each head of household who received a credit or payment during 25783
the preceding heating season. 25784

(3) Application renewal forms shall be reviewed and 25785
disposed of in the same manner provided for application forms in 25786
section 5117.07 of the Revised Code. 25787

(C) Applications and application renewal forms shall be 25788
returned to the director no later than the first day of 25789
September. If an applicant is determined eligible for a credit 25790
under division (A) (1) of section 5117.07 of the Revised Code and 25791
the applicant's account number is not provided on the 25792
application form pursuant to division (A) (1) (c) of this section, 25793
the director shall make a good faith effort to acquire such 25794
number before certifying the applicant's eligibility to an 25795
energy company under section 5117.08 of the Revised Code. The 25796
director may request an energy company to assist in efforts to 25797
acquire an applicant's account number and, if so requested, a 25798
company shall cooperate in such efforts. 25799

Sec. 5117.04. (A) Every energy company and energy dealer, 25800
at least once during June, and once during August, shall begin 25801
to distribute to each of its residential heating customers a 25802
plain and clear notice, printed in ten-point type on a sheet or 25803
card on which no other words appear on either the front or back, 25804
that states the right of qualified residential customers to 25805
receive a credit or payment under the Ohio energy credit program 25806
and that explains in detail, in a fashion reasonably calculated 25807
to inform, the relevant mechanisms established under sections 25808
5117.01 to 5117.12 of the Revised Code to effectuate that right. 25809

The notice shall also contain, in ten-point boldface type, the following statement: "The right of eligible customers to receive a credit against utility bills or a payment for energy bills is provided in legislation (House Bill 657) passed by the General Assembly and signed by the Governor."

(B) The director of housing and development shall cause to be printed notices of the type specified in division (A) of this section and application forms in sufficient quantity for distribution. The director shall maintain a system for distributing application forms to appropriate public locations. The distribution system shall be designed to make application forms available to as many qualified persons as possible.

(C) The director shall arrange for the establishment of a toll-free telephone number to enable all persons in this state to make inquiries and obtain information concerning the credits or payments.

Sec. 5117.05. The director of housing and development, in consultation with the commission on Hispanic-Latino affairs, shall develop an outreach program, including Spanish-speaking communication formats, designed to make all Spanish-speaking persons who meet the eligibility requirements for participation in the Ohio energy credit program aware of the nature and extent of available benefits and methods for acquiring and making applications. The program shall include assistance to such persons in making applications. The director shall implement the program in cooperation with the commission.

Sec. 5117.07. (A) On or before the first day of October, the director of housing and development shall review all applications submitted under division (C) of section 5117.03 of the Revised Code and shall determine the eligibility of each

applicant to receive a credit or payment. The total income and 25840
current total income amounts set forth in division (A) of this 25841
section are subject to adjustment under section 5117.071 of the 25842
Revised Code. 25843

(1) An applicant is eligible for a credit of thirty per 25844
cent if the applicant is a head of household, has a total income 25845
of five thousand dollars or less or a current total income of 25846
two thousand five hundred dollars or less, owns and occupies or 25847
rents and occupies a household receiving the source of energy 25848
for its primary heating system from an energy company and such 25849
energy is separately metered, and is either of the following: 25850

(a) Sixty-five years of age or older; 25851

(b) Permanently and totally disabled. 25852

(2) An applicant is eligible for a credit of twenty-five 25853
per cent if the applicant is a head of household, has a total 25854
income of more than five thousand dollars but not more than nine 25855
thousand dollars or a current total income of more than two 25856
thousand five hundred dollars but not more than four thousand 25857
five hundred dollars, is sixty-five years of age or older or 25858
permanently and totally disabled, and owns and occupies or rents 25859
and occupies a household receiving the source of energy for its 25860
primary heating system from an energy company and such energy is 25861
separately metered. 25862

(3) An applicant is eligible for a payment if either of 25863
the following applies to the applicant: 25864

(a) The applicant would be eligible for the credit under 25865
division (A)(1) or (2) of this section but for the fact that the 25866
source of energy for the primary heating system of the 25867
applicant's household is not separately metered; 25868

(b) The applicant is a head of household, has a total 25869
income of no more than nine thousand dollars or a current total 25870
income of no more than four thousand five hundred dollars, is 25871
sixty-five years of age or older or permanently and totally 25872
disabled, and owns and occupies or rents and occupies a 25873
household receiving the source of energy for its primary heating 25874
system from an energy dealer. 25875

(4) In the case of a multiple unit dwelling for which 25876
separate metering for the source of energy for its primary 25877
heating system is not provided, more than one applicant 25878
occupying such dwelling may be determined eligible for a payment 25879
under division (A) (3) (a) of this section. 25880

(B) Notwithstanding division (A) of this section: 25881

(1) No head of household who resides in public housing or 25882
receives a rent subsidy from a government agency is eligible for 25883
a credit or payment unless the person's rent subsidy does not 25884
reflect the costs of that person's household receiving the 25885
source of energy for its primary heating system; 25886

(2) A resident of a nursing home, hospital, or other 25887
extended health care facility is not eligible for a credit or 25888
payment for the costs of providing the source of energy for the 25889
primary heating system of the facility. 25890

(C) The director shall establish a procedure whereby the 25891
director ~~commissioner~~ can verify total income and current total 25892
income for the calendar year in which an applicant is determined 25893
eligible for a payment or credit. If a person receives a credit 25894
or payment that the person is ineligible to receive under 25895
division (A) of this section as determined by the director, that 25896
person shall refund to the director the credit or payment, or 25897

excess portion of a credit or payment, that person received. The 25898
sum refunded shall be deposited in the state treasury to the 25899
credit of the universal service fund created in section 4928.51 25900
of the Revised Code. 25901

(D) The director may request an additional certification 25902
of permanent and total disability for any applicant claiming 25903
such status on an application renewal form submitted under 25904
section 5117.03 of the Revised Code. Such certification shall be 25905
requested from the person or agency named on the form pursuant 25906
to division (B) (1) of section 5117.03 of the Revised Code. If 25907
such additional certification is refused due to a conclusion by 25908
the person or agency that the applicant is not permanently and 25909
totally disabled, the director shall determine the applicant 25910
ineligible for any credit or payment. If such additional 25911
certification is unavailable or refused for any other reason, 25912
the director may determine the applicant to be eligible for a 25913
credit or payment provided the director~~-commissioner~~ has good 25914
cause to believe the applicant is permanently and totally 25915
disabled. 25916

(E) On or before the first day of October, the director 25917
shall notify each applicant of the disposition of the 25918
applicant's application under divisions (A) and (B) of this 25919
section. At the same time, the director~~-tax commissioner~~ shall 25920
notify the applicant, regardless of whether the applicant's 25921
application is approved or disapproved, that the applicant may 25922
be eligible to participate in a state or federal weatherization 25923
program and should contact the applicant's community action 25924
agency for further information. If an application is 25925
disapproved, the applicant may appeal to the director for a 25926
hearing on the matter. A notice of disapproval shall include a 25927
detailed explanation of the applicant's right of appeal under 25928

this chapter. Any such appeal shall be on an appeal form 25929
prescribed by the director and shall be filed with the director 25930
within twenty days of the receipt of the notice of disapproval. 25931

Sec. 5117.071. (A) In September of each year, the ~~tax-~~ 25932
~~commissioner~~director of housing and development shall adjust 25933
the total income amounts set forth in sections 5117.07 and 25934
5117.09 of the Revised Code to be used for applications 25935
submitted for the heating season commencing in the next calendar 25936
year, by completing the following steps: 25937

(1) Determine the percentage increase in the gross 25938
domestic product deflator determined by the bureau of economic 25939
analysis of the United States department of commerce for the 25940
preceding year; 25941

(2) Multiply that percentage increase by each of the total 25942
income amounts for the preceding year; 25943

(3) Add the resulting products to each of the total income 25944
amounts for the preceding year; 25945

(4) Round the resulting sums upward to the nearest 25946
multiple of ten dollars. 25947

The ~~commissioner~~director shall not make the adjustment in 25948
any year in which the amounts resulting from the adjustment 25949
would be less than the total income amounts for the preceding 25950
year. 25951

(B) In September of each year, the ~~tax-commissioner-~~ 25952
director of housing and development also shall adjust the 25953
current total income amounts set forth in sections 5117.07 and 25954
5117.09 of the Revised Code. For any year, the current total 25955
income amounts shall equal one-half of the respective total 25956
income amounts set forth in those sections and adjusted under 25957

division (A) of this section for that year. 25958

~~(C) Each year, the tax commissioner shall provide both the 25959
adjusted total income amounts referred to in division (A) of 25960
this section and the current total income amounts referred to in 25961
division (B) of this section to the director of development. 25962~~

~~(D) The director of housing and development and each 25963
energy company and energy dealer shall use the adjusted total 25964
income amounts and the current total income amounts determined 25965
under divisions (A) and (B) of this section in performing their 25966
duties under sections 5117.01 to 5117.12 of the Revised Code. 25967~~

Sec. 5117.08. (A) (1) On or before the tenth day of 25968
October, the director of housing and development shall begin to 25969
prepare and certify to each energy company that provides energy 25970
for home heating a list containing the name and account number 25971
of each head of household determined eligible for a credit under 25972
divisions (A) and (B) of section 5117.07 of the Revised Code and 25973
served by that company, the address of the household, and the 25974
source of the heat produced by the primary heating system in the 25975
residence of the applicant. The director, for good cause, may 25976
certify addenda to such lists, containing the names of any heads 25977
of household whose names were not included in the earlier lists 25978
but who, except for failure to meet the deadline requirements of 25979
sections 5117.01 to 5117.12 of the Revised Code, would have been 25980
certified in the original lists. Within thirty days of receipt 25981
of such list and in any month for which a credit is required 25982
under sections 5117.01 to 5117.12 of the Revised Code, the 25983
company may verify that each head of household on the director's 25984
list receives energy for home heating at the household address 25985
appearing on such list or that the source of heat produced by 25986
the primary heating system in the household is energy supplied 25987

by the company. If the company determines that a person listed 25988
does not receive energy for home heating at such address or that 25989
the source of the heat produced by the primary heating system in 25990
the residence of such person is not supplied by the company, it 25991
shall notify the director of such fact and may refuse to grant 25992
the credit provided under division (A) of section 5117.07 of the 25993
Revised Code. Upon receipt of such notice, the director shall 25994
determine the accuracy of the determination of the company and, 25995
should the director not concur with the company, shall order the 25996
company to provide the credit. 25997

(2) The good faith exercise by any company of any power of 25998
refusal granted under division (A) (1) of this section does not 25999
subject such company to any penalty or liability provided under 26000
division (A) of section 5117.11 of the Revised Code. 26001

(B) (1) Nothing in sections 5117.01 to 5117.12 of the 26002
Revised Code shall be construed to abridge the right of an 26003
otherwise eligible applicant to receive a credit or payment 26004
because the applicant has either changed the location of the 26005
applicant's residence or the nature of the occupancy of the 26006
applicant's residence, as between a tenant or an owner, at a 26007
time that could, as a result of the operation of sections 26008
5117.01 to 5117.12 of the Revised Code, cause the applicant to 26009
be disqualified from receiving, or continuing to receive, the 26010
credit or payment. 26011

(2) Where a person who submits a form or information 26012
required under sections 5117.01 to 5117.10 of the Revised Code 26013
does so in a timely fashion but, because of the occurrence of an 26014
error or omission with respect to such form or information, 26015
either on the person's own part or on the part of those persons 26016
required by sections 5117.01 to 5117.12 of the Revised Code to 26017

take administrative, executive, or ministerial action regarding 26018
such form or information, the certification of eligibility by 26019
the director to an energy company takes place after the 26020
expiration of a deadline imposed under sections 5117.01 to 26021
5117.12 of the Revised Code, the company shall grant the credit 26022
within thirty days and, whenever appropriate, grant the credit 26023
on a retroactive basis. 26024

(3) The director shall adopt a rule ensuring that the 26025
requirements of divisions (B) (1) and (2) of this section are 26026
effectuated. 26027

Sec. 5117.09. (A) (1) With respect to each of its 26028
residential customers, every energy company shall, after receipt 26029
of a certification list provided under division (A) of section 26030
5117.08 of the Revised Code, cause the granting of a credit in 26031
accordance with this section against the monthly billing of each 26032
household appearing on the list except as provided in division 26033
(A) of section 5117.08 of the Revised Code. In the case of an 26034
applicant who has a total income of five thousand dollars or 26035
less or a current total income of two thousand five hundred 26036
dollars or less, the credit shall amount to thirty per cent of 26037
the current monthly bill rendered to such household by the 26038
company for the billing months of December, January, February, 26039
March, and April following the receipt of a list on which the 26040
household appears. In the case of an applicant who has a total 26041
income of more than five thousand dollars but not more than nine 26042
thousand dollars or a current total income of more than two 26043
thousand five hundred dollars but not more than four thousand 26044
five hundred dollars, the credit shall amount to twenty-five per 26045
cent of the current monthly bill rendered to such household by 26046
the company for the billing months of December, January, 26047
February, March, and April following the receipt of a list on 26048

which the household appears. If purchased power costs are 26049
incurred by an energy company during the billing month for which 26050
a credit is provided under this division, the credit shall also 26051
be applied to such costs, whether or not the costs are charged 26052
to a current monthly bill for such months. 26053

(2) The total income and current total income amounts set 26054
forth in division (A) (1) of this section are subject to 26055
adjustment under section 5117.071 of the Revised Code. 26056

(B) Every energy company shall read the meter of each of 26057
its qualified residential customers who may receive a credit 26058
under division (A) of this section at least one time for the 26059
service period of November and at least one time in the service 26060
period for the current monthly bill rendered for the billing 26061
month of April. In the event a company is unable to read a meter 26062
because of failure to gain access after a good faith effort or 26063
because a certification list was supplied to the utility fewer 26064
than thirty days prior to the normal date of meter reading, the 26065
company may render a calculated bill. In such instances, the 26066
company shall make an adjustment to the amount of the credit 26067
granted to the customer based upon the next actual reading of 26068
the meter if the reading shows the previous calculation to have 26069
been in error and set forth the amount of such adjustments in 26070
the report required to be filed with the director of housing and 26071
development under division (D) of this section. 26072

(C) On each billing that is subject to a credit under 26073
division (A) of this section, there shall appear in ten-point 26074
type both the amount of the credit and to the left of such 26075
amount "Ohio Energy Credit." 26076

(D) On or before the fifteenth day of each month following 26077
one in which credits were provided under division (A) of this 26078

section, each energy company shall, on a form prescribed by the 26079
director and requesting information that the director 26080
~~commissioner~~ determines is necessary for the purpose of 26081
verifying the propriety of the payment of credits, certify to 26082
the director the total amount of all credits it granted pursuant 26083
to division (A) of this section during the preceding month. Not 26084
later than thirty days after receipt of such certification, the 26085
director shall pay the company the amount certified. If the 26086
director determines that a company previously received amounts 26087
greater than the amounts of credits properly granted, such 26088
company, upon notice from the director, shall reimburse the 26089
director in the amount of the overpayments. Such reimbursements 26090
shall be deposited in the general revenue fund. 26091

(E) (1) Any energy company that purposely fails to grant 26092
the credit provided under division (A) of this section is liable 26093
to each person entitled to the credit and certified to the 26094
company by the director pursuant to division (A) of section 26095
5117.08 of the Revised Code in treble the amount of the total 26096
credit not granted. The consumers' counsel, on behalf of any 26097
person or persons not granted the credit, may bring an action to 26098
recover such treble damages in the court of common pleas of the 26099
county in which is located the office of the company nearest the 26100
household of any such person or persons. The consumers' counsel 26101
also, on behalf of any persons not granted the credit, may bring 26102
a class action to recover such treble damages in the court of 26103
common pleas of any county in which is located an office of the 26104
company and, if feasible, in which is located a significant 26105
number of members of the class. Any treble damage recovery under 26106
this division does not, in any manner, diminish any other 26107
liability provided under sections 5117.01 to 5117.12 of the 26108
Revised Code. Clerical errors shall not be considered an offense 26109

or incur liability under this division. 26110

(2) An action shall be brought by the consumers' counsel 26111
under division (E) (1) of this section only after the consumers' 26112
counsel has made a good faith attempt to dispose of the claim by 26113
settlement, including a good faith request for only such 26114
information in the possession of an energy company as is needed 26115
to determine the existence or extent of such a right of action. 26116

(3) Nothing in division (E) (1) of this section shall be 26117
construed to prevent persons acting without the assistance of 26118
the consumers' counsel from bringing an action or class action 26119
under such division. 26120

Sec. 5117.10. (A) On or before the fifteenth day of 26121
January, the director of housing and development services shall 26122
pay each applicant determined eligible for a payment under 26123
divisions (A) and (B) of section 5117.07 of the Revised Code one 26124
hundred twenty-five dollars. 26125

(B) The director may withhold from any payment to which a 26126
person would otherwise be entitled under division (A) of this 26127
section any amount that the director determines was erroneously 26128
received by such person in a preceding year under this or the 26129
program established under Am. Sub. H.B. 230, as amended by Am. 26130
H.B. 937, Am. Sub. H.B. 1073, Am. Sub. S.B. 493, and Am. Sub. 26131
S.B. 523 of the 112th general assembly, provided the director 26132
has employed all other legal methods reasonably available to 26133
obtain reimbursement for the erroneous payment or credit prior 26134
to the commencement of the current program year. 26135

(C) Payments made under this section and credits granted 26136
under section 5117.09 of the Revised Code shall not be 26137
considered income for the purpose of determining eligibility or 26138

the level of benefits or assistance under section 329.042 or 26139
Chapter 5107. of the Revised Code; the medicaid program; 26140
supplemental security income payments under Title XVI of the 26141
"Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as 26142
amended; or any other program under which eligibility or the 26143
level of benefits or assistance is based upon need measured by 26144
income. 26145

Sec. 5117.12. (A) On or before the thirty-first day of 26146
August of each year, each energy company shall file a written 26147
report with the director of housing and development regarding 26148
the impact, if any, of the requirements of division (E) of 26149
section 5117.11 of the Revised Code on the number of 26150
uncollectible and past due residential accounts for the twelve- 26151
month period ending on the preceding thirty-first day of July. 26152
The report shall include such information as is prescribed by 26153
the director. The information shall be based on actual reviews 26154
of residential customer accounts and shall be presented in 26155
verifiable form. The director may consult with the public 26156
utilities commission and the consumers' counsel in prescribing 26157
the contents of such reports and complying with the requirements 26158
of division (C) (4) of this section. 26159

(B) Before the thirty-first day of January of each year, 26160
the director shall prepare a written report including a final 26161
review of the Ohio energy credit program for which applications 26162
were required to be mailed or provided by the fifteenth day of 26163
June of the second preceding calendar year pursuant to section 26164
5117.03 of the Revised Code and an interim review of the program 26165
for which applications were required to be mailed or provided by 26166
the fifteenth day of June of the preceding calendar year under 26167
such section. On or before the thirty-first day of January of 26168
each year, the director shall provide written copies of such 26169

report to the speaker of the house of representatives, president	26170
of the senate, minority leaders of the house of representatives	26171
and senate, chairpersons of the house finance and appropriations	26172
committee and senate finance committee, chairpersons of the	26173
committees of the house of representatives and senate	26174
customarily entrusted with matters concerning public utilities,	26175
clerk of the house of representatives, and clerk of the senate.	26176
(C) Each report prepared under division (B) of this	26177
section shall include a review of:	26178
(1) Program costs;	26179
(2) The number of persons receiving credits or payments	26180
under the program;	26181
(3) Progress in the implementation of any changes in the	26182
program made by the general assembly within the period covered	26183
by the report;	26184
(4) The impact, if any, of the requirements of division	26185
(E) of section 5117.11 of the Revised Code on the number of	26186
uncollectible and past due residential accounts of energy	26187
companies for the twelve-month period ending on the preceding	26188
thirty-first day of July;	26189
(5) The impact of any federal energy assistance programs	26190
available to the same groups of people as are eligible for the	26191
energy credit program under sections 5117.01 to 5117.12 of the	26192
Revised Code, together with any recommendations on modifications	26193
that may, because of the federal programs, be needed in the	26194
energy credit program;	26195
(6) Any suggestions for improving the program;	26196
(7) Any other matters considered appropriate by the	26197

director. 26198

(D) The director shall consult with the auditor of state, 26199
energy companies, energy dealers, department of aging, and 26200
commission on Hispanic-Latino affairs in the preparation of any 26201
report under this section. The director may require information 26202
from such agencies for the purpose of preparing such report. 26203

Sec. 5117.22. All petroleum violation escrow funds 26204
received by this state from the federal government shall be 26205
deposited in the state treasury to the credit of the energy oil 26206
overcharge fund, which is hereby created. The fund shall be used 26207
by the department of housing and development ~~services agency~~ for 26208
energy conservation and assistance programs approved by the 26209
United States department of energy. All investment earnings of 26210
the fund shall be credited to the fund. 26211

Sec. 5119.34. (A) As used in this section and sections 26212
5119.341 to 5119.343 of the Revised Code: 26213

(1) "Accommodations" means housing, daily meal 26214
preparation, laundry, housekeeping, arranging for 26215
transportation, social and recreational activities, maintenance, 26216
security, and other services that do not constitute personal 26217
care services or skilled nursing care. 26218

(2) "ADAMHS board" means a board of alcohol, drug 26219
addiction, and mental health services. 26220

(3) "Adult" means a person who is eighteen years of age or 26221
older, other than a person described in division (A)(4) of this 26222
section who is between eighteen and twenty-one years of age. 26223

(4) "Child" means a person who is under eighteen years of 26224
age or a person with a mental disability who is under twenty-one 26225
years of age. 26226

(5) "Community mental health services provider" means a community mental health services provider as defined in section 5119.01 of the Revised Code.

(6) "Community mental health services" means any mental health services certified by the department pursuant to section 5119.36 of the Revised Code.

(7) "Operator" means the person or persons, firm, partnership, agency, governing body, association, corporation, or other entity that is responsible for the administration and management of a residential facility and that is the applicant for a residential facility license.

(8) "Personal care services" means services including, but not limited to, the following:

(a) Assisting residents with activities of daily living;

(b) Assisting residents with self-administration of medication in accordance with rules adopted under this section;

(c) Preparing special diets, other than complex therapeutic diets, for residents pursuant to the instructions of a physician or a licensed dietitian, in accordance with rules adopted under this section.

"Personal care services" does not include "skilled nursing care" as defined in section 3721.01 of the Revised Code. A facility need not provide more than one of the services listed in division (A) (8) of this section to be considered to be providing personal care services.

(9) "Room and board" means the provision of sleeping and living space, meals or meal preparation, laundry services, housekeeping services, or any combination thereof.

- (10) "Residential state supplement program" means the program established under section 5119.41 of the Revised Code. 26255
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- (11) "Supervision" means any of the following: 26257
- (a) Observing a resident to ensure the resident's health, safety, and welfare while the resident engages in activities of daily living or other activities; 26258
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- (b) Reminding a resident to perform or complete an activity, such as reminding a resident to engage in personal hygiene or other self-care activities; 26261
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- (c) Assisting a resident in making or keeping an appointment. 26264
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- (12) "Unrelated" means that a resident is not related to the owner or operator of a residential facility or to the owner's or operator's spouse as a parent, grandparent, child, stepchild, grandchild, brother, sister, niece, nephew, aunt, or uncle, or as the child of an aunt or uncle. 26266
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- (B) (1) A "residential facility" is a publicly or privately operated home or facility that falls into one of the following categories: 26271
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- (a) Class one facilities provide accommodations, supervision, personal care services, and mental health services for one or more unrelated adults with mental illness or one or more unrelated children or adolescents with severe emotional disturbances; 26274
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- (b) Class two facilities provide accommodations, supervision, and personal care services to any of the following: 26279
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- (i) One or two unrelated persons with mental illness; 26281

(ii) One or two unrelated adults who are receiving payments under the residential state supplement program;	26282 26283
(iii) Three to sixteen unrelated adults.	26284
(c) Class three facilities provide room and board for five or more unrelated adults with mental illness.	26285 26286
(2) "Residential facility" does not include any of the following:	26287 26288
(a) A hospital subject to licensure under section 5119.33 of the Revised Code or an institution maintained, operated, managed, and governed by the department of mental health and addiction services for the hospitalization of persons with mental illnesses pursuant to section 5119.14 of the Revised Code;	26289 26290 26291 26292 26293 26294
(b) A residential facility licensed under section 5123.19 of the Revised Code or otherwise regulated by the department of developmental disabilities;	26295 26296 26297
(c) An institution or association subject to certification under section 5103.03 of the Revised Code;	26298 26299
(d) A facility operated by a hospice care program licensed under section 3712.04 of the Revised Code that is used exclusively for care of hospice patients;	26300 26301 26302
(e) A nursing home, residential care facility, or home for the aging as defined in section 3721.02 of the Revised Code;	26303 26304
(f) A facility licensed under section 5119.37 of the Revised Code to operate an opioid treatment program;	26305 26306
(g) Any facility that receives funding for operating costs from the department of <u>housing and</u> development under any program	26307 26308

established to provide emergency shelter housing or transitional housing for the homeless; 26309
26310

(h) A terminal care facility for the homeless that has entered into an agreement with a hospice care program under section 3712.07 of the Revised Code; 26311
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(i) A facility approved by the veterans administration under section 104(a) of the "Veterans Health Care Amendments of 1983," 97 Stat. 993, 38 U.S.C. 630, as amended, and used exclusively for the placement and care of veterans; 26314
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(j) The residence of a relative or guardian of a person with mental illness. 26318
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(C) Nothing in division (B) of this section shall be construed to permit personal care services to be imposed on a resident who is capable of performing the activity in question without assistance. 26320
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(D) Except in the case of a residential facility described in division (B) (1) (a) of this section, members of the staff of a residential facility shall not administer medication to the facility's residents, but may do any of the following: 26324
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(1) Remind a resident when to take medication and watch to ensure that the resident follows the directions on the container; 26328
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(2) Assist a resident in the self-administration of medication by taking the medication from the locked area where it is stored, in accordance with rules adopted pursuant to this section, and handing it to the resident. If the resident is physically unable to open the container, a staff member may open the container for the resident. 26331
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(3) Assist a resident who is physically impaired but mentally alert, such as a resident with arthritis, cerebral palsy, or Parkinson's disease, in removing oral or topical medication from containers and in consuming or applying the medication, upon request by or with the consent of the resident. If a resident is physically unable to place a dose of medicine to the resident's mouth without spilling it, a staff member may place the dose in a container and place the container to the mouth of the resident.

(E) A person operating or seeking to operate a residential facility shall apply for licensure of the facility to the department of mental health and addiction services. The application shall be submitted by the operator. When applying for the license, the applicant shall pay to the department the application fee specified in rules adopted under division (N) of this section. The fee is nonrefundable.

The department shall send a copy of an application to the ADAMHS board serving the county in which the person operates or seeks to operate the facility. The ADAMHS board shall review the application and provide to the department any information about the applicant or the facility that the board would like the department to consider in reviewing the application.

(F) The department of mental health and addiction services shall inspect and license the operation of residential facilities. The department may issue a license to operate a residential facility only if all of the following are the case:

(1) The department is satisfied, after investigation, that the facility is managed and operated by qualified persons and is adequately staffed and equipped to operate.

(2) The department has not been notified under section 26366
5119.343 of the Revised Code or is not otherwise aware that the 26367
residential facility or any owner, operator, or manager of the 26368
residential facility has been the subject of an adverse action, 26369
as defined in that section, taken during the three-year period 26370
immediately preceding the date of application. 26371

(3) The department has not been notified or is not 26372
otherwise aware that the residential facility or any owner, 26373
operator, or manager of the facility has been the subject of an 26374
adverse action, as defined in that section, taken at any time 26375
based on an act or omission that violated the right of a 26376
residential facility resident to be free from abuse, neglect, or 26377
exploitation. 26378

The department may issue full, probationary, and interim 26379
licenses. A full license shall expire up to three years after 26380
the date of issuance, a probationary license shall expire in a 26381
shorter period of time as specified in rules adopted by the 26382
director of mental health and addiction services under division 26383
(N) of this section, and an interim license shall expire ninety 26384
days after the date of issuance. A license may be renewed in 26385
accordance with rules adopted by the director under division (N) 26386
of this section. The renewal application shall be submitted by 26387
the operator. When applying for renewal of a license, the 26388
applicant shall pay to the department the renewal fee specified 26389
in rules adopted under division (N) of this section. The fee is 26390
nonrefundable. 26391

(G) (1) If the department finds any of the following with 26392
respect to a residential facility, the department may issue an 26393
order suspending the admission of residents to the facility, 26394
refuse to issue or renew a license for the facility, or revoke 26395

the facility's license: 26396

(a) The facility is not in compliance with rules adopted 26397
by the director pursuant to division (N) of this section; 26398

(b) Any facility operated by the applicant or licensee has 26399
been cited for a pattern of serious noncompliance or repeated 26400
violations of statutes or rules during the period of current or 26401
previous licenses; 26402

(c) The applicant or licensee submits false or misleading 26403
information as part of a license application, renewal, or 26404
investigation. 26405

(2) Proceedings initiated to deny applications for full or 26406
probationary licenses, to refuse to renew full or probationary 26407
licenses, or to revoke full or probationary licenses are 26408
governed by Chapter 119. of the Revised Code. If an order has 26409
been issued suspending the admission of residents to the 26410
facility, the order remains in effect during the pendency of 26411
those proceedings. 26412

Proceedings initiated to suspend the admission of 26413
residents to a facility are governed by Chapter 119. of the 26414
Revised Code, except as provided in division (H) of this 26415
section. 26416

(3) In a proceeding initiated to suspend the admission of 26417
residents to a facility, to deny an application for a full or 26418
probationary license, to refuse to renew a full or probationary 26419
license, or to revoke a full or probationary license, the 26420
department may order the suspension, denial, refusal, or 26421
revocation regardless of whether some or all of the deficiencies 26422
that prompted the proceedings have been corrected at the time of 26423
the hearing. 26424

(4) When the department issues an order suspending the admission of residents to a facility, denies an application for a full or probationary license, refuses to renew a full or probationary license, or revokes a full or probationary license, the department shall not grant an opportunity for submitting a plan of correction.

(H) (1) If a suspension of admissions of residents to a facility is proposed because the director has determined that the licensee has demonstrated a pattern of serious noncompliance or that a violation creates a substantial risk to the health and safety of residents, the director may issue an order imposing the suspension of admissions before providing an opportunity for an adjudication under Chapter 119. of the Revised Code. The director shall lift the order for the suspension of admissions if the director determines that the violation that formed the basis for the order has been corrected.

(2) Appeals from proceedings initiated to order the suspension of admissions to a facility shall be conducted in accordance with Chapter 119. of the Revised Code, unless the order was issued before providing an opportunity for an adjudication, in which case all of the following apply:

(a) The licensee may request a hearing not later than ten days after being served in accordance with sections 119.05 and 119.07 of the Revised Code.

(b) If a timely request for a hearing that includes the licensee's current address is made, the hearing shall commence not later than thirty days after the department receives the request.

(c) After commencing, the hearing shall continue

uninterrupted, except for Saturdays, Sundays, and legal 26454
holidays, unless other interruptions are agreed to by the 26455
licensee and the director. 26456

(d) If the hearing is conducted by a hearing examiner, the 26457
hearing examiner shall file a report and recommendations with 26458
the department not later than ten days after the last of the 26459
following: 26460

(i) The close of the hearing; 26461

(ii) If a transcript of the proceedings is ordered, the 26462
hearing examiner receives the transcript; 26463

(iii) If post-hearing briefs are timely filed, the hearing 26464
examiner receives the briefs. 26465

(e) The hearing examiner shall send a written copy of the 26466
report and recommendations, by certified mail, to the licensee, 26467
or the licensee's attorney, if applicable, not later than five 26468
days after the report is filed with the department. 26469

(f) Not later than five days after receiving the report 26470
and recommendations, the licensee may file objections with the 26471
department. 26472

(g) Not later than fifteen days after the hearing examiner 26473
files the report and recommendations, the department shall issue 26474
an order approving, modifying, or disapproving the report and 26475
recommendations. 26476

(h) Notwithstanding the pendency of the hearing, the 26477
department shall lift the order for the suspension of admissions 26478
if the department determines the violation that formed the basis 26479
for the order has been corrected. 26480

(I) The department may issue an interim license to operate 26481

a residential facility if both of the following conditions are met: 26482
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(1) The department determines that the closing of or the need to remove residents from another residential facility has created an emergency situation requiring immediate removal of residents and an insufficient number of licensed beds are available. 26484
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(2) The residential facility applying for an interim license meets standards established for interim licenses in rules adopted by the director under division (N) of this section. 26489
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An interim license shall be valid for ninety days and may be renewed by the director no more than twice. Proceedings initiated to deny applications for or to revoke interim licenses under this division are not subject to Chapter 119. of the Revised Code. 26493
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(J) (1) The department of mental health and addiction services may conduct an inspection of a residential facility as follows: 26498
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(a) Prior to issuance of a license for the facility; 26501

(b) Prior to renewal of the license; 26502

(c) To determine whether the facility has completed a plan of correction required pursuant to division (J) (2) of this section and corrected deficiencies to the satisfaction of the department and in compliance with this section and rules adopted pursuant to it; 26503
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(d) Upon complaint by any individual or agency; 26508

(e) At any time the director considers an inspection to be 26509

necessary in order to determine whether the facility is in 26510
compliance with this section and rules adopted pursuant to this 26511
section. 26512

(2) In conducting inspections the department may conduct 26513
an on-site examination and evaluation of the residential 26514
facility and its personnel, activities, and services. The 26515
department shall have access to examine and copy all records, 26516
accounts, and any other documents relating to the operation of 26517
the residential facility, including records pertaining to 26518
residents, and shall have access to the facility in order to 26519
conduct interviews with the operator, staff, and residents. 26520
Following each inspection and review, the department shall 26521
complete a report listing any deficiencies, and including, when 26522
appropriate, a time table within which the operator shall 26523
correct the deficiencies. The department may require the 26524
operator to submit a plan of correction describing how the 26525
deficiencies will be corrected. 26526

(K) No person shall do any of the following: 26527

(1) Operate a residential facility unless the facility 26528
holds a valid license; 26529

(2) Violate any of the conditions of licensure after 26530
having been granted a license; 26531

(3) Interfere with a state or local official's inspection 26532
or investigation of a residential facility; 26533

(4) Violate any of the provisions of this section or any 26534
rules adopted pursuant to this section. 26535

(L) The following may enter a residential facility at any 26536
time: 26537

(1) Employees designated by the director of mental health and addiction services;	26538 26539
(2) Employees of an ADAMHS board under either of the following circumstances:	26540 26541
(a) When a resident of the facility is receiving services from a community mental health services provider under contract with that ADAMHS board or another ADAMHS board;	26542 26543 26544
(b) When authorized by section 340.05 of the Revised Code.	26545
(3) Employees of a community mental health services provider under either of the following circumstances:	26546 26547
(a) When the provider has a person receiving services residing in the facility;	26548 26549
(b) When the provider is acting as an agent of an ADAMHS board other than the board with which it is under contract.	26550 26551
(4) Representatives of the state long-term care ombudsman program when the facility provides accommodations, supervision, and personal care services for three to sixteen unrelated adults or to one or two unrelated adults who are receiving payments under the residential state supplement program.	26552 26553 26554 26555 26556
The persons specified in division (L) of this section shall be afforded access to examine and copy all records, accounts, and any other documents relating to the operation of the residential facility, including records pertaining to residents.	26557 26558 26559 26560 26561
(M) Employees of the department of mental health and addiction services may enter, for the purpose of investigation, any institution, residence, facility, or other structure which has been reported to the department as, or that the department	26562 26563 26564 26565

has reasonable cause to believe is, operating as a residential facility without a valid license. 26566
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(N) The director shall adopt and may amend and rescind rules pursuant to Chapter 119. of the Revised Code governing the licensing and operation of residential facilities. The rules shall establish all of the following: 26568
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(1) Minimum standards for the health, safety, adequacy, and cultural competency of treatment of and services for persons in residential facilities; 26572
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(2) Procedures for the issuance, renewal, or revocation of the licenses of residential facilities; 26575
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(3) Procedures for conducting background investigations for prospective or current operators, employees, volunteers, and other non-resident occupants who may have direct access to facility residents; 26577
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(4) The fee to be paid when applying for a new residential facility license or renewing the license; 26581
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(5) Procedures for the operator of a residential facility to follow when notifying the ADAMHS board serving the county in which the facility is located when the facility is serving residents with mental illness or severe mental disability, including the circumstances under which the operator is required to make such a notification; 26583
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(6) Procedures for the issuance and termination of orders of suspension of admission of residents to a residential facility; 26589
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(7) Measures to be taken by residential facilities relative to residents' medication; 26592
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(8) Requirements relating to preparation of special diets;	26594
(9) The maximum number of residents who may be served in a residential facility;	26595 26596
(10) The rights of residents of residential facilities and procedures to protect such rights;	26597 26598
(11) Standards and procedures under which the director may waive the requirements of any of the rules adopted.	26599 26600
(O) (1) The department may withhold the source of any complaint reported as a violation of this section when the department determines that disclosure could be detrimental to the department's purposes or could jeopardize the investigation. The department may disclose the source of any complaint if the complainant agrees in writing to such disclosure and shall disclose the source upon order by a court of competent jurisdiction.	26601 26602 26603 26604 26605 26606 26607 26608
(2) Any person who makes a complaint under division (O) (1) of this section, or any person who participates in an administrative or judicial proceeding resulting from such a complaint, is immune from civil liability and is not subject to criminal prosecution, other than for perjury, unless the person has acted in bad faith or with malicious purpose.	26609 26610 26611 26612 26613 26614
(P) (1) The director of mental health and addiction services may petition the court of common pleas of the county in which a residential facility is located for an order enjoining any person from operating a residential facility without a license or from operating a licensed facility when, in the director's judgment, there is a present danger to the health or safety of any of the occupants of the facility. The court shall have jurisdiction to grant such injunctive relief upon a showing	26615 26616 26617 26618 26619 26620 26621 26622

that the respondent named in the petition is operating a 26623
facility without a license or there is a present danger to the 26624
health or safety of any residents of the facility. 26625

(2) When the court grants injunctive relief in the case of 26626
a facility operating without a license, the court shall issue, 26627
at a minimum, an order enjoining the facility from admitting new 26628
residents to the facility and an order requiring the facility to 26629
assist with the safe and orderly relocation of the facility's 26630
residents. 26631

(3) If injunctive relief is granted against a facility for 26632
operating without a license and the facility continues to 26633
operate without a license, the director shall refer the case to 26634
the attorney general for further action. 26635

(Q) The director may fine a person for violating division 26636
(K) of this section. The fine shall be five hundred dollars for 26637
a first offense; for each subsequent offense, the fine shall be 26638
one thousand dollars. The director's actions in imposing a fine 26639
shall be taken in accordance with Chapter 119. of the Revised 26640
Code. 26641

Sec. 5120.07. (A) There is hereby created the ex-offender 26642
reentry coalition consisting of the following twenty-one members 26643
or their designees: 26644

(1) The director of rehabilitation and correction; 26645

(2) The director of aging; 26646

(3) The director of mental health and addiction services; 26647

(4) The director of housing and development; 26648

(5) The director of education and workforce; 26649

(6) The director of health;	26650
(7) The director of job and family services;	26651
(8) The director of developmental disabilities;	26652
(9) The director of public safety;	26653
(10) The director of youth services;	26654
(11) The chancellor of higher education;	26655
(12) A representative or member of the governor's staff;	26656
(13) The executive director of the opportunities for Ohioans with disabilities agency;	26657 26658
(14) The director of the department of commerce;	26659
(15) The executive director of a health care licensing board created under Title XLVII of the Revised Code, as appointed by the chairperson of the coalition;	26660 26661 26662
(16) The director of veterans services;	26663
(17) An ex-offender appointed by the director of rehabilitation and correction;	26664 26665
(18) Two members of the house of representatives appointed by the speaker of the house of representatives, one of whom shall be the chairperson of the standing committee in the house of representatives that primarily addresses criminal justice matters and the other of whom shall be a member of the minority party in the house of representatives;	26666 26667 26668 26669 26670 26671
(19) Two members of the senate appointed by the president of the senate, one of whom shall be the chairperson of the standing committee in the senate that primarily addresses criminal justice matters and the other of whom shall be a member	26672 26673 26674 26675

of the minority party in the senate. 26676

(B) The members of the coalition shall serve without 26677
compensation. The director of rehabilitation and correction or 26678
the director's designee shall be the chairperson of the 26679
coalition. 26680

(C) In consultation with persons interested and involved 26681
in the reentry of ex-offenders into the community, the members 26682
of the coalition shall meet periodically for the purpose of 26683
formulating, discussing, and developing policies and practices 26684
that facilitate the expansion and improvement of reentry 26685
services provided by state and local agencies in the 26686
collaborative efforts of those agencies to reintegrate offenders 26687
into society while simultaneously maintaining public safety and 26688
reducing recidivism in this state. Not later than one year after 26689
April 7, 2009, and on or before the same date of each year 26690
thereafter, the coalition shall submit to the speaker of the 26691
house of representatives and the president of the senate a 26692
report, including recommendations for legislative action, the 26693
activities of the coalition, and the barriers affecting the 26694
successful reentry of ex-offenders into the community. The 26695
report shall analyze the effects of those barriers on ex- 26696
offenders and on their children and other family members in 26697
various areas, including but not limited to, the following: 26698

(1) Admission to public and other housing; 26699

(2) Child support obligations and procedures; 26700

(3) Parental incarceration and family reunification; 26701

(4) Social security benefits, veterans' benefits, food 26702
stamps, and other forms of public assistance; 26703

(5) Employment; 26704

(6) Education programs and financial assistance;	26705
(7) Substance abuse and sex offender treatment programs and financial assistance and mental health services and financial assistance;	26706 26707 26708
(8) Civic and political participation;	26709
(9) Other collateral consequences under the Revised Code or the Ohio administrative code law that may result from a criminal conviction.	26710 26711 26712
(D) (1) The report shall also include the following information:	26713 26714
(a) Identification of state appropriations for reentry programs;	26715 26716
(b) Identification of other funding sources for reentry programs that are not funded by the state.	26717 26718
(2) The coalition shall gather information about reentry programs in a repository maintained and made available by the coalition. Where available, the information shall include the following:	26719 26720 26721 26722
(a) The amount of funding received;	26723
(b) The number of program participants;	26724
(c) The composition of the program, including program goals, methods for measuring success, and program success rate;	26725 26726
(d) The type of post-program tracking that is utilized;	26727
(e) Information about employment rates and recidivism rates of ex-offenders.	26728 26729
Sec. 5126.071. (A) As used in this section, "minority	26730

business enterprise" has the meaning given in division (E) (1) of 26731
section 122.71 of the Revised Code. 26732

(B) Any minority business enterprise that desires to bid 26733
on a contract under division (C) or (D) of this section shall 26734
first apply to the department of housing and development for 26735
certification as a minority business enterprise. The director of 26736
housing and development shall approve the application of any 26737
minority business enterprise that complies with the rules 26738
adopted under section 122.71 of the Revised Code. The director 26739
shall prepare and maintain a list of minority business 26740
enterprises certified under this section. 26741

(C) From the contracts to be awarded for the purchases of 26742
equipment, materials, supplies, insurance, and nonprogram 26743
services, other than contracts entered into and exempt under 26744
sections 307.86 and 5126.05 of the Revised Code, each county 26745
board of developmental disabilities shall select a number of 26746
contracts with an aggregate value of approximately fifteen per 26747
cent of the total estimated value of such contracts to be 26748
awarded in the current calendar year. The board shall set aside 26749
the contracts so selected for bidding by minority business 26750
enterprises only. The bidding procedures for such contracts 26751
shall be the same as for all other contracts awarded under 26752
section 307.86 of the Revised Code, except that only minority 26753
business enterprises certified and listed under division (B) of 26754
this section shall be qualified to submit bids. Contracts set 26755
aside and awarded under this section shall not include contracts 26756
for the purchase of services such as direct and ancillary 26757
services, service and support administration, residential 26758
services, and family support services. 26759

(D) To the extent that a board is authorized to enter into 26760

contracts for construction which are not exempt from the 26761
competitive bidding requirements of section 307.86 of the 26762
Revised Code, the board shall set aside a number of contracts 26763
the aggregate value of which equals approximately five per cent 26764
of the aggregate value of construction contracts for the current 26765
calendar year for bidding by minority business enterprises only. 26766
The bidding procedures for the contracts set aside for minority 26767
business enterprises shall be the same as for all other 26768
contracts awarded by the board, except that only minority 26769
business enterprises certified and listed under division (B) of 26770
this section shall be qualified to submit bids. 26771

Any contractor awarded a construction contract pursuant to 26772
this section shall make every effort to ensure that certified 26773
minority business subcontractors and materials suppliers 26774
participate in the contract. In the case of contracts specified 26775
in this division, the total value of subcontracts awarded to and 26776
materials and services purchased from minority businesses shall 26777
be at least ten per cent of the total value of the contract, 26778
wherever possible and whenever the contractor awards 26779
subcontracts or purchases materials or services. 26780

(E) In the case of contracts set aside under divisions (C) 26781
and (D) of this section, if no bid is submitted by a minority 26782
business enterprise, the contract shall be awarded according to 26783
normal bidding procedures. The board shall from time to time set 26784
aside such additional contracts as are necessary to replace 26785
those contracts previously set aside on which no minority 26786
business enterprise bid. 26787

(F) This section does not preclude any minority business 26788
enterprise from bidding on any other contract not specifically 26789
set aside for minority business enterprises. 26790

(G) Within ninety days after the beginning of each 26791
calendar year, each county board of developmental disabilities 26792
shall file a report with the department of developmental 26793
disabilities that shows for that calendar year the name of each 26794
minority business enterprise with which the board entered into a 26795
contract, the value and type of each such contract, the total 26796
value of contracts awarded under divisions (C) and (D) of this 26797
section, the total value of contracts awarded for the purchases 26798
of equipment, materials, supplies, or services, other than 26799
contracts entered into under the exemptions of sections 307.86 26800
and 5126.05 of the Revised Code, and the total value of 26801
contracts entered into for construction. 26802

(H) Any person who intentionally misrepresents that person 26803
as owning, controlling, operating, or participating in a 26804
minority business enterprise for the purpose of obtaining 26805
contracts or any other benefits under this section shall be 26806
guilty of theft by deception as provided for in section 2913.02 26807
of the Revised Code. 26808

Sec. 5126.18. (A) As used in this section: 26809

(1) "Taxable value" means the taxable value of a county 26810
certified under division (B) of this section. 26811

(2) "Per-mill yield" means the quotient obtained by 26812
dividing the taxable value of a county by one thousand. 26813

(3) "Population" of a county means that shown by the 26814
federal census for a census year or, for a noncensus year, the 26815
population as estimated by the department of housing and 26816
development. 26817

(4) "Six-year moving average" means the average of the 26818
per-mill yields of a county for the most recent six years. 26819

(5) "Yield per person" means the quotient obtained by dividing the six-year moving average of a county by the population of that county.

(6) "Tax equity payments" means payments to county boards of developmental disabilities under this section or a prior version of this section from money appropriated by the general assembly to the department of developmental disabilities for that purpose.

(7) "Eligible county" means a county determined under division (C) of this section to be eligible for tax equity payments for the two-year period for which that determination is made.

(8) "Threshold county" means the county with the lowest yield per person that is determined not to be eligible to receive tax equity payments.

(B) At the request of the director of developmental disabilities, the tax commissioner shall certify to the director the taxable value of property on each county's most recent tax list of real and public utility property. The director may request any other tax information necessary for the purposes of this section.

(C) Beginning in 2011, on or before the thirty-first day of May of that year and of every second year thereafter, the director of developmental disabilities shall determine whether a county is eligible to receive tax equity payments for the ensuing two fiscal years as follows:

(1) The director shall determine the six-year moving average, population, and yield per person of each county in the state, based on the most recent information available.

(2) The director shall calculate a tax equity funding 26849
threshold by adding the population of the county with the lowest 26850
yield per person and the populations of individual counties in 26851
order from lowest yield per person to highest yield per person 26852
until the addition of the population of another county would 26853
increase the aggregate sum to over thirty per cent of the total 26854
state population. A county is eligible to receive tax equity 26855
payments for the two-year period if its population is included 26856
in the calculation of the threshold and the addition of its 26857
population does not increase such sum to over thirty per cent of 26858
the total state population. 26859

(D) (1) Except as provided in divisions (D) (2) and (3) of 26860
this section, beginning in fiscal year 2012 and for each fiscal 26861
year thereafter, the director shall make tax equity payments to 26862
each eligible county equal to the population of the county 26863
multiplied by the difference between the yield per person of the 26864
threshold county and the yield per person of the eligible 26865
county. For purposes of this division, the population and yield 26866
per person of a county equal the population and yield per person 26867
most recently determined for that county under division (C) (1) 26868
of this section. The payments shall be made in quarterly 26869
installments of equal amounts not later than the thirtieth day 26870
of September, the thirty-first day of December, the thirty-first 26871
day of March, and the thirtieth day of June of each fiscal year. 26872

(2) In fiscal year 2012, if the amount determined under 26873
division (D) (1) of this section for an eligible county is at 26874
least twenty thousand dollars greater than or twenty thousand 26875
dollars less than the amount of tax equity payments the county 26876
received in fiscal year 2011, the county's tax equity payments 26877
for fiscal years 2012 through 2014 shall equal the following: 26878

(a) For fiscal year 2012, one-fourth of the amount	26879
calculated for the eligible county under division (D) (1) of this	26880
section plus three-fourths of the amount of tax equity payments	26881
the county received in fiscal year 2011;	26882
(b) For fiscal year 2013, one-half of the amount	26883
calculated for the eligible county under division (D) (1) of this	26884
section plus one-half of the amount of tax equity payments the	26885
county received in fiscal year 2011;	26886
(c) For fiscal year 2014, three-fourths of the amount	26887
calculated for the eligible county under division (D) (1) of this	26888
section plus one-fourth of the amount of tax equity payments the	26889
county received in fiscal year 2011.	26890
(3) In any fiscal year, if the total amount of tax equity	26891
payments for all eligible counties as determined under divisions	26892
(D) (1) and (2) of this section is greater than the amount	26893
appropriated to the department of developmental disabilities for	26894
the purpose of making such payments in that fiscal year, the	26895
director shall reduce the payments to each eligible county board	26896
in equal proportion. If the total amount of tax equity payments	26897
as determined under that division is less than the amount	26898
appropriated to the department for that purpose, the director	26899
shall determine how to allocate the excess money after	26900
consultation with the Ohio association of county boards serving	26901
people with developmental disabilities.	26902
(4) Tax equity payments shall be paid only to an eligible	26903
county board of developmental disabilities and not to a regional	26904
council established under section 5126.13 of the Revised Code or	26905
any other entity.	26906
(E) (1) Except as provided in division (E) (2) of this	26907

section, a county board of developmental disabilities shall use 26908
tax equity payments solely to pay the nonfederal share of 26909
medicaid expenditures it is required to pay under sections 26910
5126.059 and 5126.0510 of the Revised Code. Tax equity payments 26911
shall not be used to pay any salary or other compensation to 26912
county board personnel. 26913

(2) Upon the written request of a county board, the 26914
director of developmental disabilities may authorize a county 26915
board to use tax equity payments for infrastructure improvements 26916
necessary to support medicaid waiver administration. 26917

(3) The director may audit any county board receiving tax 26918
equity payments to ensure appropriate use of the payments in 26919
accordance with this section. If the director determines that a 26920
county board is using payments inappropriately, the director 26921
shall notify the county board in writing of the determination. 26922
Within thirty days after receiving the director's notification, 26923
the county board shall submit a written plan of correction to 26924
the director. The director may accept or reject the plan. If the 26925
director rejects the plan, the director may require the county 26926
board to repay all or a portion of the amount of tax equity 26927
payments used inappropriately. The director shall distribute any 26928
tax equity payments returned under this division to other 26929
eligible county boards in accordance with a plan developed by 26930
the director after consultation with the Ohio association of 26931
county boards serving people with developmental disabilities. 26932

Sec. 5501.031. The department of transportation shall: 26933

(A) Consider energy conservation as an integral factor 26934
along with economics, engineering, safety, and the environment 26935
in the planning, design, and utilization of transportation 26936
facilities; 26937

(B) Reevaluate existing plans for highways and other 26938
transportation modes and require regional transportation studies 26939
and local planning agencies operating under state coordination 26940
or with state funds to cooperate in such reevaluation. Such 26941
reevaluation shall consider shifts to energy conservation modes 26942
and improvement in modal energy efficiencies, and shall include 26943
both technological alternatives and administrative or management 26944
strategies. Short-term conservation measures must be adaptable 26945
to long-term conservation requirements to include permanent 26946
reductions in gasoline usage and revitalization of railroads. 26947

(C) Take all necessary steps to increase the level of 26948
awareness of transportation professions and related government 26949
sectors of those techniques that are immediately available to 26950
reduce petroleum consumption in improving operation and 26951
maintenance of transportation facilities; 26952

(D) Review construction specifications and design 26953
standards for highway construction and maintenance, with a view 26954
to pursuing the elimination of those found to be unnecessary and 26955
wasteful of energy; 26956

(E) Submit recommendations to the department of housing 26957
and development and to the general assembly, designed to reduce 26958
the energy intensive nature of the existing transportation 26959
system, control the growth of gasoline demand, and support other 26960
efforts to conserve energy; 26961

(F) In cooperation with the department of housing and 26962
development, encourage and promote the establishment of carpool 26963
and vanpool programs including preferential parking for vehicles 26964
used in carpools or vanpools. The department of transportation 26965
shall also study the feasibility of preferential traffic control 26966
for public transportation vehicles and variable working hours as 26967

additional conservation measures. 26968

The department shall undertake to utilize to the fullest 26969
extent funds made available under federal or state programs for 26970
the development of park-and-ride lots to serve carpools and 26971
vanpools and encourage the use of public transportation 26972
facilities. Potential locations and funds for park-and-ride lots 26973
shall be identified in at least one location in each standard 26974
metropolitan statistical area in the state. These locations 26975
shall be reported to the department of housing and development. 26976

Sec. 5531.08. (A) In order to expedite a highway project 26977
involving the expenditure of federal and state funds and to 26978
utilize all privileges provided by the "Intermodal Surface 26979
Transportation Efficiency Act of 1991," 105 Stat. 1914, 49 26980
U.S.C.A. 101, the director of transportation may designate a 26981
project team for the purposes of certifying design review and 26982
performing field and office inspections and cost estimates, on 26983
behalf of the federal highway administration. 26984

(B) (1) Upon a written determination by the director that 26985
it would be in the best interests of the traveling public, the 26986
director, upon the written request of a county, township, or 26987
municipal corporation, may utilize moneys in the highway 26988
operating fund created by section 5735.051 of the Revised Code 26989
to pay that portion of the construction cost of a highway 26990
project which the county, township, or municipal corporation 26991
normally would be required to pay. 26992

(2) The director shall not utilize moneys in the highway 26993
operating fund for a highway project in the manner described in 26994
division (B) (1) of this section unless all of the following 26995
apply: 26996

(a) The preliminary engineering design of the project is 26997
complete, all necessary rights-of-way have been obtained, and 26998
all federal, state, and local environmental studies and permits 26999
have been performed or obtained; 27000

(b) The director of transportation has submitted the 27001
proposed project to the director of housing and development for 27002
an evaluation of the potential economic benefit to the area. The 27003
county, township, or municipal corporation certifies to the 27004
director of housing and development that the project will create 27005
not less than five permanent living wage jobs. This requirement 27006
shall be fulfilled during the three-year period following the 27007
completion date of the project, and the county, township, or 27008
municipal corporation may define the geographic area within 27009
which the jobs will be created. 27010

(c) The quotient resulting from the division of the total 27011
amount of moneys utilized to cover the portion of the 27012
construction cost of the highway project that a county, 27013
township, or municipal corporation would normally be required to 27014
pay, divided by the number of permanent living wage jobs 27015
certified to the director of housing and development by the 27016
county, township, or municipal corporation pursuant to division 27017
(B) (2) (b) of this section is less than or equal to ten thousand 27018
dollars. 27019

(C) Upon a written determination by the director of 27020
transportation that it would be in the best interests of the 27021
traveling public, the director, upon the written request of a 27022
county, township, or municipal corporation, may declare a waiver 27023
of that portion of the cost of a highway project which the 27024
county, township, or municipal corporation normally would be 27025
required to pay. 27026

(D) The director of housing and development shall do all 27027
of the following: 27028

(1) Review all requests submitted by a county, township, 27029
or municipal corporation to the director of transportation 27030
pursuant to division (B) of this section for the expenditure of 27031
moneys from the highway operating fund; 27032

(2) Submit findings and recommendations to the director of 27033
transportation upon completion of the review process; 27034

(3) Monitor the results of a highway project for which 27035
moneys in the highway operating fund are utilized in order to 27036
ascertain whether the number of permanent living wage jobs 27037
certified to the director of transportation pursuant to division 27038
(B) (2) (b) of this section actually are created as a result of 27039
the highway project within the three-year period following the 27040
completion of the project, and submit reports relating to this 27041
subject to the director as necessary. 27042

(E) The director of transportation may award eligible 27043
federal funds or state general revenue funds to local units of 27044
government, including regional transit authorities providing 27045
public transportation service and metropolitan planning 27046
organizations. These funds may be used for such purposes as 27047
alleviating traffic congestion or improving air quality in 27048
nonattainment areas of the state as defined by the "Clean Air 27049
Act of 1990," 104 Stat. 2399, 42 U.S.C.A. 7401. The funds also 27050
may be used to acquire or construct park-and-ride facilities, to 27051
purchase traffic devices to improve vehicular flow, and for 27052
other travel demand management activities that meet the mandates 27053
of the Clean Air Act in nonattainment areas of the state. 27054

(F) As used in this section, "living wage job" means an 27055

employment position paying an annual average gross wage amount 27056
per full-time person of not less than twenty thousand dollars 27057
per year. 27058

Sec. 5703.0510. (A) Notwithstanding any other provision of 27059
the Revised Code that requires a taxpayer to provide a tax 27060
credit certificate to the tax commissioner upon the 27061
commissioner's request, any person claiming a credit against a 27062
tax or fee administered by the commissioner shall provide a copy 27063
of any accompanying certificate issued by the director of 27064
housing and development services or by another state agency, if 27065
applicable, demonstrating the person's eligibility for the 27066
credit claimed. 27067

(B) If the commissioner prescribes a form for the purpose 27068
of tracking the credits claimed by a person against any tax or 27069
fee administered by the commissioner, the person shall provide 27070
the completed form and a copy of any certificate described in 27071
division (A) of this section on or before the due date of the 27072
return, report, or schedule for the tax or fee against which the 27073
credit is claimed. 27074

(C) If a person fails to provide a certificate or form as 27075
required under this section, the commissioner shall deny the 27076
credit claimed by the person until such certificate or form is 27077
provided to the commissioner. Any amount denied under this 27078
section may be assessed in the same manner as the underlying tax 27079
or fee. 27080

Sec. 5703.57. (A) As used in this section, "Ohio business 27081
gateway" has the same meaning as in section 718.01 of the 27082
Revised Code. 27083

(B) There is hereby created the Ohio business gateway 27084

steering committee to direct the continuing development of the Ohio business gateway and to oversee its operations. The committee shall provide general oversight regarding operation of the Ohio business gateway and shall recommend to the department of administrative services enhancements that will improve the Ohio business gateway. The committee shall consider all banking, technological, administrative, and other issues associated with the Ohio business gateway and shall make recommendations regarding the type of reporting forms or other tax documents to be filed through the Ohio business gateway.

(C) The committee shall consist of:

(1) The following members, appointed by the governor with the advice and consent of the senate:

(a) Not more than four representatives of the business community;

(b) Not more than one representative of municipal tax administrators, as defined in section 718.01 of the Revised Code, selected from a list of candidates provided by the Ohio municipal league; and

(c) Not more than two tax practitioners.

