

AN ACT

To amend sections 122.12 and 122.121 and to enact section 122.122 of the Revised Code and to amend Section 259.30 of Am. Sub. H.B. 49 of the 132nd General Assembly and Section 259.10 of Am. Sub. H.B. 49 of the 132nd General Assembly, as subsequently amended, to remove limitations on the amount of sports events grants that may be awarded in a fiscal year, to adjust the amount that may be awarded for a specific event, to modify eligibility requirements for such grants, and to make an appropriation.

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That sections 122.12 and 122.121 be amended and section 122.122 of the Revised Code be enacted to read as follows:

Sec. 122.12. As used in this section and in ~~section~~ sections 122.121 and 122.122 of the Revised Code:

(A) "Endorsing county" means a county that contains a site selected by a site selection organization for one or more games.

(B) "Endorsing municipality" means a municipal corporation that contains a site selected by a site selection organization for one or more games.

(C) "Game support contract" means a joinder undertaking, joinder agreement, or similar contract executed by an endorsing municipality or endorsing county and a site selection organization.

(D)(H) "Game" means a national or international competition ~~of football, auto racing, rugby, cricket, horse racing, mixed martial arts, boxing, or any sport that is governed by an international federation and included in at least one of the following:~~

~~(a) Olympic games;~~

~~(b) Pan American games;~~

~~(c) Commonwealth games.~~

~~(2) "Game" includes or other event, such as a player draft or commemoration, associated with a sport, including the special olympics.~~

(E) "Joinder agreement" means an agreement entered into by a local organizing committee, endorsing municipality, or endorsing county, or more than one endorsing municipality or county acting collectively and a site selection organization setting out representations and assurances by each endorsing municipality or endorsing county in connection with the selection of a site in this state for the location of a game.

(F) "Joinder undertaking" means an agreement entered into by a local organizing committee, endorsing municipality, or endorsing county, or more than one endorsing municipality or county acting collectively and a site selection organization that each endorsing municipality or endorsing

county will execute a joinder agreement in the event that the site selection organization selects a site in this state for a game.

(G) "Local organizing committee" means a nonprofit corporation or its successor in interest that:

(1) Has been authorized by an endorsing municipality, endorsing county, or more than one endorsing municipality or county acting collectively to pursue an application and bid on the applicant's behalf to a site selection organization for selection as the site of one or more games; or

(2) With the authorization of an endorsing municipality, endorsing county, or more than one endorsing municipality or county acting collectively, has executed an agreement with a site selection organization regarding a bid to host one or more games.

(H) "Site selection organization" means the national or international governing body of a sport that is recognized as such by the endorsing municipality, endorsing county, or local organizing committee.

(I) "Sport" means football, auto racing, rugby, cricket, horse racing, mixed martial arts, boxing, baseball, or any sport that is governed by an international federation and included in at least one of the following:

(a) Olympic games;

(b) Pan American games;

(c) Commonwealth games.

(J) "Qualifying costs" means the costs to fulfill the obligations of a local organizing committee, endorsing municipality, or endorsing county to a site selection organization under a game support contract, which obligations may include the payment of the following costs:

(1) Costs relating to the preparations necessary for the conduct of the game, including acquiring, renovating, or constructing facilities;

(2) Costs of conducting the game;

(3) Costs to assist the local organizing committee, endorsing municipality, or endorsing county in providing assurances required by a site selection organization sponsoring one or more games.

Sec. 122.121. (A) ~~If a~~ A local organizing committee, endorsing municipality, or endorsing county ~~enters that has entered~~ into a joinder undertaking with a site selection organization, ~~the local organizing committee, endorsing municipality, or endorsing county~~ may apply to the director of development services, on a form and in the manner prescribed by the director, for a grant from the sports event grant fund created under section 122.122 of the Revised Code with respect to a game that has not been held in this state by the organization in either of the two preceding years and to which either of the following applies:

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

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

The amount of the grant shall be based on the projected incremental increase in the receipts from the tax imposed under section 5739.02 of the Revised Code within the market area designated under division (C) of this section, for the two-week period that ends at the end of the day after the date on which a ~~the~~ game will be held, that is directly attributable, as determined by the director, to

the preparation for and presentation of the game. The director shall determine the projected incremental increase in the tax imposed under section 5739.02 of the Revised Code by using a formula approved by the destination marketing association international for event impact or another formula of similar purpose approved by the director in consultation with the tax commissioner. The application shall include an estimate of the committee's, municipality's, or county's qualifying costs under the game support contract. The local organizing committee, endorsing municipality, or endorsing county is eligible to receive a grant under this section only if the projected incremental increase in receipts from the tax imposed under section 5739.02 of the Revised Code, as determined by the director, exceeds two hundred fifty thousand dollars. The amount of the grant shall be not less than fifty per cent of the projected incremental increase in receipts, as determined by the director, but shall not exceed five hundred thousand the lesser of two million dollars or the amount of the committee's, municipality's, or county's qualifying costs under the game support contract. The director shall ~~not issue grants with a total value of more than one million dollars in any fiscal year, and shall not issue any grant before July 1, 2013~~ disburse the grant to the local organizing committee, endorsing municipality, or endorsing county from the sports event grant fund.

(B) If the director of development services approves an application for a local organizing committee, endorsing municipality, or endorsing county and that local organizing committee, endorsing municipality, or endorsing county enters into a joinder agreement with a site selection organization, the local organizing committee, endorsing municipality, or endorsing county shall file a copy of the joinder agreement with the director. The grant shall be used exclusively by the local organizing committee, endorsing municipality, or endorsing county to ~~fulfill a portion of its obligations to a site selection organization under game support contracts, which obligations may include the payment of costs relating to the preparations necessary for the conduct of the game, including acquiring, renovating, or constructing facilities; to pay the costs of conducting the game; and to assist the local organizing committee, endorsing municipality, or endorsing county in providing assurances required by a site selection organization sponsoring one or more games~~ pay its qualifying costs under the game support contract.

(C) For the purposes of division (A) of this section, the director of development services, in consultation with the tax commissioner, shall designate the market area for a game. The market area shall consist of the combined statistical area, as defined by the United States office of management and budget, in which an endorsing municipality or endorsing county is located.

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

(E) Within thirty days after the game, the local organizing committee, endorsing municipality,

or endorsing county shall ~~report-certify~~ to the director of development services a statement of its qualifying costs under the game support contract and a report about the economic impact of the game. The report-certification shall be in the form and substance required by the director, including, but not limited to, a final income statement for the event showing total revenue and expenditures and revenue and expenditures in the market area for the game, and ticket sales for the game and any related activities for which admission was charged. The director shall determine, based on the reported information and the exercise of reasonable judgment, the incremental increase in receipts from the tax imposed under section 5739.02 of the Revised Code directly attributable to the game and the committee's, municipality's, or county's qualifying costs under the game support contract. If the actual incremental increase in ~~such sales tax receipts~~ is less than the projected incremental increase in ~~such receipts, or if the actual qualifying costs are less than the estimated qualifying costs,~~ the director may require the local organizing committee, endorsing municipality, or endorsing county to refund to the state all or a portion of the grant. Any refund remitted under this division shall be credited to the sports event grant fund.

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

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

Sec. 122.122. There is hereby created in the state treasury the sports event grant fund, which shall consist of money appropriated to the fund. Money in the fund shall be used solely to make grants to a local organizing committee, endorsing municipality, or endorsing county under section 122.121 of the Revised Code. Except for amounts refunded under division (E) of section 122.121 of the Revised Code, money may not be credited or transferred to the fund if the credit or transfer would cause the balance of the fund to exceed ten million dollars.

SECTION 2. That existing sections 122.12 and 122.121 of the Revised Code are hereby repealed.

SECTION 3. That Section 259.30 of Am. Sub. H.B. 49 of the 132nd General Assembly be amended to read as follows:

Sec. 259.30. MINORITY BUSINESS BONDING FUND

Notwithstanding Chapters 122., 169., and 175. of the Revised Code, the Director of Development Services may, upon the recommendation of the Minority Development Financing Advisory Board, pledge up to \$10,000,000 in the fiscal year 2018-fiscal year 2019 biennium of unclaimed funds administered by the Director of Commerce and allocated to the Minority Business Bonding Program under section 169.05 of the Revised Code.

