As Reported by the Senate Finance Committee

133rd General Assembly

Regular Session 2019-2020

Sub. H. B. No. 7

Representatives Ghanbari, Patterson

Cosponsors: Representatives Carfagna, Crawley, Edwards, Hambley, Hoops, Howse, Rogers, West, Arndt, Baldridge, Blair, Boyd, Brent, Brown, Callender, Cera, Clites, Cross, Crossman, Denson, DeVitis, Galonski, Greenspan, Grendell, Hicks-Hudson, Hillyer, Holmes, A., Ingram, Jones, Kelly, Kick, Leland, Lepore-Hagan, Lightbody, Liston, Manning, G., McClain, Miller, A., Miller, J., Miranda, O'Brien, Patton, Plummer, Reineke, Richardson, Riedel, Robinson, Roemer, Russo, Seitz, Smith, K., Smith, T., Sobecki, Stein, Stoltzfus, Sweeney, Sykes, Upchurch, Weinstein, Wiggam

A BILL

То	amend sections 905.324, 939.02, 940.06, 5713.30,	1
	6119.06, 6119.09, and 6119.091 and to enact	2
	sections 940.36, 940.37, and 940.38 of the	3
	Revised Code to create the Statewide Watershed	4
	Planning and Management Program under the	5
	administration of the Director of Agriculture,	6
	to make changes to the law governing regional	7
	water and sewer districts, and to modify the	8
	CAUV eligibility requirements for land used to	9
	produce biofuels.	10

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

Section 1. That sections 905.324, 939.02, 940.06, 5713.30,	11
6119.06, 6119.09, and 6119.091 be amended and sections 940.36,	12
940.37, and 940.38 of the Revised Code be enacted to read as	13
follows:	14

the following:

Sec. 905.324. (A) Except as provided in division (B) of	15
this section, the director of agriculture, an employee of the	16
department of agriculture, the supervisors of a soil and water	17
conservation district, an employee of a district, and a	18
contractor of the department or a district shall not disclose	19
information, including data from geographic information systems	20
and global positioning systems, used in the development or	21
approval of or contained in a voluntary nutrient management	22
plan.	23
(B) The director or the supervisors of a district may	24
release or disclose information specified in division (A) of	25
this section to a person or a federal, state, or local agency	26
working in cooperation with the director or the supervisors in	27
the development or approval of a voluntary nutrient management	28
plan if the director or supervisors determine that the person or	29
federal, state, or local agency will not subsequently disclose	30
the information to another person who is not authorized by the	31
person who owns or operates agricultural land to receive the	32
information. The director or the supervisors of a district may	33
release or disclose information specified in division (A) of	34
this section to the extent required by the "Federal Water	35
Pollution Control Act" as defined in section 6111.01 of the	36
Revised Code.	37
(C) Information, data, and any associated record used in	38
the development, approval, implementation, review of, or	39
contained in a voluntary nutrient management plan or used to	40
determine compliance with such a plan are not a public record	41
subject to disclosure under section 149.43 of the Revised Code.	42
Sec. 939.02. The director of agriculture shall do all of	43

(A) Provide administrative leadership to soil and water	45
conservation districts in planning, budgeting, staffing, and	46
administering district programs and the training of district	47
supervisors and personnel in their duties, responsibilities, and	48
authorities as prescribed in this chapter and Chapter 940. of	49
the Revised Code;	50
(B) Administer this chapter and Chapter 940. of the	51
Revised Code pertaining to state responsibilities and provide	52
staff assistance to the Ohio soil and water conservation	53
commission in exercising its statutory responsibilities;	54
(C) Assist in expediting state responsibilities for	55
watershed development and other-natural resource soil and water	56
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conservation works of improvement, including assisting in	57
watershed planning and management under section 940.36 of the	58
Revised Code;	59
(D) Coordinate the development and implementation of	60
cooperative programs and working agreements between soil and	61
water conservation districts and the department of agriculture	62
or other agencies of local, state, and federal government;	63
(E) Subject to the approval of the Ohio soil and water	64
conservation commission, adopt rules in accordance with Chapter	65
119. of the Revised Code that do or comply with all of the	66
following:	67
(1) Establish technically feasible and economically	68
reasonable standards to achieve a level of management and	69
conservation practices in farming operations that will abate	70
wind or water erosion of the soil or abate the degradation of	71
the waters of the state by residual farm products, manure, or	72
soil sediment, including attached substances, and establish	73