(2) The following ex officio members:

(a) The director or other highest officer of each state agency that has tax reporting forms or other tax documents filed with it through the Ohio business gateway or the director's designee;

(b) The secretary of state or the secretary of state's designee;

(c) The treasurer of state or the treasurer of state's

designee; 27113

(d) The director of budget and management or the 27114
director's designee; 27115

(e) The state chief information officer or the officer's 27116
designee; 27117

(f) The tax commissioner or the tax commissioner's 27118
designee; 27119

(g) The director of housing and development or the 27120
director's designee; 27121

(h) The governor or the governor's designee. 27122

An appointed member shall serve until the member resigns 27123
or is removed by the governor. Vacancies shall be filled in the 27124
same manner as original appointments. 27125

(D) A vacancy on the committee does not impair the right 27126
of the other members to exercise all the functions of the 27127
committee. The presence of a majority of the members of the 27128
committee constitutes a quorum for the conduct of business of 27129
the committee. The concurrence of at least a majority of the 27130
members of the committee is necessary for any action to be taken 27131
by the committee. On request, each member of the committee shall 27132
be reimbursed for the actual and necessary expenses incurred in 27133
the discharge of the member's duties. 27134

(E) The committee is a part of the department of taxation 27135
for administrative purposes. 27136

(F) Each year, the governor shall select a member of the 27137
committee to serve as chairperson. The chairperson shall appoint 27138
an official or employee of the department of taxation to act as 27139
the committee's secretary. The secretary shall keep minutes of 27140

the committee's meetings and a journal of all meetings, 27141
proceedings, findings, and determinations of the committee. 27142

(G) The committee may hire professional, technical, and 27143
clerical staff needed to support its activities. 27144

(H) The committee shall meet as often as necessary to 27145
perform its duties. 27146

Sec. 5709.12. (A) As used in this section, "independent 27147
living facilities" means any residential housing facilities and 27148
related property that are not a nursing home, residential care 27149
facility, or residential facility as defined in division (A) of 27150
section 5701.13 of the Revised Code. 27151

(B) Lands, houses, and other buildings belonging to a 27152
county, township, or municipal corporation and used exclusively 27153
for the accommodation or support of the poor, or leased to the 27154
state or any political subdivision for public purposes shall be 27155
exempt from taxation. Real and tangible personal property 27156
belonging to institutions that is used exclusively for 27157
charitable purposes shall be exempt from taxation, including 27158
real property belonging to an institution that is a nonprofit 27159
corporation that receives a grant under the Thomas Alva Edison 27160
grant program authorized by division (C) of section 122.33 of 27161
the Revised Code at any time during the tax year and being held 27162
for leasing or resale to others. If, at any time during a tax 27163
year for which such property is exempted from taxation, the 27164
corporation ceases to qualify for such a grant, the director of 27165
housing and development shall notify the tax commissioner, and 27166
the tax commissioner shall cause the property to be restored to 27167
the tax list beginning with the following tax year. All property 27168
owned and used by a nonprofit organization exclusively for a 27169
home for the aged, as defined in section 5701.13 of the Revised 27170

Code, also shall be exempt from taxation. 27171

(C) (1) If a home for the aged described in division (B) (1) 27172
of section 5701.13 of the Revised Code is operated in 27173
conjunction with or at the same site as independent living 27174
facilities, the exemption granted in division (B) of this 27175
section shall include kitchen, dining room, clinic, entry ways, 27176
maintenance and storage areas, and land necessary for access 27177
commonly used by both residents of the home for the aged and 27178
residents of the independent living facilities. Other facilities 27179
commonly used by both residents of the home for the aged and 27180
residents of independent living units shall be exempt from 27181
taxation only if the other facilities are used primarily by the 27182
residents of the home for the aged. Vacant land currently unused 27183
by the home, and independent living facilities and the lands 27184
connected with them are not exempt from taxation. Except as 27185
provided in division (A) (1) of section 5709.121 of the Revised 27186
Code, property of a home leased for nonresidential purposes is 27187
not exempt from taxation. 27188

(2) Independent living facilities are exempt from taxation 27189
if they are operated in conjunction with or at the same site as 27190
a home for the aged described in division (B) (2) of section 27191
5701.13 of the Revised Code; operated by a corporation, 27192
association, or trust described in division (B) (1) (b) of that 27193
section; operated exclusively for the benefit of members of the 27194
corporation, association, or trust who are retired, aged, or 27195
infirm; and provided to those members without charge in 27196
consideration of their service, without compensation, to a 27197
charitable, religious, fraternal, or educational institution. 27198
For the purposes of division (C) (2) of this section, 27199
"compensation" does not include furnishing room and board, 27200
clothing, health care, or other necessities, or stipends or 27201

other de minimis payments to defray the cost thereof. 27202

(D) (1) A private corporation established under federal 27203
law, as defined in 36 U.S.C. 1101, Pub. L. No. 102-199, 105 27204
Stat. 1629, as amended, the objects of which include encouraging 27205
the advancement of science generally, or of a particular branch 27206
of science, the promotion of scientific research, the 27207
improvement of the qualifications and usefulness of scientists, 27208
or the increase and diffusion of scientific knowledge is 27209
conclusively presumed to be a charitable or educational 27210
institution. A private corporation established as a nonprofit 27211
corporation under the laws of a state that is exempt from 27212
federal income taxation under section 501(c) (3) of the Internal 27213
Revenue Code of 1986, 100 Stat. 2085, 26 U.S.C.A. 1, as amended, 27214
and that has as its principal purpose one or more of the 27215
foregoing objects also is conclusively presumed to be a 27216
charitable or educational institution. 27217

The fact that an organization described in this division 27218
operates in a manner that results in an excess of revenues over 27219
expenses shall not be used to deny the exemption granted by this 27220
section, provided such excess is used, or is held for use, for 27221
exempt purposes or to establish a reserve against future 27222
contingencies; and, provided further, that such excess may not 27223
be distributed to individual persons or to entities that would 27224
not be entitled to the tax exemptions provided by this chapter. 27225
Nor shall the fact that any scientific information diffused by 27226
the organization is of particular interest or benefit to any of 27227
its individual members be used to deny the exemption granted by 27228
this section, provided that such scientific information is 27229
available to the public for purchase or otherwise. 27230

(2) Division (D) (2) of this section does not apply to real 27231

property exempted from taxation under this section and division 27232
(A) (3) of section 5709.121 of the Revised Code and belonging to 27233
a nonprofit corporation described in division (D) (1) of this 27234
section that has received a grant under the Thomas Alva Edison 27235
grant program authorized by division (C) of section 122.33 of 27236
the Revised Code during any of the tax years the property was 27237
exempted from taxation. 27238

When a private corporation described in division (D) (1) of 27239
this section sells all or any portion of a tract, lot, or parcel 27240
of real estate that has been exempt from taxation under this 27241
section and section 5709.121 of the Revised Code, the portion 27242
sold shall be restored to the tax list for the year following 27243
the year of the sale and, except in connection with a sale and 27244
transfer of such a tract, lot, or parcel to a county land 27245
reutilization corporation organized under Chapter 1724. of the 27246
Revised Code, a charge shall be levied against the sold property 27247
in an amount equal to the tax savings on such property during 27248
the four tax years preceding the year the property is placed on 27249
the tax list. The tax savings equals the amount of the 27250
additional taxes that would have been levied if such property 27251
had not been exempt from taxation. 27252

The charge constitutes a lien of the state upon such 27253
property as of the first day of January of the tax year in which 27254
the charge is levied and continues until discharged as provided 27255
by law. The charge may also be remitted for all or any portion 27256
of such property that the tax commissioner determines is 27257
entitled to exemption from real property taxation for the year 27258
such property is restored to the tax list under any provision of 27259
the Revised Code, other than sections 725.02, 1728.10, 3735.67, 27260
5709.40, 5709.41, 5709.45, 5709.62, 5709.63, 5709.71, 5709.73, 27261
5709.78, and 5709.84, upon an application for exemption covering 27262

the year such property is restored to the tax list filed under 27263
section 5715.27 of the Revised Code. 27264

(E) (1) Real property held by an organization organized and 27265
operated exclusively for charitable purposes as described under 27266
section 501(c) (3) of the Internal Revenue Code and exempt from 27267
federal taxation under section 501(a) of the Internal Revenue 27268
Code, 26 U.S.C.A. 501(a) and (c) (3), as amended, for the purpose 27269
of constructing or rehabilitating residences for eventual 27270
transfer to qualified low-income families through sale, lease, 27271
or land installment contract, shall be exempt from taxation. 27272

The exemption shall commence on the day title to the 27273
property is transferred to the organization and shall continue 27274
to the end of the tax year in which the organization transfers 27275
title to the property to a qualified low-income family. In no 27276
case shall the exemption extend beyond the second succeeding tax 27277
year following the year in which the title was transferred to 27278
the organization. If the title is transferred to the 27279
organization and from the organization to a qualified low-income 27280
family in the same tax year, the exemption shall continue to the 27281
end of that tax year. The proportionate amount of taxes that are 27282
a lien but not yet determined, assessed, and levied for the tax 27283
year in which title is transferred to the organization shall be 27284
remitted by the county auditor for each day of the year that 27285
title is held by the organization. 27286

Upon transferring the title to another person, the 27287
organization shall file with the county auditor an affidavit 27288
affirming that the title was transferred to a qualified low- 27289
income family or that the title was not transferred to a 27290
qualified low-income family, as the case may be; if the title 27291
was transferred to a qualified low-income family, the affidavit 27292

shall identify the transferee by name. If the organization 27293
transfers title to the property to anyone other than a qualified 27294
low-income family, the exemption, if it has not previously 27295
expired, shall terminate, and the property shall be restored to 27296
the tax list for the year following the year of the transfer and 27297
a charge shall be levied against the property in an amount equal 27298
to the amount of additional taxes that would have been levied if 27299
such property had not been exempt from taxation. The charge 27300
constitutes a lien of the state upon such property as of the 27301
first day of January of the tax year in which the charge is 27302
levied and continues until discharged as provided by law. 27303

The application for exemption shall be filed as otherwise 27304
required under section 5715.27 of the Revised Code, except that 27305
the organization holding the property shall file with its 27306
application documentation substantiating its status as an 27307
organization organized and operated exclusively for charitable 27308
purposes under section 501(c)(3) of the Internal Revenue Code 27309
and its qualification for exemption from federal taxation under 27310
section 501(a) of the Internal Revenue Code, and affirming its 27311
intention to construct or rehabilitate the property for the 27312
eventual transfer to qualified low-income families. 27313

As used in this division, "qualified low-income family" 27314
means a family whose income does not exceed two hundred per cent 27315
of the official federal poverty guidelines as revised annually 27316
in accordance with section 673(2) of the "Omnibus Budget 27317
Reconciliation Act of 1981," 95 Stat. 511, 42 U.S.C.A. 9902, as 27318
amended, for a family size equal to the size of the family whose 27319
income is being determined. 27320

(2) Real property constituting a retail store, including 27321
the land on which the retail store is located, that is owned and 27322

operated by an organization described in division (E) (1) of this section shall be exempt from taxation if the retail store sells primarily donated items suitable for residential housing purposes and if the proceeds of such sales are used solely for the purposes of the organization.

(F) (1) Real property that is acquired and held by a county land reutilization corporation organized under Chapter 1724. of the Revised Code and that is not exempt from taxation under Chapter 5722. of the Revised Code shall be deemed real property used for a public purpose and shall be exempt from taxation until sold or transferred by the corporation. Notwithstanding section 5715.27 of the Revised Code, a county land reutilization corporation is not required to apply to any county or state agency in order to qualify for the exemption.

(2) Real property that is acquired and held by an electing subdivision other than a county land reutilization corporation on or after April 9, 2009, for the public purpose of implementing an effective land reutilization program or for a related public purpose, and that is not exempt from taxation under Chapter 5722. of the Revised Code, shall be exempt from taxation until sold or transferred by the electing subdivision. Notwithstanding section 5715.27 of the Revised Code, an electing subdivision is not required to apply to any county or state agency in order to qualify for an exemption with respect to property acquired or held for such purposes on or after such date, regardless of how the electing subdivision acquires the property.

As used in this section, "electing subdivision" and "land reutilization program" have the same meanings as in section 5722.01 of the Revised Code, and "county land reutilization

corporation" means a county land reutilization corporation 27353
organized under Chapter 1724. of the Revised Code and any 27354
subsidiary wholly owned by such a county land reutilization 27355
corporation that is identified as "a wholly owned subsidiary of 27356
a county land reutilization corporation" in the deed of 27357
conveyance transferring title to the subsidiary. 27358

In lieu of the application for exemption otherwise 27359
required to be filed as required under section 5715.27 of the 27360
Revised Code, a county land reutilization corporation holding 27361
the property shall, upon the request of any county or state 27362
agency, submit its articles of incorporation substantiating its 27363
status as a county land reutilization corporation. 27364

(G) Real property that is owned by an organization 27365
described under section 501(c) (3) of the Internal Revenue Code 27366
and exempt from federal income taxation under section 501(a) of 27367
the Internal Revenue Code and that is used by that organization 27368
exclusively for receiving, processing, or distributing human 27369
blood, tissues, eyes, or organs or for research and development 27370
thereof shall be exempt from taxation. 27371

(H) Real property that is owned by an organization 27372
described under section 501(c) (3) of the Internal Revenue Code 27373
and exempt from federal income taxation under section 501(a) of 27374
the Internal Revenue Code and that received a loan from the 27375
federal small business administration as a participating 27376
intermediary in the federal microloan program under 15 U.S.C. 27377
636(m) shall be exempt from taxation if the property is used by 27378
that organization primarily for small business lending, economic 27379
development, job training, entrepreneur education, or associated 27380
administrative purposes as such a participating intermediary. 27381

Sec. 5709.211. (A) Before issuing an exempt facility 27382

certificate pursuant to section 5709.21 of the Revised Code, the 27383
tax commissioner shall provide a copy of a properly completed 27384
application to, and obtain the opinion of, one of the following 27385
persons: 27386

(1) The director of environmental protection in the case 27387
of an exempt facility described in division (B) or (F) of 27388
section 5709.20 of the Revised Code or, when applicable, 27389
division (L) of that section; 27390

(2) The director of natural resources in the case of an 27391
exempt facility described in division (L) of section 5709.20 of 27392
the Revised Code, when applicable; 27393

(3) The director of housing and development in the case of 27394
an application for an exempt facility described in division (D), 27395
(I), or (K) of section 5709.20 of the Revised Code. 27396

The opinion shall provide the commissioner with a 27397
recommendation of whether the property is primarily designed, 27398
constructed, installed, and used as an exempt facility. The 27399
applicant shall provide additional information upon request by 27400
the tax commissioner, the director of environmental protection, 27401
the director of natural resources, or the director of housing 27402
and development, and allow them to inspect the property listed 27403
in the application for the purposes of sections 5709.20 to 27404
5709.27 of the Revised Code. The tax commissioner shall provide 27405
to the applicant a copy of the opinion issued by the director of 27406
environmental protection, director of natural resources, or 27407
director of the department of housing and development, as 27408
applicable. 27409

(B) The opinions of the director of the environmental 27410
protection agency, the director of natural resources, and the 27411

director of housing and development under division (A) of this 27412
section or division (C) (4) of section 5709.22 of the Revised 27413
Code are not final actions or orders subject to appeal. 27414

Sec. 5709.212. (A) With every application for an exempt 27415
facility certificate filed pursuant to section 5709.21 of the 27416
Revised Code, the applicant shall pay a fee equal to one-half of 27417
one per cent of the total exempt facility project cost, not to 27418
exceed two thousand dollars. If the director of environmental 27419
protection is required to provide the opinion for an 27420
application, the fee shall be credited to the non-Title V clean 27421
air fund created in section 3704.035 of the Revised Code for use 27422
in administering section 5709.211 of the Revised Code, unless 27423
the application is for an industrial water pollution control 27424
facility. In such a case, the fee shall be credited to the 27425
surface water protection fund created in section 6111.038 of the 27426
Revised Code for use in administering section 5709.211 of the 27427
Revised Code. If the director of housing and development or 27428
director of natural resources is required to provide the opinion 27429
for an application, the fee for each exempt facility application 27430
shall be credited to the exempt facility inspection fund, which 27431
is hereby created in the state treasury, for appropriation to 27432
the department of housing and development ~~services agency~~ or 27433
department of natural resources, as applicable, for use in 27434
administering section 5709.211 of the Revised Code. 27435

An applicant is not entitled to any tax exemption under 27436
section 5709.25 of the Revised Code until the fee required by 27437
this section is paid. The fee required by this section is not 27438
refundable, and is due with the application for an exempt 27439
facility certificate even if an exempt facility certificate 27440
ultimately is not issued or is withdrawn. Any application 27441
submitted without payment of the fee shall be deemed incomplete 27442

until the fee is paid. 27443

(B) The application fee imposed under division (A) of this 27444
section for a jointly owned facility shall be equal to one-half 27445
of one per cent of the total exempt facility project cost, not 27446
to exceed two thousand dollars for each facility that is the 27447
subject of the application. 27448

Sec. 5709.22. (A) After receiving an opinion from the 27449
director of environmental protection, the director of natural 27450
resources, or the director of housing and development, the tax 27451
commissioner shall promptly ascertain if an application filed 27452
under section 5709.21 of the Revised Code shall be allowed or 27453
disallowed in whole or in part. The commissioner shall give 27454
written notice of the proposed finding to the applicant and the 27455
county auditor of the county in which the facility described in 27456
the application is located. Within sixty days after sending 27457
written notice of the proposed finding, the applicant or the 27458
county auditor may file a request for reconsideration, in 27459
writing, to the commissioner and may request that the 27460
commissioner conduct a hearing on the application. If no request 27461
for reconsideration is filed, the commissioner's proposed 27462
findings shall be final and, if applicable, the commissioner 27463
shall issue an exempt facility certificate, which shall not be 27464
subject to appeal pursuant to section 5717.02 of the Revised 27465
Code. 27466

(B) If a reconsideration of the tax commissioner's 27467
proposed finding is requested by the applicant or the county 27468
auditor, the commissioner shall notify the applicant and the 27469
auditor of the time and place of the hearing, which the 27470
commissioner may continue from time to time as the commissioner 27471
finds necessary. The commissioner also shall notify the 27472

environmental protection agency, department of natural 27473
resources, or department of housing and development, as 27474
applicable, of the hearing. The environmental protection agency, 27475
department of natural resources, or department of housing and 27476
development shall participate in the hearing if requested in 27477
writing by the commissioner, the applicant, or the county 27478
auditor. After conducting the hearing, the commissioner shall 27479
issue a final determination, with a copy of it served on the 27480
applicant and applicable county auditors in the manner 27481
prescribed by section 5703.37 of the Revised Code. The final 27482
determination is subject to appeal pursuant to section 5717.02 27483
of the Revised Code. Once all appeals are exhausted, the 27484
commissioner shall issue, if applicable, the exempt facility 27485
certificate based on the outcome of the appeal. 27486

(C) The tax commissioner, on the commissioner's own 27487
initiative or on complaint by the county auditor of any county 27488
in which property to which the exempt facility certificate 27489
relates is located, shall revoke the certificate, or modify it 27490
by restricting its operation, if it appears to the commissioner 27491
that any of the following has occurred: 27492

(1) The certificate was obtained by fraud or 27493
misrepresentation; 27494

(2) The holder of the certificate has failed substantially 27495
to proceed with the construction, reconstruction, installation, 27496
or acquisition of an exempt facility; 27497

(3) The property to which the certificate relates has 27498
ceased to be used as an exempt facility; 27499

(4) The tax commissioner issued the certificate in error. 27500
As used in this section, "error" means any of the following: 27501

(a) A clerical or mathematical mistake;	27502
(b) When the commissioner agrees with an opinion from the director of environmental protection, the director of natural resources, or the director of <u>housing and</u> development that a certificate should not have been issued;	27503 27504 27505 27506
(c) When the tax commissioner determines that the issuance of the certificate may have been improper as the result of a final adjudication by the board of tax appeals, or by a court with jurisdiction on appeal from that board, that is adverse to the original exempt status of the facility, regardless of whether the holder of the certificate was a party to such adjudication.	27507 27508 27509 27510 27511 27512 27513
(D) If the revocation or modification of a certificate under division (C) (4) of this section is an action found to be frivolous for the purposes of section 5703.54 of the Revised Code the certificate holder may claim damages as provided under division (B) of that section.	27514 27515 27516 27517 27518
(E) Upon service of notice to the holder of an exempt facility certificate, in the manner provided in section 5703.37 of the Revised Code, of the tax commissioner's revocation or modification of the certificate under division (C) of this section, the certificate shall cease to be in force or shall remain in force only as modified, as the case may require. The notice is subject to appeal under section 5717.02 of the Revised Code. Once all appeals are exhausted, the commissioner shall issue a modified certificate, if applicable, and the holder of the certificate shall be allowed to claim a refund within one hundred eighty days, notwithstanding any other time limitation provided by law of the taxes paid as a result of the certificate being revoked or modified.	27519 27520 27521 27522 27523 27524 27525 27526 27527 27528 27529 27530 27531

Sec. 5709.40. (A) As used in this section:	27532
(1) "Blighted area" and "impacted city" have the same meanings as in section 1728.01 of the Revised Code.	27533 27534
(2) "Business day" means a day of the week excluding Saturday, Sunday, and a legal holiday as defined under section 1.14 of the Revised Code.	27535 27536 27537
(3) "Housing renovation" means a project carried out for residential purposes.	27538 27539
(4) "Improvement" means the increase in the assessed value of any real property that would first appear on the tax list and duplicate of real and public utility property after the effective date of an ordinance adopted under this section were it not for the exemption granted by that ordinance.	27540 27541 27542 27543 27544
(5) "Incentive district" means an area not more than three hundred acres in size enclosed by a continuous boundary in which a project is being, or will be, undertaken and having one or more of the following distress characteristics:	27545 27546 27547 27548
(a) At least fifty-one per cent of the residents of the district have incomes of less than eighty per cent of the median income of residents of the political subdivision in which the district is located, as determined in the same manner specified under section 119(b) of the "Housing and Community Development Act of 1974," 88 Stat. 633, 42 U.S.C. 5318, as amended;	27549 27550 27551 27552 27553 27554
(b) The average rate of unemployment in the district during the most recent twelve-month period for which data are available is equal to at least one hundred fifty per cent of the average rate of unemployment for this state for the same period.	27555 27556 27557 27558
(c) At least twenty per cent of the people residing in the	27559

district live at or below the poverty level as defined in the 27560
federal Housing and Community Development Act of 1974, 42 U.S.C. 27561
5301, as amended, and regulations adopted pursuant to that act. 27562

(d) The district is a blighted area. 27563

(e) The district is in a situational distress area as 27564
designated by the director of housing and development under 27565
division (F) of section 122.23 of the Revised Code. 27566

(f) As certified by the engineer for the political 27567
subdivision, the public infrastructure serving the district is 27568
inadequate to meet the development needs of the district as 27569
evidenced by a written economic development plan or urban 27570
renewal plan for the district that has been adopted by the 27571
legislative authority of the subdivision. 27572

(g) The district is comprised entirely of unimproved land 27573
that is located in a distressed area as defined in section 27574
122.23 of the Revised Code. 27575

(6) "Overlay" means an area of not more than three hundred 27576
acres that is a square, or that is a rectangle having two longer 27577
sides that are not more than twice the length of the two shorter 27578
sides, that the legislative authority of a municipal corporation 27579
delineates on a map of a proposed incentive district. 27580

(7) "Project" means development activities undertaken on 27581
one or more parcels, including, but not limited to, 27582
construction, expansion, and alteration of buildings or 27583
structures, demolition, remediation, and site development, and 27584
any building or structure that results from those activities. 27585

(8) "Public infrastructure improvement" includes, but is 27586
not limited to, public roads and highways; water and sewer 27587
lines; the continued maintenance of those public roads and 27588

highways and water and sewer lines; environmental remediation; 27589
land acquisition, including acquisition in aid of industry, 27590
commerce, distribution, or research; demolition, including 27591
demolition on private property when determined to be necessary 27592
for economic development purposes; stormwater and flood 27593
remediation projects, including such projects on private 27594
property when determined to be necessary for public health, 27595
safety, and welfare; the provision of gas, electric, and 27596
communications service facilities, including the provision of 27597
gas or electric service facilities owned by nongovernmental 27598
entities when such improvements are determined to be necessary 27599
for economic development purposes; the enhancement of public 27600
waterways through improvements that allow for greater public 27601
access; and off-street parking facilities, including those in 27602
which all or a portion of the parking spaces are reserved for 27603
specific uses when determined to be necessary for economic 27604
development purposes. 27605

(9) "Nonperforming parcel" means a parcel to which all of 27606
the following apply: 27607

(a) The parcel is exempted from taxation under division 27608
(B) of this section or has been included in a district created 27609
under division (C) of this section. 27610

(b) The parcel's owner is required to make payments in 27611
lieu of taxes in accordance with section 5709.42 of the Revised 27612
Code. 27613

(c) No such payments have been remitted to the county 27614
treasurer since the inception of the exemption or district. 27615

(B) The legislative authority of a municipal corporation, 27616
by ordinance, may declare improvements to certain parcels of 27617

real property located in the municipal corporation to be a 27618
public purpose. Improvements with respect to a parcel that is 27619
used or to be used for residential purposes may be declared a 27620
public purpose under this division only if the parcel is located 27621
in a blighted area of an impacted city. For this purpose, 27622
"parcel that is used or to be used for residential purposes" 27623
means a parcel that, as improved, is used or to be used for 27624
purposes that would cause the tax commissioner to classify the 27625
parcel as residential property in accordance with rules adopted 27626
by the commissioner under section 5713.041 of the Revised Code. 27627
Except as otherwise provided under division (D) of this section 27628
or section 5709.51 of the Revised Code, not more than seventy- 27629
five per cent of an improvement thus declared to be a public 27630
purpose may be exempted from real property taxation for a period 27631
of not more than ten years. The ordinance shall specify the 27632
percentage of the improvement to be exempted from taxation and 27633
the life of the exemption. 27634

An ordinance adopted or amended under this division shall 27635
designate the specific public infrastructure improvements made, 27636
to be made, or in the process of being made by the municipal 27637
corporation that directly benefit, or that once made will 27638
directly benefit, the parcels for which improvements are 27639
declared to be a public purpose. The service payments provided 27640
for in section 5709.42 of the Revised Code shall be used to 27641
finance the public infrastructure improvements designated in the 27642
ordinance, for the purpose described in division (D) (1) of this 27643
section or as provided in section 5709.43 of the Revised Code. 27644

(C) (1) The legislative authority of a municipal 27645
corporation may adopt an ordinance creating an incentive 27646
district and declaring improvements to parcels within the 27647
district to be a public purpose and, except as provided in 27648

division (C) (2) of this section, exempt from taxation as 27649
provided in this section, but no legislative authority of a 27650
municipal corporation that has a population that exceeds twenty- 27651
five thousand, as shown by the most recent federal decennial 27652
census, shall adopt an ordinance that creates an incentive 27653
district if the sum of the taxable value of real property in the 27654
proposed district for the preceding tax year and the taxable 27655
value of all real property in the municipal corporation that 27656
would have been taxable in the preceding year were it not for 27657
the fact that the property was in an existing incentive district 27658
and therefore exempt from taxation exceeds twenty-five per cent 27659
of the taxable value of real property in the municipal 27660
corporation for the preceding tax year. The ordinance shall 27661
delineate the boundary of the proposed district and specifically 27662
identify each parcel within the district. A proposed district 27663
may not include any parcel, other than a nonperforming parcel, 27664
that is or has been exempted from taxation under division (B) of 27665
this section or that is or has been within another district 27666
created under this division. On and after the effective date of 27667
the district, a nonperforming parcel within the district is no 27668
longer exempted from taxation under division (B) of this section 27669
or included within an incentive district under any previous 27670
ordinance, and the parcel's owner is no longer required to make 27671
payments in lieu of taxes under such a previous ordinance in 27672
accordance with section 5709.42 of the Revised Code. Any 27673
exemption application filed with the tax commissioner under 27674
section 5715.27 of the Revised Code under the second ordinance 27675
shall identify the nonperforming parcels included in the second 27676
district, the original ordinance under which the nonperforming 27677
parcels were originally exempted, and the value history of each 27678
nonperforming parcel since the enactment of the original 27679
ordinance. An ordinance may create more than one such district, 27680

and more than one ordinance may be adopted under division (C) (1) 27681
of this section. 27682

(2) (a) Not later than thirty days prior to adopting an 27683
ordinance under division (C) (1) of this section, if the 27684
municipal corporation intends to apply for exemptions from 27685
taxation under section 5709.911 of the Revised Code on behalf of 27686
owners of real property located within the proposed incentive 27687
district, the legislative authority of the municipal corporation 27688
shall conduct a public hearing on the proposed ordinance. Not 27689
later than thirty days prior to the public hearing, the 27690
legislative authority shall give notice of the public hearing 27691
and the proposed ordinance by first class mail to every real 27692
property owner whose property is located within the boundaries 27693
of the proposed incentive district that is the subject of the 27694
proposed ordinance. The notice shall include a map of the 27695
proposed incentive district on which the legislative authority 27696
of the municipal corporation shall have delineated an overlay. 27697
The notice shall inform the property owner of the owner's right 27698
to exclude the owner's property from the incentive district if 27699
the owner's entire parcel of property will not be located within 27700
the overlay, by submitting a written response in accordance with 27701
division (C) (2) (b) of this section. The notice also shall 27702
include information detailing the required contents of the 27703
response, the address to which the response may be mailed, and 27704
the deadline for submitting the response. 27705

(b) Any owner of real property located within the 27706
boundaries of an incentive district proposed under division (C) 27707
(1) of this section whose entire parcel of property is not 27708
located within the overlay may exclude the property from the 27709
proposed incentive district by submitting a written response to 27710
the legislative authority of the municipal corporation not later 27711

than forty-five days after the postmark date on the notice 27712
required under division (C) (2) (a) of this section. The response 27713
shall be sent by first class mail or delivered in person at a 27714
public hearing held by the legislative authority under division 27715
(C) (2) (a) of this section. The response shall conform to any 27716
content requirements that may be established by the municipal 27717
corporation and included in the notice provided under division 27718
(C) (2) (a) of this section. In the response, property owners may 27719
identify a parcel by street address, by the manner in which it 27720
is identified in the ordinance, or by other means allowing the 27721
identity of the parcel to be ascertained. 27722

(c) Before adopting an ordinance under division (C) (1) of 27723
this section, the legislative authority of a municipal 27724
corporation shall amend the ordinance to exclude any parcel 27725
located wholly or partly outside the overlay for which a written 27726
response has been submitted under division (C) (2) (b) of this 27727
section. A municipal corporation shall not apply for exemptions 27728
from taxation under section 5709.911 of the Revised Code for any 27729
such parcel, and service payments may not be required from the 27730
owner of the parcel. Improvements to a parcel excluded from an 27731
incentive district under this division may be exempted from 27732
taxation under division (B) of this section pursuant to an 27733
ordinance adopted under that division or under any other section 27734
of the Revised Code under which the parcel qualifies. 27735

(3) (a) An ordinance adopted under division (C) (1) of this 27736
section shall specify the life of the incentive district and the 27737
percentage of the improvements to be exempted, shall designate 27738
the public infrastructure improvements made, to be made, or in 27739
the process of being made, that benefit or serve, or, once made, 27740
will benefit or serve parcels in the district. The ordinance 27741
also shall identify one or more specific projects being, or to 27742

be, undertaken in the district that place additional demand on 27743
the public infrastructure improvements designated in the 27744
ordinance. The project identified may, but need not be, the 27745
project under division (C) (3) (b) of this section that places 27746
real property in use for commercial or industrial purposes. 27747
Except as otherwise permitted under that division, the service 27748
payments provided for in section 5709.42 of the Revised Code 27749
shall be used to finance the designated public infrastructure 27750
improvements, for the purpose described in division (D) (1), (E), 27751
or (F) of this section, or as provided in section 5709.43 of the 27752
Revised Code. 27753

An ordinance adopted under division (C) (1) of this section 27754
on or after March 30, 2006, shall not designate police or fire 27755
equipment as public infrastructure improvements, and no service 27756
payment provided for in section 5709.42 of the Revised Code and 27757
received by the municipal corporation under the ordinance shall 27758
be used for police or fire equipment. 27759

(b) An ordinance adopted under division (C) (1) of this 27760
section may authorize the use of service payments provided for 27761
in section 5709.42 of the Revised Code for the purpose of 27762
housing renovations within the incentive district, provided that 27763
the ordinance also designates public infrastructure improvements 27764
that benefit or serve the district, and that a project within 27765
the district places real property in use for commercial or 27766
industrial purposes. Service payments may be used to finance or 27767
support loans, deferred loans, and grants to persons for the 27768
purpose of housing renovations within the district. The 27769
ordinance shall designate the parcels within the district that 27770
are eligible for housing renovation. The ordinance shall state 27771
separately the amounts or the percentages of the expected 27772
aggregate service payments that are designated for each public 27773

infrastructure improvement and for the general purpose of 27774
housing renovations. 27775

(4) Except with the approval of the board of education of 27776
each city, local, or exempted village school district within the 27777
territory of which the incentive district is or will be located, 27778
and subject to division (E) of this section, the life of an 27779
incentive district shall not exceed ten years, and the 27780
percentage of improvements to be exempted shall not exceed 27781
seventy-five per cent. With approval of the board of education, 27782
the life of a district may be not more than thirty years, and 27783
the percentage of improvements to be exempted may be not more 27784
than one hundred per cent. The approval of a board of education 27785
shall be obtained in the manner provided in division (D) of this 27786
section. 27787

(D) (1) If the ordinance declaring improvements to a parcel 27788
to be a public purpose or creating an incentive district 27789
specifies that payments in lieu of taxes provided for in section 27790
5709.42 of the Revised Code shall be paid to the city, local, or 27791
exempted village, and joint vocational school district in which 27792
the parcel or incentive district is located in the amount of the 27793
taxes that would have been payable to the school district if the 27794
improvements had not been exempted from taxation, the percentage 27795
of the improvement that may be exempted from taxation may exceed 27796
seventy-five per cent, and the exemption may be granted for up 27797
to thirty years, without the approval of the board of education 27798
as otherwise required under division (D) (2) of this section. 27799

(2) Improvements with respect to a parcel may be exempted 27800
from taxation under division (B) of this section, and 27801
improvements to parcels within an incentive district may be 27802
exempted from taxation under division (C) of this section, for 27803

up to ten years or, with the approval under this paragraph of 27804
the board of education of the city, local, or exempted village 27805
school district within which the parcel or district is located, 27806
for up to thirty years. The percentage of the improvement 27807
exempted from taxation may, with such approval, exceed seventy- 27808
five per cent, but shall not exceed one hundred per cent. Not 27809
later than forty-five business days prior to adopting an 27810
ordinance under this section declaring improvements to be a 27811
public purpose that is subject to approval by a board of 27812
education under this division, the legislative authority shall 27813
deliver to the board of education a notice stating its intent to 27814
adopt an ordinance making that declaration. The notice regarding 27815
improvements with respect to a parcel under division (B) of this 27816
section shall identify the parcels for which improvements are to 27817
be exempted from taxation, provide an estimate of the true value 27818
in money of the improvements, specify the period for which the 27819
improvements would be exempted from taxation and the percentage 27820
of the improvement that would be exempted, and indicate the date 27821
on which the legislative authority intends to adopt the 27822
ordinance. The notice regarding improvements to parcels within 27823
an incentive district under division (C) of this section shall 27824
delineate the boundaries of the district, specifically identify 27825
each parcel within the district, identify each anticipated 27826
improvement in the district, provide an estimate of the true 27827
value in money of each such improvement, specify the life of the 27828
district and the percentage of improvements that would be 27829
exempted, and indicate the date on which the legislative 27830
authority intends to adopt the ordinance. The board of 27831
education, by resolution adopted by a majority of the board, may 27832
approve the exemption for the period or for the exemption 27833
percentage specified in the notice; may disapprove the exemption 27834
for the number of years in excess of ten, may disapprove the 27835

exemption for the percentage of the improvement to be exempted 27836
in excess of seventy-five per cent, or both; or may approve the 27837
exemption on the condition that the legislative authority and 27838
the board negotiate an agreement providing for compensation to 27839
the school district equal in value to a percentage of the amount 27840
of taxes exempted in the eleventh and subsequent years of the 27841
exemption period or, in the case of exemption percentages in 27842
excess of seventy-five per cent, compensation equal in value to 27843
a percentage of the taxes that would be payable on the portion 27844
of the improvement in excess of seventy-five per cent were that 27845
portion to be subject to taxation, or other mutually agreeable 27846
compensation. If an agreement is negotiated between the 27847
legislative authority and the board to compensate the school 27848
district for all or part of the taxes exempted, including 27849
agreements for payments in lieu of taxes under section 5709.42 27850
of the Revised Code, the legislative authority shall compensate 27851
the joint vocational school district within which the parcel or 27852
district is located at the same rate and under the same terms 27853
received by the city, local, or exempted village school 27854
district. 27855

(3) The board of education shall certify its resolution to 27856
the legislative authority not later than fourteen days prior to 27857
the date the legislative authority intends to adopt the 27858
ordinance as indicated in the notice. If the board of education 27859
and the legislative authority negotiate a mutually acceptable 27860
compensation agreement, the ordinance may declare the 27861
improvements a public purpose for the number of years specified 27862
in the ordinance or, in the case of exemption percentages in 27863
excess of seventy-five per cent, for the exemption percentage 27864
specified in the ordinance. In either case, if the board and the 27865
legislative authority fail to negotiate a mutually acceptable 27866

compensation agreement, the ordinance may declare the 27867
improvements a public purpose for not more than ten years, and 27868
shall not exempt more than seventy-five per cent of the 27869
improvements from taxation. If the board fails to certify a 27870
resolution to the legislative authority within the time 27871
prescribed by this division, the legislative authority thereupon 27872
may adopt the ordinance and may declare the improvements a 27873
public purpose for up to thirty years, or, in the case of 27874
exemption percentages proposed in excess of seventy-five per 27875
cent, for the exemption percentage specified in the ordinance. 27876
The legislative authority may adopt the ordinance at any time 27877
after the board of education certifies its resolution approving 27878
the exemption to the legislative authority, or, if the board 27879
approves the exemption on the condition that a mutually 27880
acceptable compensation agreement be negotiated, at any time 27881
after the compensation agreement is agreed to by the board and 27882
the legislative authority. 27883

(4) If a board of education has adopted a resolution 27884
waiving its right to approve exemptions from taxation under this 27885
section and the resolution remains in effect, approval of 27886
exemptions by the board is not required under division (D) of 27887
this section. If a board of education has adopted a resolution 27888
allowing a legislative authority to deliver the notice required 27889
under division (D) of this section fewer than forty-five 27890
business days prior to the legislative authority's adoption of 27891
the ordinance, the legislative authority shall deliver the 27892
notice to the board not later than the number of days prior to 27893
such adoption as prescribed by the board in its resolution. If a 27894
board of education adopts a resolution waiving its right to 27895
approve agreements or shortening the notification period, the 27896
board shall certify a copy of the resolution to the legislative 27897

authority. If the board of education rescinds such a resolution, 27898
it shall certify notice of the rescission to the legislative 27899
authority. 27900

(5) If the legislative authority is not required by 27901
division (D) of this section to notify the board of education of 27902
the legislative authority's intent to declare improvements to be 27903
a public purpose, the legislative authority shall comply with 27904
the notice requirements imposed under section 5709.83 of the 27905
Revised Code, unless the board has adopted a resolution under 27906
that section waiving its right to receive such a notice. 27907

(6) Nothing in division (D) of this section prohibits the 27908
legislative authority of a municipal corporation from amending 27909
the ordinance or resolution under section 5709.51 of the Revised 27910
Code to extend the term of the exemption. 27911

(E) (1) If a proposed ordinance under division (C) (1) of 27912
this section exempts improvements with respect to a parcel 27913
within an incentive district for more than ten years, or the 27914
percentage of the improvement exempted from taxation exceeds 27915
seventy-five per cent, not later than forty-five business days 27916
prior to adopting the ordinance the legislative authority of the 27917
municipal corporation shall deliver to the board of county 27918
commissioners of the county within which the incentive district 27919
will be located a notice that states its intent to adopt an 27920
ordinance creating an incentive district. The notice shall 27921
include a copy of the proposed ordinance, identify the parcels 27922
for which improvements are to be exempted from taxation, provide 27923
an estimate of the true value in money of the improvements, 27924
specify the period of time for which the improvements would be 27925
exempted from taxation, specify the percentage of the 27926
improvements that would be exempted from taxation, and indicate 27927

the date on which the legislative authority intends to adopt the ordinance. 27928
27929

(2) The board of county commissioners, by resolution 27930
adopted by a majority of the board, may object to the exemption 27931
for the number of years in excess of ten, may object to the 27932
exemption for the percentage of the improvement to be exempted 27933
in excess of seventy-five per cent, or both. If the board of 27934
county commissioners objects, the board may negotiate a mutually 27935
acceptable compensation agreement with the legislative 27936
authority. In no case shall the compensation provided to the 27937
board exceed the property taxes forgone due to the exemption. If 27938
the board of county commissioners objects, and the board and 27939
legislative authority fail to negotiate a mutually acceptable 27940
compensation agreement, the ordinance adopted under division (C) 27941
(1) of this section shall provide to the board compensation in 27942
the eleventh and subsequent years of the exemption period equal 27943
in value to not more than fifty per cent of the taxes that would 27944
be payable to the county or, if the board's objection includes 27945
an objection to an exemption percentage in excess of seventy- 27946
five per cent, compensation equal in value to not more than 27947
fifty per cent of the taxes that would be payable to the county, 27948
on the portion of the improvement in excess of seventy-five per 27949
cent, were that portion to be subject to taxation. The board of 27950
county commissioners shall certify its resolution to the 27951
legislative authority not later than thirty days after receipt 27952
of the notice. 27953

(3) If the board of county commissioners does not object 27954
or fails to certify its resolution objecting to an exemption 27955
within thirty days after receipt of the notice, the legislative 27956
authority may adopt the ordinance, and no compensation shall be 27957
provided to the board of county commissioners. If the board 27958

timely certifies its resolution objecting to the ordinance, the 27959
legislative authority may adopt the ordinance at any time after 27960
a mutually acceptable compensation agreement is agreed to by the 27961
board and the legislative authority, or, if no compensation 27962
agreement is negotiated, at any time after the legislative 27963
authority agrees in the proposed ordinance to provide 27964
compensation to the board of fifty per cent of the taxes that 27965
would be payable to the county in the eleventh and subsequent 27966
years of the exemption period or on the portion of the 27967
improvement in excess of seventy-five per cent, were that 27968
portion to be subject to taxation. 27969

(F) Service payments in lieu of taxes that are 27970
attributable to any amount by which the effective tax rate of 27971
either a renewal levy with an increase or a replacement levy 27972
exceeds the effective tax rate of the levy renewed or replaced, 27973
or that are attributable to an additional levy, for a levy 27974
authorized by the voters for any of the following purposes on or 27975
after January 1, 2006, and which are provided pursuant to an 27976
ordinance creating an incentive district under division (C) (1) 27977
of this section that is adopted on or after January 1, 2006, or 27978
a later date as specified in this division, shall be distributed 27979
to the appropriate taxing authority as required under division 27980
(C) of section 5709.42 of the Revised Code in an amount equal to 27981
the amount of taxes from that additional levy or from the 27982
increase in the effective tax rate of such renewal or 27983
replacement levy that would have been payable to that taxing 27984
authority from the following levies were it not for the 27985
exemption authorized under division (C) of this section: 27986

(1) A tax levied under division (L) of section 5705.19 or 27987
section 5705.191 or 5705.222 of the Revised Code for community 27988
developmental disabilities programs and services pursuant to 27989

Chapter 5126. of the Revised Code;	27990
(2) A tax levied under division (Y) of section 5705.19 of the Revised Code for providing or maintaining senior citizens services or facilities;	27991 27992 27993
(3) A tax levied under section 5705.22 of the Revised Code for county hospitals;	27994 27995
(4) A tax levied by a joint-county district or by a county under section 5705.19, 5705.191, or 5705.221 of the Revised Code for alcohol, drug addiction, and mental health services or facilities;	27996 27997 27998 27999
(5) A tax levied under section 5705.23 of the Revised Code for library purposes;	28000 28001
(6) A tax levied under section 5705.24 of the Revised Code for the support of children services and the placement and care of children;	28002 28003 28004
(7) A tax levied under division (Z) of section 5705.19 of the Revised Code for the provision and maintenance of zoological park services and facilities under section 307.76 of the Revised Code;	28005 28006 28007 28008
(8) A tax levied under section 511.27 or division (H) of section 5705.19 of the Revised Code for the support of township park districts;	28009 28010 28011
(9) A tax levied under division (A), (F), or (H) of section 5705.19 of the Revised Code for parks and recreational purposes of a joint recreation district organized pursuant to division (B) of section 755.14 of the Revised Code;	28012 28013 28014 28015
(10) A tax levied under section 1545.20 or 1545.21 of the Revised Code for park district purposes;	28016 28017

(11) A tax levied under section 5705.191 of the Revised Code for the purpose of making appropriations for public assistance; human or social services; public relief; public welfare; public health and hospitalization; and support of general hospitals;

(12) A tax levied under section 3709.29 of the Revised Code for a general health district program.

(13) A tax levied by a township under section 505.39, division (I) of section 5705.19, or division (JJ) of section 5705.19 of the Revised Code to the extent the proceeds are used for the purposes described in division (I) of that section, for the purpose of funding fire, emergency medical, and ambulance services as described in that section and those divisions. Division (F) (13) of this section applies only if the township levying the tax provides fire, emergency medical, or ambulance services in the incentive district, and only to incentive districts created by an ordinance adopted on or after the effective date of the amendment of this section by H.B. 69 of the 132nd general assembly, March 23, 2018. The board of township trustees may, by resolution, waive the application of this division or negotiate with the municipal corporation that created the district for a lesser amount of payments in lieu of taxes.

(G) An exemption from taxation granted under this section commences with the tax year specified in the ordinance so long as the year specified in the ordinance commences after the effective date of the ordinance. If the ordinance specifies a year commencing before the effective date of the resolution or specifies no year whatsoever, the exemption commences with the tax year in which an exempted improvement first appears on the

tax list and duplicate of real and public utility property and 28048
that commences after the effective date of the ordinance. In 28049
lieu of stating a specific year, the ordinance may provide that 28050
the exemption commences in the tax year in which the value of an 28051
improvement exceeds a specified amount or in which the 28052
construction of one or more improvements is completed, provided 28053
that such tax year commences after the effective date of the 28054
ordinance. With respect to the exemption of improvements to 28055
parcels under division (B) of this section, the ordinance may 28056
allow for the exemption to commence in different tax years on a 28057
parcel-by-parcel basis, with a separate exemption term specified 28058
for each parcel. 28059

Except as otherwise provided in this division or section 28060
5709.51 of the Revised Code, the exemption ends on the date 28061
specified in the ordinance as the date the improvement ceases to 28062
be a public purpose or the incentive district expires, or ends 28063
on the date on which the public infrastructure improvements and 28064
housing renovations are paid in full from the municipal public 28065
improvement tax increment equivalent fund established under 28066
division (A) of section 5709.43 of the Revised Code, whichever 28067
occurs first. The exemption of an improvement with respect to a 28068
parcel or within an incentive district may end on a later date, 28069
as specified in the ordinance, if the legislative authority and 28070
the board of education of the city, local, or exempted village 28071
school district within which the parcel or district is located 28072
have entered into a compensation agreement under section 5709.82 28073
of the Revised Code with respect to the improvement, and the 28074
board of education has approved the term of the exemption under 28075
division (D) (2) of this section, but in no case shall the 28076
improvement be exempted from taxation for more than thirty 28077
years. Exemptions shall be claimed and allowed in the same 28078

manner as in the case of other real property exemptions. If an 28079
exemption status changes during a year, the procedure for the 28080
apportionment of the taxes for that year is the same as in the 28081
case of other changes in tax exemption status during the year. 28082

(H) Additional municipal financing of public 28083
infrastructure improvements and housing renovations may be 28084
provided by any methods that the municipal corporation may 28085
otherwise use for financing such improvements or renovations. If 28086
the municipal corporation issues bonds or notes to finance the 28087
public infrastructure improvements and housing renovations and 28088
pledges money from the municipal public improvement tax 28089
increment equivalent fund to pay the interest on and principal 28090
of the bonds or notes, the bonds or notes are not subject to 28091
Chapter 133. of the Revised Code. 28092

(I) The municipal corporation, not later than fifteen days 28093
after the adoption of an ordinance under this section, shall 28094
submit to the director of housing and development a copy of the 28095
ordinance. On or before the thirty-first day of March of each 28096
year, the municipal corporation shall submit a status report to 28097
the director. The report shall indicate, in the manner 28098
prescribed by the director, the progress of the project during 28099
each year that an exemption remains in effect, including a 28100
summary of the receipts from service payments in lieu of taxes; 28101
expenditures of money from the funds created under section 28102
5709.43 of the Revised Code; a description of the public 28103
infrastructure improvements and housing renovations financed 28104
with such expenditures; and a quantitative summary of changes in 28105
employment and private investment resulting from each project. 28106

(J) Nothing in this section shall be construed to prohibit 28107
a legislative authority from declaring to be a public purpose 28108

improvements with respect to more than one parcel. 28109

(K) If a parcel is located in a new community district in 28110
which the new community authority imposes a community 28111
development charge on the basis of rentals received from leases 28112
of real property as described in division (L) (2) of section 28113
349.01 of the Revised Code, the parcel may not be exempted from 28114
taxation under this section. 28115

(L) (1) Notwithstanding the limitations on the life of an 28116
incentive district and the number of years that improvements to 28117
a parcel or parcels within an incentive district may be exempted 28118
from taxation prescribed by divisions (C) and (D) of this 28119
section, the legislative authority of a municipal corporation 28120
may amend an ordinance originally adopted under division (C) of 28121
this section before January 1, 2006, to extend the life of an 28122
incentive district created by that ordinance. The extension 28123
shall be for a period not to exceed fifteen years and shall not 28124
increase the percentage of the value of improvements exempted 28125
from taxation. 28126

(2) Before adopting an amendment authorized by division 28127
(L) (1) of this section, the legislative authority of the 28128
municipal corporation shall provide notice of the amendment to 28129
each board of education of the city, local, or exempted village 28130
school district in which the incentive district is located, in 28131
the same manner as provided under division (D) of this section, 28132
and shall obtain the approval of each such board in the manner 28133
required under that division, except both of the following 28134
apply: 28135

(a) The board of education may approve the exemption on 28136
the condition that the legislative authority and the board 28137
negotiate an agreement providing for mutually agreeable 28138

compensation to the school district. 28139

(b) If the board of education fails to certify a 28140
resolution approving the amendment to the legislative authority 28141
within the time prescribed by division (D) of this section, the 28142
legislative authority shall not adopt the amendment authorized 28143
under division (L) of this section. 28144

(3) No approval otherwise required by division (L) (2) of 28145
this section shall be required from a board of education if 28146
either of the following apply: 28147

(a) The amendment provides for compensation to the city, 28148
local, or exempted village school district in which the 28149
incentive district is located equal in value to the amount of 28150
taxes that would be payable to the school district if the 28151
improvements exempted from taxation had not been exempted for 28152
the additional period. 28153

(b) The board of education has adopted a resolution 28154
waiving its right to approve exemptions from taxation pursuant 28155
to division (D) (4) of this section. If the board has adopted 28156
such a resolution, the municipal corporation shall comply with 28157
the notice requirements imposed by section 5709.83 of the 28158
Revised Code before taking formal action to adopt an amendment 28159
authorized under division (L) (1) of this section unless the 28160
board has adopted a resolution under that section waiving its 28161
right to receive that notice. 28162

(4) Not later than fourteen days before adopting an 28163
amendment authorized by division (L) (1) of this section, the 28164
legislative authority of the municipal corporation shall deliver 28165
a notice identical to a notice required under section 5709.83 of 28166
the Revised Code to the board of county commissioners of each 28167

county in which the incentive district is located. 28168

Sec. 5709.41. (A) As used in this section: 28169

(1) "Business day" means a day of the week excluding 28170
Saturday, Sunday, and a legal holiday as defined under section 28171
1.14 of the Revised Code. 28172

(2) "Improvement" means the increase in assessed value of 28173
any parcel of property subsequent to the acquisition of the 28174
parcel by a municipal corporation engaged in urban redevelopment 28175
or by a township engaged in redevelopment. 28176

(B) The legislative authority of a municipal corporation 28177
or township, by ordinance or resolution, may declare to be a 28178
public purpose any improvement to a parcel of real property if 28179
both of the following apply: 28180

(1) The municipal corporation or township held fee title 28181
to the parcel prior to the adoption of the ordinance or 28182
resolution; 28183

(2) The parcel is leased, or the fee of the parcel is 28184
conveyed, to any person either before or after adoption of the 28185
ordinance or resolution. 28186

Improvements used or to be used for residential purposes 28187
may be declared a public purpose under this section only if the 28188
parcel is located in a blighted area of an impacted city, in the 28189
case of a municipal corporation, or in a blighted area, in the 28190
case of a township, as those terms are defined in section 28191
1728.01 of the Revised Code. For this purpose, "parcel that is 28192
used or to be used for residential purposes" means a parcel 28193
that, as improved, is used or to be used for purposes that would 28194
cause the tax commissioner to classify the parcel as residential 28195
property in accordance with rules adopted by the commissioner 28196

under section 5713.041 of the Revised Code. 28197

(C) Except as otherwise provided in division (C) (1), (2), 28198
or (3) of this section, not more than seventy-five per cent of 28199
an improvement thus declared to be a public purpose may be 28200
exempted from real property taxation. The ordinance or 28201
resolution shall specify the percentage of the improvement to be 28202
exempted from taxation. If a parcel is located in a new 28203
community district in which the new community authority imposes 28204
a community development charge on the basis of rentals received 28205
from leases of real property as described in division (L) (2) of 28206
section 349.01 of the Revised Code, the parcel may not be 28207
exempted from taxation under this section. 28208

(1) If the ordinance or resolution declaring improvements 28209
to a parcel to be a public purpose specifies that payments in 28210
lieu of taxes provided for in section 5709.42 or 5709.74 of the 28211
Revised Code shall be paid to the city, local, or exempted 28212
village school district in which the parcel is located in the 28213
amount of the taxes that would have been payable to the school 28214
district if the improvements had not been exempted from 28215
taxation, the percentage of the improvement that may be exempted 28216
from taxation may exceed seventy-five per cent, and the 28217
exemption may be granted for up to thirty years, without the 28218
approval of the board of education as otherwise required under 28219
division (C) (2) of this section. 28220

(2) Improvements may be exempted from taxation for up to 28221
ten years or, with the approval of the board of education of the 28222
city, local, or exempted village school district within the 28223
territory of which the improvements are or will be located, for 28224
up to thirty years. The percentage of the improvement exempted 28225
from taxation may, with such approval, exceed seventy-five per 28226

cent, but shall not exceed one hundred per cent. Not later than 28227
forty-five business days prior to adopting an ordinance or 28228
resolution under this section, the legislative authority shall 28229
deliver to the board of education a notice stating its intent to 28230
declare improvements to be a public purpose under this section. 28231
The notice shall describe the parcel and the improvements, 28232
provide an estimate of the true value in money of the 28233
improvements, specify the period for which the improvements 28234
would be exempted from taxation and the percentage of the 28235
improvements that would be exempted, and indicate the date on 28236
which the legislative authority intends to adopt the ordinance 28237
or resolution. The board of education, by resolution adopted by 28238
a majority of the board, may approve the exemption for the 28239
period or for the exemption percentage specified in the notice, 28240
may disapprove the exemption for the number of years in excess 28241
of ten, may disapprove the exemption for the percentage of the 28242
improvements to be exempted in excess of seventy-five per cent, 28243
or both, or may approve the exemption on the condition that the 28244
legislative authority and the board negotiate an agreement 28245
providing for compensation to the school district equal in value 28246
to a percentage of the amount of taxes exempted in the eleventh 28247
and subsequent years of the exemption period, or, in the case of 28248
exemption percentages in excess of seventy-five per cent, 28249
compensation equal in value to a percentage of the taxes that 28250
would be payable on the portion of the improvement in excess of 28251
seventy-five per cent were that portion to be subject to 28252
taxation. The board of education shall certify its resolution to 28253
the legislative authority not later than fourteen days prior to 28254
the date the legislative authority intends to adopt the 28255
ordinance or resolution as indicated in the notice. If the board 28256
of education approves the exemption on the condition that a 28257
compensation agreement be negotiated, the board in its 28258

resolution shall propose a compensation percentage. If the board 28259
of education and the legislative authority negotiate a mutually 28260
acceptable compensation agreement, the ordinance or resolution 28261
may declare the improvements a public purpose for the number of 28262
years specified in the ordinance or resolution or, in the case 28263
of exemption percentages in excess of seventy-five per cent, for 28264
the exemption percentage specified in the ordinance or 28265
resolution. In either case, if the board and the legislative 28266
authority fail to negotiate a mutually acceptable compensation 28267
agreement, the ordinance or resolution may declare the 28268
improvements a public purpose for not more than ten years, but 28269
shall not exempt more than seventy-five per cent of the 28270
improvements from taxation. If the board fails to certify a 28271
resolution to the legislative authority within the time 28272
prescribed by this division, the legislative authority thereupon 28273
may adopt the ordinance or resolution and may declare the 28274
improvements a public purpose for up to thirty years. The 28275
legislative authority may adopt the ordinance or resolution at 28276
any time after the board of education certifies its resolution 28277
approving the exemption to the legislative authority, or, if the 28278
board approves the exemption on the condition that a mutually 28279
acceptable compensation agreement be negotiated, at any time 28280
after the compensation agreement is agreed to by the board and 28281
the legislative authority. If a mutually acceptable compensation 28282
agreement is negotiated between the legislative authority and 28283
the board, including agreements for payments in lieu of taxes 28284
under section 5709.42 or 5709.74 of the Revised Code, the 28285
legislative authority shall compensate the joint vocational 28286
school district within the territory of which the improvements 28287
are or will be located at the same rate and under the same terms 28288
received by the city, local, or exempted village school 28289
district. 28290

(3) If a board of education has adopted a resolution 28291
waiving its right to approve exemptions from taxation and the 28292
resolution remains in effect, approval of exemptions by the 28293
board is not required under this division. If a board of 28294
education has adopted a resolution allowing a legislative 28295
authority to deliver the notice required under this division 28296
fewer than forty-five business days prior to the legislative 28297
authority's adoption of the ordinance or resolution, the 28298
legislative authority shall deliver the notice to the board not 28299
later than the number of days prior to such adoption as 28300
prescribed by the board in its resolution. If a board of 28301
education adopts a resolution waiving its right to approve 28302
exemptions or shortening the notification period, the board 28303
shall certify a copy of the resolution to the legislative 28304
authority. If the board of education rescinds such a resolution, 28305
it shall certify notice of the rescission to the legislative 28306
authority. 28307

(4) If the legislative authority is not required by 28308
division (C) (1), (2), or (3) of this section to notify the board 28309
of education of the legislative authority's intent to declare 28310
improvements to be a public purpose, the legislative authority 28311
shall comply with the notice requirements imposed under section 28312
5709.83 of the Revised Code, unless the board has adopted a 28313
resolution under that section waiving its right to receive such 28314
a notice. 28315

(5) Nothing in division (C) of this section prohibits the 28316
legislative authority of a municipal corporation or township 28317
from amending the ordinance or resolution under section 5709.51 28318
of the Revised Code to extend the term of the exemption. 28319

(D) An exemption granted under this section commences with 28320

the tax year specified in the ordinance or resolution so long as 28321
the year specified in the ordinance or resolution commences 28322
after the effective date of the ordinance or resolution. If the 28323
ordinance or resolution specifies a year commencing before the 28324
effective date of the ordinance or resolution or specifies no 28325
year, the exemption commences with the tax year in which an 28326
exempted improvement first appears on the tax list and that 28327
commences after the effective date of the ordinance or 28328
resolution. In lieu of stating a specific year, the ordinance or 28329
resolution may provide that the exemption commences in the tax 28330
year in which the value of an improvement exceeds a specified 28331
amount or in which the construction of one or more improvements 28332
is completed, provided that such tax year commences after the 28333
effective date of the ordinance or resolution. In lieu of 28334
stating a specific year, the ordinance or resolution may allow 28335
for the exemption to commence in different tax years on a 28336
parcel-by-parcel basis, with a separate exemption term specified 28337
for each parcel. The exemption ends on the date specified in the 28338
ordinance or resolution as the date the improvement ceases to be 28339
a public purpose. The exemption shall be claimed and allowed in 28340
the same or a similar manner as in the case of other real 28341
property exemptions. If an exemption status changes during a tax 28342
year, the procedure for the apportionment of the taxes for that 28343
year is the same as in the case of other changes in tax 28344
exemption status during the year. 28345

(E) A municipal corporation or township, not later than 28346
fifteen days after the adoption of an ordinance or resolution 28347
granting a tax exemption under this section, shall submit to the 28348
director of housing and development a copy of the ordinance or 28349
resolution. On or before the thirty-first day of March each 28350
year, the municipal corporation or township shall submit a 28351

status report to the director of housing and development 28352
outlining the progress of the project during each year that the 28353
exemption remains in effect. 28354

Sec. 5709.45. (A) As used in sections 5709.45 to 5709.47 28355
of the Revised Code: 28356

(1) "Downtown redevelopment district" or "district" means 28357
an area not more than ten acres enclosed by a continuous 28358
boundary in which at least one historic building is being, or 28359
will be, rehabilitated. 28360

(2) "Historic building" and "rehabilitation" have the same 28361
meanings as in section 149.311 of the Revised Code. 28362

(3) "Public infrastructure improvement" has the same 28363
meaning as in section 5709.40 of the Revised Code. 28364

(4) "Improvement" means the increase in the assessed value 28365
of real property that would first appear on the tax list after 28366
the effective date of an ordinance adopted under this section 28367
were it not for the exemption granted by the ordinance. 28368

(5) "Innovation district" means an area located entirely 28369
within a downtown redevelopment district, enclosed by a 28370
continuous boundary, and equipped with a high-speed broadband 28371
network capable of download speeds of at least one hundred 28372
gigabits per second. 28373

(6) "Qualified business" means a business primarily 28374
engaged, or primarily organized to engage, in a trade or 28375
business that involves research and development, technology 28376
transfer, bio-technology, information technology, or the 28377
application of new technology developed through research and 28378
development or acquired through technology transfer. 28379

(7) "Information technology" means the branch of 28380
technology devoted to the study and application of data and the 28381
processing thereof; the automatic acquisition, storage, 28382
manipulation or transformation, management, movement, control, 28383
display, switching, interchange, transmission or reception of 28384
data, and the development or use of hardware, software, 28385
firmware, and procedures associated with this processing. 28386
"Information technology" includes matters concerned with the 28387
furtherance of computer science and technology, design, 28388
development, installation, and implementation of information 28389
systems and applications that in turn will be licensed or sold 28390
to a specific target market. "Information technology" does not 28391
include the creation of a distribution method for existing 28392
products and services. 28393

(8) "Research and development" means designing, creating, 28394
or formulating new or enhanced products, equipment, or 28395
processes, and conducting scientific or technological inquiry 28396
and experimentation in the physical sciences with the goal of 28397
increasing scientific knowledge that may reveal the bases for 28398
new or enhanced products, equipment, or processes. 28399

(9) "Technology transfer" means the transfer of technology 28400
from one sector of the economy to another, including the 28401
transfer of military technology to civilian applications, 28402
civilian technology to military applications, or technology from 28403
public or private research laboratories to military or civilian 28404
applications. 28405

(B) For the purposes of promoting rehabilitation of 28406
historic buildings, creating jobs, and encouraging economic 28407
development in commercial and mixed-use commercial and 28408
residential areas, and for the purpose of funding transportation 28409

improvements that will benefit such areas, the legislative 28410
authority of a municipal corporation may adopt an ordinance 28411
creating a downtown redevelopment district and declaring 28412
improvements to parcels within the district to be a public 28413
purpose and exempt from taxation. Downtown redevelopment 28414
districts shall not be created in areas used exclusively for 28415
residential purposes and shall not be utilized for development 28416
or redevelopment of residential areas. 28417

The ordinance shall specify all of the following: 28418

(1) The boundary of the district; 28419

(2) The county treasurer's permanent parcel number 28420
associated with each parcel included in the district; 28421

(3) The parcel or parcels within the district that include 28422
a historic building that is being or will be rehabilitated; 28423

(4) The proposed life of the district; 28424

(5) An economic development plan for the district that 28425
includes all of the following: 28426

