

As Introduced

132nd General Assembly

Regular Session

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H. B. No. 696

Representative Perales

Cosponsors: Representatives Craig, Cupp, Greenspan, Lanese

A BILL

To enact sections 107.64, 107.65, and 107.66 of the
Revised Code to establish the Office of
Government and Military Affairs, and to
authorize the Office to make loans to defense or
NASA communities and grants to defense or NASA
communities, defense or NASA support
organizations, and certain state institutions of
higher education.

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

Section 1. That sections 107.64, 107.65, and 107.66 of the
Revised Code be enacted to read as follows:

Sec. 107.64. (A) As used in sections 107.64 to 107.66 of
the Revised Code:

"Defense or NASA community" means a county, township,
municipal corporation, or regional planning commission with a
military or NASA installation located in or near its
jurisdictional boundaries.

"Defense-related or NASA-related business" means a
business in this state that is engaged in providing significant

and substantial defense-related or NASA-related systems, 19
products, or services to a military or NASA installation. 20

"Defense or NASA support organization" means a nonprofit 21
corporation formed under Chapter 1702. of the Revised Code that 22
is located in or near a defense or NASA community and is engaged 23
in activities to address exigencies of the community, which are 24
not being met by a government entity, therein serving a public 25
purpose. 26

"Military installation" means a base, camp, post, station, 27
yard, center, homeport facility for a ship, or other activity 28
under the jurisdiction of the United States department of 29
defense, including a leased facility, that is located in this 30
state. 31

"NASA installation" means any scientific research, test, 32
simulation, development facility, or operations center under the 33
jurisdiction of the national aeronautics and space 34
administration (NASA) that is located in this state. 35

"State institution of higher education" means a state 36
institution of higher education, as defined in section 3345.011 37
of the Revised Code, which has a collaborative or contractual 38
relationship with a military or NASA installation. 39

(B) There is, within the office of the governor, the 40
office of government and military affairs that shall perform the 41
duties assigned under this section and sections 107.65 and 42
107.66 of the Revised Code. 43

(C) The governor shall appoint an executive director of 44
the office of government and military affairs and shall provide 45
such other staff as may be necessary for the office to perform 46
its duties. The executive director shall do all of the 47

- following: 48
- (1) Not later than six months after being appointed, and 49
every twelve months thereafter, submit to the governor and to 50
the general assembly a strategic plan to support the long-term 51
viability of military installations, and the health and well- 52
being of service members and veterans; 53
- (2) Annually report to the governor and the general 54
assembly regarding the activities of the office of government 55
and military affairs and the status of military and NASA 56
installations in this state; 57
- (3) Endeavor to meet at least annually with each commander 58
of a military and NASA installation to discuss the goals and 59
challenges facing the military or NASA installation or the 60
organization, develop recommendations for improvements, discuss 61
ways the state can enhance and complement the mission of the 62
military or NASA installation, and discuss services available to 63
assist transitioning service members and the member's families; 64
- (4) Administer the defense or NASA community loan program 65
under section 107.65 of the Revised Code; 66
- (5) Administer the defense or NASA community, defense or 67
NASA support organization, and state institution of higher 68
education grant program under section 107.66 of the Revised 69
Code; 70
- (6) Make recommendations to the governor and to the 71
general assembly regarding the design and execution of programs 72
that support defense or NASA communities and military and NASA 73
installations, which may include the promotion of strategic 74
regional alliances; 75
- (7) Assist defense or NASA communities in the design and 76

execution of programs that enhance communities' relationships 77
with military and NASA installations and defense-related or 78
NASA-related businesses, which may include regional alliances; 79

(8) Provide information to defense or NASA communities, 80
the governor, the general assembly, the state's congressional 81
delegation, and appropriate state agencies regarding federal 82
actions affecting military or NASA installations and missions; 83

(9) Collect and distribute to the governor, the general 84
assembly, and defense or NASA communities information related to 85
the operating costs, missions, and strategic value of military 86
or NASA installations, including employment issues for defense 87
or NASA communities that depend on military or NASA 88
installations and defense-related or NASA-related businesses; 89

(10) Evaluate strategies and programs that other states 90
use to maintain, expand, and attract defense-related or NASA- 91
related businesses; 92

(11) Provide assistance to defense or NASA communities 93
that have experienced a defense-related closure or realignment; 94
and 95

(12) Advocate for the preservation and expansion of 96
missions for reservists at military or NASA installations. 97

(D) The office of government and military affairs may 98
solicit and accept gifts and grants from any source. Any funds 99
that come into the possession of the office in this manner shall 100
be deposited into the state treasury to the credit of the 101
military value revolving loan fund. 102