If needed for the payment of losses arising from the Minority Business Bonding Program, the Director of Budget and Management may, at the request of the Director of Development Services, request that the Director of Commerce transfer unclaimed funds that have been reported by holders

of unclaimed funds under section 169.05 of the Revised Code to the Minority Bonding Fund (Fund 4490). The transfer of unclaimed funds shall only occur after proceeds of the initial transfer of \$2,700,000 by the Controlling Board to the Minority Business Bonding Program have been used for that purpose. If expenditures are required for payment of losses arising from the Minority Business Bonding Program, such expenditures shall be made from appropriation item 195658, Minority Business Bonding Contingency in the Minority Business Bonding Fund, and such amounts are hereby appropriated.

BUSINESS ASSISTANCE PROGRAMS

The foregoing appropriation item 195649, Business Assistance Programs, shall be used for administrative expenses associated with the operation of loan incentives within the Office of Strategic Business Investments.

STATE SPECIAL PROJECTS

The State Special Projects Fund (Fund 4F20), may be used for the deposit of private-sector funds from utility companies and for the deposit of other miscellaneous state funds. State moneys so deposited may also be used to match federal grants and to support low-income energy assistance programs.

MINORITY BUSINESS ENTERPRISE LOAN

All repayments from the Minority Development Financing Advisory Board Loan Program shall be deposited in the State Treasury to the credit of the Minority Business Enterprise Loan Fund (Fund 4W10).

APPALACHIAN WORKFORCE ASSISTANCE

On July 1, 2018, or as soon as possible thereafter, the Director of Budget and Management shall transfer cash from the Economic Development Programs Fund (Fund 5JC0) to the Ohio Incumbent Workforce Job Training Fund (Fund 5HR0) in an amount necessary to provide Fund 5HR0 with sufficient funding to support the full fiscal year 2019 appropriation to the foregoing appropriation item 195403, Appalachian Workforce Assistance.

The foregoing appropriation item 195403, Appalachian Workforce Assistance, may be used for the administrative costs of planning and liaison activities for the Governor's Office of Appalachia, to provide financial assistance to projects in Ohio's Appalachian counties, to support four local development districts, and to pay dues for the Appalachian Regional Commission. These funds may be used to match federal funds from the Appalachian Regional Commission. Programs funded through the foregoing appropriation item shall be identified and recommended by the local development districts and approved by the Governor's Office of Appalachia. The Development Services Agency shall conduct compliance and regulatory review of the programs recommended by the local development districts. Moneys allocated under the foregoing appropriation item may be used to fund projects including, but not limited to, those designated by the local development districts as community investment and rapid response projects.

Of the foregoing appropriation item 195403, Appalachian Workforce Assistance, in each fiscal year, \$170,000 shall be allocated to the Ohio Valley Regional Development Commission, \$170,000 shall be allocated to the Ohio Mid-Eastern Government Association, \$170,000 shall be allocated to the Buckeye Hills-Hocking Valley Regional Development District, and \$70,000 shall be allocated to the Eastgate Regional Council of Governments. Local development districts receiving

funding under this section shall use the funds for the implementation and administration of programs and duties under section 107.21 of the Revised Code.

DEFENSE DEVELOPMENT ASSISTANCE

On July 1, 2017, or as soon as possible thereafter, the Director of Budget and Management shall transfer \$700,000 cash from the OhioMeansJobs Workforce Development Revolving Loan Fund (Fund 5NH0) to the Ohio Incumbent Workforce Job Training Fund (Fund 5HR0).

Of the foregoing appropriation item 195622, Defense Development Assistance, \$300,000 in each fiscal year shall be allocated to Development Projects, Inc., for economic development programs and the creation of new jobs to leverage and support mission gains at Department of Defense and related facilities in Ohio by working with future base realignment and closure activities and ongoing Department of Defense efficiency and partnership initiatives, assisting efforts to secure Department of Defense support contracts for Ohio companies, assessing and supporting regional job training and workforce development needs generated by the Department of Defense and the Ohio aerospace industry, promoting technology transfer to Ohio businesses, and for expanding job training and economic development programs in human performance and cyber security related initiatives.