(a) A statement describing the principal purposes and 28427
goals to be served by creating the district; 28428

(b) An explanation of how the municipal corporation will 28429
collaborate with businesses and property owners within the 28430
district to develop strategies for achieving such purposes and 28431
goals; 28432

(c) A plan for using the service payments provided for in 28433
section 5709.46 of the Revised Code to promote economic 28434
development and job creation within the district. 28435

Not more than seventy per cent of improvements to parcels 28436

within a downtown redevelopment district may be exempted from 28437
taxation under this section. A district may not include a parcel 28438
that is exempted from taxation under this section or section 28439
5709.40 or 5709.41 of the Revised Code on the effective date of 28440
the ordinance. Except as provided in division (F) of this 28441
section, the life of a downtown redevelopment district shall not 28442
exceed ten years. 28443

A municipal corporation may adopt more than one ordinance 28444
under division (B) of this section. A single such ordinance may 28445
create more than one downtown redevelopment district. 28446

(C) For the purposes of attracting and facilitating growth 28447
of qualified businesses and supporting the economic development 28448
efforts of business incubators and accelerators, the legislative 28449
authority of a municipal corporation may designate an innovation 28450
district within a proposed or existing downtown redevelopment 28451
district. The life of the innovation district shall be identical 28452
to the downtown redevelopment district in which the innovation 28453
district is located. In addition to the requirements in division 28454
(B) of this section, an ordinance creating a downtown 28455
redemption district that includes an innovation district 28456
shall specify all of the following: 28457

(1) The boundary of the innovation district; 28458

(2) The permanent parcel number associated with each 28459
parcel included in the innovation district; 28460

(3) An economic development plan for the innovation 28461
district that meets the criteria prescribed by division (B) (5) 28462
of this section. 28463

(D) At least thirty days before adopting an ordinance 28464
under division (B) of this section, the legislative authority of 28465

the municipal corporation shall conduct a public hearing on the 28466
proposed ordinance and the accompanying economic development 28467
plan. At least thirty days before the public hearing, the 28468
legislative authority shall give notice of the public hearing 28469
and the proposed ordinance by first class mail to every real 28470
property owner whose property is located within the boundaries 28471
of the proposed district that is the subject of the proposed 28472
ordinance. 28473

(E) Revenue derived from downtown redevelopment district 28474
service payments may be used by the municipal corporation for 28475
any of the following purposes: 28476

(1) To finance or support loans, deferred loans, or grants 28477
to owners of historic buildings within the downtown 28478
redemption district. Such loans or grants shall be awarded 28479
upon the condition that the loan or grant amount may be used by 28480
the owner only to rehabilitate the historic building. A 28481
municipal corporation that awards a loan or grant under this 28482
division shall develop a plan for tracking the loan or grant 28483
recipient's use of the loan or grant and monitoring the progress 28484
of the recipient's rehabilitation project. 28485

(2) To make contributions to a special improvement 28486
district for use under section 1710.14 of the Revised Code, to a 28487
community improvement corporation for use under section 1724.12 28488
of the Revised Code, or to a nonprofit corporation, as defined 28489
in section 1702.01 of the Revised Code, the primary purpose of 28490
which is redeveloping historic buildings and historic districts 28491
for use by the corporation to rehabilitate a historic building 28492
within the downtown redevelopment district or to otherwise 28493
promote or enhance the district. Amounts contributed under 28494
division (E) (2) of this section shall not exceed the property 28495

tax revenue that would have been generated by twenty per cent of 28496
the assessed value of the exempted improvements within the 28497
downtown redevelopment district. 28498

(3) To finance or support loans to owners of one or more 28499
buildings located within the district that do not qualify as 28500
historic buildings. Such loans shall be awarded upon the 28501
condition that the loan amount may be used by the owner only to 28502
make repairs and improvements to the building or buildings. A 28503
municipal corporation that awards a loan under this division 28504
shall develop a plan for tracking the loan recipient's use of 28505
the loan and monitoring the progress of the recipient's repairs 28506
or improvements. 28507

(4) To finance public infrastructure improvements within 28508
the downtown redevelopment district. If revenue generated by the 28509
downtown redevelopment district will be used to finance public 28510
infrastructure improvements, the economic development plan 28511
described by division (B) (5) of this section shall identify 28512
specific projects that are being or will be undertaken within 28513
the district and describe how such infrastructure improvements 28514
will accommodate additional demands on the existing 28515
infrastructure within the district. A municipal corporation 28516
shall not use service payments derived from a downtown 28517
redemption district to repair or replace police or fire 28518
equipment. 28519

(5) To finance or support loans, deferred loans, or grants 28520
to qualified businesses or to incubators and accelerators that 28521
provide services and capital to qualified businesses within an 28522
innovation district. Such loans or grants shall be awarded upon 28523
the condition that the loan or grant shall be used by the 28524
recipient to start or develop one or more qualified businesses 28525

within the innovation district. A municipal corporation that 28526
awards a loan or grant under this division shall develop a plan 28527
for tracking the loan or grant recipient's use of the loan or 28528
grant and monitoring the establishment and growth of the 28529
qualified business. 28530

(F) Notwithstanding division (B) of this section, 28531
improvements to parcels located within a downtown redevelopment 28532
district may be exempted from taxation under this section for up 28533
to thirty years if either of the following apply: 28534

(1) The ordinance creating the redevelopment district 28535
specifies that payments in lieu of taxes shall be paid to the 28536
city, local, or exempted village, and joint vocational school 28537
district or districts in which the redevelopment district is 28538
located in the amount of the taxes that would have been payable 28539
to the school district or districts if the improvements had not 28540
been exempted from taxation. 28541

(2) The municipal corporation creating the district 28542
obtains the approval under division (G) of this section of the 28543
board of education of each city, local, and exempted village 28544
school district within which the district will be located. 28545

(G) (1) The legislative authority of a municipal 28546
corporation seeking the approval of a school district for the 28547
purpose of division (G) (2) of this section shall send notice of 28548
the proposed ordinance to the school district not later than 28549
forty-five business days before it intends to adopt the 28550
ordinance. The notice shall include a copy of the proposed 28551
ordinance and shall indicate the date on which the legislative 28552
authority intends to adopt the ordinance. The board of education 28553
of the school district, by resolution adopted by a majority of 28554
the board, may do any of the following: 28555

(a) Approve the exemption for the number of years specified in the proposed ordinance; 28556
28557

(b) Disapprove the exemption for the number of years in excess of ten; 28558
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(c) Approve the exemption on the condition that the legislative authority and the board negotiate an agreement providing for compensation to the school district equal in value to a percentage of the amount of taxes exempted in the eleventh and subsequent years of the exemption period or other mutually agreeable compensation. If an agreement is negotiated under this division, the legislative authority shall compensate all joint vocational school districts within which the downtown redevelopment district is located at the same rate and under the same terms received by the city, local, or exempted village school district. 28560
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(2) The board of education shall certify a resolution adopted under division (G) (1) of this section to the legislative authority of the municipal corporation not later than fourteen days before the date the legislative authority intends to adopt the ordinance as indicated in the notice. If the board of education approves the ordinance or negotiates a mutually acceptable compensation agreement with the legislative authority, the legislative authority may enact the ordinance in its current form. If the board disapproves of the ordinance and fails to negotiate a mutually acceptable compensation agreement with the legislative authority, the legislative authority may exempt improvements to parcels within the downtown redevelopment district for not more than ten years. If the board fails to certify a resolution to the legislative authority within the time prescribed by this division, the legislative authority may 28571
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adopt the ordinance and may exempt improvements to parcels 28586
within the downtown redevelopment district for the period of 28587
time specified in the notice delivered to the board of 28588
education. The legislative authority may adopt the ordinance at 28589
any time after the board of education certifies its resolution 28590
approving the exemption to the legislative authority or, if the 28591
board approves the exemption on the condition that a mutually 28592
acceptable compensation agreement be negotiated, at any time 28593
after the compensation agreement is agreed to by the board and 28594
the legislative authority. 28595

(3) If a board of education has adopted a resolution 28596
waiving its right to approve exemptions from taxation under this 28597
section and the resolution remains in effect, approval of 28598
exemptions by the board is not required under division (G) of 28599
this section. If a board of education has adopted a resolution 28600
allowing a legislative authority to deliver the notice required 28601
under division (G) (1) of this section fewer than forty-five 28602
business days before the legislative authority's adoption of the 28603
ordinance, the legislative authority shall deliver the notice to 28604
the board not later than the number of days before such adoption 28605
as prescribed by the board in its resolution. If a board of 28606
education adopts a resolution waiving its right to approve 28607
agreements or shortening the notification period, the board 28608
shall certify a copy of the resolution to the legislative 28609
authority. If the board of education rescinds such a resolution, 28610
it shall certify notice of the rescission to the legislative 28611
authority. 28612

(4) If the legislative authority is not required by 28613
division (G) of this section to notify the board of education of 28614
the legislative authority's intent to create a downtown 28615
redemption district, the legislative authority shall comply 28616

with the notice requirements imposed under section 5709.83 of 28617
the Revised Code, unless the board has adopted a resolution 28618
under that section waiving its right to receive such a notice. 28619

(H) Service payments in lieu of taxes that are 28620
attributable to any amount by which the effective tax rate of 28621
either a renewal levy with an increase or a replacement levy 28622
exceeds the effective tax rate of the levy renewed or replaced, 28623
or that are attributable to an additional levy, for a levy 28624
authorized by the voters for any of the following purposes on or 28625
after January 1, 2006, and which are provided pursuant to an 28626
ordinance creating a downtown redevelopment district under 28627
division (B) of this section shall be distributed to the 28628
appropriate taxing authority as required under division (C) of 28629
section 5709.46 of the Revised Code in an amount equal to the 28630
amount of taxes from that additional levy or from the increase 28631
in the effective tax rate of such renewal or replacement levy 28632
that would have been payable to that taxing authority from the 28633
following levies were it not for the exemption authorized under 28634
division (B) of this section: 28635

(1) A tax levied under division (L) of section 5705.19 or 28636
section 5705.191 of the Revised Code for community developmental 28637
disabilities programs and services pursuant to Chapter 5126. of 28638
the Revised Code; 28639

(2) A tax levied under division (Y) of section 5705.19 of 28640
the Revised Code for providing or maintaining senior citizens 28641
services or facilities; 28642

(3) A tax levied under section 5705.22 of the Revised Code 28643
for county hospitals; 28644

(4) A tax levied by a joint-county district or by a county 28645

under section 5705.19, 5705.191, or 5705.221 of the Revised Code	28646
for alcohol, drug addiction, and mental health services or	28647
facilities;	28648
(5) A tax levied under section 5705.23 of the Revised Code	28649
for library purposes;	28650
(6) A tax levied under section 5705.24 of the Revised Code	28651
for the support of children services and the placement and care	28652
of children;	28653
(7) A tax levied under division (Z) of section 5705.19 of	28654
the Revised Code for the provision and maintenance of zoological	28655
park services and facilities under section 307.76 of the Revised	28656
Code;	28657
(8) A tax levied under section 511.27 or division (H) of	28658
section 5705.19 of the Revised Code for the support of township	28659
park districts;	28660
(9) A tax levied under division (A), (F), or (H) of	28661
section 5705.19 of the Revised Code for parks and recreational	28662
purposes of a joint recreation district organized pursuant to	28663
division (B) of section 755.14 of the Revised Code;	28664
(10) A tax levied under section 1545.20 or 1545.21 of the	28665
Revised Code for park district purposes;	28666
(11) A tax levied under section 5705.191 of the Revised	28667
Code for the purpose of making appropriations for public	28668
assistance; human or social services; public relief; public	28669
welfare; public health and hospitalization; and support of	28670
general hospitals;	28671
(12) A tax levied under section 3709.29 of the Revised	28672
Code for a general health district program.	28673

(I) An exemption from taxation granted under this section 28674
commences with the tax year specified in the ordinance so long 28675
as the year specified in the ordinance commences after the 28676
effective date of the ordinance. If the ordinance specifies a 28677
year commencing before the effective date of the ordinance or 28678
specifies no year whatsoever, the exemption commences with the 28679
tax year in which an exempted improvement first appears on the 28680
tax list and that commences after the effective date of the 28681
ordinance. In lieu of stating a specific year, the ordinance may 28682
provide that the exemption commences in the tax year in which 28683
the value of an improvement exceeds a specified amount or in 28684
which the construction of one or more improvements is completed, 28685
provided that such tax year commences after the effective date 28686
of the ordinance. 28687

Except as otherwise provided in this division, the 28688
exemption ends on the date specified in the ordinance as the 28689
date the improvement ceases to be a public purpose or the 28690
downtown redevelopment district expires, whichever occurs first. 28691
The exemption of an improvement within a downtown redevelopment 28692
district may end on a later date, as specified in the ordinance, 28693
if the legislative authority and the board of education of the 28694
city, local, or exempted village school district within which 28695
the parcel or district is located have entered into a 28696
compensation agreement under section 5709.82 of the Revised Code 28697
with respect to the improvement, and the board of education has 28698
approved the term of the exemption under division (G) of this 28699
section, but in no case shall the improvement be exempted from 28700
taxation for more than thirty years. Exemptions shall be claimed 28701
and allowed in the same manner as in the case of other real 28702
property exemptions. If an exemption status changes during a 28703
year, the procedure for the apportionment of the taxes for that 28704

year is the same as in the case of other changes in tax 28705
exemption status during the year. 28706

(J) Additional municipal financing of the projects and 28707
services described in division (E) of this section may be 28708
provided by any methods that the municipal corporation may 28709
otherwise use for financing such projects and services. If the 28710
municipal corporation issues bonds or notes to finance such 28711
projects and services and pledges money from the municipal 28712
downtown redevelopment district fund to pay the interest on and 28713
principal of the bonds or notes, the bonds or notes are not 28714
subject to Chapter 133. of the Revised Code. 28715

(K) The municipal corporation, not later than fifteen days 28716
after the adoption of an ordinance under this section, shall 28717
submit to the director of housing and development ~~services~~ a 28718
copy of the ordinance. On or before the thirty-first day of 28719
March of each year, the municipal corporation shall submit a 28720
status report to the director of housing and development 28721
~~services~~. The report shall indicate, in the manner prescribed by 28722
the director, the progress of the projects and services during 28723
each year that an exemption remains in effect, including a 28724
summary of the receipts from service payments in lieu of taxes; 28725
expenditures of money from the funds created under section 28726
5709.47 of the Revised Code; a description of the projects and 28727
services financed with such expenditures; and a quantitative 28728
summary of changes in employment and private investment 28729
resulting from each project and service. 28730

(L) Nothing in this section shall be construed to prohibit 28731
a legislative authority from declaring to be a public purpose 28732
improvements with respect to more than one parcel. 28733

(M) (1) The owner of real property located in a downtown 28734

redevelopment district may enter into an agreement with the 28735
municipal corporation that created the district to impose a 28736
redevelopment charge on the property to cover all or part of the 28737
cost of services, facilities, and improvements provided within 28738
the district under division (E) of this section. The agreement 28739
shall include the following: 28740

(a) The amount of the redevelopment charge. The 28741
redevelopment charge may be a fixed dollar amount or an amount 28742
determined on the basis of the assessed valuation of the 28743
property or all or part of the profits, gross receipts, or other 28744
revenues of a business operating on the property, including 28745
rentals received from leases of the property. If the property is 28746
leased to one or more tenants, the redevelopment charge may be 28747
itemized as part of the lease rate. 28748

(b) The termination date of the redevelopment charge. The 28749
redevelopment charge shall not be charged after the expiration 28750
or termination of the downtown redevelopment district. 28751

(c) The terms by which the municipal corporation shall 28752
collect the redevelopment charge. 28753

(d) The purposes for which the redevelopment charge may be 28754
used by the municipal corporation. The redevelopment charge 28755
shall be used only for those purposes described by division (E) 28756
of this section. The agreement may specify any or all of such 28757
purposes. 28758

(2) Redevelopment charges collected by a municipal 28759
corporation under division (M) of this section shall be 28760
deposited to the municipal downtown redevelopment district fund 28761
created under section 5709.47 of the Revised Code. 28762

(3) An agreement by a property owner under division (M) of 28763

this section is hereby deemed to be a covenant running with the 28764
land. The covenant is fully binding on behalf of and enforceable 28765
by the municipal corporation against any person acquiring an 28766
interest in the land and all of that person's successors and 28767
assigns. 28768

(4) No purchase agreement for real estate or any interest 28769
in real estate upon which a redevelopment charge is levied shall 28770
be enforceable by the seller or binding upon the purchaser 28771
unless the purchase agreement specifically refers to the 28772
redevelopment charge. If a conveyance of such real estate or 28773
interest in such real estate is made pursuant to a purchase 28774
agreement that does not make such reference, the redevelopment 28775
charge shall continue to be a covenant running with the land 28776
fully binding on behalf of and enforceable by the municipal 28777
corporation against the person accepting the conveyance pursuant 28778
to the purchase agreement. 28779

(5) If a redevelopment charge is not paid when due, the 28780
overdue amount shall be collected according to the terms of the 28781
agreement. If the agreement does not specify a procedure for 28782
collecting overdue redevelopment charges, the municipal 28783
corporation may certify the charge to the county auditor. The 28784
county auditor shall enter the unpaid charge on the tax list and 28785
duplicate of real property opposite the parcel against which it 28786
is charged and certify the charge to the county treasurer. The 28787
unpaid redevelopment charge is a lien on property against which 28788
it is charged from the date the charge is entered on the tax 28789
list, and shall be collected in the manner provided for the 28790
collection of real property taxes. Once the charge is collected, 28791
it shall be paid immediately to the municipal corporation. 28792

Sec. 5709.48. (A) As used in this section and sections 28793

5709.481, 5709.49, and 5709.50 of the Revised Code:	28794
(1) "Regional transportation improvement project" has the same meaning as in section 5595.01 of the Revised Code.	28795 28796
(2) "Improvements" means the increase in the assessed value of any real property that would first appear on the tax list and duplicate of real and public utility property after the effective date of the resolution adopted under this section were it not for the exemption granted by that resolution.	28797 28798 28799 28800 28801
(B) For the purposes described in division (A) of section 5595.06 of the Revised Code, the governing board of a regional transportation improvement project that was undertaken pursuant to section 5595.02 of the Revised Code before March 23, 2018, may, by resolution, create a transportation financing district and declare improvements to parcels within the district to be a public purpose and exempt from taxation.	28802 28803 28804 28805 28806 28807 28808
(C) A transportation financing district shall consist of all territory of all counties that are participants in the regional transportation improvement project funded by the district, except that the district shall not include parcels used primarily for residential purposes, parcels that are currently exempt from taxation under this section or section 5709.40, 5709.41, 5709.45, 5709.73, or 5709.77 of the Revised Code, or parcels excluded from the district under division (G) of this section.	28809 28810 28811 28812 28813 28814 28815 28816 28817
(D) A resolution creating a transportation financing district shall specify all of the following:	28818 28819
(1) The county treasurer's permanent parcel number associated with each parcel included in the district;	28820 28821
(2) (a) The percentage of improvements to be exempted from	28822

taxation and the duration of the exemption. 28823

(b) Except as provided in division (E) of this section, 28824
the percentage of improvements to be exempted shall not exceed 28825
seventy-five per cent, and the duration of the exemption shall 28826
not exceed ten years. 28827

(c) In no case may the life of the exemption exceed the 28828
remaining number of years the cooperative agreement for the 28829
regional transportation improvement district, described under 28830
section 5595.03 of the Revised Code, is in effect. 28831

(3) A plan for the district that describes the principal 28832
purposes and goals to be served by the district and explains how 28833
the use of service payments provided for by section 5709.49 of 28834
the Revised Code will economically benefit owners of property 28835
within the district. 28836

(E) Subject to division (D) (2) (c) of this section, 28837
improvements to parcels located in a transportation financing 28838
district may be exempted from taxation for up to thirty years, 28839
and the percentage of improvements that may be exempted may 28840
equal up to one hundred per cent, if either of the following 28841
apply: 28842

(1) The governing board, before adopting a resolution 28843
under division (B) of this section, obtains the approval under 28844
division (F) of this section of the board of education of each 28845
city, local, and exempted village school district within the 28846
territory of the proposed transportation financing district. 28847

(2) In the resolution creating the transportation 28848
financing district, the governing board agrees to compensate 28849
each city, local, or exempted village, and joint vocational 28850
school district or districts in which the transportation 28851

financing district is located for the full amount of taxes that 28852
would have been payable to the school district or districts if 28853
the improvements had not been exempted from taxation. 28854

(F) (1) A governing board seeking the approval of a school 28855
district for the purpose of division (E) (1) of this section 28856
shall send notice of the proposed resolution to the school 28857
district not later than forty-five business days before it 28858
intends to adopt the resolution. The notice shall include a copy 28859
of the proposed resolution and shall indicate the date on which 28860
the governing board intends to adopt the resolution. 28861

The board of education, by resolution adopted by a 28862
majority of the board, may approve the exemption for the period 28863
or for the exemption percentage specified in the notice; may 28864
disapprove the exemption for the number of years in excess of 28865
ten, may disapprove the exemption for the percentage of the 28866
improvements to be exempted in excess of seventy-five per cent, 28867
or both; or may approve the exemption on the condition that the 28868
governing board and the board of education negotiate an 28869
agreement providing for compensation equal in value to a 28870
percentage of the amount of taxes exempted or some other 28871
mutually agreeable compensation. If a mutually acceptable 28872
compensation agreement is negotiated between the governing board 28873
and the board of education, the governing board shall compensate 28874
the joint vocational school district within which the district 28875
is located at the same rate and under the same terms received by 28876
the city, local, or exempted village school district. 28877

(2) The board of education shall certify a resolution 28878
adopted under division (F) (1) of this section to the governing 28879
board not later than fourteen days before the date the governing 28880
board intends to adopt the resolution as indicated in the 28881

notice. If the board of education approves the ordinance or 28882
negotiates a mutually acceptable compensation agreement, the 28883
governing board may enact the resolution in its current form. If 28884
the board of education disapproves of the ordinance and fails to 28885
negotiate a mutually acceptable compensation agreement, the 28886
resolution is subject to the limitations prescribed by divisions 28887
(D) (2) (b) and (c) of this section. If the board of education 28888
fails to certify a resolution within the time prescribed by this 28889
division, the governing board may adopt the resolution and 28890
declare the improvements a public purpose for the period of time 28891
specified in the resolution, or, in the case of exemption 28892
percentages proposed in excess of seventy-five per cent, for the 28893
exemption percentage specified in the resolution. 28894

The governing board may adopt the resolution at any time 28895
after the board of education certifies its resolution approving 28896
the exemption, or, if the board of education approves the 28897
exemption on the condition that a mutually acceptable 28898
compensation agreement be negotiated, at any time after the 28899
compensation agreement is agreed to by the board of education 28900
and the governing board. 28901

(3) A board of education may adopt a resolution waiving 28902
its right to approve or receive notice of transportation 28903
financing districts proposed under this section. If a board of 28904
education has adopted such a resolution, the terms of that 28905
resolution supersede the requirements of division (F) (1) of this 28906
section. The governing board may negotiate an agreement with a 28907
board of education providing for some mutually agreeable 28908
compensation in exchange for the board of education adopting 28909
such a resolution. If a board of education has adopted such an 28910
ordinance or resolution, it shall certify a copy to the 28911
governing board. If the board of education rescinds such a 28912

resolution, it shall certify notice of the rescission to the governing board.

(4) If the governing board is not required by division (F) of this section to notify the board of education of the governing board's intent to create a transportation financing district, the governing board shall comply with the notice requirements imposed under section 5709.83 of the Revised Code, unless the board of education has adopted a resolution under that section waiving its right to receive such a notice.

(G) The governing board shall notify and obtain the approval of every real property owner whose property is included in the proposed transportation financing district. The approval shall include a signed agreement between the property owner and the governing board that specifies the projects and purposes for which the service payments made by the owner under section 5709.49 of the Revised Code will be used. Such an agreement does not supersede any compensation agreement between the governing board and a school district under division (F) of this section. If the property owner and the governing board do not reach an agreement under this division, the parcel shall be excluded from the district.

(H) (1) Upon adopting a resolution creating a transportation financing district, the governing board shall send a copy of the resolution and documentation sufficient to prove that the requirements of divisions (F) and (G) of this section have been met to the director of housing and development. The director shall evaluate the resolution and documentation to determine if the governing board has fully complied with the requirements of this section. If the director approves the resolution, the director shall send notice of

approval to the governing board. If the director does not 28943
approve the resolution, the director shall send a notice of 28944
denial to the governing board that includes the reason or 28945
reasons for the denial. If the director does not make a 28946
determination within ninety days after receiving a resolution 28947
under this section, the director is deemed to have approved the 28948
resolution. No resolution creating a transportation financing 28949
district is effective without actual or constructive approval by 28950
the director under this section. 28951

(2) An exemption from taxation granted under this section 28952
commences with the tax year specified in the resolution so long 28953
as the year specified in the resolution commences after the 28954
effective date of the resolution. If the resolution specifies a 28955
year commencing before the effective date of the resolution or 28956
specifies no year whatsoever, the exemption commences with the 28957
tax year in which an exempted improvement first appears on the 28958
tax list and that commences after the effective date of the 28959
resolution. 28960

(3) Except as otherwise provided in this division, the 28961
exemption ends on the date specified in the resolution as the 28962
date the improvement ceases to be a public purpose or the 28963
regional transportation improvement project funded by the 28964
service payments dissolves under section 5595.13 of the Revised 28965
Code, whichever occurs first. Exemptions shall be claimed and 28966
allowed in the same manner as in the case of other real property 28967
exemptions. If an exemption status changes during a year, the 28968
procedure for the apportionment of the taxes for that year is 28969
the same as in the case of other changes in tax exemption status 28970
during the year. 28971

(I) The resolution creating a transportation financing 28972

district may be amended at any time by majority vote of the 28973
governing board and with the approval of the director of housing 28974
and development obtained in the same manner as approval of the 28975
original resolution. Such an amendment may include adding a 28976
parcel to the district that was previously excluded under 28977
division (G) of this section, so long as the governing board and 28978
the owner of the parcel reach an agreement on the use of service 28979
payments as provided under that division. 28980

Sec. 5709.51. (A) The legislative authority of a municipal 28981
corporation, a board of township trustees, or a board of county 28982
commissioners may amend or provide in an ordinance or resolution 28983
adopted in accordance with division (B) of section 5709.40, 28984
section 5709.41, division (B) of section 5709.73, or division 28985
(A) of section 5709.78 of the Revised Code, as applicable, to 28986
extend the exemption from taxation of improvements to the parcel 28987
or parcels designated in the ordinance or resolution for an 28988
additional period of not more than thirty years if all of the 28989
following conditions are met: 28990

(1) Either (a) the service payments made pursuant to 28991
section 5709.42, 5709.74, or 5709.79 of the Revised Code by the 28992
owner or owners of the parcel or parcels designated in the 28993
ordinance or resolution exceeded one million five hundred 28994
thousand dollars in the calendar year preceding the adoption of 28995
the amendment or (b) the legislative authority of the municipal 28996
corporation, a board of township trustees, or a board of county 28997
commissioners determines that the service payments to be made 28998
pursuant to section 5709.42, 5709.74, or 5709.79 of the Revised 28999
Code by the owner or owners of the parcel or parcels designated 29000
in the ordinance or resolution will exceed one million five 29001
hundred thousand dollars in any future year. 29002

(2) The service payments described in division (A) (1) of this section did not exceed one million five hundred thousand dollars in any calendar year before the calendar year immediately preceding the adoption of the amendment. This condition applies only to amendments adopted under this section on or after January 1, 2024.

(3) The amendment extending or the ordinance or resolution approving the exemption provides for compensation to the city, local, or exempted village school district in which the parcel or parcels are located equal in value to the amount of taxes that would be payable to the school district if the improvements had not been exempted from taxation for the additional period.

(B) Not later than fifteen days after adopting or amending an ordinance or resolution under this section, the legislative authority of the municipal corporation, board of township trustees, or board of county commissioners shall send a copy of the amendment to the director of housing and development.

(C) The amendment to this section by H.B. 33 of the 135th general assembly applies to any proceedings commenced after ~~the effective date of that amendment~~ October 3, 2023, and, insofar as the amendment supports the actions taken, also applies to proceedings that, on that date, are pending, in progress, or completed, notwithstanding the applicable law previously in effect or any provision to the contrary in a prior resolution, ordinance, order, advertisement, notice, or other proceeding. Any proceedings pending or in progress on ~~the effective date of that amendment~~ October 3, 2023, shall be deemed to have been taken in conformity with that amendment.

Sec. 5709.61. As used in sections 5709.61 to 5709.69 of the Revised Code:

(A) "Enterprise zone" or "zone" means any of the 29033
following: 29034

(1) An area with a single continuous boundary designated 29035
in the manner set forth in section 5709.62 or 5709.63 of the 29036
Revised Code and certified by the director of housing and 29037
development as having a population of at least four thousand 29038
according to the best and most recent data available to the 29039
director and having at least two of the following 29040
characteristics: 29041

(a) It is located in a municipal corporation defined by 29042
the United States office of management and budget as a principal 29043
city of a metropolitan statistical area; 29044

(b) It is located in a county designated as being in the 29045
"Appalachian region" under the "Appalachian Regional Development 29046
Act of 1965," 79 Stat. 5, 40 App. U.S.C.A. 403, as amended; 29047

(c) Its average rate of unemployment, during the most 29048
recent twelve-month period for which data are available, is 29049
equal to at least one hundred twenty-five per cent of the 29050
average rate of unemployment for the state of Ohio for the same 29051
period; 29052

(d) There is a prevalence of commercial or industrial 29053
structures in the area that are vacant or demolished, or are 29054
vacant and the taxes charged thereon are delinquent, and 29055
certification of the area as an enterprise zone would likely 29056
result in the reduction of the rate of vacant or demolished 29057
structures or the rate of tax delinquency in the area; 29058

(e) The population of all census tracts in the area, 29059
according to the federal census of 2000, decreased by at least 29060
ten per cent between the years 1980 and 2000; 29061

(f) At least fifty-one per cent of the residents of the area have incomes of less than eighty per cent of the median income of residents of the municipal corporation or municipal corporations in which the area is located, as determined in the same manner specified under section 119(b) of the "Housing and Community Development Act of 1974," 88 Stat. 633, 42 U.S.C. 5318, as amended;

(g) The area contains structures previously used for industrial purposes, but currently not so used due to age, obsolescence, deterioration, relocation of the former occupant's operations, or cessation of operations resulting from unfavorable economic conditions either generally or in a specific economic sector;

(h) It is located within one or more adjacent city, local, or exempted village school districts, the income-weighted tax capacity of each of which is less than seventy per cent of the average of the income-weighted tax capacity of all city, local, or exempted village school districts in the state according to the most recent data available to the director from the department of taxation.

The director of housing and development shall adopt rules in accordance with Chapter 119. of the Revised Code establishing conditions constituting the characteristics described in divisions (A) (1) (d), (g), and (h) of this section.

If an area could not be certified as an enterprise zone unless it satisfied division (A) (1) (g) of this section, the legislative authority may enter into agreements in that zone under section 5709.62, 5709.63, or 5709.632 of the Revised Code only if such agreements result in the development of the facilities described in that division, the parcel of land on

which such facilities are situated, or adjacent parcels. The 29092
director of housing and development annually shall review all 29093
agreements in such zones to determine whether the agreements 29094
have resulted in such development; if the director determines 29095
that the agreements have not resulted in such development, the 29096
director immediately shall revoke certification of the zone and 29097
notify the legislative authority of such revocation. Any 29098
agreements entered into prior to revocation under this paragraph 29099
shall continue in effect for the period provided in the 29100
agreement. 29101

(2) An area with a single continuous boundary designated 29102
in the manner set forth in section 5709.63 of the Revised Code 29103
and certified by the director of housing and development as 29104
having all of the following characteristics: 29105

(a) Being located within a county that contains a 29106
population of three hundred thousand or less; 29107

(b) Having a population of at least one thousand according 29108
to the best and most recent data available to the director; 29109

(c) Having at least two of the characteristics described 29110
in divisions (A) (1) (b) to (h) of this section. 29111

(3) An area with a single continuous boundary designated 29112
in the manner set forth under division (A) (1) of section 29113
5709.632 of the Revised Code and certified by the director of 29114
housing and development as having a population of at least four 29115
thousand, or under division (A) (2) of that section and certified 29116
as having a population of at least one thousand, according to 29117
the best and most recent data available to the director. 29118

(B) "Enterprise" means any form of business organization 29119
including, but not limited to, any partnership, sole 29120

proprietorship, or corporation, including an S corporation as 29121
defined in section 1361 of the Internal Revenue Code and any 29122
corporation that is majority worker-owned either directly 29123
through the ownership of stock or indirectly through 29124
participation in an employee stock ownership plan. 29125

(C) "Facility" means an enterprise's place of business in 29126
a zone, including land, buildings, machinery, equipment, and 29127
other materials, except inventory, used in business. "Facility" 29128
includes land, buildings, machinery, production and station 29129
equipment, other equipment, and other materials, except 29130
inventory, used in business to generate electricity, provided 29131
that, for purposes of sections 5709.61 to 5709.69 of the Revised 29132
Code, the value of the property at such a facility shall be 29133
reduced by the value, if any, that is not apportioned under 29134
section 5727.15 of the Revised Code to the taxing district in 29135
which the facility is physically located. In the case of such a 29136
facility that is physically located in two adjacent taxing 29137
districts, the property located in each taxing district 29138
constitutes a separate facility. 29139

"Facility" does not include any portion of an enterprise's 29140
place of business used primarily for making retail sales unless 29141
the place of business is located in an impacted city as defined 29142
in section 1728.01 of the Revised Code or the board of education 29143
of the city, local, or exempted village school district within 29144
the territory of which the place of business is located adopts a 29145
resolution waiving the exclusion of retail facilities under 29146
section 5709.634 of the Revised Code. 29147

(D) "Vacant facility" means a facility that has been 29148
vacant for at least ninety days immediately preceding the date 29149
on which an agreement is entered into under section 5709.62 or 29150

5709.63 of the Revised Code.	29151
(E) "Expand" means to make expenditures to add land,	29152
buildings, machinery, equipment, or other materials, except	29153
inventory, to a facility that equal at least ten per cent of the	29154
market value of the facility prior to such expenditures, as	29155
determined for the purposes of local property taxation.	29156
(F) "Renovate" means to make expenditures to alter or	29157
repair a facility that equal at least fifty per cent of the	29158
market value of the facility prior to such expenditures, as	29159
determined for the purposes of local property taxation.	29160
(G) "Occupy" means to make expenditures to alter or repair	29161
a vacant facility equal to at least twenty per cent of the	29162
market value of the facility prior to such expenditures, as	29163
determined for the purposes of local property taxation.	29164
(H) "Project site" means all or any part of a facility	29165
that is newly constructed, expanded, renovated, or occupied by	29166
an enterprise.	29167
(I) "Project" means any undertaking by an enterprise to	29168
establish a facility or to improve a project site by expansion,	29169
renovation, or occupancy.	29170
(J) "Position" means the position of one full-time	29171
employee performing a particular set of tasks and duties.	29172
(K) "Full-time employee" means an individual who is	29173
employed for consideration by an enterprise for at least thirty-	29174
five hours a week, or who renders any other standard of service	29175
generally accepted by custom or specified by contract as full-	29176
time employment.	29177
(L) "New employee" means a full-time employee first	29178

employed by an enterprise at a facility that is a project site 29179
after the enterprise enters an agreement under section 5709.62 29180
or 5709.63 of the Revised Code. "New employee" does not include 29181
an employee if, immediately prior to being employed by the 29182
enterprise, the employee was employed by an enterprise that is a 29183
related member or predecessor enterprise of that enterprise. 29184

(M) "Unemployed person" means any person who is totally 29185
unemployed in this state, as that term is defined in division 29186
(M) of section 4141.01 of the Revised Code, for at least ten 29187
consecutive weeks immediately preceding that person's employment 29188
at a facility that is a project site, or who is so unemployed 29189
for at least twenty-six of the fifty-two weeks immediately 29190
preceding that person's employment at such a facility. 29191

(N) "JTPA eligible employee" means any individual who is 29192
eligible for employment or training under the "Job Training 29193
Partnership Act," 96 Stat. 1324 (1982), 29 U.S.C. 1501, as 29194
amended. 29195

(O) "First used in business" means that the property 29196
referred to has not been used in business in this state by the 29197
enterprise that owns it, or by an enterprise that is a related 29198
member or predecessor enterprise of such an enterprise, other 29199
than as inventory, prior to being used in business at a facility 29200
as the result of a project. 29201

(P) "Training program" means any noncredit training 29202
program or course of study that is offered by any state college 29203
or university; university branch district; community college; 29204
technical college; nonprofit college or university certified 29205
under section 1713.02 of the Revised Code; school district; 29206
joint vocational school district; school registered and 29207
authorized to offer programs under section 3332.05 of the 29208

Revised Code; an entity administering any federal, state, or 29209
local adult education and training program; or any enterprise; 29210
and that meets all of the following requirements: 29211

(1) It is approved by the director of housing and 29212
development; 29213

(2) It is established or operated to satisfy the need of a 29214
particular industry or enterprise for skilled or semi-skilled 29215
employees; 29216

(3) An individual is required to complete the course or 29217
program before filling a position at a project site. 29218

(Q) "Development" means to engage in the process of 29219
clearing and grading land, making, installing, or constructing 29220
water distribution systems, sewers, sewage collection systems, 29221
steam, gas, and electric lines, roads, curbs, gutters, 29222
sidewalks, storm drainage facilities, and construction of other 29223
facilities or buildings equal to at least fifty per cent of the 29224
market value of the facility prior to the expenditures, as 29225
determined for the purposes of local property taxation. 29226

(R) "Large manufacturing facility" means a single Ohio 29227
facility that employed an average of at least one thousand 29228
individuals during the five calendar years preceding an 29229
agreement authorized under division (C) (3) of section 5709.62 or 29230
division (B) (2) of section 5709.63 of the Revised Code. For 29231
purposes of this division, both of the following apply: 29232

(1) A single Ohio manufacturing facility employed an 29233
average of at least one thousand individuals during the five 29234
calendar years preceding entering into such an agreement if one- 29235
fifth of the sum of the number of employees employed on the 29236
highest employment day during each of the five calendar years 29237

equals or exceeds one thousand. 29238

(2) The highest employment day is the day or days during a 29239
calendar year on which the number of employees employed at a 29240
single Ohio manufacturing facility was greater than on any other 29241
day during the calendar year. 29242

(S) "Business cycle" means the cycle of business activity 29243
usually regarded as passing through alternating stages of 29244
prosperity and depression. 29245

(T) "Making retail sales" means the effecting of point-of- 29246
final-purchase transactions at a facility open to the consuming 29247
public, wherein one party is obligated to pay the price and the 29248
other party is obligated to provide a service or to transfer 29249
title to or possession of the item sold. 29250

(U) "Environmentally contaminated" means that hazardous 29251
substances exist at a facility under conditions that have caused 29252
or would cause the facility to be identified as contaminated by 29253
the state or federal environmental protection agency. These may 29254
include facilities located at sites identified in the master 29255
sites list or similar database maintained by the state 29256
environmental protection agency if the sites have been 29257
investigated by the agency and found to be contaminated. 29258

(V) "Remediate" means to make expenditures to clean up an 29259
environmentally contaminated facility so that it is no longer 29260
environmentally contaminated that equal at least ten per cent of 29261
the real property market value of the facility prior to such 29262
expenditures as determined for the purposes of property 29263
taxation. 29264

(W) "Related member" has the same meaning as defined in 29265
section 5733.042 of the Revised Code without regard to division 29266

(B) of that section, except that it is used with respect to an enterprise rather than a taxpayer.

(X) "Predecessor enterprise" means an enterprise from which the assets or equity of another enterprise has been transferred, which transfer resulted in the full or partial nonrecognition of gain or loss, or resulted in a carryover basis, both as determined by rule adopted by the tax commissioner.

(Y) "Successor enterprise" means an enterprise to which the assets or equity of another enterprise has been transferred, which transfer resulted in the full or partial nonrecognition of gain or loss, or resulted in a carryover basis, both as determined by rule adopted by the tax commissioner.

(Z) "Megaproject," "megaproject operator," and "megaproject supplier" have the same meanings as in section 122.17 of the Revised Code.

Sec. 5709.62. (A) In any municipal corporation that is defined by the United States office of management and budget as a principal city of a metropolitan statistical area, the legislative authority of the municipal corporation may designate one or more areas within its municipal corporation as proposed enterprise zones. Upon designating an area, the legislative authority shall petition the director of housing and development services for certification of the area as having the characteristics set forth in division (A)(1) of section 5709.61 of the Revised Code as amended by Substitute Senate Bill No. 19 of the 120th general assembly. Except as otherwise provided in division (E) of this section, on and after July 1, 1994, legislative authorities shall not enter into agreements under this section unless the legislative authority has petitioned the

director and the director has certified the zone under this 29297
section as amended by that act; however, all agreements entered 29298
into under this section as it existed prior to July 1, 1994, and 29299
the incentives granted under those agreements shall remain in 29300
effect for the period agreed to under those agreements. Within 29301
sixty days after receiving such a petition, the director shall 29302
determine whether the area has the characteristics set forth in 29303
division (A) (1) of section 5709.61 of the Revised Code, and 29304
shall forward the findings to the legislative authority of the 29305
municipal corporation. If the director certifies the area as 29306
having those characteristics, and thereby certifies it as a 29307
zone, the legislative authority may enter into an agreement with 29308
an enterprise under division (C) of this section. 29309

(B) Any enterprise that wishes to enter into an agreement 29310
with a municipal corporation under division (C) of this section 29311
shall submit a proposal to the legislative authority of the 29312
municipal corporation on a form prescribed by the director of 29313
housing and development services, together with the application 29314
fee established under section 5709.68 of the Revised Code. The 29315
form shall require the following information: 29316

(1) An estimate of the number of new employees whom the 29317
enterprise intends to hire, or of the number of employees whom 29318
the enterprise intends to retain, within the zone at a facility 29319
that is a project site, and an estimate of the amount of payroll 29320
of the enterprise attributable to these employees; 29321

(2) An estimate of the amount to be invested by the 29322
enterprise to establish, expand, renovate, or occupy a facility, 29323
including investment in new buildings, additions or improvements 29324
to existing buildings, machinery, equipment, furniture, 29325
fixtures, and inventory; 29326

(3) A listing of the enterprise's current investment, if 29327
any, in a facility as of the date of the proposal's submission. 29328

The enterprise shall review and update the listings 29329
required under this division to reflect material changes, and 29330
any agreement entered into under division (C) of this section 29331
shall set forth final estimates and listings as of the time the 29332
agreement is entered into. The legislative authority may, on a 29333
separate form and at any time, require any additional 29334
information necessary to determine whether an enterprise is in 29335
compliance with an agreement and to collect the information 29336
required to be reported under section 5709.68 of the Revised 29337
Code. 29338

(C) Upon receipt and investigation of a proposal under 29339
division (B) of this section, if the legislative authority finds 29340
that the enterprise submitting the proposal is qualified by 29341
financial responsibility and business experience to create and 29342
preserve employment opportunities in the zone and improve the 29343
economic climate of the municipal corporation, the legislative 29344
authority may do one of the following: 29345

(1) Enter into an agreement with the enterprise under 29346
which the enterprise agrees to establish, expand, renovate, or 29347
occupy a facility and hire new employees, or preserve employment 29348
opportunities for existing employees, in return for one or more 29349
of the following incentives: 29350

(a) Exemption for a specified number of years, not to 29351
exceed fifteen, of a specified portion, up to seventy-five per 29352
cent, of the assessed value of tangible personal property first 29353
used in business at the project site as a result of the 29354
agreement. If an exemption for inventory is specifically granted 29355
in the agreement pursuant to this division, the exemption 29356

applies to inventory required to be listed pursuant to sections 29357
5711.15 and 5711.16 of the Revised Code, except that, in the 29358
instance of an expansion or other situations in which an 29359
enterprise was in business at the facility prior to the 29360
establishment of the zone, the inventory that is exempt is that 29361
amount or value of inventory in excess of the amount or value of 29362
inventory required to be listed in the personal property tax 29363
return of the enterprise in the return for the tax year in which 29364
the agreement is entered into. 29365

(b) Exemption for a specified number of years, not to 29366
exceed fifteen, of a specified portion, up to seventy-five per 29367
cent, of the increase in the assessed valuation of real property 29368
constituting the project site subsequent to formal approval of 29369
the agreement by the legislative authority; 29370

(c) Provision for a specified number of years, not to 29371
exceed fifteen, of any optional services or assistance that the 29372
municipal corporation is authorized to provide with regard to 29373
the project site. 29374

(2) Enter into an agreement under which the enterprise 29375
agrees to remediate an environmentally contaminated facility, to 29376
spend an amount equal to at least two hundred fifty per cent of 29377
the true value in money of the real property of the facility 29378
prior to remediation as determined for the purposes of property 29379
taxation to establish, expand, renovate, or occupy the 29380
remediated facility, and to hire new employees or preserve 29381
employment opportunities for existing employees at the 29382
remediated facility, in return for one or more of the following 29383
incentives: 29384

(a) Exemption for a specified number of years, not to 29385
exceed fifteen, of a specified portion, not to exceed fifty per 29386

cent, of the assessed valuation of the real property of the 29387
facility prior to remediation; 29388

(b) Exemption for a specified number of years, not to 29389
exceed fifteen, of a specified portion, not to exceed one 29390
hundred per cent, of the increase in the assessed valuation of 29391
the real property of the facility during or after remediation; 29392

(c) The incentive under division (C) (1) (a) of this 29393
section, except that the percentage of the assessed value of 29394
such property exempted from taxation shall not exceed one 29395
hundred per cent; 29396

(d) The incentive under division (C) (1) (c) of this 29397
section. 29398

(3) Enter into an agreement with an enterprise that plans 29399
to purchase and operate a large manufacturing facility that has 29400
ceased operation or announced its intention to cease operation, 29401
in return for exemption for a specified number of years, not to 29402
exceed fifteen, of a specified portion, up to one hundred per 29403
cent, of the assessed value of tangible personal property used 29404
in business at the project site as a result of the agreement, or 29405
of the assessed valuation of real property constituting the 29406
project site, or both; 29407

(4) Enter into an agreement with an enterprise that either 29408
is the owner of real property constituting the site of a 29409
megaproject or is a megaproject supplier in return for an 29410
exemption for a specified number of years, not to exceed thirty, 29411
of a specified portion, up to one hundred per cent, of the 29412
increase in the assessed value of real property constituting the 29413
site of a megaproject or real property owned and occupied by the 29414
megaproject supplier, respectively, beginning after the tax year 29415

in which the agreement is formally approved by the legislative authority. 29416
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(D) (1) Notwithstanding divisions (C) (1) (a) and (b) of this section, the portion of the assessed value of tangible personal property or of the increase in the assessed valuation of real property exempted from taxation under those divisions may exceed seventy-five per cent in any year for which that portion is exempted if the average percentage exempted for all years in which the agreement is in effect does not exceed sixty per cent, or if the board of education of the city, local, or exempted village school district within the territory of which the property is or will be located approves a percentage in excess of seventy-five per cent. 29418
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(2) Notwithstanding any provision of the Revised Code to the contrary, the exemptions described in divisions (C) (1) (a), (b), and (c), (C) (2) (a), (b), and (c), and (C) (3) of this section may be for up to fifteen years and the exemption described in division (C) (4) of this section may be for up to thirty years if the board of education of the city, local, or exempted village school district within the territory of which the property is or will be located approves a number of years in excess of ten. 29429
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(3) For the purpose of obtaining the approval of a city, local, or exempted village school district under division (D) (1) or (2) of this section, the legislative authority shall deliver to the board of education a notice not later than forty-five days prior to approving the agreement, excluding Saturdays, Sundays, and legal holidays as defined in section 1.14 of the Revised Code. The notice shall state the percentage to be exempted, an estimate of the true value of the property to be 29438
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exempted, and the number of years the property is to be 29446
exempted. The board of education, by resolution adopted by a 29447
majority of the board, shall approve or disapprove the agreement 29448
and certify a copy of the resolution to the legislative 29449
authority not later than fourteen days prior to the date 29450
stipulated by the legislative authority as the date upon which 29451
approval of the agreement is to be formally considered by the 29452
legislative authority. The board of education may include in the 29453
resolution conditions under which the board would approve the 29454
agreement, including the execution of an agreement to compensate 29455
the school district under division (B) of section 5709.82 of the 29456
Revised Code. The legislative authority may approve the 29457
agreement at any time after the board of education certifies its 29458
resolution approving the agreement to the legislative authority, 29459
or, if the board approves the agreement conditionally, at any 29460
time after the conditions are agreed to by the board and the 29461
legislative authority. If an agreement is negotiated between the 29462
legislative authority and the board to compensate the school 29463
district for all or part of the taxes exempted, the legislative 29464
authority shall compensate the joint vocational school district 29465
within which the property is located at the same rate and under 29466
the same terms received by the city, local, or exempted village 29467
school district. 29468

If a board of education has adopted a resolution waiving 29469
its right to approve agreements and the resolution remains in 29470
effect, approval of an agreement by the board is not required 29471
under this division. If a board of education has adopted a 29472
resolution allowing a legislative authority to deliver the 29473
notice required under this division fewer than forty-five 29474
business days prior to the legislative authority's approval of 29475
the agreement, the legislative authority shall deliver the 29476

notice to the board not later than the number of days prior to 29477
such approval as prescribed by the board in its resolution. If a 29478
board of education adopts a resolution waiving its right to 29479
approve agreements or shortening the notification period, the 29480
board shall certify a copy of the resolution to the legislative 29481
authority. If the board of education rescinds such a resolution, 29482
it shall certify notice of the rescission to the legislative 29483
authority. 29484

(4) The legislative authority shall comply with section 29485
5709.83 of the Revised Code unless the board of education has 29486
adopted a resolution under that section waiving its right to 29487
receive such notice. 29488

(E) This division applies to zones certified by the 29489
director of housing and development services—under this section 29490
prior to July 22, 1994. 29491

The legislative authority that designated a zone to which 29492
this division applies may enter into an agreement with an 29493
enterprise if the legislative authority finds that the 29494
enterprise satisfies one of the criteria described in divisions 29495
(E) (1) to (5) of this section: 29496

(1) The enterprise currently has no operations in this 29497
state and, subject to approval of the agreement, intends to 29498
establish operations in the zone; 29499

(2) The enterprise currently has operations in this state 29500
and, subject to approval of the agreement, intends to establish 29501
operations at a new location in the zone that would not result 29502
in a reduction in the number of employee positions at any of the 29503
enterprise's other locations in this state; 29504

(3) The enterprise, subject to approval of the agreement, 29505

intends to relocate operations, currently located in another 29506
state, to the zone; 29507

(4) The enterprise, subject to approval of the agreement, 29508
intends to expand operations at an existing site in the zone 29509
that the enterprise currently operates; 29510

(5) The enterprise, subject to approval of the agreement, 29511
intends to relocate operations, currently located in this state, 29512
to the zone, and the director of housing and development 29513
~~services~~ has issued a waiver for the enterprise under division 29514
(B) of section 5709.633 of the Revised Code. 29515

The agreement shall require the enterprise to agree to 29516
establish, expand, renovate, or occupy a facility in the zone 29517
and hire new employees, or preserve employment opportunities for 29518
existing employees, in return for one or more of the incentives 29519
described in division (C) of this section. 29520

(F) All agreements entered into under this section shall 29521
be in the form prescribed under section 5709.631 of the Revised 29522
Code. After an agreement is entered into under this section, if 29523
the legislative authority revokes its designation of a zone, or 29524
if the director of housing and development ~~services~~ revokes a 29525
zone's certification, any entitlements granted under the 29526
agreement shall continue for the number of years specified in 29527
the agreement. 29528

(G) Except as otherwise provided in this division, an 29529
agreement entered into under this section shall require that the 29530
enterprise pay an annual fee equal to the greater of one per 29531
cent of the dollar value of incentives offered under the 29532
agreement or five hundred dollars; provided, however, that if 29533
the value of the incentives exceeds two hundred fifty thousand 29534

dollars, the fee shall not exceed two thousand five hundred 29535
dollars. The fee shall be payable to the legislative authority 29536
once per year for each year the agreement is effective on the 29537
days and in the form specified in the agreement. Fees paid shall 29538
be deposited in a special fund created for such purpose by the 29539
legislative authority and shall be used by the legislative 29540
authority exclusively for the purpose of complying with section 29541
5709.68 of the Revised Code and by the tax incentive review 29542
council created under section 5709.85 of the Revised Code 29543
exclusively for the purposes of performing the duties prescribed 29544
under that section. The legislative authority may waive or 29545
reduce the amount of the fee charged against an enterprise, but 29546
such a waiver or reduction does not affect the obligations of 29547
the legislative authority or the tax incentive review council to 29548
comply with section 5709.68 or 5709.85 of the Revised Code. 29549

(H) When an agreement is entered into pursuant to this 29550
section, the legislative authority authorizing the agreement 29551
shall forward a copy of the agreement to the director of housing 29552
and development services and to the tax commissioner within 29553
fifteen days after the agreement is entered into. If any 29554
agreement includes terms not provided for in section 5709.631 of 29555
the Revised Code affecting the revenue of a city, local, 29556
exempted village, or joint vocational school district or causing 29557
revenue to be forgone by the district, including any 29558
compensation to be paid to the school district pursuant to 29559
section 5709.82 of the Revised Code, those terms also shall be 29560
forwarded in writing to the director of housing and development 29561
~~services~~ along with the copy of the agreement forwarded under 29562
this division. 29563

(I) After an agreement is entered into, the enterprise 29564
shall file with each personal property tax return required to be 29565

filed, or annual report required to be filed under section 29566
5727.08 of the Revised Code, while the agreement is in effect, 29567
an informational return, on a form prescribed by the tax 29568
commissioner for that purpose, setting forth separately the 29569
property, and related costs and values, exempted from taxation 29570
under the agreement. 29571

(J) Enterprises may agree to give preference to residents 29572
of the zone within which the agreement applies relative to 29573
residents of this state who do not reside in the zone when 29574
hiring new employees under the agreement. 29575

(K) An agreement entered into under this section may 29576
include a provision requiring the enterprise to create one or 29577
more temporary internship positions for students enrolled in a 29578
course of study at a school or other educational institution in 29579
the vicinity, and to create a scholarship or provide another 29580
form of educational financial assistance for students holding 29581
such a position in exchange for the student's commitment to work 29582
for the enterprise at the completion of the internship. 29583

(L) The tax commissioner's authority in determining the 29584
accuracy of any exemption granted by an agreement entered into 29585
under this section is limited to divisions (C) (1) (a) and (b), 29586
(C) (2) (a), (b), and (c), (C) (3) and (4), (D), and (I) of this 29587
section and divisions (B) (1) to (10) of section 5709.631 of the 29588
Revised Code and, as authorized by law, to enforcing any 29589
modification to, or revocation of, that agreement by the 29590
legislative authority of a municipal corporation or the director 29591
of housing and development~~services~~. 29592

Sec. 5709.63. (A) With the consent of the legislative 29593
authority of each affected municipal corporation or of a board 29594
of township trustees, a board of county commissioners may, in 29595

the manner set forth in section 5709.62 of the Revised Code, 29596
designate one or more areas in one or more municipal 29597
corporations or in unincorporated areas of the county as 29598
proposed enterprise zones. A board of county commissioners may 29599
designate no more than one area within a township, or within 29600
adjacent townships, as a proposed enterprise zone. The board 29601
shall petition the director of housing and development ~~services~~ 29602
for certification of the area as having the characteristics set 29603
forth in division (A) (1) or (2) of section 5709.61 of the 29604
Revised Code as amended by Substitute Senate Bill No. 19 of the 29605
120th general assembly. Except as otherwise provided in division 29606
(D) of this section, on and after July 1, 1994, boards of county 29607
commissioners shall not enter into agreements under this section 29608
unless the board has petitioned the director and the director 29609
has certified the zone under this section as amended by that 29610
act; however, all agreements entered into under this section as 29611
it existed prior to July 1, 1994, and the incentives granted 29612
under those agreements shall remain in effect for the period 29613
agreed to under those agreements. The director shall make the 29614
determination in the manner provided under section 5709.62 of 29615
the Revised Code. 29616

Any enterprise wishing to enter into an agreement with the 29617
board under division (B) or (D) of this section shall submit a 29618
proposal to the board on the form and accompanied by the 29619
application fee prescribed under division (B) of section 5709.62 29620
of the Revised Code. The enterprise shall review and update the 29621
estimates and listings required by the form in the manner 29622
required under that division. The board may, on a separate form 29623
and at any time, require any additional information necessary to 29624
determine whether an enterprise is in compliance with an 29625
agreement and to collect the information required to be reported 29626

under section 5709.68 of the Revised Code. 29627

(B) If the board of county commissioners finds that an 29628
enterprise submitting a proposal is qualified by financial 29629
responsibility and business experience to create and preserve 29630
employment opportunities in the zone and to improve the economic 29631
climate of the municipal corporation or municipal corporations 29632
or the unincorporated areas in which the zone is located and to 29633
which the proposal applies, the board, with the consent of the 29634
legislative authority of each affected municipal corporation or 29635
of the board of township trustees, may do one of the following: 29636

(1) Enter into an agreement with the enterprise under 29637
which the enterprise agrees to establish, expand, renovate, or 29638
occupy a facility in the zone and hire new employees, or 29639
preserve employment opportunities for existing employees, in 29640
return for the following incentives: 29641

(a) When the facility is located in a municipal 29642
corporation, the board may enter into an agreement for one or 29643
more of the incentives provided in division (C) of section 29644
5709.62 of the Revised Code, subject to division (D) of that 29645
section; 29646

(b) When the facility is located in an unincorporated 29647
area, the board may enter into an agreement for one or more of 29648
the following incentives: 29649

(i) Exemption for a specified number of years, not to 29650
exceed fifteen, of a specified portion, up to sixty per cent, of 29651
the assessed value of tangible personal property first used in 29652
business at a project site as a result of the agreement. If an 29653
exemption for inventory is specifically granted in the agreement 29654
pursuant to this division, the exemption applies to inventory 29655

required to be listed pursuant to sections 5711.15 and 5711.16 29656
of the Revised Code, except, in the instance of an expansion or 29657
other situations in which an enterprise was in business at the 29658
facility prior to the establishment of the zone, the inventory 29659
that is exempt is that amount or value of inventory in excess of 29660
the amount or value of inventory required to be listed in the 29661
personal property tax return of the enterprise in the return for 29662
the tax year in which the agreement is entered into. 29663

(ii) Exemption for a specified number of years, not to 29664
exceed fifteen, of a specified portion, up to sixty per cent, of 29665
the increase in the assessed valuation of real property 29666
constituting the project site subsequent to formal approval of 29667
the agreement by the board; 29668

(iii) Provision for a specified number of years, not to 29669
exceed fifteen, of any optional services or assistance the board 29670
is authorized to provide with regard to the project site; 29671

(iv) The incentive described in division (C) (2) of section 29672
5709.62 of the Revised Code. 29673

(2) Enter into an agreement with an enterprise that plans 29674
to purchase and operate a large manufacturing facility that has 29675
ceased operation or has announced its intention to cease 29676
operation, in return for exemption for a specified number of 29677
years, not to exceed fifteen, of a specified portion, up to one 29678
hundred per cent, of tangible personal property used in business 29679
at the project site as a result of the agreement, or of real 29680
property constituting the project site, or both; 29681

(3) Enter into an agreement with an enterprise that either 29682
is the owner of real property constituting the site of a 29683
megaproject or is a megaproject supplier in return for an 29684

exemption for a specified number of years, not to exceed thirty, 29685
of a specified portion, up to one hundred per cent, of the 29686
increase in the assessed value of real property constituting the 29687
site of a megaproject or real property owned and occupied by the 29688
megaproject supplier, respectively, beginning after the tax year 29689
in which the agreement is formally approved by the legislative 29690
authority. 29691

(C) (1) (a) Notwithstanding divisions (B) (1) (b) (i) and (ii) 29692
of this section, the portion of the assessed value of tangible 29693
personal property or of the increase in the assessed valuation 29694
of real property exempted from taxation under those divisions 29695
may exceed sixty per cent in any year for which that portion is 29696
exempted if the average percentage exempted for all years in 29697
which the agreement is in effect does not exceed fifty per cent, 29698
or if the board of education of the city, local, or exempted 29699
village school district within the territory of which the 29700
property is or will be located approves a percentage in excess 29701
of sixty per cent. 29702

(b) Notwithstanding any provision of the Revised Code to 29703
the contrary, the exemptions described in divisions (B) (1) (b) 29704
(i), (ii), (iii), and (iv) and (B) (2) of this section may be for 29705
up to fifteen years and the exemption described in division (B) 29706
(3) of this section may be for up to thirty years if the board 29707
of education of the city, local, or exempted village school 29708
district within the territory of which the property is or will 29709
be located approves a number of years in excess of ten. 29710

(c) For the purpose of obtaining the approval of a city, 29711
local, or exempted village school district under division (C) (1) 29712
(a) or (b) of this section, the board of county commissioners 29713
shall deliver to the board of education a notice not later than 29714

forty-five days prior to approving the agreement, excluding 29715
Saturdays, Sundays, and legal holidays as defined in section 29716
1.14 of the Revised Code. The notice shall state the percentage 29717
to be exempted, an estimate of the true value of the property to 29718
be exempted, and the number of years the property is to be 29719
exempted. The board of education, by resolution adopted by a 29720
majority of the board, shall approve or disapprove the agreement 29721
and certify a copy of the resolution to the board of county 29722
commissioners not later than fourteen days prior to the date 29723
stipulated by the board of county commissioners as the date upon 29724
which approval of the agreement is to be formally considered by 29725
the board of county commissioners. The board of education may 29726
include in the resolution conditions under which the board would 29727
approve the agreement, including the execution of an agreement 29728
to compensate the school district under division (B) of section 29729
5709.82 of the Revised Code. The board of county commissioners 29730
may approve the agreement at any time after the board of 29731
education certifies its resolution approving the agreement to 29732
the board of county commissioners, or, if the board of education 29733
approves the agreement conditionally, at any time after the 29734
conditions are agreed to by the board of education and the board 29735
of county commissioners. If an agreement is negotiated between 29736
the legislative authority and the board to compensate the school 29737
district for all or part of the taxes exempted, the legislative 29738
authority shall compensate the joint vocational school district 29739
within which the property is located at the same rate and under 29740
the same terms received by the city, local, or exempted village 29741
school district. 29742

If a board of education has adopted a resolution waiving 29743
its right to approve agreements and the resolution remains in 29744
effect, approval of an agreement by the board of education is 29745

not required under division (C) of this section. If a board of education has adopted a resolution allowing a board of county commissioners to deliver the notice required under this division fewer than forty-five business days prior to approval of the agreement by the board of county commissioners, the board of county commissioners shall deliver the notice to the board of education not later than the number of days prior to such approval as prescribed by the board of education in its resolution. If a board of education adopts a resolution waiving its right to approve agreements or shortening the notification period, the board of education shall certify a copy of the resolution to the board of county commissioners. If the board of education rescinds such a resolution, it shall certify notice of the rescission to the board of county commissioners.