(E) The military value revolving loan fund is established 103
in the state treasury. Money in the fund may be used for loans 104
and grants made by the office of government and military 105

affairs. All payments received for loans made by the office 106
shall be deposited into the state treasury to the credit of the 107
military value revolving loan fund. Money in the fund shall be 108
used to reimburse the general revenue fund for money 109
appropriated by the general assembly and to pay expenses for 110
administering the office of government and military affairs. Any 111
money remaining in the fund after all appropriations and 112
expenses have been settled shall be used to fund loans under 113
section 107.65 of the Revised Code and grants under section 114
107.66 of the Revised Code. 115

Sec. 107.65. (A) The executive director of the office of 116
government and military affairs shall establish a defense or 117
NASA community loan program under which the executive director 118
may loan funds in the military value revolving loan fund to 119
defense or NASA communities. 120

(B) The executive director shall adopt rules under Chapter 121
119. of the Revised Code to administer the program. The rules 122
shall establish at least all of the following: 123

(1) An application form and process for a defense or NASA 124
community to receive a loan; 125

(2) A procedure for prioritizing the award of loans, which 126
shall include the process described in division (B) of this 127
section; 128

(3) A requirement that a loan be for an infrastructure 129
project intended to accommodate new or expanded missions 130
assigned to a military or NASA installation located in or near a 131
defense or NASA community; 132

(4) A requirement that a loan be documented in a written 133
agreement containing the terms and conditions of the loan, 134

including loan repayment requirements; 135

(5) A requirement that an infrastructure project financed 136
with a loan be completed not later than five years after the 137
loan is awarded; 138

(6) A prohibition from the loan amount exceeding the total 139
project cost; 140

(7) Any other criteria, procedures, or guidelines the 141
executive director determines are necessary to administer the 142
program, including fees, charges, interest rates, and payment 143
schedules. 144

(C) Before awarding a loan, the office of government and 145
military affairs shall make at least all of the following 146
determinations: 147

(1) Whether the infrastructure project meets the criteria 148
under division (B) (3) of this section; 149

(2) Whether the defense community is creditworthy and has 150
the ability to repay the loan; and 151

(3) Whether the defense community has pledged a sufficient 152
source of revenue to repay the loan. 153

Sec. 107.66. (A) The executive director of the office of 154
government and military affairs shall establish a defense or 155
NASA community, defense or NASA support organization, and state 156
institution of higher education grant program under which the 157
executive director may grant funds in the military value 158
revolving loan fund to defense or NASA communities, defense or 159
NASA support organizations, and state institutions of higher 160
education. 161

(B) The executive director shall adopt rules under Chapter 162

<u>119. of the Revised Code to administer the program. The rules</u>	163
<u>shall establish at least all of the following:</u>	164
<u>(1) An application form and the process to receive a</u>	165
<u>grant;</u>	166
<u>(2) A procedure for prioritizing the award of grants;</u>	167
<u>(3) A requirement that the office consider, as part of the</u>	168
<u>office's grant award criteria, whether or not the applicant has</u>	169
<u>been or may be affected by an anticipated, planned, announced,</u>	170
<u>or implemented action, of the United States department of</u>	171
<u>defense, to close, reduce, increase, or otherwise realign</u>	172
<u>military or NASA installations;</u>	173
<u>(4) A requirement that a grant must not be less than fifty</u>	174
<u>thousand dollars;</u>	175
<u>(5) A requirement that a grant must not be more than the</u>	176
<u>least of any one of the following:</u>	177
<u>(a) If the applicant desires to use the grant to fulfill a</u>	178
<u>requirement to provide matching funds in order to be eligible to</u>	179
<u>receive funding from another source, fifty per cent of the</u>	180
<u>amount of matching money the applicant is required to provide,</u>	181
<u>or, if the applicant demonstrates that the applicant lacks the</u>	182
<u>necessary resources to provide that amount, eighty per cent of</u>	183
<u>the amount of matching money;</u>	184
<u>(b) Fifty per cent of the applicant's investment if</u>	185
<u>federal assistance is unavailable; or</u>	186
<u>(c) Five million dollars.</u>	187
<u>(6) A requirement that, in order to award a grant under</u>	188
<u>this section, the office must determine that the grant enables</u>	189
<u>the recipient to do at least one of the following:</u>	190

<u>(a) Match money or meet an investment requirement</u>	191
<u>necessary to receive federal assistance provided to the</u>	192
<u>applicant;</u>	193
<u>(b) Match the applicant's contribution at a closed or</u>	194
<u>realigned military or NASA installation;</u>	195
<u>(c) Construct infrastructure and other projects necessary</u>	196
<u>to accommodate a new, expanded, or retained mission at a</u>	197
<u>military or NASA installation or to reduce the impact of an</u>	198
<u>action of the United States department of defense that</u>	199
<u>negatively impacts a military or NASA installation located in or</u>	200
<u>near the applicant; or</u>	201
<u>(d) Construct infrastructure or other projects necessary</u>	202
<u>to prevent the reduction or closing of a military or NASA</u>	203
<u>installation or to increase the overall value of the</u>	204
<u>installation to the military or to NASA.</u>	205