- (6) Establish best management practices for inclusion in 103 operation and management plans; 104
- (7) Establish the amount of civil penalties assessed by the director under division (A) of section 939.07 of the Revised Code for violation of rules adopted under division (E) of this section:
- (8) Not conflict with air or water quality standards adopted pursuant to section 3704.03 or 6111.041 of the Revised Code. Compliance with rules adopted under this section does not affect liability for noncompliance with air or water quality standards adopted pursuant to section 3704.03 or 6111.041 of the Revised Code. The application of a level of management and conservation practices recommended under this section to control windblown soil from farming operations creates a presumption of compliance with section 3704.03 of the Revised Code as that section applies to windblown soil.
- (F) Cost share with landowners on practices established

 pursuant to division (E)(3) of this section as moneys are

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 appropriated and available for that purpose. Any practice for

 which cost share is provided shall be maintained for its useful

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 life. Failure to maintain a cost share practice for its useful

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 life shall subject the landowner to full repayment to the

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 department.
- (G) Employ field assistants and other employees that are

 necessary for the performance of the work prescribed by Chapter

 940. of the Revised Code, for performance of work of the

 department under this chapter, and as agreed to under working

 agreements or contractual arrangements with soil and water

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 conservation districts, prescribe their duties, and fix their

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 compensation in accordance with schedules that are provided by

(5) Cooperate with other agencies and subdivisions of the

state to protect the agricultural status of rural lands adjacent

to such projects and control adverse impacts on soil and water

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their other powers:

- (A) To conduct surveys, investigations, and research 192 relating to the character of soil erosion, floodwater and 193 sediment damages, and the preventive and control measures and 194 works of improvement for flood prevention and the conservation, 195 development, utilization, and disposal of water needed within 196 the district, and to publish the results of those surveys, 197 investigations, or research, provided that no district shall 198 initiate any research program except in cooperation or after 199 consultation with the Ohio agricultural research and development 200 201 center;
- (B) To develop plans for the conservation of soil resources, for the control and prevention of soil erosion, and for works of improvement for flood prevention and the conservation, development, utilization, and disposal of water within the district, and to publish those plans and information;
- (C) To implement, construct, repair, maintain, and operate 207 preventive and control measures and other works of improvement 208 for natural resource conservation and development and flood 209 prevention, and the conservation, development, utilization, and 210 disposal of water within the district on lands owned or 211 controlled by this state or any of its agencies and on any other 212 lands within the district, which works may include any 213 facilities authorized under state or federal programs, and to 214 acquire, by purchase or gift, to hold, encumber, or dispose of, 215 and to lease real and personal property or interests in such 216 property for those purposes; 217
- (D) To cooperate or enter into agreements with any

 occupier of lands within the district in the carrying on of

 natural resource conservation operations and works of

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improvement for flood prevention and the conservation,	221
development, utilization, and management of natural resources	222
within the district, subject to such conditions as the	223
supervisors consider necessary;	224
(E) To accept donations, gifts, grants, and contributions	225
in money, service, materials, or otherwise, and to use or expend	226
them according to their terms;	227
(F) To adopt, amend, and rescind rules to carry into	228
effect the purposes and powers of the district;	229
(G) To sue and plead in the name of the district, and be	230
sued and impleaded in the name of the district, with respect to	231
its contracts and, as indicated in section 940.07 of the Revised	232
Code, certain torts of its officers, employees, or agents acting	233
within the scope of their employment or official	234
responsibilities, or with respect to the enforcement of its	235
obligations and covenants made under this chapter;	236
(H) To make and enter into all contracts, leases, and	237
agreements and execute all instruments necessary or incidental	238
to the performance of the duties and the execution of the powers	239
of the district under this chapter, provided that all of the	240
following apply:	241
(1) Except as provided in section 307.86 of the Revised	242
Code regarding expenditures by boards of county commissioners,	243
when the cost under any such contract, lease, or agreement,	244
other than compensation for personal services or rental of	245
office space, involves an expenditure of more than the amount	246
established in that section regarding expenditures by boards of	247
county commissioners, the supervisors shall make a written	248
contract with the lowest and best bidder after advertisement,	249