(2) The board of county commissioners shall comply with section 5709.83 of the Revised Code unless the board of education has adopted a resolution under that section waiving its right to receive such notice.

(D) This division applies to zones certified by the director of housing and development services—under this section prior to July 22, 1994.

With the consent of the legislative authority of each affected municipal corporation or board of township trustees of each affected township, the board of county commissioners that designated a zone to which this division applies may enter into an agreement with an enterprise if the board finds that the enterprise satisfies one of the criteria described in divisions (D) (1) to (5) of this section:

(1) The enterprise currently has no operations in this state and, subject to approval of the agreement, intends to

establish operations in the zone; 29776

(2) The enterprise currently has operations in this state 29777
and, subject to approval of the agreement, intends to establish 29778
operations at a new location in the zone that would not result 29779
in a reduction in the number of employee positions at any of the 29780
enterprise's other locations in this state; 29781

(3) The enterprise, subject to approval of the agreement, 29782
intends to relocate operations, currently located in another 29783
state, to the zone; 29784

(4) The enterprise, subject to approval of the agreement, 29785
intends to expand operations at an existing site in the zone 29786
that the enterprise currently operates; 29787

(5) The enterprise, subject to approval of the agreement, 29788
intends to relocate operations, currently located in this state, 29789
to the zone, and the director of housing and development 29790
~~services~~ has issued a waiver for the enterprise under division 29791
(B) of section 5709.633 of the Revised Code. 29792

The agreement shall require the enterprise to agree to 29793
establish, expand, renovate, or occupy a facility in the zone 29794
and hire new employees, or preserve employment opportunities for 29795
existing employees, in return for one or more of the incentives 29796
described in division (B) of this section. 29797

(E) All agreements entered into under this section shall 29798
be in the form prescribed under section 5709.631 of the Revised 29799
Code. After an agreement under this section is entered into, if 29800
the board of county commissioners revokes its designation of a 29801
zone, or if the director of housing and development ~~services~~ 29802
revokes a zone's certification, any entitlements granted under 29803
the agreement shall continue for the number of years specified 29804

in the agreement. 29805

(F) Except as otherwise provided in this division, an 29806
agreement entered into under this section shall require that the 29807
enterprise pay an annual fee equal to the greater of one per 29808
cent of the dollar value of incentives offered under the 29809
agreement or five hundred dollars; provided, however, that if 29810
the value of the incentives exceeds two hundred fifty thousand 29811
dollars, the fee shall not exceed two thousand five hundred 29812
dollars. The fee shall be payable to the board of county 29813
commissioners once per year for each year the agreement is 29814
effective on the days and in the form specified in the 29815
agreement. Fees paid shall be deposited in a special fund 29816
created for such purpose by the board and shall be used by the 29817
board exclusively for the purpose of complying with section 29818
5709.68 of the Revised Code and by the tax incentive review 29819
council created under section 5709.85 of the Revised Code 29820
exclusively for the purposes of performing the duties prescribed 29821
under that section. The board may waive or reduce the amount of 29822
the fee charged against an enterprise, but such waiver or 29823
reduction does not affect the obligations of the board or the 29824
tax incentive review council to comply with section 5709.68 or 29825
5709.85 of the Revised Code, respectively. 29826

(G) With the approval of the legislative authority of a 29827
municipal corporation or the board of township trustees of a 29828
township in which a zone is designated under division (A) of 29829
this section, the board of county commissioners may delegate to 29830
that legislative authority or board any powers and duties of the 29831
board of county commissioners to negotiate and administer 29832
agreements with regard to that zone under this section. 29833

(H) When an agreement is entered into pursuant to this 29834

section, the board of county commissioners authorizing the 29835
agreement or the legislative authority or board of township 29836
trustees that negotiates and administers the agreement shall 29837
forward a copy of the agreement to the director of housing and 29838
development services and to the tax commissioner within fifteen 29839
days after the agreement is entered into. If any agreement 29840
includes terms not provided for in section 5709.631 of the 29841
Revised Code affecting the revenue of a city, local, exempted 29842
village, or joint vocational school district or causing revenue 29843
to be foregone by the district, including any compensation to be 29844
paid to the school district pursuant to section 5709.82 of the 29845
Revised Code, those terms also shall be forwarded in writing to 29846
the director of housing and development services along with the 29847
copy of the agreement forwarded under this division. 29848

(I) After an agreement is entered into, the enterprise 29849
shall file with each personal property tax return required to be 29850
filed, or annual report that is required to be filed under 29851
section 5727.08 of the Revised Code, while the agreement is in 29852
effect, an informational return, on a form prescribed by the tax 29853
commissioner for that purpose, setting forth separately the 29854
property, and related costs and values, exempted from taxation 29855
under the agreement. 29856

(J) Enterprises may agree to give preference to residents 29857
of the zone within which the agreement applies relative to 29858
residents of this state who do not reside in the zone when 29859
hiring new employees under the agreement. 29860

(K) An agreement entered into under this section may 29861
include a provision requiring the enterprise to create one or 29862
more temporary internship positions for students enrolled in a 29863
course of study at a school or other educational institution in 29864

the vicinity, and to create a scholarship or provide another 29865
form of educational financial assistance for students holding 29866
such a position in exchange for the student's commitment to work 29867
for the enterprise at the completion of the internship. 29868

(L) The tax commissioner's authority in determining the 29869
accuracy of any exemption granted by an agreement entered into 29870
under this section is limited to divisions (B) (1) (b) (i) and 29871
(ii), (B) (2) and (3), (C), and (I) of this section, division (B) 29872
(1) (b) (iv) of this section as it pertains to divisions (C) (2) 29873
(a), (b), and (c) of section 5709.62 of the Revised Code, and 29874
divisions (B) (1) to (10) of section 5709.631 of the Revised Code 29875
and, as authorized by law, to enforcing any modification to, or 29876
revocation of, that agreement by the board of county 29877
commissioners or the director of housing and development 29878
~~services~~ or, if the board's powers and duties are delegated 29879
under division (G) of this section, by the legislative authority 29880
of a municipal corporation or board of township trustees. 29881

Sec. 5709.631. Each agreement entered into under sections 29882
5709.62, 5709.63, and 5709.632 of the Revised Code on or after 29883
April 1, 1994, shall be in writing and shall include all of the 29884
information and statements prescribed by this section. 29885
Agreements may include terms not prescribed by this section, but 29886
such terms shall in no way derogate from the information and 29887
statements prescribed by this section. 29888

(A) Each agreement shall include the following 29889
information: 29890

(1) The names of all parties to the agreement; 29891

(2) A description of the investments to be made by the 29892
applicant enterprise or by another party at the facility whether 29893

or not the investments are exempted from taxation, including 29894
existing or new building size and cost thereof; the value of 29895
machinery, equipment, furniture, and fixtures, including an 29896
itemization of the value of machinery, equipment, furniture, and 29897
fixtures used at another location in this state prior to the 29898
agreement and relocated or to be relocated from that location to 29899
the facility and the value of machinery, equipment, furniture, 29900
and fixtures at the facility prior to the execution of the 29901
agreement that will not be exempted from taxation; the value of 29902
inventory at the facility, including an itemization of the value 29903
of inventory held at another location in this state prior to the 29904
agreement and relocated or to be relocated from that location to 29905
the facility, and the value of inventory held at the facility 29906
prior to the execution of the agreement that will not be 29907
exempted from taxation; 29908

(3) The scheduled starting and completion dates of 29909
investments made in building, machinery, equipment, furniture, 29910
fixtures, and inventory; 29911

(4) Estimates of the number of employee positions to be 29912
created each year of the agreement and of the number of employee 29913
positions retained by the applicant enterprise due to the 29914
project, itemized as to the number of full-time, part-time, 29915
permanent, and temporary positions; 29916

(5) Estimates of the dollar amount of payroll attributable 29917
to the positions set forth in division (A) (4) of this section, 29918
similarly itemized; 29919

(6) The number of employee positions, if any, at the 29920
project site and at any other location in the state at the time 29921
the agreement is executed, itemized as to the number of full- 29922
time, part-time, permanent, and temporary positions. 29923

(B) Each agreement shall set forth the following 29924
information and incorporate the following statements: 29925

(1) A description of real property to be exempted from 29926
taxation under the agreement, the percentage of the assessed 29927
valuation of the real property exempted from taxation, and the 29928
period for which the exemption is granted, accompanied by the 29929
statement: "The exemption commences the first year for which the 29930
real property would first be taxable were that property not 29931
exempted from taxation. No exemption shall commence 29932
after (insert date) nor extend beyond 29933
(insert date)." The tax commissioner shall adopt rules 29934
prescribing the form the description of such property shall 29935
assume to ensure that the property to be exempted from taxation 29936
under the agreement is distinguishable from property that is not 29937
to be exempted under that agreement. 29938

(2) A description of tangible personal property to be 29939
exempted from taxation under the agreement, the percentage of 29940
the assessed value of the tangible personal property exempted 29941
from taxation, and the period for which the exemption is 29942
granted, accompanied by the statement: "The minimum investment 29943
for tangible personal property to qualify for the exemption is 29944
\$..... (insert dollar amount) to purchase machinery and 29945
equipment first used in business at the facility as a result of 29946
the project, \$..... (insert dollar amount) for furniture 29947
and fixtures and other noninventory personal property first used 29948
in business at the facility as a result of the project, and 29949
\$..... (insert dollar amount) for new inventory. The 29950
maximum investment for tangible personal property to qualify for 29951
the exemption is \$..... (insert dollar amount) to purchase 29952
machinery and equipment first used in business at the facility 29953
as a result of the project, \$..... (insert dollar amount) 29954

for furniture and fixtures and other noninventory personal 29955
property first used in business at the facility as a result of 29956
the project, and \$..... (insert dollar amount) for new 29957
inventory. The exemption commences the first year for which the 29958
tangible personal property would first be taxable were that 29959
property not exempted from taxation. No exemption shall commence 29960
after tax return year (insert year) nor extend beyond 29961
tax return year (insert year). In no instance shall 29962
any tangible personal property be exempted from taxation for 29963
more than ten return years unless, under division (D) (2) of 29964
section 5709.62 or under division (C) (1) (b) of section 5709.63 29965
of the Revised Code, the board of education approves exemption 29966
for a number of years in excess of ten, in which case the 29967
tangible personal property may be exempted from taxation for 29968
that number of years, not to exceed fifteen return years." No 29969
exemption shall be allowed for any type of tangible personal 29970
property if the total investment is less than the minimum dollar 29971
amount specified for that type of property. If, for a type of 29972
tangible personal property, there are no minimum or maximum 29973
investment dollar amounts specified in the statement or the 29974
dollar amounts are designated in the statement as not 29975
applicable, the exemption shall apply to the total cost of that 29976
type of tangible personal property first used in business at the 29977
facility as a result of the project. The tax commissioner shall 29978
adopt rules prescribing the form the description of such 29979
property shall assume to ensure that the property to be exempted 29980
from taxation under the agreement is distinguishable from 29981
property that is not to be exempted under that agreement. 29982

(3) "..... (insert name of enterprise) shall pay such 29983
real and tangible personal property taxes as are not exempted 29984
under this agreement and are charged against such property and 29985

shall file all tax reports and returns as required by law. 29986
If (insert name of enterprise) fails to pay such 29987
taxes or file such returns and reports, all incentives granted 29988
under this agreement are rescinded beginning with the year for 29989
which such taxes are charged or such reports or returns are 29990
required to be filed and thereafter." 29991

(4) "..... (insert name of enterprise) hereby 29992
certifies that at the time this agreement is 29993
executed, (insert name of enterprise) does not owe 29994
any delinquent real or tangible personal property taxes to any 29995
taxing authority of the State of Ohio, and does not owe 29996
delinquent taxes for which (insert name of 29997
enterprise) is liable under Chapter 5727., 5733., 5735., 5739., 29998
5741., 5743., 5747., or 5753. of the Revised Code, or, if such 29999
delinquent taxes are owed, (insert name of 30000
enterprise) currently is paying the delinquent taxes pursuant to 30001
a delinquent tax contract enforceable by the State of Ohio or an 30002
agent or instrumentality thereof, has filed a petition in 30003
bankruptcy under 11 U.S.C.A. 101, et seq., or such a petition 30004
has been filed against (insert name of enterprise). 30005
For the purposes of the certification, delinquent taxes are 30006
taxes that remain unpaid on the latest day prescribed for 30007
payment without penalty under the chapter of the Revised Code 30008
governing payment of those taxes." 30009

(5) "..... (insert name of municipal corporation or 30010
county) shall perform such acts as are reasonably necessary or 30011
appropriate to effect, claim, reserve, and maintain exemptions 30012
from taxation granted under this agreement including, without 30013
limitation, joining in the execution of all documentation and 30014
providing any necessary certificates required in connection with 30015
such exemptions." 30016

(6) "If for any reason the enterprise zone designation 30017
expires, the Director of the Ohio Department of Housing and 30018
Development revokes certification of the zone, or 30019
(insert name of municipal corporation or county) revokes the 30020
designation of the zone, entitlements granted under this 30021
agreement shall continue for the number of years specified under 30022
this agreement, unless (insert name of enterprise) 30023
materially fails to fulfill its obligations under this agreement 30024
and (insert name of municipal corporation or county) 30025
terminates or modifies the exemptions from taxation granted 30026
under this agreement." 30027

(7) "If (insert name of enterprise) materially 30028
fails to fulfill its obligations under this agreement, other 30029
than with respect to the number of employee positions estimated 30030
to be created or retained under this agreement, or if 30031
(insert name of municipal corporation or county) determines that 30032
the certification as to delinquent taxes required by this 30033
agreement is fraudulent, (insert name of municipal 30034
corporation or county) may terminate or modify the exemptions 30035
from taxation granted under this agreement." 30036

(8) "..... (insert name of enterprise) shall provide 30037
to the proper tax incentive review council any information 30038
reasonably required by the council to evaluate the enterprise's 30039
compliance with the agreement, including returns or annual 30040
reports filed pursuant to section 5711.02 or 5727.08 of the Ohio 30041
Revised Code if requested by the council." 30042

(9) "..... (insert name of enterprise) and 30043
(insert name of municipal corporation or county) acknowledge 30044
that this agreement must be approved by formal action of the 30045
legislative authority of (insert name of municipal 30046

corporation or county) as a condition for the agreement to take 30047
effect. This agreement takes effect upon such approval." 30048

(10) "This agreement is not transferable or assignable 30049
without the express, written approval of (insert name 30050
of municipal corporation or county)." 30051

(11) "Exemptions from taxation granted under this 30052
agreement shall be revoked if it is determined 30053
that (insert name of enterprise), any successor 30054
enterprise, or any related member (as those terms are defined in 30055
section 5709.61 of the Ohio Revised Code) has violated the 30056
prohibition against entering into this agreement under division 30057
(C) of section 3735.671 or section 5709.62, 5709.63, or 5709.632 30058
of the Ohio Revised Code prior to the time prescribed by that 30059
division or either of those sections." 30060

(12) "In any three-year period during which this agreement 30061
is in effect, if the actual number of employee positions created 30062
or retained by..... (insert name of enterprise) is not equal 30063
to or greater than seventy-five per cent of the number of 30064
employee positions estimated to be created or retained under 30065
this agreement during that three-year period,..... (insert 30066
name of enterprise) shall repay the amount of taxes on property 30067
that would have been payable had the property not been exempted 30068
from taxation under this agreement during that three-year 30069
period. In addition, the..... (insert name of municipal 30070
corporation or county) may terminate or modify the exemptions 30071
from taxation granted under this agreement." 30072

(13) If the enterprise is the owner of real property 30073
constituting the site of a megaproject or is a megaproject 30074
supplier, both of the following: 30075

(a) A requirement that the enterprise annually certify to the legislative authority whether the megaproject operator or megaproject supplier, as applicable, holds a certificate issued under division (D) (7) of section 122.17 of the Revised Code on the first day of the current tax year;

(b) A provision authorizing the legislative authority to terminate the exemption for current and subsequent tax years if the megaproject operator or megaproject supplier, as applicable, does not hold a certificate issued under division (D) (7) of section 122.17 of the Revised Code on the first day of the current tax year.

The statement described in division (B) (7) of this section may include the following statement, appended at the end of the statement: "and may require the repayment of the amount of taxes that would have been payable had the property not been exempted from taxation under this agreement." If the agreement includes a statement requiring repayment of exempted taxes, it also may authorize the legislative authority to secure repayment of such taxes by a lien on the exempted property in the amount required to be repaid. Such a lien on exempted real property shall attach, and may be perfected, collected, and enforced, in the same manner as a mortgage lien on real property, and shall otherwise have the same force and effect as a mortgage lien on real property. Notwithstanding section 5719.01 of the Revised Code, such a lien on exempted tangible personal property shall attach, and may be perfected, collected, and enforced, in the same manner as a security interest in goods under Chapter 1309. of the Revised Code, and shall otherwise have the same force and effect as such a security interest.

(C) If the director of housing and development had to

issue a waiver under section 5709.633 of the Revised Code as a 30106
condition for the agreement to be executed, the agreement shall 30107
include the following statement: 30108

"Continuation of this agreement is subject to the validity 30109
of the circumstance upon which (insert name of 30110
enterprise) applied for, and the Director of the Ohio Department 30111
of Housing and Development issued, the waiver pursuant to 30112
section 5709.633 of the Ohio Revised Code. If, after formal 30113
approval of this agreement by (insert name of 30114
municipal corporation or county), the Director or 30115
(insert name of municipal corporation or county) discovers that 30116
such a circumstance did not exist, (insert name of 30117
enterprise) shall be deemed to have materially failed to comply 30118
with this agreement." 30119

If the director issued a waiver on the basis of the 30120
circumstance described in division (B) (3) of section 5709.633 of 30121
the Ohio Revised Code, the conditions enumerated in divisions 30122
(B) (3) (a) (i) and (ii) or divisions (B) (3) (b) (i) and (ii) of that 30123
section shall be incorporated in the information described in 30124
divisions (A) (2), (3), and (4) of this section. 30125

Sec. 5709.632. (A) (1) The legislative authority of a 30126
municipal corporation defined by the United States office of 30127
management and budget as a principal city of a metropolitan 30128
statistical area may, in the manner set forth in section 5709.62 30129
of the Revised Code, designate one or more areas in the 30130
municipal corporation as a proposed enterprise zone. 30131

(2) With the consent of the legislative authority of each 30132
affected municipal corporation or of a board of township 30133
trustees, a board of county commissioners may, in the manner set 30134
forth in section 5709.62 of the Revised Code, designate one or 30135

more areas in one or more municipal corporations or in 30136
unincorporated areas of the county as proposed urban jobs and 30137
enterprise zones, except that a board of county commissioners 30138
may designate no more than one area within a township, or within 30139
adjacent townships, as a proposed urban jobs and enterprise 30140
zone. 30141

(3) The legislative authority or board of county 30142
commissioners may petition the director of housing and 30143
development ~~services~~ for certification of the area as having the 30144
characteristics set forth in division (A) (3) of section 5709.61 30145
of the Revised Code. Within sixty days after receiving such a 30146
petition, the director shall determine whether the area has the 30147
characteristics set forth in that division and forward the 30148
findings to the legislative authority or board of county 30149
commissioners. If the director certifies the area as having 30150
those characteristics and thereby certifies it as a zone, the 30151
legislative authority or board may enter into agreements with 30152
enterprises under division (B) of this section. Any enterprise 30153
wishing to enter into an agreement with a legislative authority 30154
or board of county commissioners under this section and 30155
satisfying one of the criteria described in divisions (B) (1) to 30156
(5) of this section shall submit a proposal to the legislative 30157
authority or board on the form prescribed under division (B) of 30158
section 5709.62 of the Revised Code and shall review and update 30159
the estimates and listings required by the form in the manner 30160
required under that division. The legislative authority or board 30161
may, on a separate form and at any time, require any additional 30162
information necessary to determine whether an enterprise is in 30163
compliance with an agreement and to collect the information 30164
required to be reported under section 5709.68 of the Revised 30165
Code. 30166

(B) Prior to entering into an agreement with an enterprise, the legislative authority or board of county commissioners shall determine whether the enterprise submitting the proposal is qualified by financial responsibility and business experience to create and preserve employment opportunities in the zone and to improve the economic climate of the municipal corporation or municipal corporations or the unincorporated areas in which the zone is located and to which the proposal applies, and whether the enterprise satisfies one of the following criteria:

(1) The enterprise currently has no operations in this state and, subject to approval of the agreement, intends to establish operations in the zone;

(2) The enterprise currently has operations in this state and, subject to approval of the agreement, intends to establish operations at a new location in the zone that would not result in a reduction in the number of employee positions at any of the enterprise's other locations in this state;

(3) The enterprise, subject to approval of the agreement, intends to relocate operations, currently located in another state, to the zone;

(4) The enterprise, subject to approval of the agreement, intends to expand operations at an existing site in the zone that the enterprise currently operates;

(5) The enterprise, subject to approval of the agreement, intends to relocate operations, currently located in this state, to the zone, and the director of housing and development services has issued a waiver for the enterprise under division (B) of section 5709.633 of the Revised Code.

(C) If the legislative authority or board determines that the enterprise is so qualified and satisfies one of the criteria described in divisions (B) (1) to (5) of this section, the legislative authority or board may, after complying with section 5709.83 of the Revised Code and, in the case of a board of commissioners, with the consent of the legislative authority of each affected municipal corporation or of the board of township trustees, enter into an agreement with the enterprise under which the enterprise agrees to establish, expand, renovate, or occupy a facility in the zone and hire new employees, or preserve employment opportunities for existing employees, in return for the following incentives:

(1) When the facility is located in a municipal corporation, a legislative authority or board of commissioners may enter into an agreement for one or more of the incentives provided in divisions (C) (1), (2), and (3) of section 5709.62 of the Revised Code, subject to division (D) of that section, or for the incentive provided in division (C) (4) of that section if the enterprise is the owner of real property constituting the site of a megaproject or is a megaproject supplier.

(2) When the facility is located in an unincorporated area, a board of commissioners may enter into an agreement for one or more of the incentives provided in divisions (B) (1) (b) and (B) (2) of section 5709.63 of the Revised Code, subject to division (C) of that section, or for the incentive provided in division (B) (3) of that section if the enterprise is the owner of real property constituting the site of a megaproject or is a megaproject supplier.

(D) All agreements entered into under this section shall be in the form prescribed under section 5709.631 of the Revised

Code. After an agreement under this section is entered into, if 30226
the legislative authority or board of county commissioners 30227
revokes its designation of the zone, or if the director of 30228
housing and development services ~~services~~ revokes the zone's 30229
certification, any entitlements granted under the agreement 30230
shall continue for the number of years specified in the 30231
agreement. 30232

(E) Except as otherwise provided in this division, an 30233
agreement entered into under this section shall require that the 30234
enterprise pay an annual fee equal to the greater of one per 30235
cent of the dollar value of incentives offered under the 30236
agreement or five hundred dollars; provided, however, that if 30237
the value of the incentives exceeds two hundred fifty thousand 30238
dollars, the fee shall not exceed two thousand five hundred 30239
dollars. The fee shall be payable to the legislative authority 30240
or board of commissioners once per year for each year the 30241
agreement is effective on the days and in the form specified in 30242
the agreement. Fees paid shall be deposited in a special fund 30243
created for such purpose by the legislative authority or board 30244
and shall be used by the legislative authority or board 30245
exclusively for the purpose of complying with section 5709.68 of 30246
the Revised Code and by the tax incentive review council created 30247
under section 5709.85 of the Revised Code exclusively for the 30248
purposes of performing the duties prescribed under that section. 30249
The legislative authority or board may waive or reduce the 30250
amount of the fee charged against an enterprise, but such waiver 30251
or reduction does not affect the obligations of the legislative 30252
authority or board or the tax incentive review council to comply 30253
with section 5709.68 or 5709.85 of the Revised Code, 30254
respectively. 30255

(F) With the approval of the legislative authority of a 30256

municipal corporation or the board of township trustees of a 30257
township in which a zone is designated under division (A) (2) of 30258
this section, the board of county commissioners may delegate to 30259
that legislative authority or board any powers and duties of the 30260
board to negotiate and administer agreements with regard to that 30261
zone under this section. 30262

(G) When an agreement is entered into pursuant to this 30263
section, the legislative authority or board of commissioners 30264
authorizing the agreement shall forward a copy of the agreement 30265
to the director of housing and development services and to the 30266
tax commissioner within fifteen days after the agreement is 30267
entered into. If any agreement includes terms not provided for 30268
in section 5709.631 of the Revised Code affecting the revenue of 30269
a city, local, exempted village, or joint vocational school 30270
district or causing revenue to be forgone by the district, 30271
including any compensation to be paid to the school district 30272
pursuant to section 5709.82 of the Revised Code, those terms 30273
also shall be forwarded in writing to the director of housing 30274
and development services along with the copy of the agreement 30275
forwarded under this division. 30276

(H) After an agreement is entered into, the enterprise 30277
shall file with each personal property tax return required to be 30278
filed while the agreement is in effect, an informational return, 30279
on a form prescribed by the tax commissioner for that purpose, 30280
setting forth separately the property, and related costs and 30281
values, exempted from taxation under the agreement. 30282

(I) An agreement entered into under this section may 30283
include a provision requiring the enterprise to create one or 30284
more temporary internship positions for students enrolled in a 30285
course of study at a school or other educational institution in 30286

the vicinity, and to create a scholarship or provide another 30287
form of educational financial assistance for students holding 30288
such a position in exchange for the student's commitment to work 30289
for the enterprise at the completion of the internship. 30290

Sec. 5709.633. (A) (1) Except as otherwise provided in 30291
division (B) of this section, no legislative authority or board 30292
of county commissioners shall enter into an agreement with an 30293
enterprise under division (E) of section 5709.62, division (D) 30294
of section 5709.63, or section 5709.632 of the Revised Code if 30295
that enterprise or a successor enterprise currently has 30296
operations at another location in this state and those 30297
operations will be relocated to an enterprise zone upon or as a 30298
result of that agreement. 30299

(2) Except as otherwise provided in division (B) of this 30300
section, if an enterprise subject to an agreement granting an 30301
exemption from taxation under section 5709.62, 5709.63, or 30302
5709.632 of the Revised Code expands its operations or relocates 30303
its operations to another location in this state that results in 30304
a reduction of its operations at any Ohio location, or 30305
discontinues operations at the project site to which that 30306
exemption applies prior to the expiration of the term of the 30307
agreement, no legislative authority shall enter into an 30308
agreement with such an enterprise, a related member, or a 30309
successor enterprise under section 5709.62, 5709.63, or 5709.632 30310
of the Revised Code prior to five years after such expansion, 30311
relocation, or discontinuation of operations. The director of 30312
housing and development shall review all agreements entered into 30313
under those sections to determine whether there has been a 30314
violation of this paragraph and whether the requirements to be a 30315
facility have been met. If the director discovers there has been 30316
a violation of this paragraph or the requirements to be a 30317

facility have not been met, the agreement is void, and all 30318
incentives granted under the agreement shall cease immediately. 30319
The director shall certify to the legislative authority and to 30320
the board of education of the city, local, or exempted village 30321
school district to which operations were relocated that the 30322
agreement is void. 30323

(B) Divisions (A) (1) and (2) of this section do not apply 30324
if the director of housing and development waives application of 30325
those divisions. The director may waive application of division 30326
(A) (1) of this section if the enterprise or successor enterprise 30327
demonstrates, by documentation satisfactory to the director, 30328
that the relocation was necessitated by or results from one of 30329
the circumstances described in divisions (B) (1) to (3) of this 30330
section, and the director determines that under the circumstance 30331
claimed and in light of the possible relocation issuance of a 30332
waiver is absolutely necessary to attract or retain employment 30333
opportunities in this state. The director may waive application 30334
of division (A) (2) of this section, except for the provision 30335
that the requirements to be a facility must be met, if the 30336
enterprise, related member, or successor enterprise 30337
demonstrates, by documentation satisfactory to the director, 30338
that the discontinuation of operations was necessitated by or 30339
resulted from one of the circumstances described in divisions 30340
(B) (1) to (3) of this section, and the director determines that 30341
under the circumstance claimed and in light of the possible 30342
relocation issuance of a waiver is absolutely necessary to 30343
attract or retain employment opportunities in this state. 30344

The circumstance that may be claimed shall be one of the 30345
following: 30346

(1) The project site at which operations are or will be 30347

discontinued cannot accommodate expansion plans of the 30348
enterprise due to inadequate land suitable for such expansion. 30349

(2) Conditions in the markets in which the enterprise 30350
participates require that the enterprise relocate operations in 30351
order for the enterprise to become or remain competitive in that 30352
market. These conditions include, but are not limited to, any of 30353
the following: 30354

(a) New or modified contracts with customers or suppliers, 30355
such as "just-in-time" supply or similar arrangements; 30356

(b) Changes in the enterprise's production methods; 30357

(c) Loss or impending loss of an existing contract 30358
requires expansion into another market in order to maintain 30359
production levels; 30360

(d) Changes in ownership or other changes in control of 30361
the enterprise, or of a controlled group of corporations of 30362
which the enterprise is a subsidiary, that result from a 30363
decision on the part of owners or officers located outside this 30364
state. 30365

(3) The enterprise currently is subject to a consolidation 30366
of its operations, or such a consolidation is imminent. For 30367
purposes of division (B) (3) of this section, "consolidation" 30368
means an enterprise combines the operations of two or more 30369
existing facilities and one of the following conditions is 30370
satisfied: 30371

(a) At least one of the facilities currently is not 30372
located in this state, and the relocation of the operations of 30373
that facility would result in both of the following during the 30374
term of the agreement: 30375

(i) The number of employees employed by the enterprise at 30376
its existing facilities in this state to which operations are 30377
relocated increases by not less than twenty-five per cent after 30378
the date the agreement is formally approved by the legislative 30379
authority; 30380

(ii) The assessed value of tangible personal property 30381
first used in business at the project site, or the assessed 30382
value of real property constituting the project site, increases 30383
by not less than twenty-five per cent after the date the 30384
agreement is formally approved by the legislative authority. 30385

(b) All of the facilities currently are in this state, and 30386
the relocation of the operations of any of those facilities 30387
would result in both of the following during the term of the 30388
agreement: 30389

(i) The number of employees employed by the enterprise at 30390
its existing facilities in this state to which operations are 30391
relocated increases by not less than twenty-five per cent after 30392
the date the agreement is formally approved by the legislative 30393
authority; 30394

(ii) The assessed value of tangible personal property 30395
first used in business at the project site, or the assessed 30396
value of real property constituting the project site, increases 30397
by not less than fifty per cent over the assessed value, 30398
determined at the time of relocation, of tangible personal 30399
property located at, and of real property constituting, the 30400
facilities in this state from which operations would be 30401
relocated. 30402

For purposes of divisions (B) (3) (a) and (b) of this 30403
section, "assessed value of tangible personal property" and 30404

"assessed value of real property" mean the value of such 30405
property as assessed for purposes of property taxation and 30406
entered on the tax lists and duplicates of the county. 30407

(C) To apply for a waiver under division (B) of this 30408
section, the enterprise and the legislative authority intending 30409
to enter into an agreement under section 5709.62, 5709.63, or 30410
5709.632 of the Revised Code shall petition the director of 30411
housing and development in a form acceptable to the director. 30412
The petition shall be accompanied by documentation demonstrating 30413
one or more of the circumstances described in divisions (B) (1), 30414
(2), or (3) of this section. Not later than thirty days after 30415
receiving such a petition, the director shall investigate the 30416
petition and accompanying documentation to determine the 30417
validity of the circumstance claimed therein, and shall issue to 30418
the enterprise and to the legislative authority the 30419
determination, in writing, waiving, or refusing to waive 30420
application of division (A) of this section. 30421

Sec. 5709.64. (A) If an enterprise has been granted an 30422
incentive for the current calendar year under an agreement 30423
entered pursuant to section 5709.62, 5709.63, or 5709.632 of the 30424
Revised Code, it may apply, on or before the thirtieth day of 30425
April of that year, to the director of housing and development, 30426
on a form prescribed by the director, for a tax incentive 30427
qualification certificate. The enterprise qualifies for an 30428
initial certificate if, on or before the last day of the 30429
calendar year immediately preceding that in which application is 30430
made, it satisfies all of the following requirements: 30431

(1) The enterprise has established, expanded, renovated, 30432
or occupied a facility pursuant to the agreement under section 30433
5709.62, 5709.63, or 5709.632 of the Revised Code. 30434

(2) The enterprise has hired new employees to fill 30435
nonretail positions at the facility, at least twenty-five per 30436
cent of whom at the time they were employed were at least one of 30437
the following: 30438

(a) Unemployed persons who had resided at least six months 30439
in the county in which the enterprise's project site is located; 30440

(b) JPTA eligible employees who had resided at least six 30441
months in the county in which the enterprise's project site is 30442
located; 30443

(c) Participants of the Ohio works first program under 30444
Chapter 5107. of the Revised Code or the prevention, retention, 30445
and contingency program under Chapter 5108. of the Revised Code 30446
or recipients of general assistance under former Chapter 5113. 30447
of the Revised Code, financial assistance under former Chapter 30448
5115. of the Revised Code, or unemployment compensation benefits 30449
who had resided at least six months in the county in which the 30450
enterprise's project site is located; 30451

(d) Eligible individuals with disabilities, as defined 30452
under division (A) of section 3304.11 of the Revised Code, who 30453
had resided at least six months in the county in which the 30454
enterprise's project site is located; 30455

(e) Residents for at least one year of a zone located in 30456
the county in which the enterprise's project site is located. 30457

The director of housing and development shall, by rule, 30458
establish criteria for determining what constitutes a nonretail 30459
position at a facility. 30460

(3) The average number of positions attributable to the 30461
enterprise in the municipal corporation during the calendar year 30462
immediately preceding the calendar year in which application is 30463

made exceeds the maximum number of positions attributable to the 30464
enterprise in the municipal corporation during the calendar year 30465
immediately preceding the first year the enterprise satisfies 30466
the requirements set forth in divisions (A) (1) and (2) of this 30467
section. If the enterprise is engaged in a business which, 30468
because of its seasonal nature, customarily enables the 30469
enterprise to operate at full capacity only during regularly 30470
recurring periods of the year, the average number of positions 30471
attributable to the enterprise in the municipal corporation 30472
during each period of the calendar year immediately preceding 30473
the calendar year in which application is made must exceed only 30474
the maximum number of positions attributable to the enterprise 30475
in each corresponding period of the calendar year immediately 30476
preceding the first year the enterprise satisfies the 30477
requirements of divisions (A) (1) and (2) of this section. The 30478
director of housing and development shall, by rule, prescribe 30479
methods for determining whether an enterprise is engaged in a 30480
seasonal business and for determining the length of the 30481
corresponding periods to be compared. 30482

(4) The enterprise has not closed or reduced employment at 30483
any place of business in the state for the primary purpose of 30484
establishing, expanding, renovating, or occupying a facility. 30485
The legislative authority of any municipal corporation or the 30486
board of county commissioners of any county that concludes that 30487
an enterprise has closed or reduced employment at a place of 30488
business in that municipal corporation or county for the primary 30489
purpose of establishing, expanding, renovating, or occupying a 30490
facility in a zone may appeal to the director to determine 30491
whether the enterprise has done so. Upon receiving such an 30492
appeal, the director shall investigate the allegations and make 30493
such a determination before issuing an initial or renewal tax 30494

incentive qualification certificate under this section. 30495

Within sixty days after receiving an application under 30496
this division, the director shall review, investigate, and 30497
verify the application and determine whether the enterprise 30498
qualifies for a certificate. The application shall include an 30499
affidavit executed by the applicant verifying that the 30500
enterprise satisfies the requirements of division (A) (2) of this 30501
section, and shall contain such information and documents as the 30502
director requires, by rule, to ascertain whether the enterprise 30503
qualifies for a certificate. If the director finds the 30504
enterprise qualified, the director shall issue a tax incentive 30505
qualification certificate, which shall bear as its date of 30506
issuance the thirtieth day of June of the year of application, 30507
and shall state that the applicant is entitled to receive, for 30508
the taxable year that includes the certificate's date of 30509
issuance, the tax incentives provided under section 5709.65 of 30510
the Revised Code with regard to the facility to which the 30511
certificate applies. If an enterprise is issued an initial 30512
certificate, it may apply, on or before the thirtieth day of 30513
April of each succeeding calendar year for which it has been 30514
granted an incentive under an agreement entered pursuant to 30515
section 5709.62, 5709.63, or 5709.632 of the Revised Code, for a 30516
renewal certificate. Subsequent to its initial certification, 30517
the enterprise qualifies for up to three successive renewal 30518
certificates if, on or before the last day of the calendar year 30519
immediately preceding that in which the application is made, it 30520
satisfies all the requirements of divisions (A) (1) to (4) of 30521
this section, and neither the zone's designation nor the zone's 30522
certification has been revoked prior to the fifteenth day of 30523
June of the year in which the application is made. The 30524
application shall include an affidavit executed by the applicant 30525

verifying that the enterprise satisfies the requirements of 30526
division (A) (2) of this section. An enterprise with ten or more 30527
supervisory personnel at the facility to which a certificate 30528
applies qualifies for any subsequent renewal certificates only 30529
if it meets all of the foregoing requirements and, in addition, 30530
at least ten per cent of those supervisory personnel are 30531
employees who, when first hired by the enterprise, satisfied at 30532
least one of the criteria specified in divisions (A) (2) (a) to 30533
(e) of this section. If the enterprise qualifies, a renewal 30534
certificate shall be issued bearing as its date of issuance the 30535
thirtieth day of June of the year of application. The director 30536
shall send copies of the initial certificate, and each renewal 30537
certificate, by certified mail, to the enterprise, the tax 30538
commissioner, the board of county commissioners, and the chief 30539
executive of the municipal corporation in which the facility to 30540
which the certificate applies is located. 30541

(B) If the director determines that an enterprise is not 30542
qualified for an initial or renewal tax incentive qualification 30543
certificate, the director shall send notice of this 30544
determination, specifying the reasons for it, by certified mail, 30545
to the applicant, the tax commissioner, the board of county 30546
commissioners, and the chief executive of the municipal 30547
corporation in which the facility to which the certificate would 30548
have applied is located. Within thirty days after receiving such 30549
a notice, an enterprise may request, in writing, a hearing 30550
before the director for the purpose of reviewing the application 30551
and the reasons for the determination. Within sixty days after 30552
receiving a request for a hearing, the director shall afford one 30553
and, within thirty days after the hearing, shall issue a 30554
redetermination of the enterprise's qualification for a 30555
certificate. If the enterprise is found to be qualified, the 30556

director shall proceed in the manner provided under division (A) 30557
of this section. If the enterprise is found to be unqualified, 30558
the director shall send notice of this finding, by certified 30559
mail, to the applicant, the tax commissioner, the board of 30560
county commissioners, and the chief executive of the municipal 30561
corporation in which the facility to which the certificate would 30562
have applied is located. The director's redetermination that an 30563
enterprise is unqualified may be appealed to the board of tax 30564
appeals in the manner provided under section 5717.02 of the 30565
Revised Code. 30566

Sec. 5709.66. (A) If an enterprise has been granted an 30567
incentive for the current calendar year under an agreement 30568
entered into pursuant to section 5709.62 or 5709.63 of the 30569
Revised Code and satisfies both of the requirements described in 30570
divisions (A) (1) and (2) of this section at the time of 30571
application, it may apply to the director of housing and 30572
development, on a form prescribed by the director, for the 30573
employee tax credit certificate under division (B) of this 30574
section. 30575

(1) The enterprise has established, expanded, renovated, 30576
or occupied a facility pursuant to an agreement under section 30577
5709.62 or 5709.63 of the Revised Code in a zone that is 30578
certified by the director of housing and development as having 30579
one of the characteristics described in divisions (A) (1) (a) or 30580
(b) and at least one of the characteristics described in 30581
divisions (A) (1) (c) to (h) of section 5709.61 of the Revised 30582
Code. 30583

(2) The enterprise or any predecessor enterprise has not 30584
closed or reduced employment at any place of business in this 30585
state within the twelve months preceding application unless the 30586

enterprise, since the date the agreement was formally approved 30587
by the legislative authority, has hired new employees equal in 30588
number to not less than fifty per cent of the total number of 30589
employees employed by the enterprise at other locations in this 30590
state on that date. The legislative authority of any municipal 30591
corporation or county that concludes that an enterprise or any 30592
predecessor enterprise has closed or reduced employment at a 30593
place of business in that municipal corporation or county may 30594
appeal to the director to determine whether the enterprise or 30595
any predecessor enterprise has done so. Upon receiving such an 30596
appeal, the director shall investigate the allegations and 30597
determine whether the enterprise satisfies the requirement of 30598
division (A) (2) of this section before proceeding under division 30599
(B) of this section. 30600

Within sixty days after receiving an application under 30601
this section, the director shall review, investigate, and verify 30602
the application and determine whether the enterprise is eligible 30603
for the employee tax credit certificate under division (B) of 30604
this section. The application shall contain such information and 30605
documents as the director requires, by rule, to ascertain 30606
whether the enterprise is eligible for the certificate. On 30607
finding that the enterprise is eligible, the director shall 30608
proceed under division (B) of this section. 30609

On determining that an enterprise is not eligible for the 30610
certificate under division (B) of this section, the director 30611
shall send notice of this determination, specifying the reasons 30612
for it, by certified mail, to the applicant, the board of county 30613
commissioners, and the chief executive of the municipal 30614
corporation in which the facility to which the certificate would 30615
have been given is located. Within thirty days after receiving 30616
such a notice, an enterprise may request, in writing, a hearing 30617

before the director for the purpose of reviewing the application 30618
and the reasons for the determination. Within sixty days after 30619
receiving a request for a hearing, the director shall afford one 30620
and, within thirty days after the hearing, shall issue a 30621
redetermination of the enterprise's eligibility for the 30622
incentives. If the enterprise is found to be eligible, the 30623
director shall proceed under division (B) of this section. If 30624
the enterprise is found to be ineligible, the director shall 30625
send notice of this finding, by certified mail, to the 30626
applicant, the board of commissioners of the county or the chief 30627
executive of the municipal corporation in which the facility to 30628
which the certificate would have been given is located. The 30629
director's redetermination that an enterprise is ineligible may 30630
be appealed to the board of tax appeals under section 5717.02 of 30631
the Revised Code. 30632

(B) (1) If the director determines an enterprise to be 30633
eligible under division (A) of this section, the director shall 30634
determine if the enterprise is entitled to an employee tax 30635
credit certificate. An enterprise is entitled to an employee tax 30636
credit certificate for each eligible employee the enterprise 30637
hires. A taxpayer who is issued an employee tax credit 30638
certificate under this section may claim a nonrefundable credit 30639
of one thousand dollars against the taxpayer's aggregate tax 30640
liability under either section 5733.06 or 5747.02 of the Revised 30641
Code for each taxable year of the agreement entered into under 30642
section 5709.62 or 5709.63 of the Revised Code in which an 30643
eligible employee is employed for the taxpayer's full taxable 30644
year. If the eligible employee is employed for less than the 30645
taxpayer's full taxable year, the taxpayer may claim a reduced 30646
credit against the aggregate amount of tax due under either 30647
section 5733.06 or 5747.02 of the Revised Code. The reduced 30648

credit shall be computed by dividing the total number of days in 30649
the taxable year into one thousand dollars and multiplying the 30650
quotient by the number of days the eligible employee was 30651
employed in the taxable year. For purposes of the computation, 30652
the eligible employee shall be deemed to have been employed for 30653
each day of the taxable year commencing on the date of 30654
employment or ending on the date of termination of employment. 30655

The credit provided under this division to a noncorporate 30656
enterprise or an enterprise that is an S corporation as defined 30657
in section 1361 of the Internal Revenue Code shall be divided 30658
pro rata among the owners or shareholders of the enterprise 30659
subject to the tax imposed by section 5747.02 of the Revised 30660
Code, based on their proportionate ownership interests in the 30661
enterprise. The enterprise shall file with the tax commissioner, 30662
on a form prescribed by the tax commissioner, a statement 30663
showing the total available credit and the portion of that 30664
credit attributed to each owner or shareholder. The statement 30665
shall identify each owner or shareholder by name and social 30666
security number and shall be filed with the tax commissioner by 30667
the date prescribed by the tax commissioner, which shall be no 30668
earlier than the fifteenth day of the month following the close 30669
of the enterprise's taxable year for which the credit is 30670
claimed. 30671

The taxpayer shall claim the credit in the order required 30672
under section 5733.98 or 5747.98 of the Revised Code. If the 30673
credit provided under this division exceeds the taxpayer's tax 30674
liability for the taxable year after allowance for any other 30675
credits that precede the credit under this section in that 30676
order, the credit may be carried forward for the next three 30677
succeeding taxable years, but the amount of any excess credit 30678
allowed in any such year shall be deducted from the balance 30679

carried forward to the succeeding taxable year. 30680

(2) As used in this division: 30681

(a) "Eligible employee" means a new employee at a facility 30682
who, at the time the employee was hired to work at the facility, 30683
was a participant of the Ohio works first program under Chapter 30684
5107. of the Revised Code or the prevention, retention, and 30685
contingency program under Chapter 5108. of the Revised Code or a 30686
recipient of general assistance under former Chapter 5113. of 30687
the Revised Code and resided for at least one year in the county 30688
in which the facility is located. "Eligible employee" does not 30689
include any employee of the enterprise who is a new employee, as 30690
defined under section 122.17 of the Revised Code, on the basis 30691
of whom the enterprise has claimed a credit under that section. 30692

(b) "Taxable year" has the same meaning as in section 30693
5733.04 or 5747.01 of the Revised Code, as applicable to the 30694
enterprise claiming the credit. 30695

Sec. 5709.67. (A) Except as otherwise provided in sections 30696
5709.61 to 5709.69 of the Revised Code, the director of housing 30697
and development shall administer those sections and shall adopt 30698
rules necessary to implement and administer the enterprise zone 30699
program. The director shall assign to each zone currently 30700
certified a unique designation by which the zone shall be 30701
identified for purposes of administering sections 5709.61 to 30702
5709.69 of the Revised Code. The tax commissioner shall 30703
administer all other tax incentives provided under sections 30704
5709.61 to 5709.69 of the Revised Code and shall adopt rules 30705
necessary to carry out that duty. No tax incentive qualification 30706
certificate or employee tax credit certificate shall be issued 30707
or remain in effect unless the enterprise applying for or 30708
holding the certificate complies with all such rules. The 30709

director of job and family services shall administer the 30710
incentive provided under division (B)(1) of section 5709.66 of 30711
the Revised Code and shall adopt rules necessary to carry out 30712
that duty. No extension of benefits certificate shall be issued 30713
or remain in effect unless the enterprise applying for or 30714
holding the certificate complies with all such rules. 30715

(B) Not later than the first day of August each year, the 30716
director of housing and development shall report to the general 30717
assembly on all of the following for the preceding calendar 30718
year: 30719

(1) The cost to the state of the tax and other incentives 30720
provided under sections 5709.61 to 5709.69 of the Revised Code; 30721

(2) The number of tax incentive qualification 30722
certificates, employee tax credit certificates, and extension of 30723
benefits certificates issued; 30724

(3) The names of the municipal corporations and counties 30725
that have entered agreements under sections 5709.62, 5709.63, 30726
and 5709.632 of the Revised Code; 30727

(4) The number of new employees hired as a result of the 30728
tax and other incentives provided under sections 5709.61 to 30729
5709.69 of the Revised Code; 30730

(5) Information on agreement terms concerning school 30731
district revenue that are not provided for in section 5709.631 30732
of the Revised Code and that are forwarded to the director under 30733
division (H) of section 5709.62, division (H) of section 30734
5709.63, or division (G) of section 5709.632 of the Revised 30735
Code. 30736

The report shall include a finding by the director as to 30737
whether the incentives provided under sections 5709.61 to 30738

5709.69 of the Revised Code have resulted in the creation of 30739
more positions in the state than would have been created without 30740
the incentives. The director shall send a copy of the report to 30741
each member of the general assembly and to the director of the 30742
legislative service commission. 30743

Sec. 5709.671. By amendment or enactment of this act 30744
Chapters 725. and 1728. and sections 3735.67 to 3735.70, 5709.40 30745
to 5709.43, 5709.61 to 5709.69, 5709.73 to 5709.75, and 5709.77 30746
to 5709.81 of the Revised Code by Amended Substitute Senate Bill 30747
No. 19 of the 120th general assembly, the General Assembly 30748
general assembly expresses its policy of encouraging political 30749
subdivisions of this state to exercise the authority granted 30750
under Chapters 725. and 1728. and under sections 3735.67 to 30751
3735.70, 5709.40 to 5709.43, 5709.61 to 5709.69, 5709.73 to 30752
5709.75, and 5709.77 to 5709.81 of the Revised Code those 30753
chapters and sections for the purposes stated therein, and for 30754
the purposes of retaining existing or creating new employment 30755
opportunities within the political subdivision to the extent the 30756
exercise of such authority is necessary to result in a net 30757
increase in employment in this state above that which would 30758
prevail in the absence of the use of such authority. Such 30759
authority is not intended by the General Assembly 30760
assembly to be exercised if not necessary to achieve such a 30761
result, nor is it intended to be exercised for the purpose of 30762
transferring employment from one political subdivision in this 30763
state to another if such exercise does not result in a net 30764
increase in or retention of employment in this state. 30765

The Director director of Development housing and 30766
development may adopt such rules as the Director director 30767
determines will best effect the policy stated under this 30768
section. Such rules shall be adopted in accordance with Chapter 30769

119. of the Revised Code, and shall apply only to agreements or 30770
actions executed on or after the effective date of such rules. 30771

Sec. 5709.68. (A) On or before the thirty-first day of 30772
March each year, a municipal corporation or county that has 30773
entered into an agreement with an enterprise under section 30774
5709.62, 5709.63, or 5709.632 of the Revised Code shall submit 30775
to the director of housing and development ~~services~~ and the 30776
board of education of each school district of which a municipal 30777
corporation or township to which such an agreement applies is a 30778
part a report on all of those agreements in effect during the 30779
preceding calendar year. The report shall include all of the 30780
following information: 30781

(1) The designation, assigned by the director of housing 30782
and development ~~services~~, of each urban jobs and enterprise zone 30783
within the municipal corporation or county, the date each zone 30784
was certified, the name of each municipal corporation or 30785
township within each zone, and the total population of each zone 30786
according to the most recent data available; 30787

(2) The number of enterprises that are subject to those 30788
agreements and the number of full-time employees subject to 30789
those agreements within each zone, each according to the most 30790
recent data available and identified and categorized by the 30791
appropriate standard industrial code, and the rate of 30792
unemployment in the municipal corporation or county in which the 30793
zone is located for each year since each zone was certified; 30794

(3) The number of agreements approved and executed during 30795
the calendar year for which the report is submitted, the total 30796
number of agreements in effect on the thirty-first day of 30797
December of the preceding calendar year, the number of 30798
agreements that expired during the calendar year for which the 30799

report is submitted, and the number of agreements scheduled to 30800
expire during the calendar year in which the report is 30801
submitted. For each agreement that expired during the calendar 30802
year for which the report is submitted, the municipal 30803
corporation or county shall include the amount of taxes exempted 30804
and the estimated dollar value of any other incentives provided 30805
under the agreement. 30806

(4) The number of agreements receiving compliance reviews 30807
by the tax incentive review council in the municipal corporation 30808
or county during the calendar year for which the report is 30809
submitted, including all of the following information: 30810

(a) The number of agreements the terms of which an 30811
enterprise has complied with, indicating separately for each 30812
agreement the value of the real and personal property exempted 30813
pursuant to the agreement and a comparison of the stipulated and 30814
actual schedules for hiring new employees, for retaining 30815
existing employees, for the amount of payroll of the enterprise 30816
attributable to these employees, and for investing in 30817
establishing, expanding, renovating, or occupying a facility; 30818

(b) The number of agreements the terms of which an 30819
enterprise has failed to comply with, indicating separately for 30820
each agreement the value of the real and personal property 30821
exempted pursuant to the agreement and a comparison of the 30822
stipulated and actual schedules for hiring new employees, for 30823
retaining existing employees, for the amount of payroll of the 30824
enterprise attributable to these employees, and for investing in 30825
establishing, expanding, renovating, or occupying a facility; 30826

(c) The number of agreements about which the tax incentive 30827
review council made recommendations to the legislative authority 30828
of the municipal corporation or county, and the number of those 30829

recommendations that have not been followed;	30830
(d) The number of agreements rescinded during the calendar year for which the report is submitted.	30831 30832
(5) The number of enterprises that are subject to agreements that expanded within each zone, including the number of new employees hired and existing employees retained by each enterprise, and the number of new enterprises that are subject to agreements and that established within each zone, including the number of new employees hired by each enterprise;	30833 30834 30835 30836 30837 30838
(6) (a) The number of enterprises that are subject to agreements and that closed or reduced employment at any place of business within the state for the primary purpose of establishing, expanding, renovating, or occupying a facility, indicating separately for each enterprise the political subdivision in which the enterprise closed or reduced employment at a place of business and the number of full-time employees transferred and retained by each such place of business;	30839 30840 30841 30842 30843 30844 30845 30846
(b) The number of enterprises that are subject to agreements and that closed or reduced employment at any place of business outside the state for the primary purpose of establishing, expanding, renovating, or occupying a facility.	30847 30848 30849 30850
(7) For each agreement in effect during any part of the preceding year, the number of employees employed by the enterprise at the project site immediately prior to formal approval of the agreement, the number of employees employed by the enterprise at the project site on the thirty-first day of December of the preceding year, the payroll of the enterprise for the preceding year, the amount of taxes paid on tangible personal property situated at the project site and the amount of	30851 30852 30853 30854 30855 30856 30857 30858

those taxes that were not paid because of the exemption granted 30859
under the agreement, and the amount of taxes paid on real 30860
property constituting the project site and the amount of those 30861
taxes that were not paid because of the exemption granted under 30862
the agreement. If an agreement was entered into under section 30863
5709.632 of the Revised Code with an enterprise described in 30864
division (B) (2) of that section, the report shall include the 30865
number of employee positions at all of the enterprise's 30866
locations in this state. If an agreement is conditioned on a 30867
waiver issued under division (B) of section 5709.633 of the 30868
Revised Code on the basis of the circumstance described in 30869
division (B) (3) (a) or (b) of that section, the report shall 30870
include the number of employees at the facilities referred to in 30871
division (B) (3) (a) (i) or (b) (i) of that section, respectively. 30872

(B) Upon the failure of a municipal corporation or county 30873
to comply with division (A) of this section: 30874

(1) Beginning on the first day of April of the calendar 30875
year in which the municipal corporation or county fails to 30876
comply with that division, the municipal corporation or county 30877
shall not enter into any agreements with an enterprise under 30878
section 5709.62, 5709.63, or 5709.632 of the Revised Code until 30879
the municipal corporation or county has complied with division 30880
(A) of this section. 30881

(2) On the first day of each ensuing calendar month until 30882
the municipal corporation or county complies with division (A) 30883
of this section, the director of housing and development 30884
~~services~~ shall either order the proper county auditor to deduct 30885
from the next succeeding payment of taxes to the municipal 30886
corporation or county under section 321.31, 321.32, 321.33, or 30887
321.34 of the Revised Code an amount equal to one thousand 30888

dollars for each calendar month the municipal corporation or 30889
county fails to comply with that division, or order the county 30890
auditor to deduct that amount from the next succeeding payment 30891
to the municipal corporation or county from the undivided local 30892
government fund under section 5747.51 of the Revised Code. At 30893
the time such a payment is made, the county auditor shall comply 30894
with the director's order by issuing a warrant, drawn on the 30895
fund from which the money would have been paid, to the director 30896
of housing and development~~services~~, who shall deposit the 30897
warrant into the state enterprise zone program administration 30898
fund created in division (C) of this section. 30899

(C) The director, by rule, shall establish the state's 30900
application fee for applications submitted to a municipal 30901
corporation or county to enter into an agreement under section 30902
5709.62, 5709.63, or 5709.632 of the Revised Code. In 30903
establishing the amount of the fee, the director shall consider 30904
the state's cost of administering the enterprise zone program, 30905
including the cost of reviewing the reports required under 30906
division (A) of this section. The director may change the amount 30907
of the fee at the times and in the increments the director 30908
considers necessary. Any municipal corporation or county that 30909
receives an application shall collect the application fee and 30910
remit the fee for deposit in the state treasury to the credit of 30911
the tax incentives operating fund created in section 122.174 of 30912
the Revised Code. 30913

(D) On or before the thirtieth day of June each year, the 30914
director of housing and development ~~services~~ shall certify to 30915
the tax commissioner the information described under division 30916
(A) (7) of this section, derived from the reports submitted to 30917
the director under this section. 30918

On the basis of the information certified under this 30919
division, the tax commissioner annually shall submit a report to 30920
the governor, the speaker of the house of representatives, the 30921
president of the senate, and the chairpersons of the ways and 30922
means committees of the respective houses of the general 30923
assembly, indicating for each enterprise zone the amount of 30924
state and local taxes that were not required to be paid because 30925
of exemptions granted under agreements entered into under 30926
section 5709.62, 5709.63, or 5709.632 of the Revised Code and 30927
the amount of additional taxes paid from the payroll of new 30928
employees. 30929

Sec. 5709.69. If an enterprise operating in a county or 30930
municipal corporation in this state intends to relocate or 30931
relocates part or all of its operations to another county or 30932
municipal corporation in this state and has entered into or 30933
intends to enter into an agreement under section 5709.62, 30934
5709.63, or 5709.632 of the Revised Code with that county or 30935
municipal corporation, the legislative authority or an officer 30936
of the county or municipal corporation to which the enterprise 30937
intends to relocate or relocates shall serve the legislative 30938
authority of the county or municipal corporation from which the 30939
enterprise intends to relocate or relocates with notice of the 30940
enterprise's intention to relocate, accompanied by a copy of the 30941
agreement to be entered into or entered into pursuant to section 30942
5709.62, 5709.63, or 5709.632 of the Revised Code and a 30943
statement of the enterprise's reasons for relocation. The 30944
legislative authority or officer also shall serve such notice 30945
upon the director of housing and development. In both cases, 30946
service shall be by personal service or certified mail, return 30947
receipt requested, not later than thirty days prior to the day 30948
of the first public meeting at which the agreement is 30949

deliberated by the legislative authority of the county or 30950
municipal corporation to which the enterprise intends to 30951
relocate or relocates. With the approval of the director of 30952
housing and development, service shall be not later than fifteen 30953
days prior to the day of the first public meeting of the 30954
legislative authority at which the agreement is deliberated. The 30955
legislative authority or officer required to serve notice shall 30956
seek such approval by applying to the director at the earliest 30957
possible time prior to that meeting. The director may approve 30958
the later service if the director determines that earlier notice 30959
is not possible or would be likely to jeopardize realization of 30960
the project. If approval for a later notice is applied for, the 30961
legislative authority or officer need not serve notice to the 30962
director as otherwise required by this section. 30963

If the legislative authority or officer required to serve 30964
such notices fails to do so as prescribed by this section, the 30965
legislative authority shall not enter into an agreement under 30966
those sections with that enterprise. 30967

This section applies only to relocations of operations 30968
that result or would result in the reduction of employment or 30969
the cessation of operations at a place of business in this 30970
state. 30971

Sec. 5709.73. (A) As used in this section and section 30972
5709.74 of the Revised Code: 30973

(1) "Business day" means a day of the week excluding 30974
Saturday, Sunday, and a legal holiday as defined in section 1.14 30975
of the Revised Code. 30976

(2) "Further improvements" or "improvements" means the 30977
increase in the assessed value of real property that would first 30978

appear on the tax list and duplicate of real and public utility 30979
property after the effective date of a resolution adopted under 30980
this section were it not for the exemption granted by that 30981
resolution. For purposes of division (B) of this section, 30982
"improvements" do not include any property used or to be used 30983
for residential purposes. For this purpose, "property that is 30984
used or to be used for residential purposes" means property 30985
that, as improved, is used or to be used for purposes that would 30986
cause the tax commissioner to classify the property as 30987
residential property in accordance with rules adopted by the 30988
commissioner under section 5713.041 of the Revised Code. 30989

(3) "Housing renovation" means a project carried out for 30990
residential purposes. 30991

(4) "Incentive district" has the same meaning as in 30992
section 5709.40 of the Revised Code, except that a blighted area 30993
is in the unincorporated area of a township. 30994

(5) "Overlay" has the same meaning as in section 5709.40 30995
of the Revised Code, except that the overlay is delineated by 30996
the board of township trustees. 30997

(6) "Project" and "public infrastructure improvement" have 30998
the same meanings as in section 5709.40 of the Revised Code. 30999

(7) "Urban township" has the same meaning as in section 31000
504.01 of the Revised Code. 31001

(8) "Nonperforming parcel" means a parcel to which all of 31002
the following apply: 31003

(a) The parcel is exempted from taxation under division 31004
(B) of this section or has been included in a district created 31005
under division (C) of this section. 31006

(b) The parcel's owner is required to make payments in lieu of taxes in accordance with section 5709.74 of the Revised Code. 31007
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(c) No such payments have been remitted to the county treasurer since the inception of the exemption or district. 31010
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(B) A board of township trustees may adopt a resolution that declares to be a public purpose any public infrastructure improvements made that are necessary for the development of certain parcels of land located in the unincorporated area of the township. Except for a resolution adopted by the board of an urban township, the resolution shall be adopted by a unanimous vote of the board. Except as otherwise provided under division (D) of this section or section 5709.51 of the Revised Code, the resolution may exempt from real property taxation not more than seventy-five per cent of further improvements to a parcel of land that directly benefits from the public infrastructure improvements, for a period of not more than ten years. The resolution shall specify the percentage of the further improvements to be exempted and the life of the exemption. 31012
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(C) (1) A board of township trustees may adopt a resolution creating an incentive district and declaring improvements to parcels within the district to be a public purpose and, except as provided in division (C) (2) of this section, exempt from taxation as provided in this section. Except for a resolution adopted by the board of an urban township, the resolution shall be adopted by a unanimous vote of the board. A board of township trustees of a township that has a population that exceeds twenty-five thousand, as shown by the most recent federal decennial census, may not adopt a resolution that creates an incentive district if the sum of the taxable value of real 31026
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property in the proposed district for the preceding tax year and 31037
the taxable value of all real property in the township that 31038
would have been taxable in the preceding year were it not for 31039
the fact that the property was in an existing incentive district 31040
and therefore exempt from taxation exceeds twenty-five per cent 31041
of the taxable value of real property in the township for the 31042
preceding tax year. The district shall be located within the 31043
unincorporated area of the township and shall not include any 31044
territory that is included within a district created under 31045
division (B) of section 5709.78 of the Revised Code. The 31046
resolution shall delineate the boundary of the proposed district 31047
and specifically identify each parcel within the district. A 31048
proposed district may not include any parcel, other than a 31049
nonperforming parcel, that is or has been exempted from taxation 31050
under division (B) of this section or that is or has been within 31051
another district created under this division. On and after the 31052
effective date of the district, a nonperforming parcel within 31053
the district is no longer exempted from taxation under division 31054
(B) of this section or included within an incentive district 31055
under any previous resolution, and the parcel's owner is no 31056
longer required to make payments in lieu of taxes under such a 31057
previous resolution in accordance with section 5709.74 of the 31058
Revised Code. Any exemption application filed with the tax 31059
commissioner under section 5715.27 of the Revised Code under the 31060
second resolution shall identify the nonperforming parcels 31061
included in the second district, the original resolution under 31062
which the nonperforming parcels were originally exempted, and 31063
the value history of each nonperforming parcel since the 31064
enactment of the original resolution. A resolution may create 31065
more than one such district, and more than one resolution may be 31066
adopted under division (C) (1) of this section. 31067

(2) (a) Not later than thirty days prior to adopting a resolution under division (C) (1) of this section, if the township intends to apply for exemptions from taxation under section 5709.911 of the Revised Code on behalf of owners of real property located within the proposed incentive district, the board shall conduct a public hearing on the proposed resolution. Not later than thirty days prior to the public hearing, the board shall give notice of the public hearing and the proposed resolution by first class mail to every real property owner whose property is located within the boundaries of the proposed incentive district that is the subject of the proposed resolution. The notice shall include a map of the proposed incentive district on which the board of township trustees shall have delineated an overlay. The notice shall inform the property owner of the owner's right to exclude the owner's property from the incentive district if both of the following conditions are met:

(i) The owner's entire parcel of property will not be located within the overlay.