Of the foregoing appropriation item 195622, Defense Development Assistance, \$100,000 in each fiscal year shall be allocated to the Aerospace Professional Development Center in Dayton for statewide workforce development services in the aerospace industry.

INCUMBENT WORKFORCE TRAINING VOUCHERS

The foregoing appropriation item 195662, Incumbent Workforce Training Vouchers, shall be used to support the Incumbent Workforce Training Voucher Program.

The Incumbent Workforce Training Voucher Program shall conform to guidelines for the operation of the program, including, but not limited to, the following:

(A) A requirement that a training voucher under the program shall not exceed \$6,000 per worker per year;

(B) A provision for an employer of an eligible employee to apply for a voucher on behalf of the eligible employee;

(C) A provision for an eligible employee to apply directly for a training voucher with the pre-approval of the employee's employer; and

(D) A requirement that an employee participating in the program, or the employee's employer, shall pay for not less than thirty-three per cent of the training costs under the program.

On July 1, 2018, or as soon as possible thereafter, the Director of Development Services may request that the Director of Budget and Management reappropriate any expended, unencumbered balance of the prior fiscal year's appropriation to the foregoing appropriation item 195662, Incumbent Workforce Training Vouchers, for fiscal year 2019. The Director of Budget and Management may request additional information necessary for evaluating the request, and the Director of Development Services shall provide the requested information to the Director of Budget and Management. Based on the information provided by the Director of Development Services, the Director of Budget and Management shall determine the amount to be reappropriated, and that amount is hereby reappropriated for fiscal year 2019.

TAX INCENTIVES OPERATING

On July 1, 2017, or as soon as possible thereafter, the Director of Budget and Management

shall transfer \$700,000 cash from Fund 5MK0 to Fund 5JR0.

ADVANCED ENERGY LOAN PROGRAMS

The foregoing appropriation item 195660, Advanced Energy Loan Programs, shall be used to provide financial assistance to customers for eligible advanced energy projects for residential, commercial, and industrial business, local government, educational institution, nonprofit, and agriculture customers. The appropriation item may be used to match federal grant funding and to pay for the program's administrative costs as provided in sections 4928.61 to 4928.63 of the Revised Code and rules adopted by the Director of Development Services.

On July 1, 2017, or as soon as possible thereafter, the Director of Budget and Management shall transfer cash in an amount equal to the unexpended, unencumbered balance of the Advanced Energy Research and Development Taxable Fund (Fund 7004), from Fund 7004 to the Advanced Energy Fund (Fund 5M50).

SPORTS EVENT GRANTS

Not later than thirty days after the effective date of this amendment, the Director of Budget and Management shall transfer \$5,000,000 cash from the GRF to the Sports Event Grant Fund (Fund 5UY0) created in section 122.122 of the Revised Code.

The foregoing appropriation item 195496, Sports Event Grants, shall be used for grants as described under sections 122.12 and 122.121 of the Revised Code.

TRAVEL AND TOURISM COOPERATIVE PROJECTS

The foregoing appropriation item 195690, Travel and Tourism Cooperative Projects, shall be used for the marketing and promotion of travel and tourism in Ohio. The Travel and Tourism Cooperative Projects Fund (Fund 5W50) shall consist solely of leveraged private sector paid advertising dollars received in tourism marketing assistance and co-op programs.

VOLUME CAP ADMINISTRATION

The foregoing appropriation item 195654, Volume Cap Administration, shall be used for expenses related to the administration of the Volume Cap Program. Revenues received by the Volume Cap Administration Fund (Fund 6170) shall consist of application fees, forfeited deposits, and interest earned from the custodial account held by the Treasurer of State.

SECTION 4. That existing Section 259.30 of Am. Sub. H.B. 49 of the 132nd General Assembly is hereby repealed.