for not less than two nor more than four consecutive weeks	250
preceding the day of the opening of bids, in a newspaper of	251
general circulation within the district or as provided in	252
section 7.16 of the Revised Code and in such other publications	253
as the supervisors determine. The notice shall state the general	254
character of the work and materials to be furnished, the place	255
where plans and specifications may be examined, and the time and	256
place of receiving bids.	257
(2) Each bid for a contract shall contain the full name of	258
every person interested in it.	259
(3) Each bid for a contract for the construction,	260
demolition, alteration, repair, or reconstruction of an	261
improvement shall meet the requirements of section 153.54 of the	262
Revised Code.	263
(4) Each bid for a contract, other than a contract for the	264
construction, demolition, alteration, repair, or reconstruction	265
of an improvement, at the discretion of the supervisors, may be	266
accompanied by a bond or certified check on a solvent bank in an	267
amount not to exceed five per cent of the bid, conditioned that,	268
if the bid is accepted, a contract shall be entered into.	269
(5) The supervisors may reject any and all bids.	270
(I) To charge, alter, and collect rentals and other	271
charges for the use or services of any works of the district;	272
(J) To enter, either in person or by designated	273
representatives, upon lands, private or public, in the necessary	274
discharge of their duties;	275
(K) To enter into agreements or contracts with the	276
department of agriculture for the determination, implementation,	277

inspection, and funding of agricultural pollution abatement

measures whereby landowners, operators, managers, and developers	279
may meet adopted state standards for a quality environment,	280
except that failure of a district board of supervisors to	281
negotiate an agreement or contract with the department	282
authorizes the department to implement the required program;	283
(L) To conduct demonstrations and provide information to	284
the public regarding practices and methods for natural resource	285
conservation, development, and utilization;	286
(M) To enter into contracts or agreements with the	287
director of environmental protection in furtherance of actions	288
to abate urban sediment pollution;	289
(N) To develop operation and management plans as	290
necessary;	291
(O) To determine whether operation and management plans	292
developed under division (A) of section 939.03 of the Revised	293
Code comply with the standards established under division (E)(1)	294
of section 939.02 of the Revised Code and to approve or	295
disapprove the plans, based on such compliance. If an operation	296
and management plan is disapproved, the board shall provide a	297
written explanation to the person who submitted the plan. The	298
person may appeal the plan disapproval to the director of	299
agriculture or the director's designee, who shall afford the	300
person a hearing. Following the hearing, the director or the	301
director's designee shall uphold the plan disapproval or reverse	302
it. If the director or the director's designee reverses the plan	303
disapproval, the plan shall be deemed approved under this	304
division. In the event that any person operating or owning	305
agricultural land or an animal feeding operation in accordance	306
with an approved operation and management plan who, in good	307
faith, is following that plan, causes agricultural pollution,	308

the plan shall be revised in a fashion necessary to mitigate the	309
agricultural pollution, as determined and approved by the board	310
of supervisors of the soil and water conservation district.	311
(P) To develop timber harvest plans;	312
(Q) To determine whether timber harvest plans developed	313
under division (A) of section 1503.52 of the Revised Code comply	314
with the standards established under division (A)(1) of section	315
1503.51 of the Revised Code and to approve or disapprove the	316
plans based on such compliance. If a timber harvest plan is	317
disapproved, the board shall provide a written explanation to	318
the person who submitted the plan. The person may appeal the	319
plan disapproval to the chief of the division of forestry or the	320
chief's designee, who shall afford the person a hearing.	321
Following the hearing, the chief or the chief's designee shall	322
uphold the plan disapproval or reverse it. If the chief or the	323
chief's designee reverses the plan disapproval, the plan shall	324
be deemed approved under this division.	325
(R) With regard to composting conducted in conjunction	326
with agricultural operations, to do all of the following:	327
(1) Upon request or upon their own initiative, inspect	328
composting at any such operation to determine whether the	329
composting is being conducted in accordance with section 939.04	330
of the Revised Code;	331
(2) If the board determines that composting is not being	332
so conducted, request the director to take corrective actions	333
under section 939.07 of the Revised Code that require the person	334
who is conducting the composting to prepare a composting plan in	335
accordance with rules adopted under division (E)(5)(a) of	336
section 939.02 of the Revised Code and to operate in accordance	337

adverse environmental effects of each project that a soil and

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area smaller than that of the state.