(ii) The owner has submitted a statement to the board of county commissioners of the county in which the parcel is located indicating the owner's intent to seek a tax exemption for improvements to the owner's parcel under division (A) or (B) of section 5709.78 of the Revised Code within the next five years.

When both of the preceding conditions are met, the owner may exclude the owner's property from the incentive district by submitting a written response in accordance with division (C) (2) (b) of this section. The notice also shall include information detailing the required contents of the response, the address to

which the response may be mailed, and the deadline for 31098
submitting the response. 31099

(b) Any owner of real property located within the 31100
boundaries of an incentive district proposed under division (C) 31101
(1) of this section who meets the conditions specified in 31102
divisions (C) (2) (a) (i) and (ii) of this section may exclude the 31103
property from the proposed incentive district by submitting a 31104
written response to the board not later than forty-five days 31105
after the postmark date on the notice required under division 31106
(C) (2) (a) of this section. The response shall include a copy of 31107
the statement submitted under division (C) (2) (a) (ii) of this 31108
section. The response shall be sent by first class mail or 31109
delivered in person at a public hearing held by the board under 31110
division (C) (2) (a) of this section. The response shall conform 31111
to any content requirements that may be established by the board 31112
and included in the notice provided under division (C) (2) (a) of 31113
this section. In the response, property owners may identify a 31114
parcel by street address, by the manner in which it is 31115
identified in the resolution, or by other means allowing the 31116
identity of the parcel to be ascertained. 31117

(c) Before adopting a resolution under division (C) (1) of 31118
this section, the board shall amend the resolution to exclude 31119
any parcel for which a written response has been submitted under 31120
division (C) (2) (b) of this section. A township shall not apply 31121
for exemptions from taxation under section 5709.911 of the 31122
Revised Code for any such parcel, and service payments may not 31123
be required from the owner of the parcel. Improvements to a 31124
parcel excluded from an incentive district under this division 31125
may be exempted from taxation under division (B) of this section 31126
pursuant to a resolution adopted under that division or under 31127
any other section of the Revised Code under which the parcel 31128

qualifies. 31129

(3) (a) A resolution adopted under division (C) (1) of this 31130
section shall specify the life of the incentive district and the 31131
percentage of the improvements to be exempted, shall designate 31132
the public infrastructure improvements made, to be made, or in 31133
the process of being made, that benefit or serve, or, once made, 31134
will benefit or serve parcels in the district. The resolution 31135
also shall identify one or more specific projects being, or to 31136
be, undertaken in the district that place additional demand on 31137
the public infrastructure improvements designated in the 31138
resolution. The project identified may, but need not be, the 31139
project under division (C) (3) (b) of this section that places 31140
real property in use for commercial or industrial purposes. 31141

A resolution adopted under division (C) (1) of this section 31142
on or after March 30, 2006, shall not designate police or fire 31143
equipment as public infrastructure improvements, and, except as 31144
provided in division (F) of this section, no service payment 31145
provided for in section 5709.74 of the Revised Code and received 31146
by the township under the resolution shall be used for police or 31147
fire equipment. 31148

(b) A resolution adopted under division (C) (1) of this 31149
section may authorize the use of service payments provided for 31150
in section 5709.74 of the Revised Code for the purpose of 31151
housing renovations within the incentive district, provided that 31152
the resolution also designates public infrastructure 31153
improvements that benefit or serve the district, and that a 31154
project within the district places real property in use for 31155
commercial or industrial purposes. Service payments may be used 31156
to finance or support loans, deferred loans, and grants to 31157
persons for the purpose of housing renovations within the 31158

district. The resolution shall designate the parcels within the 31159
district that are eligible for housing renovations. The 31160
resolution shall state separately the amount or the percentages 31161
of the expected aggregate service payments that are designated 31162
for each public infrastructure improvement and for the purpose 31163
of housing renovations. 31164

(4) Except with the approval of the board of education of 31165
each city, local, or exempted village school district within the 31166
territory of which the incentive district is or will be located, 31167
and subject to division (E) of this section, the life of an 31168
incentive district shall not exceed ten years, and the 31169
percentage of improvements to be exempted shall not exceed 31170
seventy-five per cent. With approval of the board of education, 31171
the life of a district may be not more than thirty years, and 31172
the percentage of improvements to be exempted may be not more 31173
than one hundred per cent. The approval of a board of education 31174
shall be obtained in the manner provided in division (D) of this 31175
section. 31176

(D) Improvements with respect to a parcel may be exempted 31177
from taxation under division (B) of this section, and 31178
improvements to parcels within an incentive district may be 31179
exempted from taxation under division (C) of this section, for 31180
up to ten years or, with the approval of the board of education 31181
of the city, local, or exempted village school district within 31182
which the parcel or district is located, for up to thirty years. 31183
The percentage of the improvements exempted from taxation may, 31184
with such approval, exceed seventy-five per cent, but shall not 31185
exceed one hundred per cent. Not later than forty-five business 31186
days prior to adopting a resolution under this section declaring 31187
improvements to be a public purpose that is subject to approval 31188
by a board of education under this division, the board of 31189

township trustees shall deliver to the board of education a 31190
notice stating its intent to adopt a resolution making that 31191
declaration. The notice regarding improvements with respect to a 31192
parcel under division (B) of this section shall identify the 31193
parcels for which improvements are to be exempted from taxation, 31194
provide an estimate of the true value in money of the 31195
improvements, specify the period for which the improvements 31196
would be exempted from taxation and the percentage of the 31197
improvements that would be exempted, and indicate the date on 31198
which the board of township trustees intends to adopt the 31199
resolution. The notice regarding improvements made under 31200
division (C) of this section to parcels within an incentive 31201
district shall delineate the boundaries of the district, 31202
specifically identify each parcel within the district, identify 31203
each anticipated improvement in the district, provide an 31204
estimate of the true value in money of each such improvement, 31205
specify the life of the district and the percentage of 31206
improvements that would be exempted, and indicate the date on 31207
which the board of township trustees intends to adopt the 31208
resolution. The board of education, by resolution adopted by a 31209
majority of the board, may approve the exemption for the period 31210
or for the exemption percentage specified in the notice; may 31211
disapprove the exemption for the number of years in excess of 31212
ten, may disapprove the exemption for the percentage of the 31213
improvements to be exempted in excess of seventy-five per cent, 31214
or both; or may approve the exemption on the condition that the 31215
board of township trustees and the board of education negotiate 31216
an agreement providing for compensation to the school district 31217
equal in value to a percentage of the amount of taxes exempted 31218
in the eleventh and subsequent years of the exemption period or, 31219
in the case of exemption percentages in excess of seventy-five 31220
per cent, compensation equal in value to a percentage of the 31221

taxes that would be payable on the portion of the improvements 31222
in excess of seventy-five per cent were that portion to be 31223
subject to taxation, or other mutually agreeable compensation. 31224

The board of education shall certify its resolution to the 31225
board of township trustees not later than fourteen days prior to 31226
the date the board of township trustees intends to adopt the 31227
resolution as indicated in the notice. If the board of education 31228
and the board of township trustees negotiate a mutually 31229
acceptable compensation agreement, the resolution may declare 31230
the improvements a public purpose for the number of years 31231
specified in the resolution or, in the case of exemption 31232
percentages in excess of seventy-five per cent, for the 31233
exemption percentage specified in the resolution. In either 31234
case, if the board of education and the board of township 31235
trustees fail to negotiate a mutually acceptable compensation 31236
agreement, the resolution may declare the improvements a public 31237
purpose for not more than ten years, and shall not exempt more 31238
than seventy-five per cent of the improvements from taxation. If 31239
the board of education fails to certify a resolution to the 31240
board of township trustees within the time prescribed by this 31241
section, the board of township trustees thereupon may adopt the 31242
resolution and may declare the improvements a public purpose for 31243
up to thirty years or, in the case of exemption percentages 31244
proposed in excess of seventy-five per cent, for the exemption 31245
percentage specified in the resolution. The board of township 31246
trustees may adopt the resolution at any time after the board of 31247
education certifies its resolution approving the exemption to 31248
the board of township trustees, or, if the board of education 31249
approves the exemption on the condition that a mutually 31250
acceptable compensation agreement be negotiated, at any time 31251
after the compensation agreement is agreed to by the board of 31252

education and the board of township trustees. If a mutually 31253
acceptable compensation agreement is negotiated between the 31254
board of township trustees and the board of education, including 31255
agreements for payments in lieu of taxes under section 5709.74 31256
of the Revised Code, the board of township trustees shall 31257
compensate the joint vocational school district within which the 31258
parcel or district is located at the same rate and under the 31259
same terms received by the city, local, or exempted village 31260
school district. 31261

If a board of education has adopted a resolution waiving 31262
its right to approve exemptions from taxation under this section 31263
and the resolution remains in effect, approval of such 31264
exemptions by the board of education is not required under 31265
division (D) of this section. If a board of education has 31266
adopted a resolution allowing a board of township trustees to 31267
deliver the notice required under division (D) of this section 31268
fewer than forty-five business days prior to adoption of the 31269
resolution by the board of township trustees, the board of 31270
township trustees shall deliver the notice to the board of 31271
education not later than the number of days prior to the 31272
adoption as prescribed by the board of education in its 31273
resolution. If a board of education adopts a resolution waiving 31274
its right to approve exemptions or shortening the notification 31275
period, the board of education shall certify a copy of the 31276
resolution to the board of township trustees. If the board of 31277
education rescinds the resolution, it shall certify notice of 31278
the rescission to the board of township trustees. 31279

If the board of township trustees is not required by 31280
division (D) of this section to notify the board of education of 31281
the board of township trustees' intent to declare improvements 31282
to be a public purpose, the board of township trustees shall 31283

comply with the notice requirements imposed under section 31284
5709.83 of the Revised Code before taking formal action to adopt 31285
the resolution making that declaration, unless the board of 31286
education has adopted a resolution under that section waiving 31287
its right to receive the notice. 31288

Nothing in this division prohibits the board of township 31289
trustees from amending the resolution under section 5709.51 of 31290
the Revised Code to extend the term of the exemption. 31291

(E) (1) If a proposed resolution under division (C) (1) of 31292
this section exempts improvements with respect to a parcel 31293
within an incentive district for more than ten years, or the 31294
percentage of the improvement exempted from taxation exceeds 31295
seventy-five per cent, not later than forty-five business days 31296
prior to adopting the resolution the board of township trustees 31297
shall deliver to the board of county commissioners of the county 31298
within which the incentive district is or will be located a 31299
notice that states its intent to adopt a resolution creating an 31300
incentive district. The notice shall include a copy of the 31301
proposed resolution, identify the parcels for which improvements 31302
are to be exempted from taxation, provide an estimate of the 31303
true value in money of the improvements, specify the period of 31304
time for which the improvements would be exempted from taxation, 31305
specify the percentage of the improvements that would be 31306
exempted from taxation, and indicate the date on which the board 31307
of township trustees intends to adopt the resolution. 31308

(2) The board of county commissioners, by resolution 31309
adopted by a majority of the board, may object to the exemption 31310
for the number of years in excess of ten, may object to the 31311
exemption for the percentage of the improvement to be exempted 31312
in excess of seventy-five per cent, or both. If the board of 31313

county commissioners objects, the board may negotiate a mutually 31314
acceptable compensation agreement with the board of township 31315
trustees. In no case shall the compensation provided to the 31316
board of county commissioners exceed the property taxes foregone 31317
due to the exemption. If the board of county commissioners 31318
objects, and the board of county commissioners and board of 31319
township trustees fail to negotiate a mutually acceptable 31320
compensation agreement, the resolution adopted under division 31321
(C) (1) of this section shall provide to the board of county 31322
commissioners compensation in the eleventh and subsequent years 31323
of the exemption period equal in value to not more than fifty 31324
per cent of the taxes that would be payable to the county or, if 31325
the board of county commissioner's objection includes an 31326
objection to an exemption percentage in excess of seventy-five 31327
per cent, compensation equal in value to not more than fifty per 31328
cent of the taxes that would be payable to the county, on the 31329
portion of the improvement in excess of seventy-five per cent, 31330
were that portion to be subject to taxation. The board of county 31331
commissioners shall certify its resolution to the board of 31332
township trustees not later than thirty days after receipt of 31333
the notice. 31334

(3) If the board of county commissioners does not object 31335
or fails to certify its resolution objecting to an exemption 31336
within thirty days after receipt of the notice, the board of 31337
township trustees may adopt its resolution, and no compensation 31338
shall be provided to the board of county commissioners. If the 31339
board of county commissioners timely certifies its resolution 31340
objecting to the trustees' resolution, the board of township 31341
trustees may adopt its resolution at any time after a mutually 31342
acceptable compensation agreement is agreed to by the board of 31343
county commissioners and the board of township trustees, or, if 31344

no compensation agreement is negotiated, at any time after the 31345
board of township trustees agrees in the proposed resolution to 31346
provide compensation to the board of county commissioners of 31347
fifty per cent of the taxes that would be payable to the county 31348
in the eleventh and subsequent years of the exemption period or 31349
on the portion of the improvement in excess of seventy-five per 31350
cent, were that portion to be subject to taxation. 31351

(F) Service payments in lieu of taxes that are 31352
attributable to any amount by which the effective tax rate of 31353
either a renewal levy with an increase or a replacement levy 31354
exceeds the effective tax rate of the levy renewed or replaced, 31355
or that are attributable to an additional levy, for a levy 31356
authorized by the voters for any of the following purposes on or 31357
after January 1, 2006, and which are provided pursuant to a 31358
resolution creating an incentive district under division (C) (1) 31359
of this section that is adopted on or after January 1, 2006, or 31360
a later date as specified in this division, shall be distributed 31361
to the appropriate taxing authority as required under division 31362
(C) of section 5709.74 of the Revised Code in an amount equal to 31363
the amount of taxes from that additional levy or from the 31364
increase in the effective tax rate of such renewal or 31365
replacement levy that would have been payable to that taxing 31366
authority from the following levies were it not for the 31367
exemption authorized under division (C) of this section: 31368

(1) A tax levied under division (L) of section 5705.19 or 31369
section 5705.191 or 5705.222 of the Revised Code for community 31370
developmental disabilities programs and services pursuant to 31371
Chapter 5126. of the Revised Code; 31372

(2) A tax levied under division (Y) of section 5705.19 of 31373
the Revised Code for providing or maintaining senior citizens 31374

services or facilities;	31375
(3) A tax levied under section 5705.22 of the Revised Code	31376
for county hospitals;	31377
(4) A tax levied by a joint-county district or by a county	31378
under section 5705.19, 5705.191, or 5705.221 of the Revised Code	31379
for alcohol, drug addiction, and mental health services or	31380
families;	31381
(5) A tax levied under section 5705.23 of the Revised Code	31382
for library purposes;	31383
(6) A tax levied under section 5705.24 of the Revised Code	31384
for the support of children services and the placement and care	31385
of children;	31386
(7) A tax levied under division (Z) of section 5705.19 of	31387
the Revised Code for the provision and maintenance of zoological	31388
park services and facilities under section 307.76 of the Revised	31389
Code;	31390
(8) A tax levied under section 511.27 or division (H) of	31391
section 5705.19 of the Revised Code for the support of township	31392
park districts;	31393
(9) A tax levied under division (A), (F), or (H) of	31394
section 5705.19 of the Revised Code for parks and recreational	31395
purposes of a joint recreation district organized pursuant to	31396
division (B) of section 755.14 of the Revised Code;	31397
(10) A tax levied under section 1545.20 or 1545.21 of the	31398
Revised Code for park district purposes;	31399
(11) A tax levied under section 5705.191 of the Revised	31400
Code for the purpose of making appropriations for public	31401
assistance; human or social services; public relief; public	31402

welfare; public health and hospitalization; and support of 31403
general hospitals; 31404

(12) A tax levied under section 3709.29 of the Revised 31405
Code for a general health district program; 31406

(13) A tax levied by a township under section 505.39, 31407
505.51, or division (I), (J), (U), or (JJ) of section 5705.19 of 31408
the Revised Code for the purpose of funding fire, police, 31409
emergency medical, or ambulance services as described in those 31410
sections. Division (F)(13) of this section applies only to 31411
incentive districts created by a resolution adopted on or after 31412
March 22, 2019, the effective date of the amendment of this 31413
section by H.B. 500 of the 132nd general assembly, and only if 31414
that resolution specifies that division (F) of this section 31415
shall apply to such a tax. 31416

(G) An exemption from taxation granted under this section 31417
commences with the tax year specified in the resolution so long 31418
as the year specified in the resolution commences after the 31419
effective date of the resolution. If the resolution specifies a 31420
year commencing before the effective date of the resolution or 31421
specifies no year whatsoever, the exemption commences with the 31422
tax year in which an exempted improvement first appears on the 31423
tax list and duplicate of real and public utility property and 31424
that commences after the effective date of the resolution. In 31425
lieu of stating a specific year, the resolution may provide that 31426
the exemption commences in the tax year in which the value of an 31427
improvement exceeds a specified amount or in which the 31428
construction of one or more improvements is completed, provided 31429
that such tax year commences after the effective date of the 31430
resolution. With respect to the exemption of improvements to 31431
parcels under division (B) of this section, the resolution may 31432

allow for the exemption to commence in different tax years on a 31433
parcel-by-parcel basis, with a separate exemption term specified 31434
for each parcel. 31435

Except as otherwise provided in this division and section 31436
5709.51 of the Revised Code, the exemption ends on the date 31437
specified in the resolution as the date the improvement ceases 31438
to be a public purpose or the incentive district expires, or 31439
ends on the date on which the public infrastructure improvements 31440
and housing renovations are paid in full from the township 31441
public improvement tax increment equivalent fund established 31442
under section 5709.75 of the Revised Code, whichever occurs 31443
first. The exemption of an improvement with respect to a parcel 31444
or within an incentive district may end on a later date, as 31445
specified in the resolution, if the board of township trustees 31446
and the board of education of the city, local, or exempted 31447
village school district within which the parcel or district is 31448
located have entered into a compensation agreement under section 31449
5709.82 of the Revised Code with respect to the improvement and 31450
the board of education has approved the term of the exemption 31451
under division (D) of this section, but in no case shall the 31452
improvement be exempted from taxation for more than thirty 31453
years. The board of township trustees may, by majority vote, 31454
adopt a resolution permitting the township to enter into such 31455
agreements as the board finds necessary or appropriate to 31456
provide for the construction or undertaking of public 31457
infrastructure improvements and housing renovations. Any 31458
exemption shall be claimed and allowed in the same or a similar 31459
manner as in the case of other real property exemptions. If an 31460
exemption status changes during a tax year, the procedure for 31461
the apportionment of the taxes for that year is the same as in 31462
the case of other changes in tax exemption status during the 31463

year. 31464

(H) The board of township trustees may issue the notes of 31465
the township to finance all costs pertaining to the construction 31466
or undertaking of public infrastructure improvements and housing 31467
renovations made pursuant to this section. The notes shall be 31468
signed by the board and attested by the signature of the 31469
township fiscal officer, shall bear interest not to exceed the 31470
rate provided in section 9.95 of the Revised Code, and are not 31471
subject to Chapter 133. of the Revised Code. The resolution 31472
authorizing the issuance of the notes shall pledge the funds of 31473
the township public improvement tax increment equivalent fund 31474
established pursuant to section 5709.75 of the Revised Code to 31475
pay the interest on and principal of the notes. The notes, which 31476
may contain a clause permitting prepayment at the option of the 31477
board, shall be offered for sale on the open market or given to 31478
the vendor or contractor if no sale is made. 31479

(I) The township, not later than fifteen days after the 31480
adoption of a resolution under this section, shall submit to the 31481
director of housing and development a copy of the resolution. On 31482
or before the thirty-first day of March of each year, the 31483
township shall submit a status report to the director. The 31484
report shall indicate, in the manner prescribed by the director, 31485
the progress of the project during each year that the exemption 31486
remains in effect, including a summary of the receipts from 31487
service payments in lieu of taxes; expenditures of money from 31488
the fund created under section 5709.75 of the Revised Code; a 31489
description of the public infrastructure improvements and 31490
housing renovations financed with the expenditures; and a 31491
quantitative summary of changes in private investment resulting 31492
from each project. 31493

(J) Nothing in this section shall be construed to prohibit 31494
a board of township trustees from declaring to be a public 31495
purpose improvements with respect to more than one parcel. 31496

If a parcel is located in a new community district in 31497
which the new community authority imposes a community 31498
development charge on the basis of rentals received from leases 31499
of real property as described in division (L) (2) of section 31500
349.01 of the Revised Code, the parcel may not be exempted from 31501
taxation under this section. 31502

(K) A board of township trustees that adopted a resolution 31503
under this section prior to July 21, 1994, may amend that 31504
resolution to include any additional public infrastructure 31505
improvement. A board of township trustees that seeks by the 31506
amendment to utilize money from its township public improvement 31507
tax increment equivalent fund for land acquisition in aid of 31508
industry, commerce, distribution, or research, demolition on 31509
private property, or stormwater and flood remediation projects 31510
may do so provided that the board currently is a party to a 31511
hold-harmless agreement with the board of education of the city, 31512
local, or exempted village school district within the territory 31513
of which are located the parcels that are subject to an 31514
exemption. For the purposes of this division, a "hold-harmless 31515
agreement" means an agreement under which the board of township 31516
trustees agrees to compensate the school district for one 31517
hundred per cent of the tax revenue that the school district 31518
would have received from further improvements to parcels 31519
designated in the resolution were it not for the exemption 31520
granted by the resolution. 31521

(L) Notwithstanding the limitation prescribed by division 31522
(D) of this section on the number of years that improvements to 31523

a parcel or parcels may be exempted from taxation, a board of trustees of a township with a population of fifteen thousand or more may amend a resolution originally adopted under this section before December 31, 1994, to extend the exemption of improvements to the parcel or parcels included in such resolution for an additional period not to exceed fifteen years. The amendment shall not increase the percentage of improvements to the parcel or parcels exempted from taxation. Before adopting an amendment authorized under this division, the board of township trustees shall obtain the approval of each board of education of the city, local, or exempted village school district within which the exempted parcels are located in the manner required under division (D) of this section, except that (1) the board of education may approve the exemption on the condition that the board of township trustees and the board of education negotiate an agreement providing for compensation to the school district equal in value to the amount of taxes the district forgoes in each year the exemption is extended pursuant to this division or any other mutually agreeable compensation and (2) if the board of education fails to certify a resolution approving the amendment to the board of township trustees within the time prescribed by division (D) of this section, the board of township trustees shall not adopt the amendment authorized under this division.

No approval under this division shall be required from a board of education that has adopted a resolution waiving its right to approve exemptions from taxation pursuant to division (D) of this section. If the board of education has adopted such a resolution, the board of township trustees shall comply with the notice requirements imposed under section 5709.83 of the Revised Code before taking formal action to adopt an amendment

authorized under this division unless the board of education has 31555
adopted a resolution under that section waiving its right to 31556
receive the notice. Not later than fourteen days before adopting 31557
an amendment authorized under this division, the board of 31558
township trustees shall deliver a notice identical to a notice 31559
required under section 5709.83 of the Revised Code to the board 31560
of county commissioners of each county in which the exempted 31561
parcels are located. 31562

Sec. 5709.78. (A) A board of county commissioners may, by 31563
resolution, declare improvements to certain parcels of real 31564
property located in the unincorporated territory of the county 31565
to be a public purpose. Except as otherwise provided under 31566
division (C) of this section or section 5709.51 of the Revised 31567
Code, not more than seventy-five per cent of an improvement thus 31568
declared to be a public purpose may be exempted from real 31569
property taxation, for a period of not more than ten years. The 31570
resolution shall specify the percentage of the improvement to be 31571
exempted and the life of the exemption. 31572

A resolution adopted under this division shall designate 31573
the specific public infrastructure improvements made, to be 31574
made, or in the process of being made by the county that 31575
directly benefit, or that once made will directly benefit, the 31576
parcels for which improvements are declared to be a public 31577
purpose. The service payments provided for in section 5709.79 of 31578
the Revised Code shall be used to finance the public 31579
infrastructure improvements designated in the resolution, or as 31580
provided in section 5709.80 of the Revised Code. 31581

(B) (1) A board of county commissioners may adopt a 31582
resolution creating an incentive district and declaring 31583
improvements to parcels within the district to be a public 31584

purpose and, except as provided in division (B) (2) of this 31585
section, exempt from taxation as provided in this section, but 31586
no board of county commissioners of a county that has a 31587
population that exceeds twenty-five thousand, as shown by the 31588
most recent federal decennial census, shall adopt a resolution 31589
that creates an incentive district if the sum of the taxable 31590
value of real property in the proposed district for the 31591
preceding tax year and the taxable value of all real property in 31592
the county that would have been taxable in the preceding year 31593
were it not for the fact that the property was in an existing 31594
incentive district and therefore exempt from taxation exceeds 31595
twenty-five per cent of the taxable value of real property in 31596
the county for the preceding tax year. The district shall be 31597
located within the unincorporated territory of the county and 31598
shall not include any territory that is included within a 31599
district created under division (C) of section 5709.73 of the 31600
Revised Code. The resolution shall delineate the boundary of the 31601
proposed district and specifically identify each parcel within 31602
the district. A proposed district may not include any parcel 31603
that is or has been exempted from taxation under division (A) of 31604
this section or that is or has been within another district 31605
created under this division. A resolution may create more than 31606
one such district, and more than one resolution may be adopted 31607
under division (B) (1) of this section. 31608

(2) (a) Not later than thirty days prior to adopting a 31609
resolution under division (B) (1) of this section, if the county 31610
intends to apply for exemptions from taxation under section 31611
5709.911 of the Revised Code on behalf of owners of real 31612
property located within the proposed incentive district, the 31613
board of county commissioners shall conduct a public hearing on 31614
the proposed resolution. Not later than thirty days prior to the 31615

public hearing, the board shall give notice of the public 31616
hearing and the proposed resolution by first class mail to every 31617
real property owner whose property is located within the 31618
boundaries of the proposed incentive district that is the 31619
subject of the proposed resolution. The board also shall provide 31620
the notice by first class mail to the clerk of each township in 31621
which the proposed incentive district will be located. The 31622
notice shall include a map of the proposed incentive district on 31623
which the board of county commissioners shall have delineated an 31624
overlay. The notice shall inform property owners of the owner's 31625
right to exclude the owner's property from the incentive 31626
district if both of the following conditions are met: 31627

(i) The owner's entire parcel of property will not be 31628
located within the overlay. 31629

(ii) The owner has submitted a statement to the board of 31630
township trustees of the township in which the parcel is located 31631
indicating the owner's intent to seek a tax exemption for 31632
improvements to the owner's parcel under section 5709.41 or 31633
division (B) or (C) of section 5709.73 of the Revised Code 31634
within the next five years. 31635

When both of the preceding conditions are met, the owner 31636
may exclude the owner's property from the incentive district by 31637
submitting a written response in accordance with division (B)(2) 31638
(b) of this section. The notice also shall include information 31639
detailing the required contents of the response, the address to 31640
which the response may be mailed, and the deadline for 31641
submitting the response. 31642

(b) Any owner of real property located within the 31643
boundaries of an incentive district proposed under division (B) 31644
(1) of this section who meets the conditions specified in 31645

divisions (B) (2) (a) (i) and (ii) of this section may exclude the 31646
property from the proposed incentive district by submitting a 31647
written response to the board not later than forty-five days 31648
after the postmark date on the notice required under division 31649
(B) (2) (a) of this section. The response shall include a copy of 31650
the statement submitted under division (B) (2) (a) (ii) of this 31651
section. The response shall be sent by first class mail or 31652
delivered in person at a public hearing held by the board under 31653
division (B) (2) (a) of this section. The response shall conform 31654
to any content requirements that may be established by the board 31655
and included in the notice provided under division (B) (2) (a) of 31656
this section. In the response, property owners may identify a 31657
parcel by street address, by the manner in which it is 31658
identified in the resolution, or by other means allowing the 31659
identity of the parcel to be ascertained. 31660

(c) Before adopting a resolution under division (B) (1) of 31661
this section, the board shall amend the resolution to exclude 31662
any parcel for which a written response has been submitted under 31663
division (B) (2) (b) of this section. A county shall not apply for 31664
exemptions from taxation under section 5709.911 of the Revised 31665
Code for any such parcel, and service payments may not be 31666
required from the owner of the parcel. Improvements to a parcel 31667
excluded from an incentive district under this division may be 31668
exempted from taxation under division (A) of this section 31669
pursuant to a resolution adopted under that division or under 31670
any other section of the Revised Code under which the parcel 31671
qualifies. 31672

(3) (a) A resolution adopted under division (B) (1) of this 31673
section shall specify the life of the incentive district and the 31674
percentage of the improvements to be exempted, shall designate 31675
the public infrastructure improvements made, to be made, or in 31676

the process of being made, that benefit or serve, or, once made, 31677
will benefit or serve parcels in the district. The resolution 31678
also shall identify one or more specific projects being, or to 31679
be, undertaken in the district that place additional demand on 31680
the public infrastructure improvements designated in the 31681
resolution. The project identified may, but need not be, the 31682
project under division (B) (3) (b) of this section that places 31683
real property in use for commercial or industrial purposes. 31684

A resolution adopted under division (B) (1) of this section 31685
on or after March 30, 2006, shall not designate police or fire 31686
equipment as public infrastructure improvements, and no service 31687
payment provided for in section 5709.79 of the Revised Code and 31688
received by the county under the resolution shall be used for 31689
police or fire equipment. 31690

(b) A resolution adopted under division (B) (1) of this 31691
section may authorize the use of service payments provided for 31692
in section 5709.79 of the Revised Code for the purpose of 31693
housing renovations within the incentive district, provided that 31694
the resolution also designates public infrastructure 31695
improvements that benefit or serve the district, and that a 31696
project within the district places real property in use for 31697
commercial or industrial purposes. Service payments may be used 31698
to finance or support loans, deferred loans, and grants to 31699
persons for the purpose of housing renovations within the 31700
district. The resolution shall designate the parcels within the 31701
district that are eligible for housing renovations. The 31702
resolution shall state separately the amount or the percentages 31703
of the expected aggregate service payments that are designated 31704
for each public infrastructure improvement and for the purpose 31705
of housing renovations. 31706

(4) Except with the approval of the board of education of each city, local, or exempted village school district within the territory of which the incentive district is or will be located, and subject to division (D) of this section, the life of an incentive district shall not exceed ten years, and the percentage of improvements to be exempted shall not exceed seventy-five per cent. With approval of the board of education, the life of a district may be not more than thirty years, and the percentage of improvements to be exempted may be not more than one hundred per cent. The approval of a board of education shall be obtained in the manner provided in division (C) of this section.

(C) (1) Improvements with respect to a parcel may be exempted from taxation under division (A) of this section, and improvements to parcels within an incentive district may be exempted from taxation under division (B) of this section, for up to ten years or, with the approval of the board of education of each city, local, or exempted village school district within which the parcel or district is located, for up to thirty years. The percentage of the improvements exempted from taxation may, with such approval, exceed seventy-five per cent, but shall not exceed one hundred per cent. Not later than forty-five business days prior to adopting a resolution under this section declaring improvements to be a public purpose that is subject to the approval of a board of education under this division, the board of county commissioners shall deliver to the board of education a notice stating its intent to adopt a resolution making that declaration. The notice regarding improvements with respect to a parcel under division (A) of this section shall identify the parcels for which improvements are to be exempted from taxation, provide an estimate of the true value in money of the

improvements, specify the period for which the improvements 31738
would be exempted from taxation and the percentage of the 31739
improvements that would be exempted, and indicate the date on 31740
which the board of county commissioners intends to adopt the 31741
resolution. The notice regarding improvements to parcels within 31742
an incentive district under division (B) of this section shall 31743
delineate the boundaries of the district, specifically identify 31744
each parcel within the district, identify each anticipated 31745
improvement in the district, provide an estimate of the true 31746
value in money of each such improvement, specify the life of the 31747
district and the percentage of improvements that would be 31748
exempted, and indicate the date on which the board of county 31749
commissioners intends to adopt the resolution. The board of 31750
education, by resolution adopted by a majority of the board, may 31751
approve the exemption for the period or for the exemption 31752
percentage specified in the notice; may disapprove the exemption 31753
for the number of years in excess of ten, may disapprove the 31754
exemption for the percentage of the improvements to be exempted 31755
in excess of seventy-five per cent, or both; or may approve the 31756
exemption on the condition that the board of county 31757
commissioners and the board of education negotiate an agreement 31758
providing for compensation to the school district equal in value 31759
to a percentage of the amount of taxes exempted in the eleventh 31760
and subsequent years of the exemption period or, in the case of 31761
exemption percentages in excess of seventy-five per cent, 31762
compensation equal in value to a percentage of the taxes that 31763
would be payable on the portion of the improvements in excess of 31764
seventy-five per cent were that portion to be subject to 31765
taxation, or other mutually agreeable compensation. 31766

(2) The board of education shall certify its resolution to 31767
the board of county commissioners not later than fourteen days 31768

prior to the date the board of county commissioners intends to 31769
adopt its resolution as indicated in the notice. If the board of 31770
education and the board of county commissioners negotiate a 31771
mutually acceptable compensation agreement, the resolution of 31772
the board of county commissioners may declare the improvements a 31773
public purpose for the number of years specified in that 31774
resolution or, in the case of exemption percentages in excess of 31775
seventy-five per cent, for the exemption percentage specified in 31776
the resolution. In either case, if the board of education and 31777
the board of county commissioners fail to negotiate a mutually 31778
acceptable compensation agreement, the resolution may declare 31779
the improvements a public purpose for not more than ten years, 31780
and shall not exempt more than seventy-five per cent of the 31781
improvements from taxation. If the board of education fails to 31782
certify a resolution to the board of county commissioners within 31783
the time prescribed by this section, the board of county 31784
commissioners thereupon may adopt the resolution and may declare 31785
the improvements a public purpose for up to thirty years or, in 31786
the case of exemption percentages proposed in excess of seventy- 31787
five per cent, for the exemption percentage specified in the 31788
resolution. The board of county commissioners may adopt the 31789
resolution at any time after the board of education certifies 31790
its resolution approving the exemption to the board of county 31791
commissioners, or, if the board of education approves the 31792
exemption on the condition that a mutually acceptable 31793
compensation agreement be negotiated, at any time after the 31794
compensation agreement is agreed to by the board of education 31795
and the board of county commissioners. If a mutually acceptable 31796
compensation agreement is negotiated between the board of county 31797
commissioners and the board of education, including agreements 31798
for payments in lieu of taxes under section 5709.79 of the 31799
Revised Code, the board of county commissioners shall compensate 31800

the joint vocational school district within which the parcel or 31801
district is located at the same rate and under the same terms 31802
received by the city, local, or exempted village school 31803
district. 31804

(3) If a board of education has adopted a resolution 31805
waiving its right to approve exemptions from taxation under this 31806
section and the resolution remains in effect, approval of such 31807
exemptions by the board of education is not required under 31808
division (C) of this section. If a board of education has 31809
adopted a resolution allowing a board of county commissioners to 31810
deliver the notice required under division (C) of this section 31811
fewer than forty-five business days prior to approval of the 31812
resolution by the board of county commissioners, the board of 31813
county commissioners shall deliver the notice to the board of 31814
education not later than the number of days prior to such 31815
approval as prescribed by the board of education in its 31816
resolution. If a board of education adopts a resolution waiving 31817
its right to approve exemptions or shortening the notification 31818
period, the board of education shall certify a copy of the 31819
resolution to the board of county commissioners. If the board of 31820
education rescinds such a resolution, it shall certify notice of 31821
the rescission to the board of county commissioners. 31822

(4) Nothing in division (C) of this section prohibits the 31823
board of county commissioners from amending the resolution under 31824
section 5709.51 of the Revised Code to extend the term of the 31825
exemption. 31826

(D) (1) If a proposed resolution under division (B) (1) of 31827
this section exempts improvements with respect to a parcel 31828
within an incentive district for more than ten years, or the 31829
percentage of the improvement exempted from taxation exceeds 31830

seventy-five per cent, not later than forty-five business days 31831
prior to adopting the resolution the board of county 31832
commissioners shall deliver to the board of township trustees of 31833
any township within which the incentive district is or will be 31834
located a notice that states its intent to adopt a resolution 31835
creating an incentive district. The notice shall include a copy 31836
of the proposed resolution, identify the parcels for which 31837
improvements are to be exempted from taxation, provide an 31838
estimate of the true value in money of the improvements, specify 31839
the period of time for which the improvements would be exempted 31840
from taxation, specify the percentage of the improvements that 31841
would be exempted from taxation, and indicate the date on which 31842
the board intends to adopt the resolution. 31843

(2) The board of township trustees, by resolution adopted 31844
by a majority of the board, may object to the exemption for the 31845
number of years in excess of ten, may object to the exemption 31846
for the percentage of the improvement to be exempted in excess 31847
of seventy-five per cent, or both. If the board of township 31848
trustees objects, the board of township trustees may negotiate a 31849
mutually acceptable compensation agreement with the board of 31850
county commissioners. In no case shall the compensation provided 31851
to the board of township trustees exceed the property taxes 31852
forgone due to the exemption. If the board of township trustees 31853
objects, and the board of township trustees and the board of 31854
county commissioners fail to negotiate a mutually acceptable 31855
compensation agreement, the resolution adopted under division 31856
(B) (1) of this section shall provide to the board of township 31857
trustees compensation in the eleventh and subsequent years of 31858
the exemption period equal in value to not more than fifty per 31859
cent of the taxes that would be payable to the township or, if 31860
the board of township trustee's objection includes an objection 31861

to an exemption percentage in excess of seventy-five per cent, 31862
compensation equal in value to not more than fifty per cent of 31863
the taxes that would be payable to the township on the portion 31864
of the improvement in excess of seventy-five per cent, were that 31865
portion to be subject to taxation. The board of township 31866
trustees shall certify its resolution to the board of county 31867
commissioners not later than thirty days after receipt of the 31868
notice. 31869

(3) If the board of township trustees does not object or 31870
fails to certify a resolution objecting to an exemption within 31871
thirty days after receipt of the notice, the board of county 31872
commissioners may adopt its resolution, and no compensation 31873
shall be provided to the board of township trustees. If the 31874
board of township trustees certifies its resolution objecting to 31875
the commissioners' resolution, the board of county commissioners 31876
may adopt its resolution at any time after a mutually acceptable 31877
compensation agreement is agreed to by the board of county 31878
commissioners and the board of township trustees. If the board 31879
of township trustees certifies a resolution objecting to the 31880
commissioners' resolution, the board of county commissioners may 31881
adopt its resolution at any time after a mutually acceptable 31882
compensation agreement is agreed to by the board of county 31883
commissioners and the board of township trustees, or, if no 31884
compensation agreement is negotiated, at any time after the 31885
board of county commissioners in the proposed resolution to 31886
provide compensation to the board of township trustees of fifty 31887
per cent of the taxes that would be payable to the township in 31888
the eleventh and subsequent years of the exemption period or on 31889
the portion of the improvement in excess of seventy-five per 31890
cent, were that portion to be subject to taxation. 31891

(E) Service payments in lieu of taxes that are 31892

attributable to any amount by which the effective tax rate of 31893
either a renewal levy with an increase or a replacement levy 31894
exceeds the effective tax rate of the levy renewed or replaced, 31895
or that are attributable to an additional levy, for a levy 31896
authorized by the voters for any of the following purposes on or 31897
after January 1, 2006, and which are provided pursuant to a 31898
resolution creating an incentive district under division (B)(1) 31899
of this section that is adopted on or after January 1, 2006, 31900
shall be distributed to the appropriate taxing authority as 31901
required under division (D) of section 5709.79 of the Revised 31902
Code in an amount equal to the amount of taxes from that 31903
additional levy or from the increase in the effective tax rate 31904
of such renewal or replacement levy that would have been payable 31905
to that taxing authority from the following levies were it not 31906
for the exemption authorized under division (B) of this section: 31907

(1) A tax levied under division (L) of section 5705.19 or 31908
section 5705.191 or 5705.222 of the Revised Code for community 31909
developmental disabilities programs and services pursuant to 31910
Chapter 5126. of the Revised Code; 31911

(2) A tax levied under division (Y) of section 5705.19 of 31912
the Revised Code for providing or maintaining senior citizens 31913
services or facilities; 31914

(3) A tax levied under section 5705.22 of the Revised Code 31915
for county hospitals; 31916

(4) A tax levied by a joint-county district or by a county 31917
under section 5705.19, 5705.191, or 5705.221 of the Revised Code 31918
for alcohol, drug addiction, and mental health services or 31919
facilities; 31920

(5) A tax levied under section 5705.23 of the Revised Code 31921

for library purposes;	31922
(6) A tax levied under section 5705.24 of the Revised Code	31923
for the support of children services and the placement and care	31924
of children;	31925
(7) A tax levied under division (Z) of section 5705.19 of	31926
the Revised Code for the provision and maintenance of zoological	31927
park services and facilities under section 307.76 of the Revised	31928
Code;	31929
(8) A tax levied under section 511.27 or division (H) of	31930
section 5705.19 of the Revised Code for the support of township	31931
park districts;	31932
(9) A tax levied under division (A), (F), or (H) of	31933
section 5705.19 of the Revised Code for parks and recreational	31934
purposes of a joint recreation district organized pursuant to	31935
division (B) of section 755.14 of the Revised Code;	31936
(10) A tax levied under section 1545.20 or 1545.21 of the	31937
Revised Code for park district purposes;	31938
(11) A tax levied under section 5705.191 of the Revised	31939
Code for the purpose of making appropriations for public	31940
assistance; human or social services; public relief; public	31941
welfare; public health and hospitalization; and support of	31942
general hospitals;	31943
(12) A tax levied under section 3709.29 of the Revised	31944
Code for a general health district program.	31945
(F) An exemption from taxation granted under this section	31946
commences with the tax year specified in the resolution so long	31947
as the year specified in the resolution commences after the	31948
effective date of the resolution. If the resolution specifies a	31949

year commencing before the effective date of the resolution or 31950
specifies no year whatsoever, the exemption commences with the 31951
tax year in which an exempted improvement first appears on the 31952
tax list and duplicate of real and public utility property and 31953
that commences after the effective date of the resolution. In 31954
lieu of stating a specific year, the resolution may provide that 31955
the exemption commences in the tax year in which the value of an 31956
improvement exceeds a specified amount or in which the 31957
construction of one or more improvements is completed, provided 31958
that such tax year commences after the effective date of the 31959
resolution. With respect to the exemption of improvements to 31960
parcels under division (A) of this section, the resolution may 31961
allow for the exemption to commence in different tax years on a 31962
parcel-by-parcel basis, with a separate exemption term specified 31963
for each parcel. 31964

Except as otherwise provided in this division, the 31965
exemption ends on the date specified in the resolution as the 31966
date the improvement ceases to be a public purpose or the 31967
incentive district expires, or ends on the date on which the 31968
county can no longer require annual service payments in lieu of 31969
taxes under section 5709.79 of the Revised Code, whichever 31970
occurs first. The exemption of an improvement with respect to a 31971
parcel or within an incentive district may end on a later date, 31972
as specified in the resolution, if the board of commissioners 31973
and the board of education of the city, local, or exempted 31974
village school district within which the parcel or district is 31975
located have entered into a compensation agreement under section 31976
5709.82 of the Revised Code with respect to the improvement, and 31977
the board of education has approved the term of the exemption 31978
under division (C) (1) of this section, but in no case shall the 31979
improvement be exempted from taxation for more than thirty 31980

years. Exemptions shall be claimed and allowed in the same or a similar manner as in the case of other real property exemptions. If an exemption status changes during a tax year, the procedure for the apportionment of the taxes for that year is the same as in the case of other changes in tax exemption status during the year.

(G) If the board of county commissioners is not required by this section to notify the board of education of the board of county commissioners' intent to declare improvements to be a public purpose, the board of county commissioners shall comply with the notice requirements imposed under section 5709.83 of the Revised Code before taking formal action to adopt the resolution making that declaration, unless the board of education has adopted a resolution under that section waiving its right to receive such a notice.

(H) The county, not later than fifteen days after the adoption of a resolution under this section, shall submit to the director of housing and development a copy of the resolution. On or before the thirty-first day of March of each year, the county shall submit a status report to the director. The report shall indicate, in the manner prescribed by the director, the progress of the project during each year that an exemption remains in effect, including a summary of the receipts from service payments in lieu of taxes; expenditures of money from the fund created under section 5709.80 of the Revised Code; a description of the public infrastructure improvements and housing renovations financed with such expenditures; and a quantitative summary of changes in employment and private investment resulting from each project.

(I) Nothing in this section shall be construed to prohibit

a board of county commissioners from declaring to be a public 32011
purpose improvements with respect to more than one parcel. 32012

(J) If a parcel is located in a new community district in 32013
which the new community authority imposes a community 32014
development charge on the basis of rentals received from leases 32015
of real property as described in division (L) (2) of section 32016
349.01 of the Revised Code, the parcel may not be exempted from 32017
taxation under this section. 32018

Sec. 5709.82. (A) As used in this section: 32019

(1) "New employee" means both of the following: 32020

(a) Persons employed in the construction of real property 32021
exempted from taxation under the chapters or sections of the 32022
Revised Code enumerated in division (B) of this section; 32023

(b) Persons not described by division (A) (1) (a) of this 32024
section who are first employed at the site of such property and 32025
who within the two previous years have not been subject, prior 32026
to being employed at that site, to income taxation by the 32027
municipal corporation within whose territory the site is located 32028
on income derived from employment for the person's current 32029
employer. "New employee" does not include any person who 32030
replaces a person who is not a new employee under division (A) 32031
(1) of this section. 32032

(2) "Infrastructure costs" means costs incurred by a 32033
municipal corporation in a calendar year to acquire, construct, 32034
reconstruct, improve, plan, or equip real or tangible personal 32035
property that directly benefits or will directly benefit the 32036
exempted property. If the municipal corporation finances the 32037
acquisition, construction, reconstruction, improvement, 32038
planning, or equipping of real or tangible personal property 32039

that directly benefits the exempted property by issuing debt, 32040
"infrastructure costs" means the annual debt charges incurred by 32041
the municipal corporation from the issuance of such debt. Real 32042
or tangible personal property directly benefits exempted 32043
property only if the exempted property places or will place 32044
direct, additional demand on the real or tangible personal 32045
property for which such costs were or will be incurred. 32046

(3) "Taxing unit" has the same meaning as in division (H) 32047
of section 5705.01 of the Revised Code. 32048

(B) (1) Except as otherwise provided under division (C) of 32049
this section, the legislative authority of any political 32050
subdivision that has acted under the authority of Chapter 725. 32051
or 1728., sections 3735.65 to 3735.70, or section 5709.40, 32052
5709.41, 5709.45, 5709.62, 5709.63, 5709.632, 5709.73, 5709.78, 32053
5709.84, or 5709.88 of the Revised Code to grant an exemption 32054
from taxation for real or tangible personal property may 32055
negotiate with the board of education of each city, local, 32056
exempted village, or joint vocational school district or other 32057
taxing unit within the territory of which the exempted property 32058
is located, and enter into an agreement whereby the school 32059
district or taxing unit is compensated for tax revenue foregone 32060
by the school district or taxing unit as a result of the 32061
exemption. Except as otherwise provided in division (B) (1) of 32062
this section, if a political subdivision enters into more than 32063
one agreement under this section with respect to a tax 32064
exemption, the political subdivision shall provide to each 32065
school district or taxing unit with which it contracts the same 32066
percentage of tax revenue foregone by the school district or 32067
taxing unit, which may be based on a good faith projection made 32068
at the time the exemption is granted. Such percentage shall be 32069
calculated on the basis of amounts paid by the political 32070

subdivision and any amounts paid by an owner under division (B) 32071
(2) of this section. A political subdivision may provide a 32072
school district or other taxing unit with a smaller percentage 32073
of foregone tax revenue than that provided to other school 32074
districts or taxing units only if the school district or taxing 32075
unit expressly consents in the agreement to receiving a smaller 32076
percentage. If a subdivision has acted under the authority of 32077
section 3735.671, 5709.40, 5709.41, 5709.45, 5709.62, 5709.63, 32078
5709.632, 5709.73, or 5709.78 of the Revised Code and enters 32079
into a compensation agreement with a city, local, or exempted 32080
village school district, the subdivision shall provide 32081
compensation to the joint vocational school district within the 32082
territory of which the exempted property is located at the same 32083
rate and under the same terms as received by the city, local, or 32084
exempted village school district. 32085

(2) An owner of property exempted from taxation under the 32086
authority described in division (B)(1) of this section may, by 32087
becoming a party to an agreement described in division (B)(1) of 32088
this section or by entering into a separate agreement with a 32089
school district or other taxing unit, agree to compensate the 32090
school district or taxing unit by paying cash or by providing 32091
property or services by gift, loan, or otherwise. If the owner's 32092
property is exempted under the authority of section 3735.671, 32093
5709.40, 5709.41, 5709.45, 5709.62, 5709.63, 5709.632, 5709.73, 32094
or 5709.78 of the Revised Code and the owner enters into a 32095
compensation agreement with a city, local, or exempted village 32096
school district, the owner shall provide compensation to the 32097
joint vocational school district within the territory of which 32098
the owner's property is located at the same rate and under the 32099
same terms as received by the city, local, or exempted village 32100
school district. 32101

(C) This division does not apply to the following:	32102
(1) The legislative authority of a municipal corporation	32103
that has acted under the authority of division (H) of section	32104
715.70 or division (U) of section 715.72 of the Revised Code to	32105
consent to the granting of an exemption from taxation for real	32106
or tangible personal property in a joint economic development	32107
district.	32108
(2) The legislative authority of a municipal corporation	32109
that has specified in an ordinance adopted under section	32110
5709.40, 5709.41, or 5709.45 of the Revised Code that payments	32111
in lieu of taxes provided for under section 5709.42 or 5709.46	32112
of the Revised Code shall be paid to the city, local, or	32113
exempted village school district in which the improvements are	32114
located in the amount of taxes that would have been payable to	32115
the school district if the improvements had not been exempted	32116
from taxation, as directed in the ordinance.	32117
If the legislative authority of any municipal corporation	32118
has acted under the authority of Chapter 725. or 1728. or	32119
section 3735.671, 5709.40, 5709.41, 5709.45, 5709.62, 5709.63,	32120
5709.632, or 5709.88, or a housing officer under section 3735.67	32121
of the Revised Code, to grant or consent to the granting of an	32122
exemption from taxation for real or tangible personal property	32123
on or after July 1, 1994, the municipal corporation imposes a	32124
tax on incomes, and the payroll of new employees resulting from	32125
the exercise of that authority equals or exceeds one million	32126
dollars, or two million dollars, as adjusted under division (E)	32127
of this section, in the case of the authority exercised under	32128
section 3735.67 or 3735.671 of the Revised Code, in any tax year	32129
for which such property is exempted, the legislative authority	32130
and the board of education of each city, local, or exempted	32131

village school district within the territory of which the 32132
exempted property is located shall attempt to negotiate an 32133
agreement providing for compensation to the school district for 32134
all or a portion of the tax revenue the school district would 32135
have received had the property not been exempted from taxation. 32136
The agreement may include as a party the owner of the property 32137
exempted or to be exempted from taxation and may include 32138
provisions obligating the owner to compensate the school 32139
district by paying cash or providing property or services by 32140
gift, loan, or otherwise. Such an obligation is enforceable by 32141
the board of education of the school district pursuant to the 32142
terms of the agreement. 32143

If the legislative authority and board of education fail 32144
to negotiate an agreement that is mutually acceptable within six 32145
months of formal approval by the legislative authority of the 32146
instrument granting the exemption, the legislative authority 32147
shall compensate the school district in the amount and manner 32148
prescribed by division (D) of this section. 32149

(D) Annually, the legislative authority of a municipal 32150
corporation subject to this division shall pay to the city, 32151
local, or exempted village school district within the territory 32152
of which the exempted property is located an amount equal to 32153
fifty per cent of the difference between the amount of taxes 32154
levied and collected by the municipal corporation on the incomes 32155
of new employees in the calendar year ending on the day the 32156
payment is required to be made, and the amount of any 32157
infrastructure costs incurred in that calendar year. For 32158
purposes of such computation, the amount of infrastructure costs 32159
shall not exceed thirty-five per cent of the amount of those 32160
taxes unless the board of education of the school district, by 32161
resolution adopted by a majority of the board, approves an 32162

amount in excess of that percentage. If the amount of those 32163
taxes or infrastructure costs must be estimated at the time the 32164
payment is made, payments in subsequent years shall be adjusted 32165
to compensate for any departure of those estimates from the 32166
actual amount of those taxes. 32167

A municipal corporation required to make a payment under 32168
this section shall make the payment from its general fund or a 32169
special fund established for the purpose. The payment is payable 32170
on the thirty-first day of December of the tax year for or in 32171
which the exemption from taxation commences and on that day for 32172
each subsequent tax year property is exempted and the 32173
legislative authority and board fail to negotiate an acceptable 32174
agreement under division (C) of this section. 32175

(E) (1) The director of housing and development shall 32176
adjust, in September of each year, the payroll threshold 32177
described in division (C) (2) of this section applicable to the 32178
exercise of authority under section 3735.67 or 3735.671 of the 32179
Revised Code by completing the following computations: 32180

(a) Determine the percentage increase in the gross 32181
domestic product deflator determined by the bureau of economic 32182
analysis of the United States department of commerce from the 32183
first day of January of the preceding calendar year to the last 32184
day of December of the preceding calendar year; 32185

(b) Multiply that percentage increase by the threshold 32186
applicable for the current year; 32187

(c) Add the resulting product to the threshold applicable 32188
for the current year; 32189

(d) Round the resulting sum to the nearest one thousand 32190
dollars. 32191

(2) The director shall certify the amount of the adjustment under division (E)(1) of this section to each legislative authority of a municipal corporation and housing officer designated by a municipal corporation exercising authority under section 3735.67 or 3735.671 of the Revised Code not later than the first day of December of the year the director computes the adjustment. The certified amount applies to the ensuing calendar year and each calendar year thereafter until the director makes a new adjustment. The director shall not calculate a new adjustment in any year in which the resulting threshold amount from the adjustment would be less than the threshold for the current year.