SECTION 5. That Section 259.10 of Am. Sub. H.B. 49 of the 132nd General Assembly, as amended by Am. Sub. S.B. 299 of the 132nd General Assembly, be amended to read as follows:

Sec. 259.10. DEV DEVELOPMENT SERVICES AGENCY

General Revenue Fund

GRF	195402	Coal Research and Development Program	\$ 227,368	\$ 227,368
GRF	195405	Minority Business Development	\$ 1,696,358	\$ 1,696,358

GRF	195415	Business Development Services	\$ 3,208,941	\$ 3,208,941
GRF	195426	Redevelopment Assistance	\$ 824,500	\$ 1,067,000
GRF	195453	Technology Programs and Grants	\$ 13,599,956	\$ 13,349,956
GRF	195454	Small Business and Export Assistance	\$ 3,057,174	\$ 3,057,174
GRF	195455	Appalachian Workforce Assistance	\$ 3,422,000	\$ 3,422,000
GRF	195497	CDBG Operating Match	\$ 1,021,604	\$ 1,021,604
GRF	195501	iBELIEVE	\$ 100,000	\$ 100,000
GRF	195503	Local Development Projects	\$ 150,000	\$ 150,000
GRF	195537	Ohio-Israel Agricultural Initiative	\$ 250,000	\$ 250,000
GRF	195901	Coal Research and Development General Obligation Bond Debt Service	\$ 6,319,500	\$ 7,820,600
GRF	195905	Third Frontier Research and Development General Obligation Bond Debt Service	\$ 85,574,000	\$ 89,782,300
GRF	195912	Job Ready Site Development General Obligation Bond Debt Service	\$ 11,092,900	\$ 12,380,400
TOTAL GRF General Revenue Fund Dedicated Purpose Fund Group			\$ 130,544,301	\$ 137,533,701

4500	195624	Minority Business Bonding Program Administration	\$ 74,905	\$ 74,905
4510	195649	Business Assistance Programs	\$ 4,000,000	\$ 4,000,000
4F20	195639	State Special Projects	\$ 102,104	\$ 102,104
4F20	195699	Utility Community Assistance	\$ 500,000	\$ 500,000
4W10	195646	Minority Business Enterprise Loan	\$ 4,000,000	\$ 4,000,000
5CG0	195679	Alternative Fuel Transportation	\$ 2,000,000	\$ 2,000,000
5HR0	195403	Appalachian Workforce Assistance	\$ 4,140,018	\$ 4,140,018
5HR0	195622	Defense Development Assistance	\$ 400,000	\$ 400,000
5HR0	195662	Incumbent Workforce Training Vouchers	\$ 1,250,000	\$ 1,250,000
5JR0	195635	Tax Incentives Operating	\$ 800,000	\$ 800,000
5KP0	195645	Historic Rehabilitation Operating	\$ 1,000,000	\$ 1,000,000
5M40	195659	Low Income Energy Assistance (USF)	\$ 370,000,000	\$ 370,000,000
5M50	195660	Advanced Energy Loan Programs	\$ 10,000,000	\$ 10,000,000
5MH0	195644	SiteOhio Administration	\$ 25,000	\$ 25,000
5MJ0	195683	TourismOhio Administration	\$ 10,000,000	\$ 10,000,000
<u>5UY0</u>	<u>195496</u>	<u>Sports Event Grants</u>	<u>\$ 0</u>	<u>\$ 5,000,000</u>