water conservation district plans to undertake under division	366
(A), (B), (C), or (D) of this section and that will be funded in	367
whole or in part by moneys authorized under section 940.17 of	368
the Revised Code and shall disapprove any such project that the	369
director finds will adversely affect the environment without	370
equal or greater benefit to the public. The director's	371
disapproval or recommendations, upon the request of the district	372
filed in accordance with rules adopted by the Ohio soil and	373
water conservation commission, shall be reviewed by the	374
commission, which may confirm the director's decision, modify	375
it, or add recommendations to or approve a project the director	376
has disapproved.	377
Any instrument by which real property is acquired pursuant	378
to this section shall identify the agency of the state that has	379
the use and benefit of the real property as specified in section	380
5301.012 of the Revised Code.	381
Sec. 940.36. (A) As used in this section:	382
(1) "Nine-element plan" means a strategic implementation	383
plan that a political subdivision, organization, or individual	384
engaged in water quality improvements may utilize to obtain	385
funding through the federal "Clean Water Act," 33 U.S.C. 1251 et	386
seq., or the great lakes restoration initiative for projects to	387
address nonpoint source pollution.	388
(2) "Organization" means a public or private entity that	389
is engaged in water quality improvement activities.	390
(3) "Political subdivision" means a county, township,	391
municipal corporation, or any other body corporate and politic	392
that is responsible for government activities in a geographic	393

(B)(1) There is hereby created a statewide watershed	395
planning and management program for the improvement and	396
protection of the state's watersheds to be administered by the	397
director of agriculture.	398
(2) Under the program, the director shall appoint at least	399
one watershed planning and management coordinator in each	400
watershed region categorized under division (D) of this section	401
to coordinate watershed planning in the watershed. A coordinator	402
shall have experience or education related to water quality	403
improvement or watershed planning and management.	404
(C) A watershed planning and management coordinator shall	405
do all of the following in the watershed region in which the	406
<pre>coordinator is appointed:</pre>	407
(1) Assist each soil and water conservation district to	408
identify sources and areas of water quality impairment,	409
including total phosphorous, dissolved reactive phosphorous, and	410
nitrogen nutrient loading. A coordinator also may assist any	411
political subdivision or organization in the watershed region to	412
address water quality impairment.	413
(2) Engage in watershed planning, restoration, protection,	414
and management activities, including assisting a political	415
subdivision or organization in the watershed region in	416
developing and formulating a nine-element plan or its	417
equivalent;	418
(3) Collaborate with state agencies engaged in water	419
quality activities;	420
(4) Provide an annual report to the director about water	421
quality.	422
(D) The director shall categorize watersheds in the state,	423

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identified by the specified United States geological survey six-	424
digit hydrologic unit codes, into the following watershed	425
regions:	426
(1) Region One: Western Lake Erie basin watershed,	427
hydrologic unit code 041000;	428
(2) Region Two: Central Lake Erie basin watershed,	429
hydrologic unit code 041100, and Conneaut creek watershed,	430
hydrologic unit code 041201;	431
(3) Region Three: Wabash river basin watershed, hydrologic	432
unit code 051200; Great Miami river watershed, hydrologic unit	433
<pre>code 050800; and Little Miami river watershed, hydrologic unit</pre>	434
code 050902;	435
(4) Region Four: Scioto river watershed, hydrologic unit	436
<u>code 050600;</u>	437
(5) Region Five: Muskingum river watershed, hydrologic	438
unit code 050400;	439
(6) Region Six: Mahoning river watershed, hydrologic unit	440
<u>code 050301;</u>	441
(7) Region Seven: Hocking river and Ohio river tributaries	442
watershed, hydrologic unit code 050302, and raccoon creek	443
watershed, hydrologic unit code 050901.	444
(E) Nothing in this section shall be construed to prevent	445
or limit a watershed planning and management coordinator from	446
providing assistance for projects or activities that have been	447
determined to improve water quality impaired from point sources	448
of phosphorus, dissolved reactive phosphorus, and nitrogen	449
nutrients.	450
Sec. 940.37. (A) Data or records of a person's	451

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agricultural operations, conservation or water quality	452
improvement practices, or proposed utilization of such practices	453
collected or maintained by the department of agriculture, a soil	454
or water conservation district, an institution of higher	455
education, as defined in section 3345.12 of the Revised Code, or	456
any other state agency are not a public record subject to	457
disclosure under section 149.43 of the Revised Code.	458
(B) The department may share such data or records with	459
state agencies and institutions of higher education, as defined	460
in section 3345.12 of the Revised Code, for the purpose of water	461
quality research if all of the following apply:	462
(1) The data or records of conservation or water quality	463
improvement practices are aggregated.	464
(2) The aggregated data or records do not include any	465
information that identifies an individual.	466
(3) The aggregated data or records include a description	467
of the conservation or water quality improvement practices.	468
(4) The aggregated data or records identify the watershed,	469
by the watershed's hydrologic unit code, where the conservation	470
or water quality improvement practices are being or have been	471
utilized.	472
Sec. 940.38. It is the intent of the general assembly to	473
collaborate with organizations representing agriculture,	474
conservation, and the environment and institutions of higher	475
education engaged in water quality research to establish a	476
certification program for farmers that utilize practices	477
designed to minimize impacts to water quality. The director of	478
agriculture shall undertake all actions necessary to ensure that	479
assistance and available funding are provided for farmers who	480