Sec. 5709.87. (A) As used in this section: 32204

(1) "Improvement," "building," "fixture," and "structure" have the same meanings as in section 5701.02 of the Revised Code. 32205
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(2) "Property," "remedy," and "remedial activities" have the same meanings as in section 3746.01 of the Revised Code. 32208
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(B) The director of environmental protection, after issuing a covenant not to sue for property under section 3746.12 of the Revised Code and determining that remedies or remedial activities have commenced or been completed at that property to the satisfaction of the director, shall certify to the tax commissioner and to the director of housing and development services that such a covenant has been issued, that such remedies or remedial activities have occurred at that property, and the date on which those remedial activities began. The certification shall be in such form as is agreed upon by the ~~directors~~ director of environmental protection ~~and~~, the ~~director of housing and development services~~, and the tax 32210
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commissioner and shall include a description of the property in 32222
sufficient detail for the tax commissioner and director of 32223
housing and development services to determine the boundaries of 32224
the property entitled to exemption from taxation under this 32225
section. 32226

(C) (1) (a) Upon receipt by the tax commissioner of a 32227
certification for property under division (B) of this section, 32228
the commissioner shall issue an order granting an exemption from 32229
real property taxation of the increase in the assessed value of 32230
land constituting property that is described in the 32231
certification and of the increase in the assessed value of 32232
improvements, buildings, fixtures, and structures that are 32233
situated on that land on the tax lien date of the year in which 32234
the remedial activities began. For each tax year of the 32235
exemption allowed under this section, this increase in assessed 32236
value shall equal the amount by which the assessed value of that 32237
land or those improvements, buildings, fixtures, or structures 32238
on the tax lien date of that year as indicated on the tax list 32239
for that year exceeds the assessed value of that land or those 32240
improvements, buildings, fixtures, or structures on the tax lien 32241
date of the year in which the remedial activities began as 32242
indicated on the tax list for that year. The exemption shall 32243
commence on the first day of the tax year including the day on 32244
which the order is issued and shall end on the last day of the 32245
tenth tax year after issuance of the order. The order shall 32246
include a description of the property and the tax years for 32247
which the property is to be exempted from taxation. The 32248
commissioner shall send copies of the exemption order to the 32249
owner of record of the property to which the exemption applies 32250
and to the county auditor of each county in which any portion of 32251
that property is located. 32252

(b) Within sixty days after receiving the commissioner's order, the owner of record of the property may notify the commissioner in writing that the owner does not want the exemption from real property taxation provided under division (C)(1) of this section to apply. Upon receiving such a notification from the property owner of record, the commissioner shall issue a subsequent order rescinding the previously granted exemption. 32253
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(2) The director of housing and development ~~services~~ shall maintain a record of certifications received under this section for purposes of section 5709.88 of the Revised Code. 32261
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(D) Any sale or other transfer of the property does not affect an exemption granted under division (C) of this section. The exemption shall continue in effect thereafter for the full period stated in the exemption order. 32264
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(E) If at any time the director revokes a covenant not to sue under Chapter 3746. of the Revised Code and rules adopted under it for property concerning which the commissioner has issued an exemption order under division (C) of this section, the director shall so notify the commissioner and the legislative authority of the municipal corporation and county in which the property is located. The commissioner immediately shall rescind the exemption order and shall so notify the owner of record of the property and the county auditor of each county in which any portion of the property is located. 32268
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Upon revocation of the covenant not to sue, the owner of record shall pay the amount of taxes that would have been charged against the property had the property not been exempted from taxation for the period beginning with commencement of the exemption and ending with the date of revocation of the covenant 32278
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not to sue. The county auditor shall return the property to the 32283
tax list and enter on the tax list the amount so payable as 32284
current taxes charged against the property. Taxes required to be 32285
paid pursuant to this section are payable in full on the first 32286
succeeding day on which the first one-half of taxes is required 32287
to be paid under section 323.12 of the Revised Code. If such 32288
taxes are not paid in full when due, a penalty shall be charged, 32289
and interest shall accrue on those taxes, as provided in section 32290
323.121 of the Revised Code. In cases of underpayment or 32291
nonpayment, the deficiency shall be collected as otherwise 32292
provided for the collection of delinquent real property taxes. 32293

Sec. 5709.88. (A) As used in sections 5709.88 ~~through~~ to 32294
5709.883 of the Revised Code: 32295

(1) "Enterprise," "expand," "renovate," "project," 32296
"project site," "position," "full-time employee," "first used in 32297
business," and "making retail sales" have the same meanings as 32298
in section 5709.61 of the Revised Code. 32299

(2) "Property," "remedy," and "remedial activities" have 32300
the same meanings as in section 3746.01 of the Revised Code. 32301

(3) "Facility" means an enterprise's place of business, 32302
including land constituting property that is described in a 32303
certification under division (B) of section 5709.87 of the 32304
Revised Code, and buildings, improvements, fixtures, structures, 32305
machinery, equipment, and other materials, except inventory, 32306
used in business and situated on such land. "Facility" does not 32307
include any portion of an enterprise's place of business used 32308
primarily for making retail sales unless the place of business 32309
is located in an impacted city as defined in section 1728.01 of 32310
the Revised Code. 32311

(4) "New employee" means a full-time employee first 32312
employed by an enterprise at a facility that is a project site 32313
after the enterprise enters into an agreement under division (D) 32314
of this section. 32315

(5) "Remediate" means to make expenditures for remedies or 32316
remedial activities equal to at least ten per cent of the true 32317
value in money of the land, buildings, improvements, structures, 32318
and fixtures constituting a facility as determined for purposes 32319
of property taxation immediately prior to formal approval of an 32320
agreement under division (D) of this section. 32321

(6) "Occupy" means to make expenditures to alter or repair 32322
a vacant facility equal to at least twenty per cent of the 32323
market value of the facility prior to such expenditures, as 32324
determined for the purposes of local property taxation. 32325

(7) "Vacant facility" means a facility that has been 32326
vacant for at least ninety days immediately preceding the date 32327
on which an agreement is entered into under division (D) of this 32328
section. 32329

(B) The legislative authority of any county or municipal 32330
corporation within which is located property that is the subject 32331
of a certification under division (B) of section 5709.87 of the 32332
Revised Code may enter into an agreement with an enterprise 32333
under division (D) of this section, provided that the 32334
legislative authority of a county may enter into such agreements 32335
with respect only to property located within the unincorporated 32336
territory of the county. Prior to entering into such an 32337
agreement, the legislative authority shall petition the director 32338
of housing and development for the director's confirmation that 32339
the property is the subject of such a certification, and the 32340
director, within thirty days after receipt of such a petition, 32341

shall confirm whether such a certification has been issued. The 32342
petition shall be accompanied by a description of the property 32343
in the form and manner prescribed by the director. 32344

(C) Any enterprise that wishes to enter into an agreement 32345
with a legislative authority under division (D) of this section 32346
shall submit a proposal to the legislative authority on a form 32347
prescribed by the director of housing and development together 32348
with the application fee established under section 5709.882 of 32349
the Revised Code. The form shall require the following 32350
information: 32351

(1) An estimate of the number of new employees whom the 32352
enterprise intends to hire, or of the number of employees whom 32353
the enterprise intends to retain, at a facility that is a 32354
project site, and an estimate of the amount of payroll of the 32355
enterprise attributable to these employees; 32356

(2) An estimate of the amount to be invested by the 32357
enterprise to establish, expand, renovate, or occupy a facility, 32358
including investment in new buildings, additions or improvements 32359
to existing buildings, machinery, equipment, furniture, 32360
fixtures, and inventory; 32361

(3) A listing of the enterprise's current investment, if 32362
any, in a facility as of the date of the proposal's submission. 32363

The enterprise shall review and update the listings 32364
required under this division to reflect material changes, and 32365
any agreement entered into under division (D) of this section 32366
shall set forth final estimates and listings as of the time the 32367
agreement is entered into. The legislative authority, on a 32368
separate form and at any time, may require any additional 32369
information necessary to determine whether an enterprise is in 32370

compliance with an agreement and to collect the information 32371
required to be reported under section 5709.882 of the Revised 32372
Code. 32373

(D) Upon receipt and investigation of a proposal under 32374
division (C) of this section, if the legislative authority finds 32375
that the enterprise submitting the proposal is qualified by 32376
financial responsibility and business experience to create and 32377
preserve employment opportunities at the project site and 32378
improve the economic climate of the county or municipal 32379
corporation, the legislative authority, after complying with 32380
section 5709.83 of the Revised Code, may enter into, and 32381
formally shall approve, an agreement with the enterprise under 32382
which the enterprise agrees to remediate a facility and to spend 32383
an amount equal to at least two hundred fifty per cent of the 32384
true value in money of the land, buildings, improvements, 32385
structures, and fixtures constituting the facility, as 32386
determined for purposes of property taxation immediately prior 32387
to formal approval of the agreement, to establish, expand, 32388
renovate, or occupy a facility and hire new employees, or 32389
preserve employment opportunities for existing employees, in 32390
return for one or more of the following incentives: 32391

(1) Exemption for a specified number of years, not to 32392
exceed ten, of a specified portion, up to one hundred per cent, 32393
of the assessed value of tangible personal property first used 32394
in business at the project site as a result of the agreement. An 32395
exemption granted pursuant to division (D)(1) of this section 32396
applies to inventory required to be listed pursuant to sections 32397
5711.15 and 5711.16 of the Revised Code, except that, in the 32398
instance of an expansion or other situations in which an 32399
enterprise was in business at the facility prior to the 32400
effective date of the agreement, the inventory that is exempt is 32401

that amount or value of inventory in excess of the amount or 32402
value of inventory required to be listed in the personal 32403
property tax return of the enterprise in the return for the tax 32404
year in which the agreement is entered into. 32405

(2) Exemption for a specified number of years, not to 32406
exceed ten, of a specified portion, up to one hundred per cent, 32407
of the increase, subsequent to formal approval of the agreement 32408
by the legislative authority, in the assessed valuation of 32409
buildings, improvements, structures, and fixtures constituting 32410
the project site; 32411

(3) Provision for a specified number of years, not to 32412
exceed ten, of any optional services or assistance that the 32413
county or municipal corporation is authorized to provide with 32414
regard to the project site. 32415

(E) All agreements entered into under this section shall 32416
be in the form prescribed under section 5709.881 of the Revised 32417
Code. 32418

(F) Except as otherwise provided in this division, an 32419
agreement entered into under this section shall require that the 32420
enterprise pay an annual fee equal to the greater of one per 32421
cent of the dollar value of incentives offered under the 32422
agreement or five hundred dollars, provided that if the value of 32423
the incentives exceeds two hundred fifty thousand dollars, the 32424
fee shall not exceed two thousand five hundred dollars. The fee 32425
shall be payable to the legislative authority once per year for 32426
each year the agreement is effective on the days and in the form 32427
specified in the agreement. Fees paid shall be deposited in a 32428
special fund created for that purpose by the legislative 32429
authority and shall be used by the legislative authority 32430
exclusively for the purpose of complying with section 5709.882 32431

of the Revised Code and by the tax incentive review council 32432
created under section 5709.883 of the Revised Code exclusively 32433
for the purposes of performing the duties prescribed under that 32434
section. The legislative authority may waive or reduce the 32435
amount of the fee charged against an enterprise, but such a 32436
waiver or reduction does not affect the obligations of the 32437
legislative authority or the tax incentive review council to 32438
comply with section 5709.882 or 5709.883 of the Revised Code. 32439

(G) When an agreement is entered into under this section, 32440
the legislative authority authorizing the agreement shall 32441
forward a copy of the agreement to the director of housing and 32442
development and to the tax commissioner within fifteen days 32443
after the agreement is entered into. 32444

(H) After an agreement is entered into, the enterprise 32445
shall file with each personal property tax return required to be 32446
filed while the agreement is in effect, an informational return, 32447
on a form prescribed by the tax commissioner for that purpose, 32448
setting forth separately the property, and related costs and 32449
values, exempted from taxation under the agreement. 32450

(I) The legislative authority may require the owner of 32451
record to pay the amount of taxes that, during the period 32452
beginning with the commencement of the exemption and ending with 32453
the date of revocation of the covenant not to sue under Chapter 32454
3746. of the Revised Code, would have been charged against the 32455
property had the property not been exempted from taxation 32456
pursuant to an agreement entered into under this section. In the 32457
case of real property, the proper county auditor shall determine 32458
the taxable value of the property for each of the tax years for 32459
which the property had been exempted from taxation, and shall 32460
determine the amount of taxes that would have been charged 32461

against the property had the property been subject to taxation 32462
each of those years. The county treasurer shall issue a tax bill 32463
as otherwise required by law, and the taxes shall be payable in 32464
full on the first succeeding day on which the first one-half of 32465
taxes is required to be paid under section 323.12 of the Revised 32466
Code. If such real property taxes are not paid in full when due, 32467
a penalty shall be charged, and interest shall accrue on those 32468
taxes, as provided in section 323.121 of the Revised Code. In 32469
cases of underpayment or nonpayment, the deficiency shall be 32470
collected as otherwise provided for the collection of delinquent 32471
real property taxes. 32472

In the case of tangible personal property, the tax 32473
commissioner shall determine the taxable value of the property 32474
for each of the tax years for which the property had been 32475
exempted from taxation on the basis of the informational return 32476
required to be filed under this section or any further 32477
assessment necessary to make such a determination, and certify 32478
that determination to the proper county auditor, who shall add 32479
the property to the proper tax lists and duplicates. Taxes shall 32480
be charged against such property at the rates charged for the 32481
respective years for which taxes are charged under this 32482
division. The county treasurer shall issue a tax bill as 32483
otherwise required by law, and the taxes shall be payable on the 32484
next succeeding date for the payment of current taxes. If the 32485
taxes are not paid in full when due, a penalty shall be charged, 32486
and interest shall accrue, as otherwise provided in sections 32487
5719.03 and 5719.041 of the Revised Code. In cases of 32488
underpayment or nonpayment, the deficiency shall be collected as 32489
otherwise provided in Chapter 5719. of the Revised Code. 32490

Sec. 5709.882. (A) On or before the thirty-first day of 32491
March each year, a municipal corporation or county that has 32492

entered into an agreement with an enterprise under section 32493
5709.88 of the Revised Code shall submit to the directors of 32494
housing and development services and environmental protection 32495
and the board of education of each school district of which a 32496
municipal corporation or county to which such an agreement 32497
applies is a part a report on all such agreements in effect 32498
during the preceding calendar year. The report shall include all 32499
of the following information: 32500

(1) The number of enterprises that are subject to such 32501
agreements and the number of full-time employees subject to 32502
those agreements in the county or municipal corporation; 32503

(2) The number of agreements approved and executed during 32504
the calendar year for which the report is submitted, the total 32505
number of agreements in effect on the thirty-first day of 32506
December of the preceding calendar year, the number of 32507
agreements that expired during the calendar year for which the 32508
report is submitted, and the number of agreements scheduled to 32509
expire during the calendar year in which the report is 32510
submitted. For each agreement that expired during the calendar 32511
year for which the report is submitted, the municipal 32512
corporation or county shall include the amount of taxes exempted 32513
and the estimated dollar value of any other incentives provided 32514
under the agreement. 32515

(3) The number of agreements receiving compliance reviews 32516
by the tax incentive review council in the municipal corporation 32517
or county under section 5709.883 of the Revised Code during the 32518
calendar year for which the report is submitted, including all 32519
of the following information: 32520

(a) The number of agreements the terms of which an 32521
enterprise has complied with, indicating separately for each 32522

such agreement the value of the real and personal property 32523
exempted pursuant to the agreement and a comparison of the 32524
stipulated and actual schedules for hiring new employees, for 32525
retaining existing employees, for the amount of payroll of the 32526
enterprise attributable to these employees, and for remediating 32527
and investing in establishing, expanding, renovating, or 32528
occupying a facility; 32529

(b) The number of agreements the terms of which an 32530
enterprise has failed to comply with, indicating separately for 32531
each such agreement the value of the real and personal property 32532
exempted pursuant to the agreement and a comparison of the 32533
stipulated and actual schedules for hiring new employees, for 32534
retaining existing employees, for the amount of payroll of the 32535
enterprise attributable to these employees, and for remediating 32536
and investing in establishing, expanding, renovating, or 32537
occupying a facility; 32538

(c) The number of agreements about which the tax incentive 32539
review council made recommendations to the legislative authority 32540
of the municipal corporation or county, and the number of such 32541
recommendations that have not been followed; 32542

(d) The number of agreements rescinded during the calendar 32543
year for which the report is submitted. 32544

(4) The number of enterprises that are subject to 32545
agreements and the number of new employees hired and existing 32546
employees retained by each such enterprise; 32547

(5) (a) The number of enterprises that are subject to 32548
agreements and that closed or reduced employment at any place of 32549
business within the state for the primary purpose of remediating 32550
and establishing, expanding, renovating, or occupying a 32551

facility, indicating separately for each such enterprise the 32552
political subdivision in which the enterprise closed or reduced 32553
employment at a place of business and the number of full-time 32554
employees transferred and retained by each such place of 32555
business; 32556

(b) The number of enterprises that are subject to 32557
agreements and that closed or reduced employment at any place of 32558
business outside the state for the primary purpose of 32559
remediating and establishing, expanding, renovating, or 32560
occupying a facility. 32561

(B) Upon the failure of a municipal corporation or county 32562
to comply with division (A) of this section, both of the 32563
following apply: 32564

(1) Beginning on the first day of April of the calendar 32565
year in which the municipal corporation or county fails to 32566
comply with that division, the municipal corporation or county 32567
shall not enter into any agreements with an enterprise under 32568
section 5709.88 of the Revised Code until the municipal 32569
corporation or county has complied with division (A) of this 32570
section; 32571

(2) On the first day of each ensuing calendar month until 32572
the municipal corporation or county complies with that division, 32573
the director of housing and development services shall either 32574
order the proper county auditor to deduct from the next 32575
succeeding payment of taxes to the municipal corporation or 32576
county under section 321.31, 321.32, 321.33, or 321.34 of the 32577
Revised Code an amount equal to five hundred dollars for each 32578
calendar month the municipal corporation or county fails to 32579
comply with that division, or order the county auditor to deduct 32580
such an amount from the next succeeding payment to the municipal 32581

corporation or county from the undivided local government fund 32582
under section 5747.51 of the Revised Code. At the time such a 32583
payment is made, the county auditor shall comply with the 32584
director's order by issuing a warrant, drawn on the fund from 32585
which such money would have been paid, to the director of 32586
housing and development~~services~~, who shall deposit the warrant 32587
into the contaminated sites development program administration 32588
fund created in division (C) of this section. 32589

(C) The director, by rule, shall establish the state's 32590
application fee for applications submitted to a municipal 32591
corporation or county to enter into an agreement under section 32592
5709.88 of the Revised Code. In establishing the amount of the 32593
fee, the director shall consider the state's cost of 32594
administering this section and section 5709.88 of the Revised 32595
Code. The director may change the amount of the fee at such 32596
times and in such increments as the director considers 32597
necessary. Any municipal corporation or county that receives an 32598
application shall collect the application fee and remit the fee 32599
for deposit in the state treasury to the credit of the 32600
contaminated sites development program administration fund, 32601
which is hereby created. Money credited to the fund shall be 32602
used by the department of housing and development ~~services-~~ 32603
~~agency~~ to pay the costs of administering this section and 32604
section 5709.88 of the Revised Code. 32605

Sec. 5717.02. (A) Except as otherwise provided by law, 32606
appeals from final determinations by the tax commissioner of any 32607
preliminary, amended, or final tax assessments, reassessments, 32608
valuations, determinations, findings, computations, or orders 32609
made by the commissioner may be taken to the board of tax 32610
appeals by the taxpayer, by the person to whom notice of the tax 32611
assessment, reassessment, valuation, determination, finding, 32612

computation, or order by the commissioner is required by law to 32613
be given, by the director of budget and management if the 32614
revenues affected by that decision would accrue primarily to the 32615
state treasury, or by the county auditors of the counties to the 32616
undivided general tax funds of which the revenues affected by 32617
that decision would primarily accrue. Appeals from the 32618
redetermination by the director of housing and development 32619
~~services~~ under division (B) of section 5709.64 or division (A) 32620
of section 5709.66 of the Revised Code may be taken to the board 32621
of tax appeals by the enterprise to which notice of the 32622
redetermination is required by law to be given. Appeals from a 32623
decision of the tax commissioner or county auditor concerning an 32624
application for a property tax exemption may be taken to the 32625
board of tax appeals by the applicant or by a school district 32626
that filed a statement concerning that application under 32627
division (C) of section 5715.27 of the Revised Code. Appeals 32628
from a redetermination by the director of job and family 32629
services under section 5733.42 of the Revised Code may be taken 32630
by the person to which the notice of the redetermination is 32631
required by law to be given under that section. 32632

(B) The appeals shall be taken by the filing of a notice 32633
of appeal with the board, and with the tax commissioner if the 32634
tax commissioner's action is the subject of the appeal, with the 32635
county auditor if the county auditor's action is the subject of 32636
the appeal, with the director of housing and development 32637
~~services~~ if that director's action is the subject of the appeal, 32638
or with the director of job and family services if that 32639
director's action is the subject of the appeal. The notice of 32640
appeal shall be filed within sixty days after service of the 32641
notice of the tax assessment, reassessment, valuation, 32642
determination, finding, computation, or order by the 32643

commissioner, property tax exemption determination by the 32644
commissioner or the county auditor, or redetermination by the 32645
director has been given as provided in section 5703.37, 5709.64, 32646
5709.66, or 5733.42 of the Revised Code. The notice of appeal 32647
may be filed in person or by certified mail, express mail, 32648
facsimile transmission, electronic transmission or by authorized 32649
delivery service. If the notice of appeal is filed by certified 32650
mail, express mail, or authorized delivery service as provided 32651
in section 5703.056 of the Revised Code, the date of the United 32652
States postmark placed on the sender's receipt by the postal 32653
service or the date of receipt recorded by the authorized 32654
delivery service shall be treated as the date of filing. If 32655
notice of appeal is filed by facsimile transmission or 32656
electronic transmission, the date and time the notice is 32657
received by the board shall be the date and time reflected on a 32658
timestamp provided by the board's electronic system, and the 32659
appeal shall be considered filed with the board on the date 32660
reflected on that timestamp. Any timestamp provided by another 32661
computer system or electronic submission device shall not affect 32662
the time and date the notice is received by the board. The 32663
notice of appeal shall have attached to it and incorporated in 32664
it by reference a true copy of the notice sent by the 32665
commissioner, county auditor, or director to the taxpayer, 32666
enterprise, or other person of the final determination or 32667
redetermination complained of, but failure to attach a copy of 32668
that notice and to incorporate it by reference in the notice of 32669
appeal does not invalidate the appeal. 32670

(C) A notice of appeal shall contain a short and plain 32671
statement of the claimed errors in the determination or 32672
redetermination of the tax commissioner, county auditor, or 32673
director showing that the appellant is entitled to relief and a 32674

demand for the relief to which the appellant claims to be 32675
entitled. An appellant may amend the notice of appeal once as a 32676
matter of course within sixty days after the certification of 32677
the transcript. Otherwise, an appellant may amend the notice of 32678
appeal only after receiving leave of the board or the written 32679
consent of each adverse party. Leave of the board shall be 32680
freely given when justice so requires. 32681

(D) Upon the filing of a notice of appeal, the tax 32682
commissioner, county auditor, or the director, as appropriate, 32683
shall certify to the board a transcript of the record of the 32684
proceedings before the commissioner, auditor, or director, 32685
together with all evidence considered by the commissioner, 32686
auditor, or director in connection with the proceedings. Those 32687
appeals or applications may be heard by the board at its office 32688
in Columbus or in the county where the appellant resides, or it 32689
may cause its examiners to conduct the hearings and to report to 32690
it their findings for affirmation or rejection. 32691

(E) The board may order the appeal to be heard upon the 32692
record and the evidence certified to it by the commissioner, 32693
county auditor, or director, but upon the application of any 32694
interested party the board shall order the hearing of additional 32695
evidence, and it may make an investigation concerning the appeal 32696
that it considers proper. An appeal may proceed pursuant to 32697
section 5703.021 of the Revised Code on the small claims docket 32698
if the appeal qualifies under that section. 32699

Sec. 5725.32. Upon the issuance of a tax credit 32700
certificate by the director of housing and development, a 32701
refundable credit granted by the tax credit authority under 32702
section 122.17 of the Revised Code may be claimed against the 32703
tax imposed by section 5725.18 of the Revised Code. The credit 32704

shall be claimed in the calendar year specified in the 32705
certificate issued by the director of housing and development. 32706

Sec. 5725.33. (A) Except as otherwise provided in this 32707
section, terms used in this section have the same meaning as 32708
section 45D of the Internal Revenue Code, any related proposed, 32709
temporary, or final regulations promulgated under the Internal 32710
Revenue Code, any rules or guidance of the internal revenue 32711
service or the United States department of the treasury, and any 32712
related rules or guidance issued by the community development 32713
financial institutions fund of the United States department of 32714
the treasury, as such law, regulations, rules, and guidance 32715
exist on October 16, 2009. 32716

As used in this section: 32717

(1) "Adjusted purchase price" means the amount paid for 32718
the portion of a qualified equity investment approved or 32719
certified by the director of housing and development services— 32720
for a qualified community development entity in accordance with 32721
rules adopted under division (E) of this section. 32722

(2) "Applicable percentage" means zero per cent for each 32723
of the first two credit allowance dates, seven per cent for the 32724
third credit allowance date, and eight per cent for the four 32725
following credit allowance dates. 32726

(3) "Credit allowance date" means the date, on or after 32727
January 1, 2010, a qualified equity investment is made and each 32728
of the six anniversary dates thereafter. For qualified equity 32729
investments made after October 16, 2009, but before January 1, 32730
2010, the initial credit allowance date is January 1, 2010, and 32731
each of the six anniversary dates thereafter is on the first day 32732
of January of each year. 32733

(4) "Qualified community development entity" includes only entities:	32734 32735
(a) That have entered into an allocation agreement with the community development financial institutions fund of the United States department of the treasury with respect to credits authorized by section 45D of the Internal Revenue Code;	32736 32737 32738 32739
(b) Whose service area includes any portion of this state; and	32740 32741
(c) That will designate an equity investment in such entities as a qualified equity investment for purposes of both section 45D of the Internal Revenue Code and this section.	32742 32743 32744
(5) "Qualified equity investment" is limited to an equity investment in a qualified community development entity that:	32745 32746
(a) Is acquired after October 16, 2009, at its original issuance solely in exchange for cash;	32747 32748
(b) Has at least eighty-five per cent of its cash purchase price used by the qualified community development entity to make qualified low-income community investments in qualified active low-income community businesses in this state, provided that in the seventh year after a qualified equity investment is made, only seventy-five per cent of such cash purchase price must be used by the qualified community development entity to make qualified low-income community investments in those businesses; and	32749 32750 32751 32752 32753 32754 32755 32756 32757
(c) Is designated by the issuer as a qualified equity investment.	32758 32759
"Qualified equity investment" includes any equity investment that would, but for division (A) (5) (a) of this	32760 32761

section, be a qualified equity investment in the hands of the 32762
taxpayer if such investment was a qualified equity investment in 32763
the hands of a prior holder. 32764

(B) There is hereby allowed a nonrefundable credit against 32765
the tax imposed by section 5725.18 of the Revised Code for an 32766
insurance company holding a qualified equity investment on the 32767
credit allowance date occurring in the calendar year for which 32768
the tax is due. The credit shall equal the applicable percentage 32769
of the adjusted purchase price, subject to divisions (B) (1) and 32770
(2) of this section: 32771

(1) For the purpose of calculating the amount of qualified 32772
low-income community investments held by a qualified community 32773
development entity, an investment shall be considered held by a 32774
qualified community development entity even if the investment 32775
has been sold or repaid, provided that, at any time before the 32776
seventh anniversary of the issuance of the qualified equity 32777
investment, the qualified community development entity reinvests 32778
an amount equal to the capital returned to or received or 32779
recovered by the qualified community development entity from the 32780
original investment, exclusive of any profits realized and costs 32781
incurred in the sale or repayment, in another qualified low- 32782
income community investment in this state within twelve months 32783
of the receipt of such capital. If the qualified low-income 32784
community investment is sold or repaid after the sixth 32785
anniversary of the issuance of the qualified equity investment, 32786
the qualified low-income community investment shall be 32787
considered held by the qualified community development entity 32788
through the seventh anniversary of the qualified equity 32789
investment's issuance. 32790

(2) The qualified low-income community investment made in 32791

this state shall equal the sum of the qualified low-income 32792
community investments in each qualified active low-income 32793
community business in this state, not to exceed two million five 32794
hundred sixty-four thousand dollars, in which the qualified 32795
community development entity invests, including such investments 32796
in any such businesses in this state related to that qualified 32797
active low-income community business through majority ownership 32798
or control. 32799

The credit shall be claimed in the order prescribed by 32800
section 5725.98 of the Revised Code. If the amount of the credit 32801
exceeds the amount of tax otherwise due after deducting all 32802
other credits in that order, the excess may be carried forward 32803
and applied to the tax due for not more than four ensuing years. 32804

By claiming a tax credit under this section, an insurance 32805
company waives its rights under section 5725.222 of the Revised 32806
Code with respect to the time limitation for the assessment of 32807
taxes as it relates to credits claimed that later become subject 32808
to recapture under division (E) of this section. 32809

(C) The aggregate amount of credit allocations made by the 32810
director of housing and development services under this section 32811
and sections 5726.54, 5729.16, and 5733.58 of the Revised Code 32812
each fiscal year shall not exceed ten million dollars. 32813

(D) If any amount of the federal tax credit allowed for a 32814
qualified equity investment for which a credit was received 32815
under this section is recaptured under section 45D of the 32816
Internal Revenue Code, or if the director of housing and 32817
development services determines that an investment for which a 32818
tax credit is claimed under this section is not a qualified 32819
equity investment or that the proceeds of an investment for 32820
which a tax credit is claimed under this section are used to 32821

make qualified low-income community investments other than in a 32822
qualified active low-income community business in this state, 32823
all or a portion of the credit received on account of that 32824
investment shall be paid by the insurance company that received 32825
the credit to the superintendent of insurance. The amount to be 32826
recovered shall be determined by the director of housing and 32827
~~development services~~ pursuant to rules adopted under division 32828
(E) of this section. The director shall certify any amount due 32829
under this division to the superintendent of insurance, and the 32830
superintendent shall notify the treasurer of state of the amount 32831
due. Upon notification, the treasurer shall invoice the 32832
insurance company for the amount due. The amount due is payable 32833
not later than thirty days after the date the treasurer invoices 32834
the insurance company. The amount due shall be considered to be 32835
tax due under section 5725.18 of the Revised Code, and may be 32836
collected by assessment without regard to the time limitations 32837
imposed under section 5725.222 of the Revised Code for the 32838
assessment of taxes by the superintendent. All amounts collected 32839
under this division shall be credited as revenue from the tax 32840
levied under section 5725.18 of the Revised Code. 32841

(E) The tax credits authorized under this section and 32842
sections 5726.54, 5729.16, and 5733.58 of the Revised Code shall 32843
be administered by the department of housing and development 32844
~~services agency~~. The director of housing and development 32845
~~services~~, in consultation with the tax commissioner and the 32846
superintendent of insurance, pursuant to Chapter 119. of the 32847
Revised Code, shall adopt rules for the administration of this 32848
section and sections 5726.54, 5729.16, and 5733.58 of the 32849
Revised Code. The rules shall provide for determining the 32850
recovery of credits under division (D) of this section and under 32851
sections 5726.54, 5729.16, and 5733.58 of the Revised Code, 32852

including prorating the amount of the credit to be recovered on 32853
any reasonable basis, the manner in which credits may be 32854
allocated among claimants, and the amount of any application or 32855
other fees to be charged in connection with a recovery. 32856

(F) The director of housing and development services ~~is~~ 32857
authorized to charge reasonable application and other fees in 32858
connection with the administration of tax credits authorized by 32859
this section and sections 5726.54, 5729.16, and 5733.58 of the 32860
Revised Code. Any such fees collected shall be credited to the 32861
tax incentives operating fund created in section 122.174 of the 32862
Revised Code. 32863

(G) Tax credits earned or allocated to a pass-through 32864
entity, as that term is defined in section 5733.04 of the 32865
Revised Code, under section 5725.33, 5726.54, 5729.16, or 32866
5733.58 of the Revised Code may be allocated to persons having a 32867
direct or indirect ownership interest in the pass-through entity 32868
for such persons' direct use in accordance with the provisions 32869
of any mutual agreement between such persons. 32870

Sec. 5726.54. (A) Any term used in this section has the 32871
same meaning as in section 5725.33 of the Revised Code. 32872

(B) A taxpayer may claim a nonrefundable credit against 32873
the tax imposed by this chapter for each person included in the 32874
annual report of the taxpayer that holds a qualified equity 32875
investment on a credit allowance date occurring in the calendar 32876
year immediately preceding the tax year for which the tax is 32877
due. The credit shall be computed in the same manner prescribed 32878
for the computation of credits allowed under section 5725.33 of 32879
the Revised Code. 32880

By claiming a tax credit under this section, a taxpayer 32881

waives its rights under section 5726.20 of the Revised Code with 32882
respect to the time limitation for the assessment of taxes as it 32883
relates to credits claimed under this section that later become 32884
subject to recapture under division (D) of this section. 32885

A taxpayer may claim against the tax imposed by this 32886
chapter any unused portion of the credits authorized under 32887
sections 5725.33 and 5733.58 of the Revised Code, but only to 32888
the extent of the remaining carry forward period authorized by 32889
those sections. 32890

The credit shall be claimed in the order prescribed by 32891
section 5726.98 of the Revised Code. If the amount of the credit 32892
exceeds the amount of tax otherwise due after deducting all 32893
other credits preceding the credit in the order prescribed in 32894
section 5726.98 of the Revised Code, the excess may be carried 32895
forward for not more than four ensuing tax years. 32896

(C) The total amount of qualified equity investments on 32897
the basis of which credits may be claimed under this section and 32898
sections 5725.33, 5729.16, and 5733.58 of the Revised Code is 32899
subject to the limitation of division (C) of section 5725.33 of 32900
the Revised Code. 32901

(D) If any amount of a federal tax credit allowed for a 32902
qualified equity investment for which a credit was received 32903
under this section is recaptured under section 45D of the 32904
Internal Revenue Code, or if the director of housing and 32905
development ~~services~~ determines that an investment for which a 32906
tax credit is claimed under this section is not a qualified 32907
equity investment or that the proceeds of an investment for 32908
which a tax credit is claimed under this section are used to 32909
make qualified low-income community investments other than in a 32910
qualified active low-income community business in this state, 32911

all or a portion of the credit received on account of that 32912
investment shall be paid by the taxpayer that received the 32913
credit to the tax commissioner. The amount to be recovered shall 32914
be determined by the director pursuant to rules adopted under 32915
section 5725.33 of the Revised Code. The director shall certify 32916
any amount due under this division to the tax commissioner, and 32917
the commissioner shall notify the taxpayer of the amount due. 32918
The amount due is payable not later than thirty days after the 32919
day the commissioner issues the notice. The amount due shall be 32920
considered to be tax due under section 5726.02 of the Revised 32921
Code, and may be collected by assessment without regard to the 32922
limitations imposed under section 5726.20 of the Revised Code 32923
for the assessment of taxes by the commissioner. All amounts 32924
collected under this division shall be credited as revenue from 32925
the tax levied under section 5726.02 of the Revised Code. 32926

Sec. 5726.55. (A) Any term used in this section has the 32927
same meaning as in section 122.85 of the Revised Code. 32928

(B) A taxpayer may claim a refundable credit against the 32929
tax imposed under this chapter for each person included in the 32930
annual report of the taxpayer that is a certificate owner of a 32931
tax credit certificate issued under section 122.85 of the 32932
Revised Code. The credit shall be claimed for the taxable year 32933
in which the certificate is issued by the director of housing 32934
and development~~services~~. The credit amount equals the amount 32935
stated in the certificate. The credit shall be claimed in the 32936
order required under section 5726.98 of the Revised Code. If the 32937
credit amount exceeds the tax otherwise due under section 32938
5726.02 of the Revised Code after deducting all other credits 32939
preceding the credit in the order prescribed in section 5726.98 32940
of the Revised Code, the excess shall be refunded to the 32941
taxpayer. 32942

(C) Nothing in this section shall allow a taxpayer to claim more than one credit per tax credit-eligible production.

Sec. 5726.59. (A) Any term used in this section has the same meaning as in section 122.852 of the Revised Code.

(B) A taxpayer may claim a refundable credit against the tax imposed under this chapter for each person included in the annual report of the taxpayer that is a certificate owner of a tax credit certificate issued under section 122.852 of the Revised Code. The credit shall be claimed for the taxable year in which the certificate is issued by the director of housing and development. The credit amount equals the amount stated on the certificate or the portion of that amount owned by the certificate owner. The credit shall be claimed in the order required under section 5726.98 of the Revised Code. If the credit amount exceeds the tax otherwise due under section 5726.02 of the Revised Code after deducting all other credits preceding the credit in the order prescribed in section 5726.98 of the Revised Code, the excess shall be refunded to the taxpayer.

Sec. 5727.75. (A) For purposes of this section:

(1) "Qualified energy project" means an energy project certified by the director of housing and development pursuant to this section.

(2) "Energy project" means a project to provide electric power through the construction, installation, and use of an energy facility.

(3) "Alternative energy zone" means a county declared as such by the board of county commissioners under division (E) (1) (b) or (c) of this section.

(4) "Full-time equivalent employee" means the total number of employee-hours for which compensation was paid to individuals employed at a qualified energy project for services performed at the project during the calendar year divided by two thousand eighty hours. For the purpose of this calculation, "performed at the project" includes only hours worked at the qualified energy project and devoted to site preparation or protection, construction and installation, and the unloading and distribution of materials at the project site, but does not include hours worked by superintendents, owners, manufacturers' representatives, persons employed in a bona fide executive, management, supervisory, or administrative capacity, or persons whose sole employment on the project is transporting materials or persons to the project site.

(5) "Solar energy project" means an energy project composed of an energy facility using solar panels to generate electricity.

(6) "Internet identifier of record" has the same meaning as in section 9.312 of the Revised Code.

(7) "Applicable year" means the later of the following:

(a) The tax year in which the secretary of the treasury of the United States, or the secretary's delegate, determines, in accordance with section 45Y of the Internal Revenue Code, that the annual greenhouse gas emissions from the production of electricity in the United States are equal to or less than twenty-five per cent of the annual greenhouse gas emissions from the production of electricity in the United States for calendar year 2022;

(b) Tax year 2029.

(8) "Internal Revenue Code" means the Internal Revenue Code as of ~~the effective date of this amendment~~ October 3, 2023. 33001
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(B) (1) Tangible personal property of a qualified energy project using renewable energy resources is exempt from taxation for tax years 2011 through the applicable year if all of the following conditions are satisfied: 33003
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(a) On or before the last day of the tax year preceding the applicable year, the owner or a lessee pursuant to a sale and leaseback transaction of the project submits an application to the power siting board for a certificate under section 4906.20 of the Revised Code, or if that section does not apply, submits an application for any approval, consent, permit, or certificate or satisfies any condition required by a public agency or political subdivision of this state for the construction or initial operation of an energy project. 33007
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(b) Construction or installation of the energy facility begins on or after January 1, 2009, and before the first day of the applicable year. For the purposes of this division, construction begins on the earlier of the date of application for a certificate or other approval or permit described in division (B) (1) (a) of this section, or the date the contract for the construction or installation of the energy facility is entered into. 33016
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(c) For a qualified energy project with a nameplate capacity of twenty megawatts or greater, a board of county commissioners of a county in which property of the project is located has adopted a resolution under division (E) (1) (b) or (c) of this section to approve the application submitted under division (E) of this section to exempt the property located in that county from taxation. A board's adoption of a resolution 33024
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rejecting an application or its failure to adopt a resolution 33031
approving the application does not affect the tax-exempt status 33032
of the qualified energy project's property that is located in 33033
another county. 33034

(2) If tangible personal property of a qualified energy 33035
project using renewable energy resources was exempt from 33036
taxation under this section beginning in any of tax years 2011 33037
through the applicable year, and the certification under 33038
division (E) (2) of this section has not been revoked, the 33039
tangible personal property of the qualified energy project is 33040
exempt from taxation for the tax year following the applicable 33041
year and all ensuing tax years if the property was placed into 33042
service before the first day of the tax year following the 33043
applicable year, as certified in the construction progress 33044
report required under division (F) (2) of this section. Tangible 33045
personal property that has not been placed into service before 33046
that date is taxable property subject to taxation. An energy 33047
project for which certification has been revoked is ineligible 33048
for further exemption under this section. Revocation does not 33049
affect the tax-exempt status of the project's tangible personal 33050
property for the tax year in which revocation occurs or any 33051
prior tax year. 33052

(C) Tangible personal property of a qualified energy 33053
project using clean coal technology, advanced nuclear 33054
technology, or cogeneration technology is exempt from taxation 33055
for the first tax year that the property would be listed for 33056
taxation and all subsequent years if all of the following 33057
circumstances are met: 33058

(1) The property was placed into service before January 1, 33059
2021. Tangible personal property that has not been placed into 33060

service before that date is taxable property subject to 33061
taxation. 33062

(2) For such a qualified energy project with a nameplate 33063
capacity of twenty megawatts or greater, a board of county 33064
commissioners of a county in which property of the qualified 33065
energy project is located has adopted a resolution under 33066
division (E) (1) (b) or (c) of this section to approve the 33067
application submitted under division (E) of this section to 33068
exempt the property located in that county from taxation. A 33069
board's adoption of a resolution rejecting the application or 33070
its failure to adopt a resolution approving the application does 33071
not affect the tax-exempt status of the qualified energy 33072
project's property that is located in another county. 33073

(3) The certification for the qualified energy project 33074
issued under division (E) (2) of this section has not been 33075
revoked. An energy project for which certification has been 33076
revoked is ineligible for exemption under this section. 33077
Revocation does not affect the tax-exempt status of the 33078
project's tangible personal property for the tax year in which 33079
revocation occurs or any prior tax year. 33080

(D) Except as otherwise provided in this section, real 33081
property of a qualified energy project is exempt from taxation 33082
for any tax year for which the tangible personal property of the 33083
qualified energy project is exempted under this section. 33084

(E) (1) (a) A person may apply to the director of housing 33085
and development for certification of an energy project as a 33086
qualified energy project on or before the following dates: 33087

(i) The last day of the tax year preceding the applicable 33088
year, for an energy project using renewable energy resources; 33089

(ii) December 31, 2017, for an energy project using clean 33090
coal technology, advanced nuclear technology, or cogeneration 33091
technology. 33092

(b) The director shall forward a copy of each application 33093
for certification of an energy project with a nameplate capacity 33094
of twenty megawatts or greater to the board of county 33095
commissioners of each county in which the project is located and 33096
to each taxing unit with territory located in each of the 33097
affected counties. Any board that receives from the director a 33098
copy of an application submitted under this division shall adopt 33099
a resolution approving or rejecting the application unless it 33100
has adopted a resolution under division (E) (1) (c) of this 33101
section. A resolution adopted under division (E) (1) (b) or (c) of 33102
this section may require an annual service payment to be made in 33103
addition to the service payment required under division (G) of 33104
this section. The sum of the service payment required in the 33105
resolution and the service payment required under division (G) 33106
of this section shall not exceed nine thousand dollars per 33107
megawatt of nameplate capacity located in the county. The 33108
resolution shall specify the time and manner in which the 33109
payments required by the resolution shall be paid to the county 33110
treasurer. The county treasurer shall deposit the payment to the 33111
credit of the county's general fund to be used for any purpose 33112
for which money credited to that fund may be used. 33113

The board shall send copies of the resolution to the owner 33114
of the facility and the director by certified mail or, if the 33115
board has record of an internet identifier of record associated 33116
with the owner or director, by ordinary mail and by that 33117
internet identifier of record. The board shall send such notice 33118
within thirty days after receipt of the application, or a longer 33119
period of time if authorized by the director. 33120

(c) A board of county commissioners may adopt a resolution 33121
declaring the county to be an alternative energy zone and 33122
declaring all applications submitted to the director of housing 33123
and development under this division after the adoption of the 33124
resolution, and prior to its repeal, to be approved by the 33125
board. 33126

All tangible personal property and real property of an 33127
energy project with a nameplate capacity of twenty megawatts or 33128
greater is taxable if it is located in a county in which the 33129
board of county commissioners adopted a resolution rejecting the 33130
application submitted under this division or failed to adopt a 33131
resolution approving the application under division (E) (1) (b) or 33132
(c) of this section. 33133

(2) The director shall certify an energy project if all of 33134
the following circumstances exist: 33135

(a) The application was timely submitted. 33136

(b) For an energy project with a nameplate capacity of 33137
twenty megawatts or greater, a board of county commissioners of 33138
at least one county in which the project is located has adopted 33139
a resolution approving the application under division (E) (1) (b) 33140
or (c) of this section. 33141

(c) No portion of the project's facility was used to 33142
supply electricity before December 31, 2009. 33143

(d) For construction or installation of a qualified energy 33144
project described in division (B) (1) (b) of this section, that 33145
the project is subject to wage requirements described in section 33146
45(b) (7) (A) of the Internal Revenue Code and apprenticeship 33147
requirements described in section 45(b) (8) (A) (i) of the Internal 33148
Revenue Code, provided both of the following apply: 33149

(i) The person applies for such certificate after ~~the~~ 33150
~~effective date of this amendment~~ October 3, 2023. 33151

(ii) A board of commissioners of at least one county in 33152
which the project is located is required to adopt a resolution 33153
approving the application under division (E) (1) (b) or (c) of 33154
this section. 33155

(3) The director shall deny a certification application if 33156
the director determines the person has failed to comply with any 33157
requirement under this section. The director may revoke a 33158
certification if the director determines the person, or 33159
subsequent owner or lessee pursuant to a sale and leaseback 33160
transaction of the qualified energy project, has failed to 33161
comply with any requirement under this section. Upon 33162
certification or revocation, the director shall notify the 33163
person, owner, or lessee, the tax commissioner, and the county 33164
auditor of a county in which the project is located of the 33165
certification or revocation. Notice shall be provided in a 33166
manner convenient to the director. 33167

(F) The owner or a lessee pursuant to a sale and leaseback 33168
transaction of a qualified energy project shall do each of the 33169
following: 33170

(1) Comply with all applicable regulations; 33171

(2) File with the director of housing and development a 33172
certified construction progress report before the first day of 33173
March of each year during the energy facility's construction or 33174
installation indicating the percentage of the project completed, 33175
and the project's nameplate capacity, as of the preceding 33176
thirty-first day of December. Unless otherwise instructed by the 33177
director of housing and development, the owner or lessee of an 33178

energy project shall file a report with the director on or 33179
before the first day of March each year after completion of the 33180
energy facility's construction or installation indicating the 33181
project's nameplate capacity as of the preceding thirty-first 33182
day of December. Not later than sixty days after June 17, 2010, 33183
the owner or lessee of an energy project, the construction of 33184
which was completed before June 17, 2010, shall file a 33185
certificate indicating the project's nameplate capacity. 33186

(3) File with the director of housing and development, in 33187
a manner prescribed by the director, a report of the total 33188
number of full-time equivalent employees, and the total number 33189
of full-time equivalent employees domiciled in Ohio, who are 33190
employed in the construction or installation of the energy 33191
facility; 33192

(4) For energy projects with a nameplate capacity of 33193
twenty megawatts or greater, repair all roads, bridges, and 33194
culverts affected by construction as reasonably required to 33195
restore them to their preconstruction condition, as determined 33196
by the county engineer in consultation with the local 33197
jurisdiction responsible for the roads, bridges, and culverts. 33198
In the event that the county engineer deems any road, bridge, or 33199
culvert to be inadequate to support the construction or 33200
decommissioning of the energy facility, the road, bridge, or 33201
culvert shall be rebuilt or reinforced to the specifications 33202
established by the county engineer prior to the construction or 33203
decommissioning of the facility. The owner or lessee of the 33204
facility shall post a bond in an amount established by the 33205
county engineer and to be held by the board of county 33206
commissioners to ensure funding for repairs of roads, bridges, 33207
and culverts affected during the construction. The bond shall be 33208
released by the board not later than one year after the date the 33209

repairs are completed. The energy facility owner or lessee 33210
pursuant to a sale and leaseback transaction shall post a bond, 33211
as may be required by the Ohio power siting board in the 33212
certificate authorizing commencement of construction issued 33213
pursuant to section 4906.10 of the Revised Code, to ensure 33214
funding for repairs to roads, bridges, and culverts resulting 33215
from decommissioning of the facility. The energy facility owner 33216
or lessee and the county engineer may enter into an agreement 33217
regarding specific transportation plans, reinforcements, 33218
modifications, use and repair of roads, financial security to be 33219
provided, and any other relevant issue. 33220

(5) Provide or facilitate training for fire and emergency 33221
responders for response to emergency situations related to the 33222
energy project and, for energy projects with a nameplate 33223
capacity of twenty megawatts or greater, at the person's 33224
expense, equip the fire and emergency responders with proper 33225
equipment as reasonably required to enable them to respond to 33226
such emergency situations; 33227

(6) (a) Except as otherwise provided in this division, for 33228
projects for which certification as a qualified energy project 33229
was applied for, under division (E) of this section, before ~~the~~ 33230
~~effective date of this amendment~~ October 3, 2023, maintain a 33231
ratio of Ohio-domiciled full-time equivalent employees employed 33232
in the construction or installation of the energy project to 33233
total full-time equivalent employees employed in the 33234
construction or installation of the energy project of not less 33235
than eighty per cent in the case of a solar energy project, and 33236
not less than fifty per cent in the case of any other energy 33237
project. A person applying for such a qualified energy project 33238
may certify to the director of housing and development that the 33239
project will be voluntarily subject to the wage requirements 33240

described in section 45(b)(7)(A) of the Internal Revenue Code 33241
and apprenticeship requirements described in section 45(b)(8)(A) 33242
(i) of the Internal Revenue Code as authorized in division (F) 33243
(6)(b) of this section. Upon receipt of that certification, the 33244
project shall comply with division (F)(6)(b) of this section 33245
rather than division (F)(6)(a) of this section. 33246

(b) For projects for which certification as a qualified 33247
energy project was applied for, under division (E) of this 33248
section, on or after ~~the effective date of this amendment~~ 33249
October 3, 2023, maintain a ratio of Ohio-domiciled full-time 33250
equivalent employees employed in the construction or 33251
installation of the energy project to total full-time equivalent 33252
employees employed in the construction or installation of the 33253
energy project of not less than seventy per cent in the case of 33254
a solar energy project, and not less than fifty per cent in the 33255
case of any other energy project. 33256

(c) For purposes of divisions (F)(6)(a) and (b) of this 33257
section, in the case of an energy project for which 33258
certification from the power siting board is required under 33259
section 4906.20 of the Revised Code, the number of full-time 33260
equivalent employees employed in the construction or 33261
installation of the energy project equals the number actually 33262
employed or the number projected to be employed in the 33263
certificate application, if such projection is required under 33264
regulations adopted pursuant to section 4906.03 of the Revised 33265
Code, whichever is greater. For all other energy projects, the 33266
number of full-time equivalent employees employed in the 33267
construction or installation of the energy project equals the 33268
number actually employed or the number projected to be employed 33269
by the director of housing and development, whichever is 33270
greater. To estimate the number of employees to be employed in 33271

the construction or installation of an energy project, the 33272
director shall use a generally accepted job-estimating model in 33273
use for renewable energy projects, including but not limited to 33274
the job and economic development impact model. The director may 33275
adjust an estimate produced by a model to account for variables 33276
not accounted for by the model. 33277

(7) For energy projects with a nameplate capacity in 33278
excess of twenty megawatts, establish a relationship with any of 33279
the following to educate and train individuals for careers in 33280
the wind or solar energy industry: 33281

(a) A member of the university system of Ohio as defined 33282
in section 3345.011 of the Revised Code; 33283

(b) A person offering an apprenticeship program registered 33284
with the employment and training administration within the 33285
United States department of labor or with the apprenticeship 33286
council created by section 4139.02 of the Revised Code; 33287

(c) A career-technical center, joint vocational school 33288
district, comprehensive career-technical center, or compact 33289
career-technical center; 33290

(d) A training center operated by a labor organization, or 33291
with a training center operated by a for-profit or nonprofit 33292
organization. 33293

The relationship may include endowments, cooperative 33294
programs, internships, apprenticeships, research and development 33295
projects, and curriculum development. 33296

(8) Offer to sell power or renewable energy credits from 33297
the energy project to electric distribution utilities or 33298
electric service companies subject to renewable energy resource 33299
requirements under section 4928.64 of the Revised Code that have 33300

issued requests for proposal for such power or renewable energy 33301
credits. If no electric distribution utility or electric service 33302
company issues a request for proposal on or before December 31, 33303
2010, or accepts an offer for power or renewable energy credits 33304
within forty-five days after the offer is submitted, power or 33305
renewable energy credits from the energy project may be sold to 33306
other persons. Division (F) (8) of this section does not apply 33307
if: 33308

(a) The owner or lessee is a rural electric company or a 33309
municipal power agency as defined in section 3734.058 of the 33310
Revised Code. 33311

(b) The owner or lessee is a person that, before 33312
completion of the energy project, contracted for the sale of 33313
power or renewable energy credits with a rural electric company 33314
or a municipal power agency. 33315

(c) The owner or lessee contracts for the sale of power or 33316
renewable energy credits from the energy project before June 17, 33317
2010. 33318

(9) Make annual service payments as required by division 33319
(G) of this section and as may be required in a resolution 33320
adopted by a board of county commissioners under division (E) of 33321
this section. 33322

(G) The owner or a lessee pursuant to a sale and leaseback 33323
transaction of a qualified energy project shall make annual 33324
service payments in lieu of taxes to the county treasurer on or 33325
before the final dates for payments of taxes on public utility 33326
personal property on the real and public utility personal 33327
property tax list for each tax year for which property of the 33328
energy project is exempt from taxation under this section. The 33329

county treasurer shall allocate the payment on the basis of the 33330
project's physical location. Upon receipt of a payment, or if 33331
timely payment has not been received, the county treasurer shall 33332
certify such receipt or non-receipt to the director of housing 33333
and development and tax commissioner in a form determined by the 33334
director and commissioner, respectively. Each payment shall be 33335
in the following amount: 33336

(1) In the case of a solar energy project, seven thousand 33337
dollars per megawatt of nameplate capacity located in the county 33338
as of the thirty-first-day of December of the preceding tax 33339
year; 33340

(2) In the case of any other energy project using 33341
renewable energy resources, the following: 33342

(a) If the project maintains during the construction or 33343
installation of the energy facility a ratio of Ohio-domiciled 33344
full-time equivalent employees to total full-time equivalent 33345
employees of not less than seventy-five per cent, six thousand 33346
dollars per megawatt of nameplate capacity located in the county 33347
as of the thirty-first day of December of the preceding tax 33348
year; 33349

(b) If the project maintains during the construction or 33350
installation of the energy facility a ratio of Ohio-domiciled 33351
full-time equivalent employees to total full-time equivalent 33352
employees of less than seventy-five per cent but not less than 33353
sixty per cent, seven thousand dollars per megawatt of nameplate 33354
capacity located in the county as of the thirty-first day of 33355
December of the preceding tax year; 33356

(c) If the project maintains during the construction or 33357
installation of the energy facility a ratio of Ohio-domiciled 33358

full-time equivalent employees to total full-time equivalent 33359
employees of less than sixty per cent but not less than fifty 33360
per cent, eight thousand dollars per megawatt of nameplate 33361
capacity located in the county as of the thirty-first day of 33362
December of the preceding tax year. 33363

(3) In the case of an energy project using clean coal 33364
technology, advanced nuclear technology, or cogeneration 33365
technology, the following: 33366

(a) If the project maintains during the construction or 33367
installation of the energy facility a ratio of Ohio-domiciled 33368
full-time equivalent employees to total full-time equivalent 33369
employees of not less than seventy-five per cent, six thousand 33370
dollars per megawatt of nameplate capacity located in the county 33371
as of the thirty-first day of December of the preceding tax 33372
year; 33373

(b) If the project maintains during the construction or 33374
installation of the energy facility a ratio of Ohio-domiciled 33375
full-time equivalent employees to total full-time equivalent 33376
employees of less than seventy-five per cent but not less than 33377
sixty per cent, seven thousand dollars per megawatt of nameplate 33378
capacity located in the county as of the thirty-first day of 33379
December of the preceding tax year; 33380

(c) If the project maintains during the construction or 33381
installation of the energy facility a ratio of Ohio-domiciled 33382
full-time equivalent employees to total full-time equivalent 33383
employees of less than sixty per cent but not less than fifty 33384
per cent, eight thousand dollars per megawatt of nameplate 33385
capacity located in the county as of the thirty-first day of 33386
December of the preceding tax year. 33387

(H) The director of housing and development in 33388
consultation with the tax commissioner shall adopt rules 33389
pursuant to Chapter 119. of the Revised Code to implement and 33390
enforce this section. 33391

Sec. 5729.032. Upon the issuance of a tax credit 33392
certificate by the director of housing and development, a 33393
refundable credit granted by the tax credit authority under 33394
section 122.17 of the Revised Code may be claimed against the 33395
tax imposed by section 5729.03 of the Revised Code. The credit 33396
shall be claimed in the calendar year specified in the 33397
certificate issued by the director of housing and development. 33398

Sec. 5729.16. (A) Terms used in this section have the same 33399
meaning as in section 5725.33 of the Revised Code. 33400

(B) There is hereby allowed a nonrefundable credit against 33401
the tax imposed by section 5729.03 or 5729.06 of the Revised 33402
Code for a foreign insurance company holding a qualified equity 33403
investment on the credit allowance date occurring in the 33404
calendar year for which the tax is due. The credit shall be 33405
computed in the same manner prescribed for the computation of 33406
credits allowed under section 5725.33 of the Revised Code. 33407

The credit shall be claimed in the order prescribed by 33408
section 5729.98 of the Revised Code. If the amount of the credit 33409
exceeds the amount of tax otherwise due after deducting all 33410
other credits in that order, the excess may be carried forward 33411
and applied to the tax due for not more than four ensuing years. 33412

By claiming a tax credit under this section, an insurance 33413
company waives its rights under section 5729.102 of the Revised 33414
Code with respect to the time limitation for the assessment of 33415
taxes as it relates to credits claimed that later become subject 33416

to recapture under division (D) of this section. 33417

(C) The total amount of qualified equity investments on 33418
the basis of which credits may be claimed under this section, 33419
section 5725.33, and section 5733.58 of the Revised Code is 33420
subject to the limitation of division (C) of section 5725.33 of 33421
the Revised Code. 33422

(D) If any amount of a federal tax credit allowed for a 33423
qualified equity investment for which a credit was received 33424
under this section is recaptured under section 45D of the 33425
Internal Revenue Code, or if the director of housing and 33426
development ~~services~~ determines that an investment for which a 33427
tax credit is claimed under this section is not a qualified 33428
equity investment or that the proceeds of an investment for 33429
which a tax credit is claimed under this section are used to 33430
make qualified low-income community investments other than in a 33431
qualified active low-income community business in this state, 33432
all or a portion of the credit received on account of that 33433
investment shall be paid by the insurance company that received 33434
the credit to the superintendent of insurance. The amount to be 33435
recovered shall be determined by the director of housing and 33436
development ~~services~~ pursuant to rules adopted under section 33437
5725.33 of the Revised Code. The director shall certify any 33438
amount due under this division to the superintendent of 33439
insurance, and the superintendent shall notify the treasurer of 33440
state of the amount due. Upon notification, the treasurer shall 33441
invoice the insurance company for the amount due. The amount due 33442
is payable not later than thirty days after the date the 33443
treasurer invoices the insurance company. The amount due shall 33444
be considered to be tax due under section 5729.03 or 5729.06 of 33445
the Revised Code, as applicable, and may be collected by 33446
assessment without regard to the time limitations imposed under 33447

section 5729.102 of the Revised Code for the assessment of taxes 33448
by the superintendent. All amounts collected under this division 33449
shall be credited as revenue from the tax levied under section 33450
5729.03 of the Revised Code. 33451

Sec. 5733.33. (A) As used in this section: 33452

(1) "Manufacturing machinery and equipment" means engines 33453
and machinery, and tools and implements, of every kind used, or 33454
designed to be used, in refining and manufacturing. 33455

"Manufacturing machinery and equipment" does not include 33456
property acquired after December 31, 1999, that is used: 33457

(a) For the transmission and distribution of electricity; 33458

(b) For the generation of electricity, if fifty per cent 33459
or more of the electricity that the property generates is 33460
consumed, during the one-hundred-twenty-month period commencing 33461
with the date the property is placed in service, by persons that 33462
are not related members to the person who generates the 33463
electricity. 33464

(2) "New manufacturing machinery and equipment" means 33465
manufacturing machinery and equipment, the original use in this 33466
state of which commences with the taxpayer or with a partnership 33467
of which the taxpayer is a partner. "New manufacturing machinery 33468
and equipment" does not include property acquired after December 33469
31, 1999, that is used: 33470

(a) For the transmission and distribution of electricity; 33471

(b) For the generation of electricity, if fifty per cent 33472
or more of the electricity that the property generates is 33473
consumed, during the one-hundred-twenty-month period commencing 33474
with the date the property is placed in service, by persons that 33475
are not related members to the person who generates the 33476

electricity. 33477

(3) (a) "Purchase" has the same meaning as in section 33478
179(d) (2) of the Internal Revenue Code. 33479

(b) For purposes of this section, any property that is not 33480
manufactured or assembled primarily by the taxpayer is 33481
considered purchased at the time the agreement to acquire the 33482
property becomes binding. Any property that is manufactured or 33483
assembled primarily by the taxpayer is considered purchased at 33484
the time the taxpayer places the property in service in the 33485
county for which the taxpayer will calculate the county excess 33486
amount. 33487

(c) Notwithstanding section 179(d) of the Internal Revenue 33488
Code, a taxpayer's direct or indirect acquisition of new 33489
manufacturing machinery and equipment is not purchased on or 33490
after July 1, 1995, if the taxpayer, or a person whose 33491
relationship to the taxpayer is described in subparagraphs (A), 33492
(B), or (C) of section 179(d) (2) of the Internal Revenue Code, 33493
had directly or indirectly entered into a binding agreement to 33494
acquire the property at any time prior to July 1, 1995. 33495

(4) "Qualifying period" means the period that begins July 33496
1, 1995, and ends June 30, 2005. 33497

(5) "County average new manufacturing machinery and 33498
equipment investment" means either of the following: 33499

(a) The average annual cost of new manufacturing machinery 33500
and equipment purchased for use in the county during baseline 33501
years, in the case of a taxpayer that was in existence for more 33502
than one year during baseline years. 33503

(b) Zero, in the case of a taxpayer that was not in 33504
existence for more than one year during baseline years. 33505

(6) "Partnership" includes a limited liability company 33506
formed under former Chapter 1705. ~~or of the Revised Code as that~~ 33507
chapter existed prior to February 11, 2022, Chapter 1706. of the 33508
Revised Code, or under the laws of any other state, provided 33509
that the company is not classified for federal income tax 33510
purposes as an association taxable as a corporation. 33511

(7) "Partner" includes a member of a limited liability 33512
company formed under former Chapter 1705. ~~or of the Revised Code~~ 33513
as that chapter existed prior to February 11, 2022, Chapter 33514
1706. of the Revised Code, or under the laws of any other state, 33515
provided that the company is not classified for federal income 33516
tax purposes as an association taxable as a corporation. 33517

(8) "Distressed area" means either a municipal corporation 33518
that has a population of at least fifty thousand or a county 33519
that meets two of the following criteria of economic distress, 33520
or a municipal corporation the majority of the population of 33521
which is situated in such a county: 33522

(a) Its average rate of unemployment, during the most 33523
recent five-year period for which data are available, is equal 33524
to at least one hundred twenty-five per cent of the average rate 33525
of unemployment for the United States for the same period; 33526

(b) It has a per capita income equal to or below eighty 33527
per cent of the median county per capita income of the United 33528
States as determined by the most recently available figures from 33529
the United States census bureau; 33530

(c) (i) In the case of a municipal corporation, at least 33531
twenty per cent of the residents have a total income for the 33532
most recent census year that is below the official poverty line; 33533

(ii) In the case of a county, in intercensal years, the 33534

county has a ratio of transfer payment income to total county income equal to or greater than twenty-five per cent. 33535
33536

(9) "Eligible area" means a distressed area, a labor surplus area, an inner city area, or a situational distress area. 33537
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33539

(10) "Inner city area" means, in a municipal corporation that has a population of at least one hundred thousand and does not meet the criteria of a labor surplus area or a distressed area, targeted investment areas established by the municipal corporation within its boundaries that are comprised of the most recent census block tracts that individually have at least twenty per cent of their population at or below the state poverty level or other census block tracts contiguous to such census block tracts. 33540
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(11) "Labor surplus area" means an area designated as a labor surplus area by the United States department of labor. 33549
33550

(12) "Official poverty line" has the same meaning as in division (A) of section 3923.51 of the Revised Code. 33551
33552

(13) "Situational distress area" means a county or a municipal corporation that has experienced or is experiencing a closing or downsizing of a major employer, that will adversely affect the county's or municipal corporation's economy. In order to be designated as a situational distress area for a period not to exceed thirty-six months, the county or municipal corporation may petition the director of housing and development. The petition shall include written documentation that demonstrates all of the following adverse effects on the local economy: 33553
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(a) The number of jobs lost by the closing or downsizing; 33562

(b) The impact that the job loss has on the county's or 33563

municipal corporation's unemployment rate as measured by the	33564
state director of job and family services;	33565
(c) The annual payroll associated with the job loss;	33566
(d) The amount of state and local taxes associated with	33567
the job loss;	33568
(e) The impact that the closing or downsizing has on the	33569
suppliers located in the county or municipal corporation.	33570
(14) "Cost" has the same meaning and limitation as in	33571
section 179(d) (3) of the Internal Revenue Code.	33572
(15) "Baseline years" means:	33573
(a) Calendar years 1992, 1993, and 1994, with regard to a	33574
credit claimed for the purchase during calendar year 1995, 1996,	33575
1997, or 1998 of new manufacturing machinery and equipment;	33576
(b) Calendar years 1993, 1994, and 1995, with regard to a	33577
credit claimed for the purchase during calendar year 1999 of new	33578
manufacturing machinery and equipment;	33579
(c) Calendar years 1994, 1995, and 1996, with regard to a	33580
credit claimed for the purchase during calendar year 2000 of new	33581
manufacturing machinery and equipment;	33582
(d) Calendar years 1995, 1996, and 1997, with regard to a	33583
credit claimed for the purchase during calendar year 2001 of new	33584
manufacturing machinery and equipment;	33585
(e) Calendar years 1996, 1997, and 1998, with regard to a	33586
credit claimed for the purchase during calendar year 2002 of new	33587
manufacturing machinery and equipment;	33588
(f) Calendar years 1997, 1998, and 1999, with regard to a	33589
credit claimed for the purchase during calendar year 2003 of new	33590

manufacturing machinery and equipment; 33591

(g) Calendar years 1998, 1999, and 2000, with regard to a 33592
credit claimed for the purchase during calendar year 2004 of new 33593
manufacturing machinery and equipment; 33594

(h) Calendar years 1999, 2000, and 2001, with regard to a 33595
credit claimed for the purchase on or after January 1, 2005, and 33596
on or before June 30, 2005, of new manufacturing machinery and 33597
equipment. 33598

(16) "Related member" has the same meaning as in section 33599
5733.042 of the Revised Code. 33600