5W50	195690	Travel and Tourism Cooperative Projects	\$ 150,000	\$ 150,000
5W60	195691	International Trade Cooperative Projects	\$ 18,000	\$ 18,000
6170	195654	Volume Cap Administration	\$ 32,562	\$ 32,562
6460	195638	Low- and Moderate- Income Housing Programs	\$ 53,000,000	\$ 53,000,000
M087	195435	Biomedical Research and Technology Transfer	\$ 500,000	\$ 500,000
TOTAL DPF Dedicated Purpose Fund Group			\$ 461,992,589	\$ 461,992,589 <u>466,992,589</u>
Internal Service Activity Fund Group				
1350	195684	Development Services Operations	\$ 10,800,000	\$ 10,800,000
6850	195636	Development Services Reimbursable Expenditures	\$ 700,000	\$ 700,000
TOTAL ISA Internal Service Activity Fund Group			\$ 11,500,000	\$ 11,500,000
Facilities Establishment Fund Group				
5S90	195628	Capital Access Loan Program	\$ 2,500,000	\$ 2,500,000
7009	195664	Innovation Ohio	\$ 5,000,000	\$ 5,000,000
7010	195665	Research and Development	\$ 5,000,000	\$ 5,000,000
7037	195615	Facilities Establishment	\$ 25,000,000	\$ 25,000,000
TOTAL FCE Facilities Establishment				

Fund Group		\$ 37,500,000	\$ 37,500,000
Bond Research and Development Fund Group			
7011	195605	Broadband Development	
		Grants	\$ 1,000,000 \$ 1,000,000
7011	195686	Third Frontier Tax	
		Exempt - Operating	\$ 750,000 \$ 750,000
7011	195687	Third Frontier	
		Research and Development	
		Projects	\$ 20,000,000 \$ 20,000,000
7014	195620	Third Frontier	
		Taxable - Operating	\$ 1,710,000 \$ 1,710,000
7014	195692	Research and	
		Development Taxable	
		Bond Projects	\$ 90,850,250 \$ 90,850,250
TOTAL BRD Bond Research and			
Development Fund Group			
			\$ 114,310,250 \$ 114,310,250
Capital Projects Fund Group			
7003	195663	Clean Ohio	
		Revitalization	
		Operating	\$ 600,000 \$ 0
TOTAL CPF Capital Projects Fund Group			
			\$ 600,000 \$ 0
Federal Fund Group			
3080	195603	Housing Assistance	
		Programs	\$ 12,000,000 \$ 12,000,000
3080	195609	Small Business	
		Administration Grants	\$ 5,271,381 \$ 5,271,381
3080	195618	Energy Grants	\$ 4,000,000 \$ 4,000,000
3080	195670	Home Weatherization	
		Program	\$ 20,000,000 \$ 20,000,000
3080	195671	Brownfield	
		Redevelopment	\$ 3,000,000 \$ 3,000,000
3080	195672	Manufacturing	

		Extension Partnership	\$ 5,500,000	\$ 5,500,000
3080	195675	Procurement Technical Assistance	\$ 750,000	\$ 750,000
3080	195696	State Trade and Export Promotion	\$ 800,000	\$ 800,000
3350	195610	Energy Programs	\$ 200,000	\$ 200,000
3AE0	195643	Workforce Development Initiatives	\$ 800,000	\$ 800,000
3FJ0	195626	Small Business Capital Access and Collateral Enhancement Program	\$ 5,644,445	\$ 5,644,445
3FJ0	195661	Technology Targeted Investment Program	\$ 2,260,953	\$ 2,260,953
3K80	195613	Community Development Block Grant	\$ 60,000,000	\$ 60,000,000
3K90	195611	Home Energy Assistance Block Grant	\$ 175,000,000	\$ 175,000,000
3K90	195614	HEAP Weatherization	\$ 25,000,000	\$ 25,000,000
3L00	195612	Community Services Block Grant	\$ 28,000,000	\$ 28,000,000
3V10	195601	HOME Program	\$ 25,000,000	\$ 25,000,000
TOTAL FED	FED	Federal Fund Group	\$ 373,226,779	\$ 373,226,779
TOTAL ALL BUDGET FUND GROUPS			\$ 1,129,673,919	\$ 1,136,063,319 <u>1,141,063,319</u>

SECTION 6. That existing Section 259.10 of Am. Sub. H.B. 49 of the 132nd General Assembly, as amended by Am. Sub. S.B. 299 of the 132nd General Assembly, is hereby repealed.

Speaker _____ *of the House of Representatives.*

President _____ *of the Senate.*

Passed _____, 20____

Approved _____, 20____

Governor.

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the ____ day of _____, A. D. 20 ____.

Secretary of State.

File No. _____ Effective Date _____