(B)(1) Subject to division (I) of this section, a 33601
nonrefundable credit is allowed against the tax imposed by 33602
section 5733.06 of the Revised Code for a taxpayer that 33603
purchases new manufacturing machinery and equipment during the 33604
qualifying period, provided that the new manufacturing machinery 33605
and equipment are installed in this state no later than June 30, 33606
2006. No credit shall be allowed under this section for taxable 33607
years ending on or after July 1, 2005. The elimination of the 33608
credit for those taxable years includes the elimination of any 33609
remaining one-sevenths of credit amounts for which a portion was 33610
allowed for prior taxable years and the elimination of any 33611
credit carry-forward, but the purchases on which the credits 33612
were based remain subject to grants under section 122.173 of the 33613
Revised Code for those remaining one-seventh amounts or carry- 33614
forward amounts. 33615

(2)(a) Except as otherwise provided in division (B)(2)(b) 33616
of this section, a credit may be claimed under this section in 33617
excess of one million dollars only if the cost of all 33618
manufacturing machinery and equipment owned in this state by the 33619

taxpayer claiming the credit on the last day of the calendar 33620
year exceeds the cost of all manufacturing machinery and 33621
equipment owned in this state by the taxpayer on the first day 33622
of that calendar year. 33623

As used in division (B) (2) (a) of this section, "calendar 33624
year" means the calendar year in which the machinery and 33625
equipment for which the credit is claimed was purchased. 33626

(b) Division (B) (2) (a) of this section does not apply if 33627
the taxpayer claiming the credit applies for and is issued a 33628
waiver of the requirement of that division. A taxpayer may apply 33629
to the director of housing and development for such a waiver in 33630
the manner prescribed by the director, and the director may 33631
issue such a waiver if the director determines that granting the 33632
credit is necessary to increase or retain employees in this 33633
state, and that the credit has not caused relocation of 33634
manufacturing machinery and equipment among counties within this 33635
state for the primary purpose of qualifying for the credit. 33636

(C) (1) Except as otherwise provided in division (C) (2) and 33637
division (I) of this section, the credit amount is equal to 33638
seven and one-half per cent of the excess of the cost of the new 33639
manufacturing machinery and equipment purchased during the 33640
calendar year for use in a county over the county average new 33641
manufacturing machinery and equipment investment for that 33642
county. 33643

(2) Subject to division (I) of this section, as used in 33644
division (C) (2) of this section "county excess" means the 33645
taxpayer's excess cost for a county as computed under division 33646
(C) (1) of this section. 33647

Subject to division (I) of this section, a taxpayer with a 33648

county excess, whose purchases included purchases for use in any 33649
eligible area in the county, the credit amount is equal to 33650
thirteen and one-half per cent of the cost of the new 33651
manufacturing machinery and equipment purchased during the 33652
calendar year for use in the eligible areas in the county, 33653
provided that the cost subject to the thirteen and one-half per 33654
cent rate shall not exceed the county excess. If the county 33655
excess is greater than the cost of the new manufacturing 33656
machinery and equipment purchased during the calendar year for 33657
use in eligible areas in the county, the credit amount also 33658
shall include an amount equal to seven and one-half per cent of 33659
the amount of the difference. 33660

(3) If a taxpayer is allowed a credit for purchases of new 33661
manufacturing machinery and equipment in more than one county or 33662
eligible area, it shall aggregate the amount of those credits 33663
each year. 33664

(4) The taxpayer shall claim one-seventh of the credit 33665
amount for the tax year immediately following the calendar year 33666
in which the new manufacturing machinery and equipment is 33667
purchased for use in the county by the taxpayer or partnership. 33668
One-seventh of the taxpayer credit amount is allowed for each of 33669
the six ensuing tax years. Except for carried-forward amounts, 33670
the taxpayer is not allowed any credit amount remaining if the 33671
new manufacturing machinery and equipment is sold by the 33672
taxpayer or partnership or is transferred by the taxpayer or 33673
partnership out of the county before the end of the seven-year 33674
period unless, at the time of the sale or transfer, the new 33675
manufacturing machinery and equipment has been fully depreciated 33676
for federal income tax purposes. 33677

(5) (a) A taxpayer that acquires manufacturing machinery 33678

and equipment as a result of a merger with the taxpayer with 33679
whom commenced the original use in this state of the 33680
manufacturing machinery and equipment, or with a taxpayer that 33681
was a partner in a partnership with whom commenced the original 33682
use in this state of the manufacturing machinery and equipment, 33683
is entitled to any remaining or carried-forward credit amounts 33684
to which the taxpayer was entitled. 33685

(b) A taxpayer that enters into an agreement under 33686
division (C) (3) of section 5709.62 of the Revised Code and that 33687
acquires manufacturing machinery or equipment as a result of 33688
purchasing a large manufacturing facility, as defined in section 33689
5709.61 of the Revised Code, from another taxpayer with whom 33690
commenced the original use in this state of the manufacturing 33691
machinery or equipment, and that operates the large 33692
manufacturing facility so purchased, is entitled to any 33693
remaining or carried-forward credit amounts to which the other 33694
taxpayer who sold the facility would have been entitled under 33695
this section had the other taxpayer not sold the manufacturing 33696
facility or equipment. 33697

(c) New manufacturing machinery and equipment is not 33698
considered sold if a pass-through entity transfers to another 33699
pass-through entity substantially all of its assets as part of a 33700
plan of reorganization under which substantially all gain and 33701
loss is not recognized by the pass-through entity that is 33702
transferring the new manufacturing machinery and equipment to 33703
the transferee and under which the transferee's basis in the new 33704
manufacturing machinery and equipment is determined, in whole or 33705
in part, by reference to the basis of the pass-through entity 33706
which transferred the new manufacturing machinery and equipment 33707
to the transferee. 33708

(d) Division (C) (5) of this section shall apply only if 33709
the acquiring taxpayer or transferee does not sell the new 33710
manufacturing machinery and equipment or transfer the new 33711
manufacturing machinery and equipment out of the county before 33712
the end of the seven-year period to which division (C) (4) of 33713
this section refers. 33714

(e) Division (C) (5) (b) of this section applies only to the 33715
extent that the taxpayer that sold the manufacturing machinery 33716
or equipment, upon request, timely provides to the tax 33717
commissioner any information that the tax commissioner considers 33718
to be necessary to ascertain any remaining or carried-forward 33719
amounts to which the taxpayer that sold the facility would have 33720
been entitled under this section had the taxpayer not sold the 33721
manufacturing machinery or equipment. Nothing in division (C) (5) 33722
(b) or (e) of this section shall be construed to allow a 33723
taxpayer to claim any credit amount with respect to the acquired 33724
manufacturing machinery or equipment that is greater than the 33725
amount that would have been available to the other taxpayer that 33726
sold the manufacturing machinery or equipment had the other 33727
taxpayer not sold the manufacturing machinery or equipment. 33728

(D) The taxpayer shall claim the credit in the order 33729
required under section 5733.98 of the Revised Code. Each year, 33730
any credit amount in excess of the tax due under section 5733.06 33731
of the Revised Code after allowing for any other credits that 33732
precede the credit under this section in that order may be 33733
carried forward for three tax years. 33734

(E) A taxpayer purchasing new manufacturing machinery and 33735
equipment and intending to claim the credit shall file, with the 33736
department of housing and development, a notice of intent to 33737
claim the credit on a form prescribed by the department of 33738

housing and development. The department of housing and 33739
development shall inform the tax commissioner of the notice of 33740
intent to claim the credit. No credit may be claimed under this 33741
section for any manufacturing machinery and equipment with 33742
respect to which a notice was not filed by the date of a timely 33743
filed return, including extensions, for the taxable year that 33744
includes September 30, 2005. 33745

(F) The director of housing and development shall annually 33746
certify, by the first day of January of each year during the 33747
qualifying period, the eligible areas for the tax credit for the 33748
calendar year that includes that first day of January. The 33749
director shall send a copy of the certification to the tax 33750
commissioner. 33751

(G) New manufacturing machinery and equipment for which a 33752
taxpayer claims the credit under section 5733.31 or 5733.311 of 33753
the Revised Code shall not be considered new manufacturing 33754
machinery and equipment for purposes of the credit under this 33755
section. 33756

(H) (1) Notwithstanding sections 5733.11 and 5747.13 of the 33757
Revised Code, but subject to division (H) (2) of this section, 33758
the tax commissioner may issue an assessment against a person 33759
with respect to a credit claimed under this section for new 33760
manufacturing machinery and equipment described in division (A) 33761
(1) (b) or (2) (b) of this section, if the machinery or equipment 33762
subsequently does not qualify for the credit. 33763

(2) Division (H) (1) of this section shall not apply after 33764
the twenty-fourth month following the last day of the period 33765
described in divisions (A) (1) (b) and (2) (b) of this section. 33766

(I) Notwithstanding any other provision of this section to 33767

the contrary, in the case of a qualifying controlled group, the 33768
credit available under this section to a taxpayer or taxpayers 33769
in the qualifying controlled group shall be computed as if all 33770
corporations in the group were a single corporation. The credit 33771
shall be allocated to such a taxpayer or taxpayers in the group 33772
in any amount elected for the taxable year by the group. Such 33773
election shall be revocable and amendable during the period 33774
described in division (B) of section 5733.12 of the Revised 33775
Code. 33776

This division applies to all purchases of new 33777
manufacturing machinery and equipment made on or after January 33778
1, 2001, and to all baseline years used to compute any credit 33779
attributable to such purchases; provided, that this division may 33780
be applied solely at the election of the qualifying controlled 33781
group with respect to all purchases of new manufacturing 33782
machinery and equipment made before that date, and to all 33783
baseline years used to compute any credit attributable to such 33784
purchases. The qualifying controlled group at any time may elect 33785
to apply this division to purchases made prior to January 1, 33786
2001, subject to the following: 33787

(1) The election is irrevocable; 33788

(2) The election need not accompany a timely filed report, 33789
but the election may accompany a subsequently filed but timely 33790
application for refund, a subsequently filed but timely amended 33791
report, or a subsequently filed but timely petition for 33792
reassessment. 33793

Sec. 5733.34. (A) As used in this section: 33794

(1) "Partnership" includes a limited liability company if 33795
the limited liability company is not treated as a corporation 33796

for purposes of this chapter and is not classified as an 33797
association taxable as a corporation for federal income tax 33798
purposes. 33799

(2) "Partner" includes a member of a limited liability 33800
company if the limited liability company is not treated as a 33801
corporation for purposes of this chapter and is not classified 33802
as an association taxable as a corporation for federal income 33803
tax purposes. 33804

(B) (1) A nonrefundable credit is allowed against the tax 33805
imposed by section 5733.06 of the Revised Code for a taxpayer 33806
that has entered into an agreement with the director of housing 33807
and development under section 122.16 of the Revised Code, or for 33808
a taxpayer that is a partner in a partnership that has entered 33809
into such an agreement. If a taxpayer is a partner in such a 33810
partnership, the taxpayer shall be allowed its distributive 33811
share of the credit available through the partnership. 33812

(2) If a taxpayer enters into more than one agreement 33813
under section 122.16 of the Revised Code, the taxpayer may 33814
aggregate the amount of those credits each year. 33815

(3) A taxpayer entitled to the credit allowed under this 33816
section shall claim one-fifth of the credit amount for the tax 33817
year immediately following the calendar year in which the 33818
agreement is entered into, and one-fifth of the credit amount 33819
for each of the four succeeding tax years. 33820

(4) A taxpayer shall claim the credit in the order 33821
provided under section 5733.98 of the Revised Code. The amount 33822
of the credit that a taxpayer may claim each year shall be the 33823
amount indicated on the certificate issued by the director of 33824
housing and development under section 122.16 of the Revised 33825

Code, or the taxpayer's distributive share of that amount if the 33826
taxpayer is entitled to the credit through a partnership. The 33827
taxpayer shall submit the certificate with the taxpayer's annual 33828
report filed under section 5733.02 of the Revised Code. Each tax 33829
year, any credit amount in excess of the tax due for that year 33830
under section 5733.06 of the Revised Code, after allowing for 33831
all other credits preceding the credit in that order, may be 33832
carried forward for no more than three tax years. 33833

(5) A taxpayer shall not claim any credit amount 33834
remaining, including any amounts carried forward from prior tax 33835
years, for any tax year following the calendar year in which any 33836
of the following events occur, except as otherwise provided 33837
under division (B)(6) of this section: 33838

(a) The taxpayer or partnership through which the taxpayer 33839
is entitled to the credit enters into a compliance schedule 33840
agreement pursuant to division (B)(3) of section 3746.12 of the 33841
Revised Code; 33842

(b) The taxpayer or partnership through which the taxpayer 33843
is entitled to the credit has its covenant not to sue revoked 33844
pursuant to Chapter 3746. of the Revised Code and rules adopted 33845
under that chapter; 33846

(c) The covenant not to sue issued to the taxpayer or 33847
partnership through which the taxpayer is entitled to the credit 33848
is void pursuant to Chapter 3746. of the Revised Code; 33849

(d) The director of housing and development has determined 33850
that the taxpayer, or a partnership through which the taxpayer 33851
is entitled to the credit, has permitted the eligible site to be 33852
used in such a manner as to cause the relocation of employment 33853
positions from elsewhere in this state in violation of the 33854

commitment required under division (D) of section 122.16 of the Revised Code. 33855
33856

If a taxpayer claims credits through more than one 33857
partnership, division (B)(5) of this section prohibits that 33858
taxpayer from claiming a credit through any of those 33859
partnerships that has entered into a compliance schedule 33860
agreement, has had its covenant not to sue revoked or voided, or 33861
has violated the commitment required in division (D) of section 33862
122.16 of the Revised Code. Division (B)(5) of this section does 33863
not prohibit such a taxpayer from claiming a credit through a 33864
partnership that has not entered into a compliance schedule 33865
agreement, has not had its covenant not to sue revoked or 33866
voided, or has not violated the commitment required in division 33867
(D) of section 122.16 of the Revised Code. 33868

(6) If a taxpayer has been prohibited from claiming the 33869
credit or a portion of the credit by reason of division (B)(5) 33870
(a) of this section, and the taxpayer, or a partnership in which 33871
the taxpayer is a partner, subsequently has returned the 33872
property to compliance with applicable standards pursuant to the 33873
compliance schedule agreement, the taxpayer may claim the credit 33874
for the tax year following the calendar year in which the 33875
director of environmental protection has determined that the 33876
taxpayer or partnership has returned the property to compliance 33877
with applicable standards and for each subsequent tax year for 33878
which the taxpayer is otherwise allowed to claim the credit 33879
under division (B)(3) of this section. 33880

Sec. 5733.352. (A) As used in this section: 33881

(1) "Borrower" means any person that receives a loan from 33882
the director of housing and development under section 166.21 of 33883
the Revised Code, regardless of whether the borrower is subject 33884

to the taxes imposed by sections 5733.06, 5733.065, and 5733.066 33885
of the Revised Code. 33886

(2) "Related member" has the same meaning as in section 33887
5733.042 of the Revised Code. 33888

(3) "Qualified research and development loan payments" has 33889
the same meaning as in division (D) of section 166.21 of the 33890
Revised Code. 33891

(B) Beginning with tax year 2004, and in the case of a 33892
corporation subject to division (G)(2) of section 5733.01 of the 33893
Revised Code ending with tax year 2008, a nonrefundable credit 33894
is allowed against the taxes imposed by sections 5733.06, 33895
5733.065, and 5733.066 of the Revised Code equal to a borrower's 33896
qualified research and development loan payments made during the 33897
calendar year immediately preceding the tax year for which the 33898
credit is claimed. The amount of the credit for a tax year shall 33899
not exceed one hundred fifty thousand dollars. No taxpayer is 33900
entitled to claim a credit under this section unless it has 33901
obtained a certificate issued by the director of housing and 33902
development under division (D) of section 166.21 of the Revised 33903
Code and submits a copy of the certificate with its report for 33904
the taxable year. Failure to submit a copy of the certificate 33905
with the report does not invalidate a claim for a credit if the 33906
taxpayer submits a copy of the certificate within sixty days 33907
after the tax commissioner requests it. The credit shall be 33908
claimed in the order required under section 5733.98 of the 33909
Revised Code. The credit, to the extent it exceeds the 33910
taxpayer's tax liability for the tax year after allowance for 33911
any other credits that precede the credit under this section in 33912
that order, shall be carried forward to the next succeeding tax 33913
year or years until fully used. A corporation subject to 33914

division (G) (2) of section 5733.01 of the Revised Code may carry 33915
forward any credit not fully utilized by tax year 2008 and apply 33916
it against the tax levied by Chapter 5751. of the Revised Code 33917
to the extent allowed under section 5751.52 of the Revised Code. 33918

(C) A borrower entitled to a credit under this section may 33919
assign the credit, or a portion thereof, to any of the 33920
following: 33921

(1) A related member of that borrower; 33922

(2) The owner or lessee of the eligible research and 33923
development project; 33924

(3) A related member of the owner or lessee of the 33925
eligible research and development project. 33926

A borrower making an assignment under this division shall 33927
provide written notice of the assignment to the tax commissioner 33928
and the director of housing and development, in such form as the 33929
tax commissioner prescribes, before the credit that was assigned 33930
is used. The assignor may not claim the credit to the extent it 33931
was assigned to an assignee. The assignee may claim the credit 33932
only to the extent the assignor has not claimed it. 33933

(D) If any taxpayer is a partner in a partnership or a 33934
member in a limited liability company treated as a partnership 33935
for federal income tax purposes, the taxpayer shall be allowed 33936
the taxpayer's distributive or proportionate share of the credit 33937
available through the partnership or limited liability company. 33938

(E) The aggregate credit against the taxes imposed by 33939
sections 5733.06, 5733.065, 5733.066, and 5747.02 of the Revised 33940
Code that may be claimed under this section and section 5747.331 33941
of the Revised Code by a borrower as a result of qualified 33942
research and development loan payments attributable during a 33943

calendar year to any one loan shall not exceed one hundred fifty thousand dollars. 33944
33945

Sec. 5733.58. (A) Terms used in this section have the same meaning as in section 5725.33 of the Revised Code. 33946
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(B) There is hereby allowed a nonrefundable credit against the tax imposed by section 5733.06 of the Revised Code for a financial institution holding a qualified equity investment on the credit allowance date occurring in the calendar year immediately preceding the tax year for which the tax is due. The credit shall be computed in the same manner prescribed for the computation of credits allowed under section 5725.33 of the Revised Code. 33948
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By claiming a tax credit under this section, a financial institution waives its rights under section 5733.11 of the Revised Code with respect to the time limitation for the assessment of taxes as it relates to credits claimed that later become subject to recapture under division (D) of this section. 33956
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The credit shall be claimed in the order prescribed by section 5733.98 of the Revised Code. If the amount of the credit exceeds the amount of tax otherwise due after deducting all other credits in that order, the excess may be carried forward and applied to the tax due for not more than four ensuing tax years. 33961
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(C) The total amount of qualified equity investments on the basis of which credits may be claimed under this section and sections 5725.33 and 5729.16 of the Revised Code is subject to the limitation of division (C) of section 5725.33 of the Revised Code. 33967
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(D) If any amount of a federal tax credit allowed for a 33972

qualified equity investment for which a credit was received 33973
under this section is recaptured under section 45D of the 33974
Internal Revenue Code, or if the director of housing and 33975
development ~~services~~ determines that an investment for which a 33976
tax credit is claimed under this section is not a qualified 33977
equity investment or that the proceeds of an investment for 33978
which a tax credit is claimed under this section are used to 33979
make qualified low-income community investments other than in a 33980
qualified active low-income community business in this state, 33981
all or a portion of the credit received on account of that 33982
investment shall be paid by the financial institution that 33983
received the credit to the tax commissioner. The amount to be 33984
recovered shall be determined by the director of housing and 33985
development ~~services~~ pursuant to rules adopted under section 33986
5725.33 of the Revised Code. The director shall certify any 33987
amount due under this division to the tax commissioner, and the 33988
commissioner shall notify the financial institution of the 33989
amount due. The amount due is payable not later than thirty days 33990
after the day the commissioner issues the notice. The amount due 33991
shall be considered to be tax due under section 5733.06 of the 33992
Revised Code, and may be collected by assessment without regard 33993
to the limitations imposed under section 5733.11 of the Revised 33994
Code for the assessment of taxes by the commissioner. All 33995
amounts collected under this division shall be credited as 33996
revenue from the tax levied under section 5733.06 of the Revised 33997
Code. 33998

Sec. 5733.59. (A) Any term used in this section has the 33999
same meaning as in section 122.85 of the Revised Code. 34000

(B) There is allowed a credit against the tax imposed by 34001
section 5733.06 of the Revised Code for any corporation that is 34002
the certificate owner of a tax credit certificate issued under 34003

section 122.85 of the Revised Code. The credit shall be claimed 34004
for the taxable year in which the certificate is issued by the 34005
director of housing and development. The credit amount equals 34006
the amount stated in the certificate. The credit shall be 34007
claimed in the order required under section 5733.98 of the 34008
Revised Code. If the credit amount exceeds the tax otherwise due 34009
under section 5733.06 of the Revised Code after deducting all 34010
other credits in that order, the excess shall be refunded. 34011

(C) If, pursuant to division (G) of section 5733.01 of the 34012
Revised Code, the corporation is not required to pay tax under 34013
this chapter, the corporation may file an annual report under 34014
section 5733.02 of the Revised Code and claim the credit 34015
authorized by this section. Nothing in this section allows a 34016
corporation to claim more than one credit per tax credit- 34017
eligible production. 34018

Sec. 5747.01. Except as otherwise expressly provided or 34019
clearly appearing from the context, any term used in this 34020
chapter that is not otherwise defined in this section has the 34021
same meaning as when used in a comparable context in the laws of 34022
the United States relating to federal income taxes or if not 34023
used in a comparable context in those laws, has the same meaning 34024
as in section 5733.40 of the Revised Code. Any reference in this 34025
chapter to the Internal Revenue Code includes other laws of the 34026
United States relating to federal income taxes. 34027

As used in this chapter: 34028

(A) "Adjusted gross income" or "Ohio adjusted gross 34029
income" means federal adjusted gross income, as defined and used 34030
in the Internal Revenue Code, adjusted as provided in this 34031
section: 34032

(1) Add interest or dividends on obligations or securities	34033
of any state or of any political subdivision or authority of any	34034
state, other than this state and its subdivisions and	34035
authorities.	34036
(2) Add interest or dividends on obligations of any	34037
authority, commission, instrumentality, territory, or possession	34038
of the United States to the extent that the interest or	34039
dividends are exempt from federal income taxes but not from	34040
state income taxes.	34041
(3) Deduct interest or dividends on obligations of the	34042
United States and its territories and possessions or of any	34043
authority, commission, or instrumentality of the United States	34044
to the extent that the interest or dividends are included in	34045
federal adjusted gross income but exempt from state income taxes	34046
under the laws of the United States.	34047
(4) Deduct disability and survivor's benefits to the	34048
extent included in federal adjusted gross income.	34049
(5) Deduct the following, to the extent not otherwise	34050
deducted or excluded in computing federal or Ohio adjusted gross	34051
income:	34052
(a) Benefits under Title II of the Social Security Act and	34053
tier 1 railroad retirement;	34054
(b) Railroad retirement benefits, other than tier 1	34055
railroad retirement benefits, to the extent such amounts are	34056
exempt from state taxation under federal law.	34057
(6) Deduct the amount of wages and salaries, if any, not	34058
otherwise allowable as a deduction but that would have been	34059
allowable as a deduction in computing federal adjusted gross	34060
income for the taxable year, had the work opportunity tax credit	34061

allowed and determined under sections 38, 51, and 52 of the Internal Revenue Code not been in effect.

(7) Deduct any interest or interest equivalent on public obligations and purchase obligations to the extent that the interest or interest equivalent is included in federal adjusted gross income.

(8) Add any loss or deduct any gain resulting from the sale, exchange, or other disposition of public obligations to the extent that the loss has been deducted or the gain has been included in computing federal adjusted gross income.

(9) Deduct or add amounts, as provided under section 5747.70 of the Revised Code, related to contributions made to or tuition units purchased under a qualified tuition program established pursuant to section 529 of the Internal Revenue Code.

(10) (a) Deduct, to the extent not otherwise allowable as a deduction or exclusion in computing federal or Ohio adjusted gross income for the taxable year, the amount the taxpayer paid during the taxable year for medical care insurance and qualified long-term care insurance for the taxpayer, the taxpayer's spouse, and dependents. No deduction for medical care insurance under division (A) (10) (a) of this section shall be allowed either to any taxpayer who is eligible to participate in any subsidized health plan maintained by any employer of the taxpayer or of the taxpayer's spouse, or to any taxpayer who is entitled to, or on application would be entitled to, benefits under part A of Title XVIII of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as amended. For the purposes of division (A) (10) (a) of this section, "subsidized health plan" means a health plan for which the employer pays any portion of

the plan's cost. The deduction allowed under division (A)(10)(a) 34092
of this section shall be the net of any related premium refunds, 34093
related premium reimbursements, or related insurance premium 34094
dividends received during the taxable year. 34095

(b) Deduct, to the extent not otherwise deducted or 34096
excluded in computing federal or Ohio adjusted gross income 34097
during the taxable year, the amount the taxpayer paid during the 34098
taxable year, not compensated for by any insurance or otherwise, 34099
for medical care of the taxpayer, the taxpayer's spouse, and 34100
dependents, to the extent the expenses exceed seven and one-half 34101
per cent of the taxpayer's federal adjusted gross income. 34102

(c) For purposes of division (A)(10) of this section, 34103
"medical care" has the meaning given in section 213 of the 34104
Internal Revenue Code, subject to the special rules, 34105
limitations, and exclusions set forth therein, and "qualified 34106
long-term care" has the same meaning given in section 7702B(c) 34107
of the Internal Revenue Code. Solely for purposes of division 34108
(A)(10)(a) of this section, "dependent" includes a person who 34109
otherwise would be a "qualifying relative" and thus a 34110
"dependent" under section 152 of the Internal Revenue Code but 34111
for the fact that the person fails to meet the income and 34112
support limitations under section 152(d)(1)(B) and (C) of the 34113
Internal Revenue Code. 34114

(11)(a) Deduct any amount included in federal adjusted 34115
gross income solely because the amount represents a 34116
reimbursement or refund of expenses that in any year the 34117
taxpayer had deducted as an itemized deduction pursuant to 34118
section 63 of the Internal Revenue Code and applicable United 34119
States department of the treasury regulations. The deduction 34120
otherwise allowed under division (A)(11)(a) of this section 34121

shall be reduced to the extent the reimbursement is attributable 34122
to an amount the taxpayer deducted under this section in any 34123
taxable year. 34124

(b) Add any amount not otherwise included in Ohio adjusted 34125
gross income for any taxable year to the extent that the amount 34126
is attributable to the recovery during the taxable year of any 34127
amount deducted or excluded in computing federal or Ohio 34128
adjusted gross income in any taxable year. 34129

(12) Deduct any portion of the deduction described in 34130
section 1341(a) (2) of the Internal Revenue Code, for repaying 34131
previously reported income received under a claim of right, that 34132
meets both of the following requirements: 34133

(a) It is allowable for repayment of an item that was 34134
included in the taxpayer's adjusted gross income for a prior 34135
taxable year and did not qualify for a credit under division (A) 34136
or (B) of section 5747.05 of the Revised Code for that year; 34137

(b) It does not otherwise reduce the taxpayer's adjusted 34138
gross income for the current or any other taxable year. 34139

(13) Deduct an amount equal to the deposits made to, and 34140
net investment earnings of, a medical savings account during the 34141
taxable year, in accordance with section 3924.66 of the Revised 34142
Code. The deduction allowed by division (A) (13) of this section 34143
does not apply to medical savings account deposits and earnings 34144
otherwise deducted or excluded for the current or any other 34145
taxable year from the taxpayer's federal adjusted gross income. 34146

(14) (a) Add an amount equal to the funds withdrawn from a 34147
medical savings account during the taxable year, and the net 34148
investment earnings on those funds, when the funds withdrawn 34149
were used for any purpose other than to reimburse an account 34150

holder for, or to pay, eligible medical expenses, in accordance 34151
with section 3924.66 of the Revised Code; 34152

(b) Add the amounts distributed from a medical savings 34153
account under division (A) (2) of section 3924.68 of the Revised 34154
Code during the taxable year. 34155

(15) Add any amount claimed as a credit under section 34156
5747.059 of the Revised Code to the extent that such amount 34157
satisfies either of the following: 34158

(a) The amount was deducted or excluded from the 34159
computation of the taxpayer's federal adjusted gross income as 34160
required to be reported for the taxpayer's taxable year under 34161
the Internal Revenue Code; 34162

(b) The amount resulted in a reduction of the taxpayer's 34163
federal adjusted gross income as required to be reported for any 34164
of the taxpayer's taxable years under the Internal Revenue Code. 34165

(16) Deduct the amount contributed by the taxpayer to an 34166
individual development account program established by a county 34167
department of job and family services pursuant to sections 34168
329.11 to 329.14 of the Revised Code for the purpose of matching 34169
funds deposited by program participants. On request of the tax 34170
commissioner, the taxpayer shall provide any information that, 34171
in the tax commissioner's opinion, is necessary to establish the 34172
amount deducted under division (A) (16) of this section. 34173

(17) (a) (i) Subject to divisions (A) (17) (a) (iii), (iv), and 34174
(v) of this section, add five-sixths of the amount of 34175
depreciation expense allowed by subsection (k) of section 168 of 34176
the Internal Revenue Code, including the taxpayer's 34177
proportionate or distributive share of the amount of 34178
depreciation expense allowed by that subsection to a pass- 34179

through entity in which the taxpayer has a direct or indirect ownership interest. 34180
34181

(ii) Subject to divisions (A) (17) (a) (iii), (iv), and (v) 34182
of this section, add five-sixths of the amount of qualifying 34183
section 179 depreciation expense, including the taxpayer's 34184
proportionate or distributive share of the amount of qualifying 34185
section 179 depreciation expense allowed to any pass-through 34186
entity in which the taxpayer has a direct or indirect ownership 34187
interest. 34188

(iii) Subject to division (A) (17) (a) (v) of this section, 34189
for taxable years beginning in 2012 or thereafter, if the 34190
increase in income taxes withheld by the taxpayer is equal to or 34191
greater than ten per cent of income taxes withheld by the 34192
taxpayer during the taxpayer's immediately preceding taxable 34193
year, "two-thirds" shall be substituted for "five-sixths" for 34194
the purpose of divisions (A) (17) (a) (i) and (ii) of this section. 34195

(iv) Subject to division (A) (17) (a) (v) of this section, 34196
for taxable years beginning in 2012 or thereafter, a taxpayer is 34197
not required to add an amount under division (A) (17) of this 34198
section if the increase in income taxes withheld by the taxpayer 34199
and by any pass-through entity in which the taxpayer has a 34200
direct or indirect ownership interest is equal to or greater 34201
than the sum of (I) the amount of qualifying section 179 34202
depreciation expense and (II) the amount of depreciation expense 34203
allowed to the taxpayer by subsection (k) of section 168 of the 34204
Internal Revenue Code, and including the taxpayer's 34205
proportionate or distributive shares of such amounts allowed to 34206
any such pass-through entities. 34207

(v) If a taxpayer directly or indirectly incurs a net 34208
operating loss for the taxable year for federal income tax 34209

purposes, to the extent such loss resulted from depreciation 34210
expense allowed by subsection (k) of section 168 of the Internal 34211
Revenue Code and by qualifying section 179 depreciation expense, 34212
"the entire" shall be substituted for "five-sixths of the" for 34213
the purpose of divisions (A)(17)(a)(i) and (ii) of this section. 34214

The tax commissioner, under procedures established by the 34215
commissioner, may waive the add-backs related to a pass-through 34216
entity if the taxpayer owns, directly or indirectly, less than 34217
five per cent of the pass-through entity. 34218

(b) Nothing in division (A)(17) of this section shall be 34219
construed to adjust or modify the adjusted basis of any asset. 34220

(c) To the extent the add-back required under division (A) 34221
(17)(a) of this section is attributable to property generating 34222
nonbusiness income or loss allocated under section 5747.20 of 34223
the Revised Code, the add-back shall be situated to the same 34224
location as the nonbusiness income or loss generated by the 34225
property for the purpose of determining the credit under 34226
division (A) of section 5747.05 of the Revised Code. Otherwise, 34227
the add-back shall be apportioned, subject to one or more of the 34228
four alternative methods of apportionment enumerated in section 34229
5747.21 of the Revised Code. 34230

(d) For the purposes of division (A)(17)(a)(v) of this 34231
section, net operating loss carryback and carryforward shall not 34232
include the allowance of any net operating loss deduction 34233
carryback or carryforward to the taxable year to the extent such 34234
loss resulted from depreciation allowed by section 168(k) of the 34235
Internal Revenue Code and by the qualifying section 179 34236
depreciation expense amount. 34237

(e) For the purposes of divisions (A)(17) and (18) of this 34238

section:	34239
(i) "Income taxes withheld" means the total amount withheld and remitted under sections 5747.06 and 5747.07 of the Revised Code by an employer during the employer's taxable year.	34240 34241 34242
(ii) "Increase in income taxes withheld" means the amount by which the amount of income taxes withheld by an employer during the employer's current taxable year exceeds the amount of income taxes withheld by that employer during the employer's immediately preceding taxable year.	34243 34244 34245 34246 34247
(iii) "Qualifying section 179 depreciation expense" means the difference between (I) the amount of depreciation expense directly or indirectly allowed to a taxpayer under section 179 of the Internal Revised Code, and (II) the amount of depreciation expense directly or indirectly allowed to the taxpayer under section 179 of the Internal Revenue Code as that section existed on December 31, 2002.	34248 34249 34250 34251 34252 34253 34254
(18) (a) If the taxpayer was required to add an amount under division (A) (17) (a) of this section for a taxable year, deduct one of the following:	34255 34256 34257
(i) One-fifth of the amount so added for each of the five succeeding taxable years if the amount so added was five-sixths of qualifying section 179 depreciation expense or depreciation expense allowed by subsection (k) of section 168 of the Internal Revenue Code;	34258 34259 34260 34261 34262
(ii) One-half of the amount so added for each of the two succeeding taxable years if the amount so added was two-thirds of such depreciation expense;	34263 34264 34265
(iii) One-sixth of the amount so added for each of the six succeeding taxable years if the entire amount of such	34266 34267

depreciation expense was so added. 34268

(b) If the amount deducted under division (A) (18) (a) of 34269
this section is attributable to an add-back allocated under 34270
division (A) (17) (c) of this section, the amount deducted shall 34271
be situated to the same location. Otherwise, the add-back shall 34272
be apportioned using the apportionment factors for the taxable 34273
year in which the deduction is taken, subject to one or more of 34274
the four alternative methods of apportionment enumerated in 34275
section 5747.21 of the Revised Code. 34276

(c) No deduction is available under division (A) (18) (a) of 34277
this section with regard to any depreciation allowed by section 34278
168(k) of the Internal Revenue Code and by the qualifying 34279
section 179 depreciation expense amount to the extent that such 34280
depreciation results in or increases a federal net operating 34281
loss carryback or carryforward. If no such deduction is 34282
available for a taxable year, the taxpayer may carry forward the 34283
amount not deducted in such taxable year to the next taxable 34284
year and add that amount to any deduction otherwise available 34285
under division (A) (18) (a) of this section for that next taxable 34286
year. The carryforward of amounts not so deducted shall continue 34287
until the entire addition required by division (A) (17) (a) of 34288
this section has been deducted. 34289

(19) Deduct, to the extent not otherwise deducted or 34290
excluded in computing federal or Ohio adjusted gross income for 34291
the taxable year, the amount the taxpayer received during the 34292
taxable year as reimbursement for life insurance premiums under 34293
section 5919.31 of the Revised Code. 34294

(20) Deduct, to the extent not otherwise deducted or 34295
excluded in computing federal or Ohio adjusted gross income for 34296
the taxable year, the amount the taxpayer received during the 34297

taxable year as a death benefit paid by the adjutant general 34298
under section 5919.33 of the Revised Code. 34299

(21) Deduct, to the extent included in federal adjusted 34300
gross income and not otherwise allowable as a deduction or 34301
exclusion in computing federal or Ohio adjusted gross income for 34302
the taxable year, military pay and allowances received by the 34303
taxpayer during the taxable year for active duty service in the 34304
United States army, air force, navy, marine corps, or coast 34305
guard or reserve components thereof or the national guard. The 34306
deduction may not be claimed for military pay and allowances 34307
received by the taxpayer while the taxpayer is stationed in this 34308
state. 34309

(22) Deduct, to the extent not otherwise allowable as a 34310
deduction or exclusion in computing federal or Ohio adjusted 34311
gross income for the taxable year and not otherwise compensated 34312
for by any other source, the amount of qualified organ donation 34313
expenses incurred by the taxpayer during the taxable year, not 34314
to exceed ten thousand dollars. A taxpayer may deduct qualified 34315
organ donation expenses only once for all taxable years 34316
beginning with taxable years beginning in 2007. 34317

For the purposes of division (A) (22) of this section: 34318

(a) "Human organ" means all or any portion of a human 34319
liver, pancreas, kidney, intestine, or lung, and any portion of 34320
human bone marrow. 34321

(b) "Qualified organ donation expenses" means travel 34322
expenses, lodging expenses, and wages and salary forgone by a 34323
taxpayer in connection with the taxpayer's donation, while 34324
living, of one or more of the taxpayer's human organs to another 34325
human being. 34326

(23) Deduct, to the extent not otherwise deducted or 34327
excluded in computing federal or Ohio adjusted gross income for 34328
the taxable year, amounts received by the taxpayer as retired 34329
personnel pay for service in the uniformed services or reserve 34330
components thereof, or the national guard, or received by the 34331
surviving spouse or former spouse of such a taxpayer under the 34332
survivor benefit plan on account of such a taxpayer's death. If 34333
the taxpayer receives income on account of retirement paid under 34334
the federal civil service retirement system or federal employees 34335
retirement system, or under any successor retirement program 34336
enacted by the congress of the United States that is established 34337
and maintained for retired employees of the United States 34338
government, and such retirement income is based, in whole or in 34339
part, on credit for the taxpayer's uniformed service, the 34340
deduction allowed under this division shall include only that 34341
portion of such retirement income that is attributable to the 34342
taxpayer's uniformed service, to the extent that portion of such 34343
retirement income is otherwise included in federal adjusted 34344
gross income and is not otherwise deducted under this section. 34345
Any amount deducted under division (A) (23) of this section is 34346
not included in a taxpayer's adjusted gross income for the 34347
purposes of section 5747.055 of the Revised Code. No amount may 34348
be deducted under division (A) (23) of this section on the basis 34349
of which a credit was claimed under section 5747.055 of the 34350
Revised Code. 34351

(24) Deduct, to the extent not otherwise deducted or 34352
excluded in computing federal or Ohio adjusted gross income for 34353
the taxable year, the amount the taxpayer received during the 34354
taxable year from the military injury relief fund created in 34355
section 5902.05 of the Revised Code. 34356

(25) Deduct, to the extent not otherwise deducted or 34357

excluded in computing federal or Ohio adjusted gross income for 34358
the taxable year, the amount the taxpayer received as a veterans 34359
bonus during the taxable year from the Ohio department of 34360
veterans services as authorized by Section 2r of Article VIII, 34361
Ohio Constitution. 34362

(26) Deduct, to the extent not otherwise deducted or 34363
excluded in computing federal or Ohio adjusted gross income for 34364
the taxable year, any income derived from a transfer agreement 34365
or from the enterprise transferred under that agreement under 34366
section 4313.02 of the Revised Code. 34367

(27) Deduct, to the extent not otherwise deducted or 34368
excluded in computing federal or Ohio adjusted gross income for 34369
the taxable year, Ohio college opportunity or federal Pell grant 34370
amounts received by the taxpayer or the taxpayer's spouse or 34371
dependent pursuant to section 3333.122 of the Revised Code or 20 34372
U.S.C. 1070a, et seq., and used to pay room or board furnished 34373
by the educational institution for which the grant was awarded 34374
at the institution's facilities, including meal plans 34375
administered by the institution. For the purposes of this 34376
division, receipt of a grant includes the distribution of a 34377
grant directly to an educational institution and the crediting 34378
of the grant to the enrollee's account with the institution. 34379

(28) Deduct from the portion of an individual's federal 34380
adjusted gross income that is business income, to the extent not 34381
otherwise deducted or excluded in computing federal adjusted 34382
gross income for the taxable year, one hundred twenty-five 34383
thousand dollars for each spouse if spouses file separate 34384
returns under section 5747.08 of the Revised Code or two hundred 34385
fifty thousand dollars for all other individuals. 34386

(29) Deduct, as provided under section 5747.78 of the 34387

Revised Code, contributions to ABLE savings accounts made in	34388
accordance with sections 113.50 to 113.56 of the Revised Code.	34389
(30) (a) Deduct, to the extent not otherwise deducted or	34390
excluded in computing federal or Ohio adjusted gross income	34391
during the taxable year, all of the following:	34392
(i) Compensation paid to a qualifying employee described	34393
in division (A) (14) (a) of section 5703.94 of the Revised Code to	34394
the extent such compensation is for disaster work conducted in	34395
this state during a disaster response period pursuant to a	34396
qualifying solicitation received by the employee's employer;	34397
(ii) Compensation paid to a qualifying employee described	34398
in division (A) (14) (b) of section 5703.94 of the Revised Code to	34399
the extent such compensation is for disaster work conducted in	34400
this state by the employee during the disaster response period	34401
on critical infrastructure owned or used by the employee's	34402
employer;	34403
(iii) Income received by an out-of-state disaster business	34404
for disaster work conducted in this state during a disaster	34405
response period, or, if the out-of-state disaster business is a	34406
pass-through entity, a taxpayer's distributive share of the	34407
pass-through entity's income from the business conducting	34408
disaster work in this state during a disaster response period,	34409
if, in either case, the disaster work is conducted pursuant to a	34410
qualifying solicitation received by the business.	34411
(b) All terms used in division (A) (30) of this section	34412
have the same meanings as in section 5703.94 of the Revised	34413
Code.	34414
(31) For a taxpayer who is a qualifying Ohio educator,	34415
deduct, to the extent not otherwise deducted or excluded in	34416

computing federal or Ohio adjusted gross income for the taxable 34417
year, the lesser of two hundred fifty dollars or the amount of 34418
expenses described in subsections (a) (2) (D) (i) and (ii) of 34419
section 62 of the Internal Revenue Code paid or incurred by the 34420
taxpayer during the taxpayer's taxable year in excess of the 34421
amount the taxpayer is authorized to deduct for that taxable 34422
year under subsection (a) (2) (D) of that section. 34423

(32) Deduct, to the extent not otherwise deducted or 34424
excluded in computing federal or Ohio adjusted gross income for 34425
the taxable year, amounts received by the taxpayer as a 34426
disability severance payment, computed under 10 U.S.C. 1212, 34427
following discharge or release under honorable conditions from 34428
the armed forces, as defined by 10 U.S.C. 101. 34429

(33) Deduct, to the extent not otherwise deducted or 34430
excluded in computing federal adjusted gross income or Ohio 34431
adjusted gross income, amounts not subject to tax due to an 34432
agreement entered into under division (A) (2) of section 5747.05 34433
of the Revised Code. 34434

(34) Deduct amounts as provided under section 5747.79 of 34435
the Revised Code related to the taxpayer's qualifying capital 34436
gains and deductible payroll. 34437

To the extent a qualifying capital gain described under 34438
division (A) (34) of this section is business income, the 34439
taxpayer shall deduct those gains under this division before 34440
deducting any such gains under division (A) (28) of this section. 34441

(35) (a) For taxable years beginning in or after 2026, 34442
deduct, to the extent not otherwise deducted or excluded in 34443
computing federal or Ohio adjusted gross income for the taxable 34444
year: 34445

(i) One hundred per cent of the capital gain received by the taxpayer in the taxable year from a qualifying interest in an Ohio venture capital operating company attributable to the company's investments in Ohio businesses during the period for which the company was an Ohio venture operating company; and

(ii) Fifty per cent of the capital gain received by the taxpayer in the taxable year from a qualifying interest in an Ohio venture capital operating company attributable to the company's investments in all other businesses during the period for which the company was an Ohio venture operating company.

(b) Add amounts previously deducted by the taxpayer under division (A) (35) (a) of this section if the director of housing and development certifies to the tax commissioner that the requirements for the deduction were not met.

(c) All terms used in division (A) (35) of this section have the same meanings as in section 122.851 of the Revised Code.

(d) To the extent a capital gain described in division (A) (35) (a) of this section is business income, the taxpayer shall apply that division before applying division (A) (28) of this section.

(36) Add, to the extent not otherwise included in computing federal or Ohio adjusted gross income for any taxable year, the taxpayer's proportionate share of the amount of the tax levied under section 5747.38 of the Revised Code and paid by an electing pass-through entity for the taxable year.

Notwithstanding any provision of the Revised Code to the contrary, the portion of the addition required by division (A) (36) of this section related to the apportioned business income

of the pass-through entity shall be considered business income 34475
under division (B) of this section. Such addition is eligible 34476
for the deduction in division (A) (28) of this section, subject 34477
to the applicable dollar limitations, and the tax rate 34478
prescribed by division (A) (4) (a) of section 5747.02 of the 34479
Revised Code. The taxpayer shall provide, upon request of the 34480
tax commissioner, any documentation necessary to verify the 34481
portion of the addition that is business income under this 34482
division. 34483

(37) Deduct, to the extent not otherwise deducted or 34484
excluded in computing federal or Ohio adjusted gross income for 34485
the taxable year, amounts delivered to a qualifying institution 34486
pursuant to section 3333.128 of the Revised Code for the benefit 34487
of the taxpayer or the taxpayer's spouse or dependent. 34488

(38) Deduct, to the extent not otherwise deducted or 34489
excluded in computing federal or Ohio adjusted gross income for 34490
the taxable year, amounts received under the Ohio adoption grant 34491
program pursuant to section 5101.191 of the Revised Code. 34492

(39) Deduct, to the extent included in federal adjusted 34493
gross income, income attributable to amounts provided to a 34494
taxpayer for any of the purposes for which an exclusion would 34495
have been authorized under section 139 of the Internal Revenue 34496
Code if the train derailment near the city of East Palestine on 34497
February 3, 2023, had been a qualified disaster pursuant to that 34498
section, or to compensate for lost business resulting from that 34499
derailment, if such amounts are provided by any of the 34500
following: 34501

(a) A federal, state, or local government agency; 34502

(b) A railroad company, as that term is defined in section 34503

5727.01 of the Revised Code; 34504

(c) Any subsidiary, insurer, or agent of a railroad 34505
company or any related person. 34506

Notwithstanding any provision to the contrary, the 34507
derailment is not required to meet the definition of a 34508
"qualified disaster" pursuant to section 139 of the Internal 34509
Revenue Code to qualify for the deduction under this section. 34510

(40) Deduct, to the extent included in federal adjusted 34511
gross income, income attributable to loan repayments on behalf 34512
of the taxpayer under the rural practice incentive program under 34513
section 3333.135 of the Revised Code. 34514

(41) Add any income taxes deducted in computing federal or 34515
Ohio adjusted gross income to the extent the income taxes were 34516
derived from income subject to a tax levied in another state or 34517
the District of Columbia when such tax was enacted for purposes 34518
of complying with internal revenue service notice 2020-75. 34519

Notwithstanding any provision of the Revised Code to the 34520
contrary, the portion of the addition required by division (A) 34521
(41) of this section related to the apportioned business income 34522
of the pass-through entity shall be considered business income 34523
under division (B) of this section. Such addition is eligible 34524
for the deduction in division (A) (28) of this section, subject 34525
to the applicable dollar limitations, and the tax rate 34526
prescribed by division (A) (4) (a) of section 5747.02 of the 34527
Revised Code. The taxpayer shall provide, upon request of the 34528
tax commissioner, any documentation necessary to verify the 34529
portion of the addition that is business income under this 34530
division. 34531

(42) Deduct amounts contributed to a homeownership savings 34532

account and calculated pursuant to divisions (B) and (C) of 34533
section 5747.85 of the Revised Code. 34534

(43) If the taxpayer is the account owner, add the amount 34535
of funds withdrawn from a homeownership savings account not used 34536
for eligible expenses, regardless of who deposited those funds. 34537
As used in division (A) (43) of this section, "homeownership 34538
savings account," "account owner," and "eligible expenses" have 34539
the same meanings as in section 5747.85 of the Revised Code. 34540

(B) "Business income" means income, including gain or 34541
loss, arising from transactions, activities, and sources in the 34542
regular course of a trade or business and includes income, gain, 34543
or loss from real property, tangible property, and intangible 34544
property if the acquisition, rental, management, and disposition 34545
of the property constitute integral parts of the regular course 34546
of a trade or business operation. "Business income" includes 34547
income, including gain or loss, from a partial or complete 34548
liquidation of a business, including, but not limited to, gain 34549
or loss from the sale or other disposition of goodwill or the 34550
sale of an equity or ownership interest in a business. 34551

As used in this division, the "sale of an equity or 34552
ownership interest in a business" means sales to which either or 34553
both of the following apply: 34554

(1) The sale is treated for federal income tax purposes as 34555
the sale of assets. 34556

(2) The seller materially participated, as described in 26 34557
C.F.R. 1.469-5T, in the activities of the business during the 34558
taxable year in which the sale occurs or during any of the five 34559
preceding taxable years. 34560

(C) "Nonbusiness income" means all income other than 34561

business income and may include, but is not limited to, 34562
compensation, rents and royalties from real or tangible personal 34563
property, capital gains, interest, dividends and distributions, 34564
patent or copyright royalties, or lottery winnings, prizes, and 34565
awards. 34566

(D) "Compensation" means any form of remuneration paid to 34567
an employee for personal services. 34568

(E) "Fiduciary" means a guardian, trustee, executor, 34569
administrator, receiver, conservator, or any other person acting 34570
in any fiduciary capacity for any individual, trust, or estate. 34571

(F) "Fiscal year" means an accounting period of twelve 34572
months ending on the last day of any month other than December. 34573

(G) "Individual" means any natural person. 34574

(H) "Internal Revenue Code" means the "Internal Revenue 34575
Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended. 34576

(I) "Resident" means any of the following: 34577

(1) An individual who is domiciled in this state, subject 34578
to section 5747.24 of the Revised Code; 34579

(2) The estate of a decedent who at the time of death was 34580
domiciled in this state. The domicile tests of section 5747.24 34581
of the Revised Code are not controlling for purposes of division 34582
(I) (2) of this section. 34583

(3) A trust that, in whole or part, resides in this state. 34584
If only part of a trust resides in this state, the trust is a 34585
resident only with respect to that part. 34586

For the purposes of division (I) (3) of this section: 34587

(a) A trust resides in this state for the trust's current 34588

taxable year to the extent, as described in division (I) (3) (d) 34589
of this section, that the trust consists directly or indirectly, 34590
in whole or in part, of assets, net of any related liabilities, 34591
that were transferred, or caused to be transferred, directly or 34592
indirectly, to the trust by any of the following: 34593

(i) A person, a court, or a governmental entity or 34594
instrumentality on account of the death of a decedent, but only 34595
if the trust is described in division (I) (3) (e) (i) or (ii) of 34596
this section; 34597

(ii) A person who was domiciled in this state for the 34598
purposes of this chapter when the person directly or indirectly 34599
transferred assets to an irrevocable trust, but only if at least 34600
one of the trust's qualifying beneficiaries is domiciled in this 34601
state for the purposes of this chapter during all or some 34602
portion of the trust's current taxable year; 34603

(iii) A person who was domiciled in this state for the 34604
purposes of this chapter when the trust document or instrument 34605
or part of the trust document or instrument became irrevocable, 34606
but only if at least one of the trust's qualifying beneficiaries 34607
is a resident domiciled in this state for the purposes of this 34608
chapter during all or some portion of the trust's current 34609
taxable year. If a trust document or instrument became 34610
irrevocable upon the death of a person who at the time of death 34611
was domiciled in this state for purposes of this chapter, that 34612
person is a person described in division (I) (3) (a) (iii) of this 34613
section. 34614

(b) A trust is irrevocable to the extent that the 34615
transferor is not considered to be the owner of the net assets 34616
of the trust under sections 671 to 678 of the Internal Revenue 34617
Code. 34618

(c) With respect to a trust other than a charitable lead trust, "qualifying beneficiary" has the same meaning as "potential current beneficiary" as defined in section 1361(e) (2) of the Internal Revenue Code, and with respect to a charitable lead trust "qualifying beneficiary" is any current, future, or contingent beneficiary, but with respect to any trust "qualifying beneficiary" excludes a person or a governmental entity or instrumentality to any of which a contribution would qualify for the charitable deduction under section 170 of the Internal Revenue Code.

(d) For the purposes of division (I) (3) (a) of this section, the extent to which a trust consists directly or indirectly, in whole or in part, of assets, net of any related liabilities, that were transferred directly or indirectly, in whole or part, to the trust by any of the sources enumerated in that division shall be ascertained by multiplying the fair market value of the trust's assets, net of related liabilities, by the qualifying ratio, which shall be computed as follows:

(i) The first time the trust receives assets, the numerator of the qualifying ratio is the fair market value of those assets at that time, net of any related liabilities, from sources enumerated in division (I) (3) (a) of this section. The denominator of the qualifying ratio is the fair market value of all the trust's assets at that time, net of any related liabilities.

(ii) Each subsequent time the trust receives assets, a revised qualifying ratio shall be computed. The numerator of the revised qualifying ratio is the sum of (1) the fair market value of the trust's assets immediately prior to the subsequent transfer, net of any related liabilities, multiplied by the

qualifying ratio last computed without regard to the subsequent 34649
transfer, and (2) the fair market value of the subsequently 34650
transferred assets at the time transferred, net of any related 34651
liabilities, from sources enumerated in division (I) (3) (a) of 34652
this section. The denominator of the revised qualifying ratio is 34653
the fair market value of all the trust's assets immediately 34654
after the subsequent transfer, net of any related liabilities. 34655

(iii) Whether a transfer to the trust is by or from any of 34656
the sources enumerated in division (I) (3) (a) of this section 34657
shall be ascertained without regard to the domicile of the 34658
trust's beneficiaries. 34659

(e) For the purposes of division (I) (3) (a) (i) of this 34660
section: 34661

(i) A trust is described in division (I) (3) (e) (i) of this 34662
section if the trust is a testamentary trust and the testator of 34663
that testamentary trust was domiciled in this state at the time 34664
of the testator's death for purposes of the taxes levied under 34665
Chapter 5731. of the Revised Code. 34666

(ii) A trust is described in division (I) (3) (e) (ii) of 34667
this section if the transfer is a qualifying transfer described 34668
in any of divisions (I) (3) (f) (i) to (vi) of this section, the 34669
trust is an irrevocable inter vivos trust, and at least one of 34670
the trust's qualifying beneficiaries is domiciled in this state 34671
for purposes of this chapter during all or some portion of the 34672
trust's current taxable year. 34673

(f) For the purposes of division (I) (3) (e) (ii) of this 34674
section, a "qualifying transfer" is a transfer of assets, net of 34675
any related liabilities, directly or indirectly to a trust, if 34676
the transfer is described in any of the following: 34677

(i) The transfer is made to a trust, created by the decedent before the decedent's death and while the decedent was domiciled in this state for the purposes of this chapter, and, prior to the death of the decedent, the trust became irrevocable while the decedent was domiciled in this state for the purposes of this chapter.

(ii) The transfer is made to a trust to which the decedent, prior to the decedent's death, had directly or indirectly transferred assets, net of any related liabilities, while the decedent was domiciled in this state for the purposes of this chapter, and prior to the death of the decedent the trust became irrevocable while the decedent was domiciled in this state for the purposes of this chapter.

(iii) The transfer is made on account of a contractual relationship existing directly or indirectly between the transferor and either the decedent or the estate of the decedent at any time prior to the date of the decedent's death, and the decedent was domiciled in this state at the time of death for purposes of the taxes levied under Chapter 5731. of the Revised Code.

(iv) The transfer is made to a trust on account of a contractual relationship existing directly or indirectly between the transferor and another person who at the time of the decedent's death was domiciled in this state for purposes of this chapter.

(v) The transfer is made to a trust on account of the will of a testator who was domiciled in this state at the time of the testator's death for purposes of the taxes levied under Chapter 5731. of the Revised Code.

(vi) The transfer is made to a trust created by or caused to be created by a court, and the trust was directly or indirectly created in connection with or as a result of the death of an individual who, for purposes of the taxes levied under Chapter 5731. of the Revised Code, was domiciled in this state at the time of the individual's death.

(g) The tax commissioner may adopt rules to ascertain the part of a trust residing in this state.

(J) "Nonresident" means an individual or estate that is not a resident. An individual who is a resident for only part of a taxable year is a nonresident for the remainder of that taxable year.

(K) "Pass-through entity" has the same meaning as in section 5733.04 of the Revised Code.

(L) "Return" means the notifications and reports required to be filed pursuant to this chapter for the purpose of reporting the tax due and includes declarations of estimated tax when so required.

(M) "Taxable year" means the calendar year or the taxpayer's fiscal year ending during the calendar year, or fractional part thereof, upon which the adjusted gross income is calculated pursuant to this chapter.

(N) "Taxpayer" means any person subject to the tax imposed by section 5747.02 of the Revised Code or any pass-through entity that makes the election under division (D) of section 5747.08 of the Revised Code.

(O) "Dependents" means one of the following:

(1) For taxable years beginning on or after January 1,

2018, and before January 1, 2026, dependents as defined in the 34735
Internal Revenue Code; 34736

(2) For all other taxable years, dependents as defined in 34737
the Internal Revenue Code and as claimed in the taxpayer's 34738
federal income tax return for the taxable year or which the 34739
taxpayer would have been permitted to claim had the taxpayer 34740
filed a federal income tax return. 34741

(P) "Principal county of employment" means, in the case of 34742
a nonresident, the county within the state in which a taxpayer 34743
performs services for an employer or, if those services are 34744
performed in more than one county, the county in which the major 34745
portion of the services are performed. 34746

(Q) As used in sections 5747.50 to 5747.55 of the Revised 34747
Code: 34748

(1) "Subdivision" means any county, municipal corporation, 34749
park district, or township. 34750

(2) "Essential local government purposes" includes all 34751
functions that any subdivision is required by general law to 34752
exercise, including like functions that are exercised under a 34753
charter adopted pursuant to the Ohio Constitution. 34754

(R) "Overpayment" means any amount already paid that 34755
exceeds the figure determined to be the correct amount of the 34756
tax. 34757

(S) "Taxable income" or "Ohio taxable income" applies only 34758
to estates and trusts, and means federal taxable income, as 34759
defined and used in the Internal Revenue Code, adjusted as 34760
follows: 34761

(1) Add interest or dividends, net of ordinary, necessary, 34762

and reasonable expenses not deducted in computing federal 34763
taxable income, on obligations or securities of any state or of 34764
any political subdivision or authority of any state, other than 34765
this state and its subdivisions and authorities, but only to the 34766
extent that such net amount is not otherwise includible in Ohio 34767
taxable income and is described in either division (S) (1) (a) or 34768
(b) of this section: 34769

(a) The net amount is not attributable to the S portion of 34770
an electing small business trust and has not been distributed to 34771
beneficiaries for the taxable year; 34772

(b) The net amount is attributable to the S portion of an 34773
electing small business trust for the taxable year. 34774

(2) Add interest or dividends, net of ordinary, necessary, 34775
and reasonable expenses not deducted in computing federal 34776
taxable income, on obligations of any authority, commission, 34777
instrumentality, territory, or possession of the United States 34778
to the extent that the interest or dividends are exempt from 34779
federal income taxes but not from state income taxes, but only 34780
to the extent that such net amount is not otherwise includible 34781
in Ohio taxable income and is described in either division (S) 34782
(1) (a) or (b) of this section; 34783

(3) Add the amount of personal exemption allowed to the 34784
estate pursuant to section 642 (b) of the Internal Revenue Code; 34785

(4) Deduct interest or dividends, net of related expenses 34786
deducted in computing federal taxable income, on obligations of 34787
the United States and its territories and possessions or of any 34788
authority, commission, or instrumentality of the United States 34789
to the extent that the interest or dividends are exempt from 34790
state taxes under the laws of the United States, but only to the 34791

extent that such amount is included in federal taxable income 34792
and is described in either division (S) (1) (a) or (b) of this 34793
section; 34794

(5) Deduct the amount of wages and salaries, if any, not 34795
otherwise allowable as a deduction but that would have been 34796
allowable as a deduction in computing federal taxable income for 34797
the taxable year, had the work opportunity tax credit allowed 34798
under sections 38, 51, and 52 of the Internal Revenue Code not 34799
been in effect, but only to the extent such amount relates 34800
either to income included in federal taxable income for the 34801
taxable year or to income of the S portion of an electing small 34802
business trust for the taxable year; 34803

(6) Deduct any interest or interest equivalent, net of 34804
related expenses deducted in computing federal taxable income, 34805
on public obligations and purchase obligations, but only to the 34806
extent that such net amount relates either to income included in 34807
federal taxable income for the taxable year or to income of the 34808
S portion of an electing small business trust for the taxable 34809
year; 34810

(7) Add any loss or deduct any gain resulting from sale, 34811
exchange, or other disposition of public obligations to the 34812
extent that such loss has been deducted or such gain has been 34813
included in computing either federal taxable income or income of 34814
the S portion of an electing small business trust for the 34815
taxable year; 34816

(8) Except in the case of the final return of an estate, 34817
add any amount deducted by the taxpayer on both its Ohio estate 34818
tax return pursuant to section 5731.14 of the Revised Code, and 34819
on its federal income tax return in determining federal taxable 34820
income; 34821

(9) (a) Deduct any amount included in federal taxable income solely because the amount represents a reimbursement or refund of expenses that in a previous year the decedent had deducted as an itemized deduction pursuant to section 63 of the Internal Revenue Code and applicable treasury regulations. The deduction otherwise allowed under division (S) (9) (a) of this section shall be reduced to the extent the reimbursement is attributable to an amount the taxpayer or decedent deducted under this section in any taxable year.

(b) Add any amount not otherwise included in Ohio taxable income for any taxable year to the extent that the amount is attributable to the recovery during the taxable year of any amount deducted or excluded in computing federal or Ohio taxable income in any taxable year, but only to the extent such amount has not been distributed to beneficiaries for the taxable year.

(10) Deduct any portion of the deduction described in section 1341(a) (2) of the Internal Revenue Code, for repaying previously reported income received under a claim of right, that meets both of the following requirements:

(a) It is allowable for repayment of an item that was included in the taxpayer's taxable income or the decedent's adjusted gross income for a prior taxable year and did not qualify for a credit under division (A) or (B) of section 5747.05 of the Revised Code for that year.

(b) It does not otherwise reduce the taxpayer's taxable income or the decedent's adjusted gross income for the current or any other taxable year.

(11) Add any amount claimed as a credit under section 5747.059 of the Revised Code to the extent that the amount

satisfies either of the following: 34851

(a) The amount was deducted or excluded from the 34852
computation of the taxpayer's federal taxable income as required 34853
to be reported for the taxpayer's taxable year under the 34854
Internal Revenue Code; 34855

(b) The amount resulted in a reduction in the taxpayer's 34856
federal taxable income as required to be reported for any of the 34857
taxpayer's taxable years under the Internal Revenue Code. 34858

(12) Deduct any amount, net of related expenses deducted 34859
in computing federal taxable income, that a trust is required to 34860
report as farm income on its federal income tax return, but only 34861
if the assets of the trust include at least ten acres of land 34862
satisfying the definition of "land devoted exclusively to 34863
agricultural use" under section 5713.30 of the Revised Code, 34864
regardless of whether the land is valued for tax purposes as 34865
such land under sections 5713.30 to 5713.38 of the Revised Code. 34866
If the trust is a pass-through entity investor, section 5747.231 34867
of the Revised Code applies in ascertaining if the trust is 34868
eligible to claim the deduction provided by division (S)(12) of 34869
this section in connection with the pass-through entity's farm 34870
income. 34871

Except for farm income attributable to the S portion of an 34872
electing small business trust, the deduction provided by 34873
division (S)(12) of this section is allowed only to the extent 34874
that the trust has not distributed such farm income. 34875

(13) Add the net amount of income described in section 34876
641(c) of the Internal Revenue Code to the extent that amount is 34877
not included in federal taxable income. 34878

(14) Deduct the amount the taxpayer would be required to 34879

deduct under division (A) (18) of this section if the taxpayer's 34880
Ohio taxable income ~~were~~was computed in the same manner as an 34881
individual's Ohio adjusted gross income is computed under this 34882
section. 34883

(15) Add, to the extent not otherwise included in 34884
computing taxable income or Ohio taxable income for any taxable 34885
year, the taxpayer's proportionate share of the amount of the 34886
tax levied under section 5747.38 of the Revised Code and paid by 34887
an electing pass-through entity for the taxable year. 34888

(16) Add any income taxes deducted in computing federal 34889
taxable income or Ohio taxable income to the extent the income 34890
taxes were derived from income subject to a tax levied in 34891
another state or the District of Columbia when such tax was 34892
enacted for purposes of complying with internal revenue service 34893
notice 2020-75. 34894

(T) "School district income" and "school district income 34895
tax" have the same meanings as in section 5748.01 of the Revised 34896
Code. 34897

(U) As used in divisions (A) (7), (A) (8), (S) (6), and (S) 34898
(7) of this section, "public obligations," "purchase 34899
obligations," and "interest or interest equivalent" have the 34900
same meanings as in section 5709.76 of the Revised Code. 34901

(V) "Limited liability company" means any limited 34902
liability company formed under former Chapter 1705. of the 34903
Revised Code as that chapter existed prior to February 11, 2022, 34904
Chapter 1706. of the Revised Code, or the laws of any other 34905
state. 34906

(W) "Pass-through entity investor" means any person who, 34907
during any portion of a taxable year of a pass-through entity, 34908

is a partner, member, shareholder, or equity investor in that 34909
pass-through entity. 34910

(X) "Banking day" has the same meaning as in section 34911
1304.01 of the Revised Code. 34912

(Y) "Month" means a calendar month. 34913

(Z) "Quarter" means the first three months, the second 34914
three months, the third three months, or the last three months 34915
of the taxpayer's taxable year. 34916

(AA) (1) "Modified business income" means the business 34917
income included in a trust's Ohio taxable income after such 34918
taxable income is first reduced by the qualifying trust amount, 34919
if any. 34920

(2) "Qualifying trust amount" of a trust means capital 34921
gains and losses from the sale, exchange, or other disposition 34922
of equity or ownership interests in, or debt obligations of, a 34923
qualifying investee to the extent included in the trust's Ohio 34924
taxable income, but only if the following requirements are 34925
satisfied: 34926

(a) The book value of the qualifying investee's physical 34927
assets in this state and everywhere, as of the last day of the 34928
qualifying investee's fiscal or calendar year ending immediately 34929
prior to the date on which the trust recognizes the gain or 34930
loss, is available to the trust. 34931

(b) The requirements of section 5747.011 of the Revised 34932
Code are satisfied for the trust's taxable year in which the 34933
trust recognizes the gain or loss. 34934

Any gain or loss that is not a qualifying trust amount is 34935
modified business income, qualifying investment income, or 34936

modified nonbusiness income, as the case may be. 34937

(3) "Modified nonbusiness income" means a trust's Ohio 34938
taxable income other than modified business income, other than 34939
the qualifying trust amount, and other than qualifying 34940
investment income, as defined in section 5747.012 of the Revised 34941
Code, to the extent such qualifying investment income is not 34942
otherwise part of modified business income. 34943

(4) "Modified Ohio taxable income" applies only to trusts, 34944
and means the sum of the amounts described in divisions (AA) (4) 34945
(a) to (c) of this section: 34946

(a) The fraction, calculated under section 5747.013, and 34947
applying section 5747.231 of the Revised Code, multiplied by the 34948
sum of the following amounts: 34949

(i) The trust's modified business income; 34950

(ii) The trust's qualifying investment income, as defined 34951
in section 5747.012 of the Revised Code, but only to the extent 34952
the qualifying investment income does not otherwise constitute 34953
modified business income and does not otherwise constitute a 34954
qualifying trust amount. 34955

(b) The qualifying trust amount multiplied by a fraction, 34956
the numerator of which is the sum of the book value of the 34957
qualifying investee's physical assets in this state on the last 34958
day of the qualifying investee's fiscal or calendar year ending 34959
immediately prior to the day on which the trust recognizes the 34960
qualifying trust amount, and the denominator of which is the sum 34961
of the book value of the qualifying investee's total physical 34962
assets everywhere on the last day of the qualifying investee's 34963
fiscal or calendar year ending immediately prior to the day on 34964
which the trust recognizes the qualifying trust amount. If, for 34965

a taxable year, the trust recognizes a qualifying trust amount 34966
with respect to more than one qualifying investee, the amount 34967
described in division (AA) (4) (b) of this section shall equal the 34968
sum of the products so computed for each such qualifying 34969
investee. 34970

(c) (i) With respect to a trust or portion of a trust that 34971
is a resident as ascertained in accordance with division (I) (3) 34972
(d) of this section, its modified nonbusiness income. 34973

(ii) With respect to a trust or portion of a trust that is 34974
not a resident as ascertained in accordance with division (I) (3) 34975
(d) of this section, the amount of its modified nonbusiness 34976
income satisfying the descriptions in divisions (B) (2) to (5) of 34977
section 5747.20 of the Revised Code, except as otherwise 34978
provided in division (AA) (4) (c) (ii) of this section. With 34979
respect to a trust or portion of a trust that is not a resident 34980
as ascertained in accordance with division (I) (3) (d) of this 34981
section, the trust's portion of modified nonbusiness income 34982
recognized from the sale, exchange, or other disposition of a 34983
debt interest in or equity interest in a section 5747.212 34984
entity, as defined in section 5747.212 of the Revised Code, 34985
without regard to division (A) of that section, shall not be 34986
allocated to this state in accordance with section 5747.20 of 34987
the Revised Code but shall be apportioned to this state in 34988
accordance with division (B) of section 5747.212 of the Revised 34989
Code without regard to division (A) of that section. 34990

If the allocation and apportionment of a trust's income 34991
under divisions (AA) (4) (a) and (c) of this section do not fairly 34992
represent the modified Ohio taxable income of the trust in this 34993
state, the alternative methods described in division (C) of 34994
section 5747.21 of the Revised Code may be applied in the manner 34995

and to the same extent provided in that section. 34996

(5) (a) Except as set forth in division (AA) (5) (b) of this 34997
section, "qualifying investee" means a person in which a trust 34998
has an equity or ownership interest, or a person or unit of 34999
government the debt obligations of either of which are owned by 35000
a trust. For the purposes of division (AA) (2) (a) of this section 35001
and for the purpose of computing the fraction described in 35002
division (AA) (4) (b) of this section, all of the following apply: 35003

(i) If the qualifying investee is a member of a qualifying 35004
controlled group on the last day of the qualifying investee's 35005
fiscal or calendar year ending immediately prior to the date on 35006
which the trust recognizes the gain or loss, then "qualifying 35007
investee" includes all persons in the qualifying controlled 35008
group on such last day. 35009

(ii) If the qualifying investee, or if the qualifying 35010
investee and any members of the qualifying controlled group of 35011
which the qualifying investee is a member on the last day of the 35012
qualifying investee's fiscal or calendar year ending immediately 35013
prior to the date on which the trust recognizes the gain or 35014
loss, separately or cumulatively own, directly or indirectly, on 35015
the last day of the qualifying investee's fiscal or calendar 35016
year ending immediately prior to the date on which the trust 35017
recognizes the qualifying trust amount, more than fifty per cent 35018
of the equity of a pass-through entity, then the qualifying 35019
investee and the other members are deemed to own the 35020
proportionate share of the pass-through entity's physical assets 35021
which the pass-through entity directly or indirectly owns on the 35022
last day of the pass-through entity's calendar or fiscal year 35023
ending within or with the last day of the qualifying investee's 35024
fiscal or calendar year ending immediately prior to the date on 35025

which the trust recognizes the qualifying trust amount. 35026

(iii) For the purposes of division (AA) (5) (a) (iii) of this 35027
section, "upper level pass-through entity" means a pass-through 35028
entity directly or indirectly owning any equity of another pass- 35029
through entity, and "lower level pass-through entity" means that 35030
other pass-through entity. 35031

An upper level pass-through entity, whether or not it is 35032
also a qualifying investee, is deemed to own, on the last day of 35033
the upper level pass-through entity's calendar or fiscal year, 35034
the proportionate share of the lower level pass-through entity's 35035
physical assets that the lower level pass-through entity 35036
directly or indirectly owns on the last day of the lower level 35037
pass-through entity's calendar or fiscal year ending within or 35038
with the last day of the upper level pass-through entity's 35039
fiscal or calendar year. If the upper level pass-through entity 35040
directly and indirectly owns less than fifty per cent of the 35041
equity of the lower level pass-through entity on each day of the 35042
upper level pass-through entity's calendar or fiscal year in 35043
which or with which ends the calendar or fiscal year of the 35044
lower level pass-through entity and if, based upon clear and 35045
convincing evidence, complete information about the location and 35046
cost of the physical assets of the lower pass-through entity is 35047
not available to the upper level pass-through entity, then 35048
solely for purposes of ascertaining if a gain or loss 35049
constitutes a qualifying trust amount, the upper level pass- 35050
through entity shall be deemed as owning no equity of the lower 35051
level pass-through entity for each day during the upper level 35052
pass-through entity's calendar or fiscal year in which or with 35053
which ends the lower level pass-through entity's calendar or 35054
fiscal year. Nothing in division (AA) (5) (a) (iii) of this section 35055
shall be construed to provide for any deduction or exclusion in 35056

computing any trust's Ohio taxable income. 35057

(b) With respect to a trust that is not a resident for the 35058
taxable year and with respect to a part of a trust that is not a 35059
resident for the taxable year, "qualifying investee" for that 35060
taxable year does not include a C corporation if both of the 35061
following apply: 35062

(i) During the taxable year the trust or part of the trust 35063
recognizes a gain or loss from the sale, exchange, or other 35064
disposition of equity or ownership interests in, or debt 35065
obligations of, the C corporation. 35066

(ii) Such gain or loss constitutes nonbusiness income. 35067

(6) "Available" means information is such that a person is 35068
able to learn of the information by the due date plus 35069
extensions, if any, for filing the return for the taxable year 35070
in which the trust recognizes the gain or loss. 35071

(BB) "Qualifying controlled group" has the same meaning as 35072
in section 5733.04 of the Revised Code. 35073

(CC) "Related member" has the same meaning as in section 35074
5733.042 of the Revised Code. 35075

(DD) (1) For the purposes of division (DD) of this section: 35076

(a) "Qualifying person" means any person other than a 35077
qualifying corporation. 35078

(b) "Qualifying corporation" means any person classified 35079
for federal income tax purposes as an association taxable as a 35080
corporation, except either of the following: 35081

(i) A corporation that has made an election under 35082
subchapter S, chapter one, subtitle A, of the Internal Revenue 35083

Code for its taxable year ending within, or on the last day of, 35084
the investor's taxable year; 35085

(ii) A subsidiary that is wholly owned by any corporation 35086
that has made an election under subchapter S, chapter one, 35087
subtitle A of the Internal Revenue Code for its taxable year 35088
ending within, or on the last day of, the investor's taxable 35089
year. 35090

(2) For the purposes of this chapter, unless expressly 35091
stated otherwise, no qualifying person indirectly owns any asset 35092
directly or indirectly owned by any qualifying corporation. 35093

(EE) For purposes of this chapter and Chapter 5751. of the 35094
Revised Code: 35095

(1) "Trust" does not include a qualified pre-income tax 35096
trust. 35097

(2) A "qualified pre-income tax trust" is any pre-income 35098
tax trust that makes a qualifying pre-income tax trust election 35099
as described in division (EE)(3) of this section. 35100

(3) A "qualifying pre-income tax trust election" is an 35101
election by a pre-income tax trust to subject to the tax imposed 35102
by section 5751.02 of the Revised Code the pre-income tax trust 35103
and all pass-through entities of which the trust owns or 35104
controls, directly, indirectly, or constructively through 35105
related interests, five per cent or more of the ownership or 35106
equity interests. The trustee shall notify the tax commissioner 35107
in writing of the election on or before April 15, 2006. The 35108
election, if timely made, shall be effective on and after 35109
January 1, 2006, and shall apply for all tax periods and tax 35110
years until revoked by the trustee of the trust. 35111

(4) A "pre-income tax trust" is a trust that satisfies all 35112

of the following requirements: 35113

(a) The document or instrument creating the trust was 35114
executed by the grantor before January 1, 1972; 35115

(b) The trust became irrevocable upon the creation of the 35116
trust; and 35117

(c) The grantor was domiciled in this state at the time 35118
the trust was created. 35119

(FF) "Uniformed services" has the same meaning as in 10 35120
U.S.C. 101. 35121

(GG) "Taxable business income" means the amount by which 35122
an individual's business income that is included in federal 35123
adjusted gross income exceeds the amount of business income the 35124
individual is authorized to deduct under division (A) (28) of 35125
this section for the taxable year. 35126

(HH) "Employer" does not include a franchisor with respect 35127
to the franchisor's relationship with a franchisee or an 35128
employee of a franchisee, unless the franchisor agrees to assume 35129
that role in writing or a court of competent jurisdiction 35130
determines that the franchisor exercises a type or degree of 35131
control over the franchisee or the franchisee's employees that 35132
is not customarily exercised by a franchisor for the purpose of 35133
protecting the franchisor's trademark, brand, or both. For 35134
purposes of this division, "franchisor" and "franchisee" have 35135
the same meanings as in 16 C.F.R. 436.1. 35136

(II) "Modified adjusted gross income" means Ohio adjusted 35137
gross income plus any amount deducted under divisions (A) (28) 35138
and (34) of this section for the taxable year. 35139

(JJ) "Qualifying Ohio educator" means an individual who, 35140

for a taxable year, qualifies as an eligible educator, as that 35141
term is defined in section 62 of the Internal Revenue Code, and 35142
who holds a certificate, license, or permit described in Chapter 35143
3319. or section 3301.071 of the Revised Code. 35144

Sec. 5747.331. (A) As used in this section: 35145

(1) "Borrower" means any person that receives a loan from 35146
the director of housing and development under section 166.21 of 35147
the Revised Code, regardless of whether the borrower is subject 35148
to the tax imposed by section 5747.02 of the Revised Code. 35149

(2) "Related member" has the same meaning as in section 35150
5733.042 of the Revised Code. 35151

(3) "Qualified research and development loan payments" has 35152
the same meaning as in section 166.21 of the Revised Code. 35153

(B) Beginning with taxable years beginning in 2003, a 35154
nonrefundable credit is allowed against a taxpayer's aggregate 35155
tax liability under section 5747.02 of the Revised Code equal to 35156
a borrower's qualified research and development loan payments 35157
made during the calendar year that includes the last day of the 35158
taxable year for which the credit is claimed. The amount of the 35159
credit for a taxable year shall not exceed one hundred fifty 35160
thousand dollars. No taxpayer is entitled to claim a credit 35161
under this section unless it has obtained a certificate issued 35162
by the director of housing and development under division (D) of 35163
section 166.21 of the Revised Code and submits a copy of the 35164
certificate with its report for the taxable year. Failure to 35165
submit a copy of the certificate with the report does not 35166
invalidate a claim for a credit if the taxpayer submits a copy 35167
of the certificate within sixty days after the tax commissioner 35168
requests it. The credit shall be claimed in the order required 35169

under section 5747.98 of the Revised Code. No credit shall be 35170
allowed under this section if the credit was available against 35171
the tax imposed by Chapter 5751. of the Revised Code except to 35172
the extent the credit was not applied against that tax. The 35173
credit, to the extent it exceeds the taxpayer's aggregate tax 35174
liability for the taxable year after allowance for any other 35175
credits that precede the credit under this section in that 35176
order, shall be carried forward to the next succeeding taxable 35177
year or years until fully used. 35178

(C) A borrower entitled to a credit under this section may 35179
assign the credit, or a portion thereof, to any of the 35180
following: 35181

(1) A related member of that borrower; 35182

(2) The owner or lessee of the eligible research and 35183
development project; 35184

(3) A related member of the owner or lessee of the 35185
eligible research and development project. 35186

A borrower making an assignment under this division shall 35187
provide written notice of the assignment to the tax commissioner 35188
and the director of housing and development, in such form as the 35189
tax commissioner prescribes, before the credit that was assigned 35190
is used. The assignor may not claim the credit to the extent it 35191
was assigned to an assignee. The assignee may claim the credit 35192
only to the extent the assignor has not claimed it. 35193

(D) If any taxpayer is a shareholder in an S corporation, 35194
a partner in a partnership, or a member in a limited liability 35195
company treated as a partnership for federal income tax 35196
purposes, the taxpayer shall be allowed the taxpayer's 35197
distributive or proportionate share of the credit available 35198

through the S corporation, partnership, or limited liability company. 35199
35200

(E) The aggregate credit against the taxes imposed by 35201
section 5747.02 and Chapter 5751. of the Revised Code that may 35202
be claimed under this section and section 5751.52 of the Revised 35203
Code by a borrower as a result of qualified research and 35204
development loan payments attributable during a calendar year to 35205
any one loan shall not exceed one hundred fifty thousand 35206
dollars. 35207

Sec. 5747.51. (A) On or before the twenty-fifth day of 35208
July of each year, the tax commissioner shall make and certify 35209
to the county auditor of each county an estimate of the amount 35210
of the local government fund to be allocated to the undivided 35211
local government fund of each county for the ensuing calendar 35212
year, adjusting the total as required to account for 35213
subdivisions receiving local government funds under section 35214
5747.502 of the Revised Code. 35215

(B) At each annual regular session of the county budget 35216
commission convened pursuant to section 5705.27 of the Revised 35217
Code, each auditor shall present to the commission the 35218
certificate of the commissioner, the annual tax budget and 35219
estimates, and the records showing the action of the commission 35220
in its last preceding regular session. The commission, after 35221
extending to the representatives of each subdivision an 35222
opportunity to be heard, under oath administered by any member 35223
of the commission, and considering all the facts and information 35224
presented to it by the auditor, shall determine the amount of 35225
the undivided local government fund needed by and to be 35226
apportioned to each subdivision for current operating expenses, 35227
as shown in the tax budget of the subdivision. This 35228

determination shall be made pursuant to divisions (C) to (I) of 35229
this section, unless the commission has provided for a formula 35230
pursuant to section 5747.53 of the Revised Code. The 35231
commissioner shall reduce the amount of funds from the undivided 35232
local government fund to a subdivision required to receive 35233
reduced funds under section 5747.502 of the Revised Code. 35234

Nothing in this section prevents the budget commission, 35235
for the purpose of apportioning the undivided local government 35236
fund, from inquiring into the claimed needs of any subdivision 35237
as stated in its tax budget, or from adjusting claimed needs to 35238
reflect actual needs. For the purposes of this section, "current 35239
operating expenses" means the lawful expenditures of a 35240
subdivision, except those for permanent improvements and except 35241
payments for interest, sinking fund, and retirement of bonds, 35242
notes, and certificates of indebtedness of the subdivision. 35243

(C) The commission shall determine the combined total of 35244
the estimated expenditures, including transfers, from the 35245
general fund and any special funds other than special funds 35246
established for road and bridge; street construction, 35247
maintenance, and repair; state highway improvement; and gas, 35248
water, sewer, and electric public utilities operated by a 35249
subdivision, as shown in the subdivision's tax budget for the 35250
ensuing calendar year. 35251

(D) From the combined total of expenditures calculated 35252
pursuant to division (C) of this section, the commission shall 35253
deduct the following expenditures, if included in these funds in 35254
the tax budget: 35255

(1) Expenditures for permanent improvements as defined in 35256
division (E) of section 5705.01 of the Revised Code; 35257

(2) In the case of counties and townships, transfers to the road and bridge fund, and in the case of municipalities, transfers to the street construction, maintenance, and repair fund and the state highway improvement fund;	35258 35259 35260 35261
(3) Expenditures for the payment of debt charges;	35262
(4) Expenditures for the payment of judgments.	35263
(E) In addition to the deductions made pursuant to division (D) of this section, revenues accruing to the general fund and any special fund considered under division (C) of this section from the following sources shall be deducted from the combined total of expenditures calculated pursuant to division (C) of this section:	35264 35265 35266 35267 35268 35269
(1) Taxes levied within the ten-mill limitation, as defined in section 5705.02 of the Revised Code;	35270 35271
(2) The budget commission allocation of estimated county public library fund revenues to be distributed pursuant to section 5747.48 of the Revised Code;	35272 35273 35274
(3) Estimated unencumbered balances as shown on the tax budget as of the thirty-first day of December of the current year in the general fund, but not any estimated balance in any special fund considered in division (C) of this section;	35275 35276 35277 35278
(4) Revenue, including transfers, shown in the general fund and any special funds other than special funds established for road and bridge; street construction, maintenance, and repair; state highway improvement; and gas, water, sewer, and electric public utilities, from all other sources except those that a subdivision receives from an additional tax or service charge voted by its electorate or receives from special assessment or revenue bond collection. For the purposes of this	35279 35280 35281 35282 35283 35284 35285 35286

division, where the charter of a municipal corporation prohibits 35287
the levy of an income tax, an income tax levied by the 35288
legislative authority of such municipal corporation pursuant to 35289
an amendment of the charter of that municipal corporation to 35290
authorize such a levy represents an additional tax voted by the 35291
electorate of that municipal corporation. For the purposes of 35292
this division, any measure adopted by a board of county 35293
commissioners pursuant to section 322.02, 4504.02, or 5739.021 35294
of the Revised Code, including those measures upheld by the 35295
electorate in a referendum conducted pursuant to section 35296
322.021, 4504.021, or 5739.022 of the Revised Code, shall not be 35297
considered an additional tax voted by the electorate. 35298

Subject to division (F) of section 5705.29 of the Revised 35299
Code, money in a reserve balance account established by a 35300
county, township, or municipal corporation under section 5705.13 35301
of the Revised Code shall not be considered an unencumbered 35302
balance or revenue under division (E) (3) or (4) of this section. 35303
Money in a reserve balance account established by a township 35304
under section 5705.132 of the Revised Code shall not be 35305
considered an unencumbered balance or revenue under division (E) 35306
(3) or (4) of this section. 35307

If a county, township, or municipal corporation has 35308
created and maintains a nonexpendable trust fund under section 35309
5705.131 of the Revised Code, the principal of the fund, and any 35310
additions to the principal arising from sources other than the 35311
reinvestment of investment earnings arising from such a fund, 35312
shall not be considered an unencumbered balance or revenue under 35313
division (E) (3) or (4) of this section. Only investment earnings 35314
arising from investment of the principal or investment of such 35315
additions to principal may be considered an unencumbered balance 35316
or revenue under those divisions. 35317

(F) The total expenditures calculated pursuant to division 35318
(C) of this section, less the deductions authorized in divisions 35319
(D) and (E) of this section, shall be known as the "relative 35320
need" of the subdivision, for the purposes of this section. 35321

(G) The budget commission shall total the relative need of 35322
all participating subdivisions in the county, and shall compute 35323
a relative need factor by dividing the total estimate of the 35324
undivided local government fund by the total relative need of 35325
all participating subdivisions. 35326

(H) The relative need of each subdivision shall be 35327
multiplied by the relative need factor to determine the 35328
proportionate share of the subdivision in the undivided local 35329
government fund of the county; provided, that the maximum 35330
proportionate share of a county shall not exceed the following 35331
maximum percentages of the total estimate of the undivided local 35332
government fund governed by the relationship of the percentage 35333
of the population of the county that resides within municipal 35334
corporations within the county to the total population of the 35335
county as reported in the reports on population in Ohio by the 35336
department of housing and development as of the twentieth day of 35337
July of the year in which the tax budget is filed with the 35338
budget commission: 35339

35340

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A Percentage of municipal population within the county: Percentage share of the county shall not exceed:

B Less than forty-one per cent Sixty per cent

C Forty-one per cent or more but less than eighty-one per cent Fifty per cent

D Eighty-one per cent or more Thirty per cent

Where the proportionate share of the county exceeds the limitations established in this division, the budget commission shall adjust the proportionate shares determined pursuant to this division so that the proportionate share of the county does not exceed these limitations, and it shall increase the proportionate shares of all other subdivisions on a pro rata basis. In counties having a population of less than one hundred thousand, not less than ten per cent shall be distributed to the townships therein.

(I) The proportionate share of each subdivision in the undivided local government fund determined pursuant to division (H) of this section for any calendar year shall not be less than the product of the average of the percentages of the undivided local government fund of the county as apportioned to that subdivision for the calendar years 1968, 1969, and 1970, multiplied by the total amount of the undivided local government fund of the county apportioned pursuant to former section 5739.23 of the Revised Code for the calendar year 1970. For the purposes of this division, the total apportioned amount for the calendar year 1970 shall be the amount actually allocated to the county in 1970 from the state collected intangible tax as levied by section 5707.03 of the Revised Code and distributed pursuant to section 5725.24 of the Revised Code, plus the amount received by the county in the calendar year 1970 pursuant to division (B) (1) of former section 5739.21 of the Revised Code, and distributed pursuant to former section 5739.22 of the Revised

Code. If the total amount of the undivided local government fund 35367
for any calendar year is less than the amount of the undivided 35368
local government fund apportioned pursuant to former section 35369
5739.23 of the Revised Code for the calendar year 1970, the 35370
minimum amount guaranteed to each subdivision for that calendar 35371
year pursuant to this division shall be reduced on a basis 35372
proportionate to the amount by which the amount of the undivided 35373
local government fund for that calendar year is less than the 35374
amount of the undivided local government fund apportioned for 35375
the calendar year 1970. 35376

(J) On the basis of such apportionment, the county auditor 35377
shall compute the percentage share of each such subdivision in 35378
the undivided local government fund and shall at the same time 35379
certify to the tax commissioner the percentage share of the 35380
county as a subdivision. No payment shall be made from the 35381
undivided local government fund, except in accordance with such 35382
percentage shares. 35383

Within ten days after the budget commission has made its 35384
apportionment, whether conducted pursuant to section 5747.51 or 35385
5747.53 of the Revised Code, the auditor shall publish a list of 35386
the subdivisions and the amount each is to receive from the 35387
undivided local government fund and the percentage share of each 35388
subdivision, in a newspaper or newspapers of countywide 35389
circulation, and send a copy of such allocation to the tax 35390
commissioner. 35391

The county auditor shall also send a copy of such 35392
allocation by ordinary or electronic mail to the fiscal officer 35393
of each subdivision entitled to participate in the allocation of 35394
the undivided local government fund of the county. This copy 35395
shall constitute the official notice of the commission action 35396

referred to in section 5705.37 of the Revised Code. 35397

All money received into the treasury of a subdivision from 35398
the undivided local government fund in a county treasury shall 35399
be paid into the general fund and used for the current operating 35400
expenses of the subdivision. 35401

If a municipal corporation maintains a municipal 35402
university, such municipal university, when the board of 35403
trustees so requests the legislative authority of the municipal 35404
corporation, shall participate in the money apportioned to such 35405
municipal corporation from the total local government fund, 35406
however created and constituted, in such amount as requested by 35407
the board of trustees, provided such sum does not exceed nine 35408
per cent of the total amount paid to the municipal corporation. 35409

If any public official fails to maintain the records 35410
required by sections 5747.50 to 5747.55 of the Revised Code or 35411
by the rules issued by the tax commissioner, the auditor of 35412
state, or the treasurer of state pursuant to such sections, or 35413
fails to comply with any law relating to the enforcement of such 35414
sections, the local government fund money allocated to the 35415
county may be withheld until such time as the public official 35416
has complied with such sections or such law or the rules issued 35417
pursuant thereto. 35418

Sec. 5747.66. (A) Any term used in this section has the 35419
same meaning as in section 122.85 of the Revised Code. 35420

(B) There is allowed a credit against a taxpayer's 35421
aggregate tax liability under section 5747.02 of the Revised 35422
Code for any individual who, on the last day of the individual's 35423
taxable year, is the certificate owner of a tax credit 35424
certificate issued under section 122.85 of the Revised Code. The 35425

credit shall be claimed for the taxable year that includes the 35426
date the certificate was issued by the director of housing and 35427
development. The credit amount equals the amount stated in the 35428
certificate. The credit shall be claimed in the order required 35429
under section 5747.98 of the Revised Code. If the credit amount 35430
exceeds the aggregate amount of tax otherwise due under section 35431
5747.02 of the Revised Code after deducting all other credits in 35432
that order, the excess shall be refunded. 35433

Nothing in this section limits or disallows pass-through 35434
treatment of the credit. 35435

Sec. 5747.67. (A) Any term used in this section has the 35436
same meaning as in section 122.852 of the Revised Code. 35437

(B) There is allowed a credit against a taxpayer's 35438
aggregate tax liability under section 5747.02 of the Revised 35439
Code for any taxpayer who, on the last day of the taxpayer's 35440
taxable year, is the certificate owner of a tax credit 35441
certificate issued under section 122.852 of the Revised Code. 35442
The credit shall be claimed for the taxpayer's taxable year that 35443
includes the date the certificate was issued by the director of 35444
housing and development. The credit amount equals the amount 35445
stated in the certificate or the portion of that amount owned by 35446
the certificate owner. The credit shall be claimed in the order 35447
required under section 5747.98 of the Revised Code. If the 35448
credit amount exceeds the aggregate amount of tax otherwise due 35449
under section 5747.02 of the Revised Code after deducting all 35450
other credits in that order, the excess shall be refunded. 35451

(C) Nothing in this section limits or disallows pass- 35452
through treatment of the credit. 35453

Sec. 5751.52. (A) As used in this section: 35454

(1) "Borrower" means any person that receives a loan from the director of housing and development under section 166.21 of the Revised Code, regardless of whether the borrower is subject to the tax imposed by this chapter.

(2) "Qualified research and development loan payments" has the same meaning as in section 166.21 of the Revised Code.

(3) "Related member" has the same meaning as in section 5733.042 of the Revised Code.

(B) For tax periods beginning on or after January 1, 2008, a nonrefundable credit may be claimed under this chapter equal to a borrower's qualified research and development loan payments made during the calendar year immediately preceding the tax period for which the credit is claimed. The amount of the credit for a calendar year shall not exceed one hundred fifty thousand dollars. No taxpayer is entitled to claim a credit under this section unless the taxpayer has obtained a certificate issued by the director of housing and development under division (D) of section 166.21 of the Revised Code. The credit shall be claimed in the order required under section 5751.98 of the Revised Code. The credit, to the extent it exceeds the taxpayer's liability for the tax imposed under this chapter for a tax period after allowance for any other credits that precede the credit under this section in that order, may either be carried forward to the next succeeding tax period or periods or be claimed against the tax imposed under section 5747.02 as authorized under section 5747.331 of the Revised Code, but the amount of the excess credit claimed against either tax for any tax period or taxable year shall be deducted from the balance carried forward to the next tax period.

(C) A borrower entitled to a credit under this section may

assign the credit, or a portion thereof, to any of the 35485
following: 35486

(1) A related member of that borrower; 35487

(2) The owner or lessee of the eligible research and 35488
development project; 35489

(3) A related member of the owner or lessee of the 35490
eligible research and development project. 35491

A borrower making an assignment under this division shall 35492
provide written notice of the assignment to the tax commissioner 35493
and the director of housing and development, in such form as the 35494
commissioner prescribes, before the credit that was assigned is 35495
used. The assignor may not claim the credit to the extent it was 35496
assigned to an assignee. The assignee may claim the credit only 35497
to the extent the assignor has not claimed it. 35498

(D) If any taxpayer is a partner in a partnership or a 35499
member in a limited liability company treated as a partnership 35500
for federal income tax purposes, the taxpayer shall be allowed 35501
the taxpayer's distributive or proportionate share of the credit 35502
available through the partnership or limited liability company. 35503

(E) The aggregate credit against the taxes imposed by this 35504
chapter and section 5747.02 of the Revised Code that may be 35505
claimed under this section and section 5747.331 of the Revised 35506
Code by a borrower as a result of qualified research and 35507
development loan payments attributable during a calendar year to 35508
any one loan shall not exceed one hundred fifty thousand 35509
dollars. 35510

Sec. 5751.54. (A) Any term used in this section has the 35511
same meaning as in section 122.85 of the Revised Code. 35512

(B) There is allowed a refundable credit against the tax 35513
imposed by section 5751.02 of the Revised Code for any person 35514
that is the certificate owner of a tax credit certificate issued 35515
under section 122.85 of the Revised Code. The credit shall be 35516
claimed for the tax period in which the certificate is issued by 35517
the director of housing and development~~services~~. The credit 35518
amount equals the amount stated in the certificate. The credit 35519
shall be claimed in the order required under section 5751.98 of 35520
the Revised Code. If the credit amount exceeds the tax otherwise 35521
due under section 5751.02 of the Revised Code after deducting 35522
all other credits in that order, the excess shall be refunded. 35523

(C) Nothing in this section allows a person to claim more 35524
than one credit per tax credit-eligible production. 35525

Sec. 5751.55. (A) Any term used in this section has the 35526
same meaning as in section 122.852 of the Revised Code. 35527

(B) There is allowed a refundable credit against the tax 35528
imposed by section 5751.02 of the Revised Code for any person 35529
that is the certificate owner of a tax credit certificate issued 35530
under section 122.852 of the Revised Code. The credit shall be 35531
claimed for the tax period in which the certificate is issued by 35532
the director of housing and development. The credit amount 35533
equals the amount stated in the certificate or the portion of 35534
that amount owned by the certificate owner. The credit shall be 35535
claimed in the order required under section 5751.98 of the 35536
Revised Code. If the credit amount exceeds the tax otherwise due 35537
under section 5751.02 of the Revised Code after deducting all 35538
other credits in that order, the excess shall be refunded. 35539

Sec. 6111.12. (A) The director of environmental protection 35540
shall establish an antidegradation policy applicable to surface 35541
waters of the state pursuant to applicable federal laws and 35542

regulations. The purpose of the policy shall be to maintain 35543
levels of water quality that are currently better than 35544
prescribed by applicable standards except in situations when a 35545
need to allow a lower level of water quality is demonstrated 35546
based on technical, social, and economic criteria. Not later 35547
than March 31, 1994, the director shall revise the existing 35548
antidegradation policy established in rules adopted under 35549
section 6111.041 of the Revised Code and revise any necessary 35550
implementation procedures to conform them to the following 35551
principles and any mandatory regulations adopted under the 35552
Federal Water Pollution Control Act: 35553

(1) The use of existing effluent quality as a method of 35554
calculating antidegradation-based limits shall be imposed only 35555
to the extent that the use is explicitly required by federal law 35556
or regulation as the only means available to implement 35557
antidegradation. 35558

(2) No degradation shall be allowed in waters for any 35559
pollutant that currently does not meet applicable standards. For 35560
all remaining waters, there shall be provisions requiring 35561
federal antidegradation requirements to be met and provisions 35562
ensuring that waters of exceptional recreational or ecological 35563
value are maintained as high quality resources for future 35564
generations. There shall be at least two categories of surface 35565
waters identified in the state for that purpose and for the 35566
purpose of establishing priorities for the administrative and 35567
technical resources expended on antidegradation reviews. 35568

(3) Whenever current ambient water quality is determined 35569
to be of a higher quality than prescribed in the standards, on a 35570
pollutant-by-pollutant basis, and the water body lacks 35571
exceptional recreational or ecological value, the director may 35572

allocate to existing sources eighty per cent of the pollutant 35573
assimilative capacity as determined by appropriate total maximum 35574
daily load procedures without further antidegradation review. 35575
The permittee for any existing source may receive an effluent 35576
limitation based on not more than one hundred per cent of the 35577
mass or concentration levels necessary to meet applicable water 35578
quality in the receiving water body as determined by appropriate 35579
total maximum daily load procedures, provided that there has 35580
been a satisfactory demonstration of the need to allow lower 35581
water quality based on technical, social, and economic criteria 35582
and the action is preceded by a public notice. Sources other 35583
than existing sources that result in ten per cent or greater 35584
change, that is, degradation, of ambient chemical water quality 35585
shall require a demonstration of technical, social, and economic 35586
need and shall be the subject of a public notice. 35587

(4) Degradation of waters identified as possessing 35588
exceptional recreational or ecological value shall be determined 35589
through an analysis of the expected perceptible change in 35590
ambient concentrations of pollutant or alternatively through an 35591
analysis of the expected change in the biological condition of 35592
the water body. Either determination shall constitute a lowering 35593
of water quality and shall require an antidegradation review. 35594
The director shall establish, by rules adopted in accordance 35595
with Chapter 119. of the Revised Code, a definition of 35596
perceptible change that shall be applicable to those waters 35597
identified in rule as possessing exceptional recreational or 35598
ecological value. Antidegradation reviews shall be required for 35599
any activity resulting in a perceptible change in ambient 35600
chemical or biological quality on waters identified as 35601
possessing exceptional recreational or ecological value. 35602
Allowances shall be made for existing sources to retain their 35603

current permit limits with no requirement to demonstrate 35604
technical, social, and economic need. 35605

(5) The director shall establish reasonable protocols for 35606
completing technical, social, and economic need demonstrations 35607
based on existing federal guidance and on input from the 35608
department of housing and development, the regulated community, 35609
and the general public. 35610

(B) Effluent limitations established by the director for 35611
any existing source in any permit issued under division (J) of 35612
section 6111.03 of the Revised Code prior to July 1, 1993, shall 35613
continue in effect unless the permit is modified by the 35614
director. A discharger seeking modification of antidegradation- 35615
based limitations that were based on existing quality of 35616
discharge when the permit was issued shall apply to the director 35617
for modification of the permit, consistent with rules adopted 35618
under division (A) of this section, not later than one hundred 35619
eighty days after July 1, 1993. If the permittee has filed such 35620
a timely application for modification, the director shall not 35621
pursue administrative or judicial enforcement actions for 35622
violations of antidegradation-based limitations based on the 35623
existing quality of effluent that occur after July 1, 1993. 35624

(C) A historically channelized watercourse provides 35625
technical, social, and economic benefits. Therefore, with regard 35626
to a historically channelized watercourse, the director shall 35627
not require further antidegradation review during the review of 35628
an application for and the issuance or denial of a permit under 35629
this chapter or a water quality certification under section 401 35630
of the Federal Water Pollution Control Act if the director 35631
finds, after public notice and opportunity for comment, and a 35632
public hearing if significant public interest is shown, that all 35633

of the following apply: 35634

(1) Work is necessary to restore or maintain a drainage or 35635
other improvement provided by a historically channelized 35636
watercourse. 35637

(2) The work is performed pursuant to section 940.06 of 35638
the Revised Code or a petition filed under section 6131.04 or 35639
6133.02 of the Revised Code. 35640

(3) Without the work, flooding threatens public health and 35641
safety or may result in significant damage to public or private 35642
property. 35643

(4) The work will not result in the loss of designated or 35644
existing beneficial uses as those uses are described in rules 35645
adopted under section 6111.041 of the Revised Code. 35646

(5) The work will not harm or interfere with the 35647
protection of federal or state designated endangered or 35648
threatened species. 35649

(6) The historically channelized watercourse is not 35650
designated as coldwater habitat, exceptional warmwater habitat, 35651
or a state resource water in rules adopted under section 35652
6111.041 of the Revised Code. 35653

(7) If information is available concerning resident 35654
fishery or macroinvertebrate communities, or both, in the 35655
historically channelized watercourse, the historically 35656
channelized watercourse does not support a particularly diverse 35657
or unique warmwater habitat as that term is defined in rules 35658
adopted under section 6111.041 of the Revised Code. 35659

(8) Plans for the work have been submitted to the 35660
applicable soil and water conservation district organized under 35661

Chapter 940. of the Revised Code.	35662
(9) A storm water runoff plan has been developed for the watershed prior to or during planning and design of the work and the work is consistent with the plan.	35663 35664 35665
(D) As used in this section:	35666
(1) "Existing sources" means any treatment works that were built and operational under the terms of an NPDES permit prior to July 1, 1993, but does not include expansions or upgrades of existing treatment works authorized in rules adopted under section 6111.03 of the Revised Code after that date.	35667 35668 35669 35670 35671
(2) "Appropriate total maximum daily load procedures" means the procedures, policies, and guidelines used by the director prior to July 1, 1993, or subsequent revisions to those procedures established in rules adopted in accordance with Chapter 119. of the Revised Code.	35672 35673 35674 35675 35676
(3) "Antidegradation review" means the consideration by the director of the technical, social, and economic need demonstration completed by any person requesting to lower water quality as provided in this section, including the public notice of the application and, at the discretion of the director, a public hearing on it.	35677 35678 35679 35680 35681 35682
Sec. 6121.02. There is hereby created the Ohio water development authority. Such authority is a body both corporate and politic in this state, and the carrying out of its purposes and the exercise by it of the powers conferred by this chapter shall be held to be, and are hereby determined to be, essential governmental functions and public purposes of the state, but the authority is not immune from liability by reason thereof. The authority is subject to all provisions of law generally	35683 35684 35685 35686 35687 35688 35689 35690

applicable to state agencies that do not conflict with this 35691
chapter. 35692

The authority shall consist of eight members as follows: 35693
five members appointed by the governor, with the advice and 35694
consent of the senate, no more than three of whom shall be 35695
members of the same political party, and the directors of 35696
natural resources, environmental protection, and development, 35697
who shall be members ex officio without compensation. The 35698
director of housing and development may designate a person in 35699
the unclassified civil service to serve in the director's place 35700
as a member of the authority notwithstanding section 121.05 of 35701
the Revised Code. The appointive members shall be residents of 35702
the state, and shall have been qualified electors therein for a 35703
period of at least five years next preceding their appointment. 35704
Appointed members' terms of office shall be for eight years, 35705
commencing on the second day of July and ending on the first day 35706
of July. Each member shall hold office from the date of 35707
appointment until the end of the term for which the member was 35708
appointed. Any member appointed to fill a vacancy occurring 35709
prior to the expiration of the term for which the member's 35710
predecessor was appointed shall hold office for the remainder of 35711
such term. Any appointed member shall continue in office 35712
subsequent to the expiration date of the member's term until the 35713
member's successor takes office, or until a period of sixty days 35714
has elapsed, whichever occurs first. A member of the authority 35715
is eligible for reappointment. Each appointed member of the 35716
authority, before entering upon the performance of the duties of 35717
the office, shall take an oath as provided by Section 7 of 35718
Article XV, Ohio Constitution. The governor may at any time 35719
remove any member of the authority for misfeasance, nonfeasance, 35720
or malfeasance in office. 35721

The authority shall elect one of its appointed members as chairperson and another as vice-chairperson, and shall appoint a secretary-treasurer who need not be a member of the authority. Four members of the authority shall constitute a quorum, and the affirmative vote of four members shall be necessary for any action taken by vote of the authority. No vacancy in the membership of the authority shall impair the rights of a quorum by such vote to exercise all the rights and perform all the duties of the authority.

Before the issuance of any water development revenue bonds under this chapter, each appointed member of the authority shall give a surety bond to the state in the penal sum of twenty-five thousand dollars and the secretary-treasurer shall give such a bond in the penal sum of fifty thousand dollars, each such surety bond to be conditioned upon the faithful performance of the duties of the office, to be executed by a surety company authorized to transact business in this state, and to be approved by the governor and filed in the office of the secretary of state. Each appointed member of the authority shall receive an annual salary of seven thousand five hundred dollars, payable in monthly installments, and is entitled to health care benefits comparable to those generally available to state officers and employees under section 124.82 of the Revised Code. If Section 20 of Article II, Ohio Constitution, prohibits the Ohio water development authority from paying all or a part of the cost of health care benefits on behalf of a member of the authority for the remainder of an existing term, the member may receive these benefits by paying their total cost from the member's own financial resources, including paying by means of deductions from the member's salary. Each member shall be reimbursed for actual expenses necessarily incurred in the

performance of official duties. All expenses incurred in 35753
carrying out this chapter shall be payable solely from funds 35754
provided under this chapter, or appropriated for such purpose by 35755
the general assembly and no liability or obligation shall be 35756
incurred by the authority beyond the extent to which moneys have 35757
been provided under this chapter or such appropriations. 35758

Sec. 6123.031. To create or preserve jobs and employment 35759
opportunities, to improve the economic welfare of the people of 35760
the state, to control air, water, and thermal pollution, or to 35761
dispose of solid waste, and pursuant to Section 13, Article 35762
VIII, of the Ohio Constitution, the Ohio water development 35763
authority may exercise the powers set forth in this chapter, 35764
with the approval of a project by the director of housing and 35765
development, for the purpose of constructing or providing 35766
financial assistance for the construction of any energy resource 35767
development facilities as defined in section 1551.01 of the 35768
Revised Code. Determinations by resolution of the authority that 35769
a facility is an energy resource development facility, as so 35770
defined, and is consistent with the purposes of Section 13 of 35771
Article VIII, Ohio Constitution and this chapter shall be 35772
conclusive as to the validity and enforceability of the 35773
development revenue bonds issued to finance such facility and of 35774
the resolutions, trust agreements or indentures, leases, 35775
subleases, sale agreements, loan agreements, and other 35776
agreements made in connection therewith, all in accordance with 35777
their terms. 35778

Section 2. That existing sections 9.47, 9.66, 107.03, 35779
107.21, 117.55, 121.02, 121.03, 121.35, 122.01, 122.011, 35780
122.012, 122.013, 122.014, 122.02, 122.03, 122.04, 122.041, 35781
122.042, 122.05, 122.06, 122.07, 122.071, 122.073, 122.075, 35782
122.077, 122.08, 122.081, 122.082, 122.083, 122.085, 122.086, 35783

122.087, 122.088, 122.089, 122.0810, 122.0811, 122.0812, 35784
122.0813, 122.0814, 122.0815, 122.0816, 122.0817, 122.09, 35785
122.10, 122.11, 122.121, 122.131, 122.132, 122.133, 122.134, 35786
122.135, 122.136, 122.14, 122.15, 122.151, 122.152, 122.153, 35787
122.154, 122.155, 122.156, 122.16, 122.17, 122.171, 122.172, 35788
122.173, 122.174, 122.175, 122.176, 122.177, 122.178, 122.179, 35789
122.1710, 122.1711, 122.18, 122.19, 122.20, 122.21, 122.22, 35790
122.23, 122.24, 122.25, 122.26, 122.27, 122.30, 122.31, 122.32, 35791
122.33, 122.35, 122.36, 122.37, 122.38, 122.401, 122.403, 35792
122.406, 122.4017, 122.4018, 122.4019, 122.4020, 122.4023, 35793
122.4024, 122.4030, 122.4031, 122.4032, 122.4033, 122.4034, 35794
122.4035, 122.4036, 122.4037, 122.4040, 122.4043, 122.4044, 35795
122.4045, 122.4046, 122.4050, 122.4051, 122.4055, 122.4063, 35796
122.4070, 122.4071, 122.4073, 122.4075, 122.4076, 122.4077, 35797
122.41, 122.42, 122.43, 122.44, 122.45, 122.451, 122.46, 122.47, 35798
122.48, 122.49, 122.52, 122.53, 122.54, 122.55, 122.56, 122.561, 35799
122.57, 122.571, 122.58, 122.59, 122.60, 122.601, 122.602, 35800
122.603, 122.604, 122.605, 122.61, 122.62, 122.63, 122.631, 35801
122.632, 122.633, 122.64, 122.641, 122.6510, 122.6511, 122.6512, 35802
122.67, 122.68, 122.681, 122.69, 122.70, 122.701, 122.71, 35803
122.72, 122.73, 122.74, 122.75, 122.76, 122.77, 122.78, 122.79, 35804
122.80, 122.81, 122.82, 122.84, 122.85, 122.851, 122.852, 35805
122.86, 122.88, 122.89, 122.90, 122.91, 122.92, 122.921, 35806
122.922, 122.923, 122.924, 122.925, 122.94, 122.941, 122.942, 35807
122.951, 122.9511, 122.9512, 122.96, 123.01, 123.22, 125.08, 35808
125.081, 125.111, 125.20, 125.836, 125.901, 126.023, 126.32, 35809
126.62, 140.01, 145.035, 149.311, 150.02, 151.40, 153.59, 35810
164.02, 165.01, 165.03, 165.20, 166.01, 166.02, 166.03, 166.04, 35811
166.05, 166.06, 166.07, 166.08, 166.09, 166.12, 166.13, 166.14, 35812
166.15, 166.16, 166.17, 166.18, 166.19, 166.20, 166.21, 166.25, 35813
166.27, 167.02, 169.05, 173.08, 174.01, 174.02, 174.03, 174.04, 35814
174.05, 174.06, 174.07, 175.03, 175.04, 175.06, 175.15, 176.01, 35815

176.07, 184.01, 184.151, 184.16, 187.01, 187.03, 187.04, 187.05, 35816
187.061, 191.02, 191.03, 191.10, 191.13, 191.15, 191.17, 191.19, 35817
191.27, 191.30, 191.33, 191.35, 191.37, 191.40, 191.44, 191.45, 35818
308.21, 321.261, 321.262, 333.03, 333.04, 333.05, 340.13, 35819
703.34, 709.024, 709.192, 715.70, 715.72, 902.04, 991.02, 35820
1547.81, 1551.01, 1551.05, 1551.06, 1551.11, 1551.12, 1551.15, 35821
1551.19, 1551.20, 1551.311, 1551.32, 1551.33, 1551.35, 1555.02, 35822
1555.03, 1555.04, 1555.05, 1555.06, 1555.08, 1555.17, 1728.01, 35823
1728.07, 3326.02, 3327.17, 3333.373, 3333.50, 3366.01, 3366.03, 35824
3366.04, 3735.27, 3735.39, 3735.66, 3735.671, 3735.672, 35825
3735.673, 3735.69, 3742.32, 3746.121, 3746.20, 3775.04, 3780.03, 35826
3780.19, 4121.123, 4164.04, 4164.12, 4301.17, 4303.181, 35827
4303.262, 4503.591, 4582.58, 4901.021, 4906.02, 4928.06, 35828
4928.43, 4928.51, 4928.52, 4928.53, 4928.54, 4928.543, 4928.544, 35829
4928.55, 4928.56, 4928.57, 4928.58, 4928.581, 4928.582, 35830
4928.583, 4928.61, 4928.62, 4928.63, 4928.75, 4929.16, 4929.161, 35831
4929.163, 4981.02, 4981.03, 5101.16, 5104.30, 5117.02, 5117.03, 35832
5117.04, 5117.05, 5117.07, 5117.071, 5117.08, 5117.09, 5117.10, 35833
5117.12, 5117.22, 5119.34, 5120.07, 5126.071, 5126.18, 5501.031, 35834
5531.08, 5703.0510, 5703.57, 5709.12, 5709.211, 5709.212, 35835
5709.22, 5709.40, 5709.41, 5709.45, 5709.48, 5709.51, 5709.61, 35836
5709.62, 5709.63, 5709.631, 5709.632, 5709.633, 5709.64, 35837
5709.66, 5709.67, 5709.671, 5709.68, 5709.69, 5709.73, 5709.78, 35838
5709.82, 5709.87, 5709.88, 5709.882, 5717.02, 5725.32, 5725.33, 35839
5726.54, 5726.55, 5726.59, 5727.75, 5729.032, 5729.16, 5733.33, 35840
5733.34, 5733.352, 5733.58, 5733.59, 5747.01, 5747.331, 5747.51, 35841
5747.66, 5747.67, 5751.52, 5751.54, 5751.55, 6111.12, 6121.02, 35842
and 6123.031 of the Revised Code are hereby repealed. 35843

Section 3. That the versions of sections 3742.32 and 35844
5104.30 of the Revised Code that are scheduled to take effect 35845
January 1, 2025, be amended to read as follows: 35846

Sec. 3742.32. (A) The director of health shall appoint an 35847
advisory council to assist in the ongoing development and 35848
implementation of the child lead poisoning prevention program 35849
created under section 3742.31 of the Revised Code. The advisory 35850
council shall consist of the following members: 35851

(1) A representative of the department of medicaid; 35852

(2) A representative of the bureau of child care in the 35853
department of job and family services; 35854

(3) A representative of the department of environmental 35855
protection; 35856

(4) A representative of the department of education and 35857
workforce; 35858

(5) A representative of the department of housing and 35859
development; 35860

(6) A representative of the department of children and 35861
youth; 35862

(7) A representative of the Ohio apartment owner's 35863
association; 35864

(8) A representative of the Ohio healthy homes network; 35865

(9) A representative of the Ohio environmental health 35866
association; 35867

(10) An Ohio representative of the American coatings 35868
association; 35869

(11) A representative from Ohio realtors; 35870

(12) A representative of the Ohio housing finance agency; 35871

(13) A physician knowledgeable in the field of lead 35872

poisoning prevention;	35873
(14) A representative of the public.	35874
(B) The advisory council shall do both of the following:	35875
(1) Provide the director with advice regarding the	35876
policies the child lead poisoning prevention program should	35877
emphasize, preferred methods of financing the program, and any	35878
other matter relevant to the program's operation;	35879
(2) Submit a report of the state's activities to the	35880
governor, president of the senate, and speaker of the house of	35881
representatives on or before the first day of March each year.	35882
(C) The advisory council is not subject to sections 101.82	35883
to 101.87 of the Revised Code.	35884
Sec. 5104.30. (A) The department of children and youth is	35885
hereby designated as the state agency responsible for	35886
administration and coordination of federal and state funding for	35887
publicly funded child care in this state. Publicly funded child	35888
care shall be provided to the following:	35889
(1) Recipients of transitional child care as provided	35890
under section 5104.34 of the Revised Code;	35891
(2) Participants in the Ohio works first program	35892
established under Chapter 5107. of the Revised Code;	35893
(3) Individuals who would be participating in the Ohio	35894
works first program if not for a sanction under section 5107.16	35895
of the Revised Code and who continue to participate in a work	35896
activity, developmental activity, or alternative work activity	35897
pursuant to an assignment under section 5107.42 of the Revised	35898
Code;	35899

(4) A family receiving publicly funded child care on 35900
October 1, 1997, until the family's income reaches one hundred 35901
fifty per cent of the federal poverty line; 35902

(5) Subject to available funds, other individuals 35903
determined eligible in accordance with rules adopted under 35904
section 5104.38 of the Revised Code. 35905

The department shall apply to the United States department 35906
of health and human services for authority to operate a 35907
coordinated program for publicly funded child care, if the 35908
director of children and youth determines that the application 35909
is necessary. For purposes of this section, the department of 35910
children and youth may enter into agreements with other state 35911
agencies that are involved in regulation or funding of child 35912
care. The department shall consider the special needs of migrant 35913
workers when it administers and coordinates publicly funded 35914
child care and shall develop appropriate procedures for 35915
accommodating the needs of migrant workers for publicly funded 35916
child care. 35917

(B) The department of children and youth shall distribute 35918
state and federal funds for publicly funded child care, 35919
including appropriations of state funds for publicly funded 35920
child care and appropriations of federal funds available under 35921
the child care block grant act, Title IV-A, and Title XX. The 35922
department may use any state funds appropriated for publicly 35923
funded child care as the state share required to match any 35924
federal funds appropriated for publicly funded child care. 35925

(C) In the use of federal funds available under the child 35926
care block grant act, all of the following apply: 35927

(1) The department may use the federal funds to hire staff 35928

to prepare any rules required under this chapter and to 35929
administer and coordinate federal and state funding for publicly 35930
funded child care. 35931

(2) Not more than five per cent of the aggregate amount of 35932
the federal funds received for a fiscal year may be expended for 35933
administrative costs. 35934

(3) The department shall allocate and use at least four 35935
per cent of the federal funds for the following: 35936

(a) Activities designed to provide comprehensive consumer 35937
education to parents and the public; 35938

(b) Activities that increase parental choice; 35939

(c) Activities, including child care resource and referral 35940
services, designed to improve the quality, and increase the 35941
supply, of child care; 35942

(d) Establishing the step up to quality program pursuant 35943
to section 5104.29 of the Revised Code. 35944

(4) The department shall ensure that the federal funds 35945
will be used only to supplement, and will not be used to 35946
supplant, federal, state, and local funds available on the 35947
effective date of the child care block grant act for publicly 35948
funded child care and related programs. If authorized by rules 35949
adopted by the department pursuant to section 5104.42 of the 35950
Revised Code, county departments of job and family services may 35951
purchase child care from funds obtained through any other means. 35952

(D) The department shall encourage the development of 35953
suitable child care throughout the state, especially in areas 35954
with high concentrations of recipients of public assistance and 35955
families with low incomes. The department shall encourage the 35956

development of suitable child care designed to accommodate the 35957
special needs of migrant workers. On request, the department, 35958
through its employees or contracts with state or community child 35959
care resource and referral service organizations, shall provide 35960
consultation to groups and individuals interested in developing 35961
child care. The department of children and youth may enter into 35962
interagency agreements with the department of education and 35963
workforce, the chancellor of higher education, the department of 35964
housing and development, and other state agencies and entities 35965
whenever the cooperative efforts of the other state agencies and 35966
entities are necessary for the department of children and youth 35967
to fulfill its duties and responsibilities under this chapter. 35968

The department shall develop and maintain a registry of 35969
persons providing child care. The director shall adopt rules in 35970
accordance with Chapter 119. of the Revised Code establishing 35971
procedures and requirements for the registry's administration. 35972

(E) (1) The director shall adopt rules in accordance with 35973
Chapter 119. of the Revised Code establishing both of the 35974
following: 35975

(a) Reimbursement rates for providers of publicly funded 35976
child care not later than the first day of July in each odd- 35977
numbered year; 35978

(b) A procedure for reimbursing and paying providers of 35979
publicly funded child care. 35980

(2) In establishing reimbursement rates under division (E) 35981
(1) (a) of this section, the director shall do all of the 35982
following: 35983

(a) Use the information obtained in accordance with 45 35984
C.F.R. 98.45; 35985

(b) Establish an enhanced reimbursement rate for providers who provide child care for caretaker parents who work nontraditional hours;	35986 35987 35988
(c) With regard to the step up to quality program established pursuant to section 5104.29 of the Revised Code, establish enhanced reimbursement rates for child care providers that participate in the program.	35989 35990 35991 35992
(3) In establishing reimbursement rates under division (E) (1)(a) of this section, the director may establish different reimbursement rates based on any of the following:	35993 35994 35995
(a) Geographic location of the provider;	35996
(b) Type of care provided;	35997
(c) Age of the child served;	35998
(d) Special needs of the child served;	35999
(e) Whether the expanded hours of service are provided;	36000
(f) Whether weekend service is provided;	36001
(g) Whether the provider has exceeded the minimum requirements of state statutes and rules governing child care;	36002 36003
(h) Any other factors the director considers appropriate.	36004
Section 4. That the existing versions of sections 3742.32 and 5104.30 of the Revised Code that are scheduled to take effect January 1, 2025, are hereby repealed.	36005 36006 36007
Section 5. Sections 3 and 4 of this act take effect January 1, 2025.	36008 36009
Section 6. The Speaker of the House of Representatives and the President of the Senate shall appoint legislative members to	36010 36011

the Ohio housing finance agency, as required by this act, not 36012
later than thirty days after the effective date of this section. 36013

Not later than ninety days after the effective date of 36014
this section, the Ohio housing finance agency shall conduct at 36015
least one public hearing to consider changes to the policies, 36016
guidelines, and scoring metrics used in the administration of 36017
the agency's programs to resolve inequities and increase 36018
participation in rural areas of the state. 36019

Section 7. The Speaker of the House of Representatives and 36020
the President of the Senate shall appoint legislative members to 36021
the Ohio housing trust fund advisory committee, as required by 36022
this act, not later than thirty days after the effective date of 36023
this section. 36024

Section 8. The General Assembly, applying the principle 36025
stated in division (B) of section 1.52 of the Revised Code that 36026
amendments are to be harmonized if reasonably capable of 36027
simultaneous operation, finds that the following sections, 36028
presented in this act as composites of the sections as amended 36029
by the acts indicated, are the resulting versions of the 36030
sections in effect prior to the effective date of the sections 36031
as presented in this act: 36032

Section 122.073 of the Revised Code as amended by both 36033
H.B. 487 and S.B. 314 of the 129th General Assembly. 36034

Section 140.01 of the Revised Code as amended by both H.B. 36035
110 and H.B. 281 of the 134th General Assembly. 36036

Section 1551.20 of the Revised Code as amended by H.B. 36037
632, S.B. 269, and S.B. 271 of the 120th General Assembly. 36038

Section 4906.02 of the Revised Code as amended by both 36039
H.B. 110 and S.B. 52 of the 134th General Assembly. 36040

Section 5117.07 of the Revised Code as amended by both	36041
H.B. 283 and S.B. 3 of the 123rd General Assembly.	36042
Section 5117.09 of the Revised Code as amended by both	36043
H.B. 283 and S.B. 3 of the 123rd General Assembly.	36044