participate in the certification program.	481
Sec. 5713.30. As used in sections 5713.31 to 5713.37 and	482
5715.01 of the Revised Code:	483
(A) "Land devoted exclusively to agricultural use" means:	484
(1) Tracts, lots, or parcels of land totaling not less	485
than ten acres to which, during the three calendar years prior	486
to the year in which application is filed under section 5713.31	487
of the Revised Code, and through the last day of May of such	488
year, one or more of the following apply:	489
(a) The tracts, lots, or parcels of land were devoted	490
exclusively to commercial animal or poultry husbandry,	491
aquaculture, algaculture meaning the farming of algae,	492
apiculture, the cultivation of hemp by a person issued a hemp	493
cultivation license under section 928.02 of the Revised Code,	494
the production for a commercial purpose of timber, field crops,	495
tobacco, fruits, vegetables, nursery stock, ornamental trees,	496
sod, or flowers, or the growth of timber for a noncommercial	497
purpose, if the land on which the timber is grown is contiguous	498
to or part of a parcel of land under common ownership that is	499
otherwise devoted exclusively to agricultural use.	500
(b) The tracts, lots, or parcels of land were devoted	501
exclusively to biodiesel production, biomass energy production,	502
electric or heat energy production, or biologically derived	503
methane gas production if the land on which the production	504
facility is located is contiguous to or part of a parcel of land	505
under common ownership or leasehold that is otherwise devoted	506
exclusively to agricultural use, provided that <a>(i) at least	507
fifty per cent of the feedstock used in the production is	508
agricultural feedstock, (ii) at least twenty per cent of the	509

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<u>agricultural</u> feedstock used in the production was <u>is</u> derived	510
from parcels of land under common ownership or leasehold, and	511
(iii) none of the feedstock used in the production consists of	512
<pre>human waste. As used in this division, "agricultural feedstock"</pre>	513
means manure and food waste, and "human waste" includes sludge	514
as defined in section 6111.01 of the Revised Code.	515
(c) The tracts, lots, or parcels of land were devoted to	516
and qualified for payments or other compensation under a land	517
retirement or conservation program under an agreement with an	518
agency of the federal government.	519
(2) Tracts, lots, or parcels of land totaling less than	520
ten acres that, during the three calendar years prior to the	521
year in which application is filed under section 5713.31 of the	522
Revised Code and through the last day of May of such year, were	523
devoted exclusively to commercial animal or poultry husbandry,	524
aquaculture, algaculture meaning the farming of algae,	525
apiculture, the cultivation of hemp by a person issued a hemp	526
cultivation license under section 928.02 of the Revised Code,	527
the production for a commercial purpose of field crops, tobacco,	528
fruits, vegetables, timber, nursery stock, ornamental trees,	529
sod, or flowers where such activities produced an average yearly	530
gross income of at least twenty-five hundred dollars during such	531
three-year period or where there is evidence of an anticipated	532
gross income of such amount from such activities during the tax	533
year in which application is made, or were devoted to and	534

(3) Tracts, lots, or parcels of land, or portions thereof 538 that, during the previous three consecutive calendar years have 539

qualified for payments or other compensation under a land

agency of the federal government;

retirement or conservation program under an agreement with an

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peen designated as land devoted exclusively to agricultural use,	540
out such land has been lying idle or fallow for up to one year	541
and no action has occurred to such land that is either	542
inconsistent with the return of it to agricultural production or	543
converts the land devoted exclusively to agricultural use as	544
defined in this section. Such land shall remain designated as	545
land devoted exclusively to agricultural use provided that	546
beyond one year, but less than three years, the landowner proves	547
good cause as determined by the board of revision.	548

(4) Tracts, lots, or parcels of land, or portions thereof that, during the previous three consecutive calendar years have been designated as land devoted exclusively to agricultural use, but such land has been lying idle or fallow because of dredged material being stored or deposited on such land pursuant to a contract between the land's owner and the department of natural resources or the United States army corps of engineers and no action has occurred to the land that is either inconsistent with the return of it to agricultural production or converts the land devoted exclusively to agricultural use. Such land shall remain designated as land devoted exclusively to agricultural use until the last year in which dredged material is stored or deposited on the land pursuant to such a contract, but not to exceed five years.

"Land devoted exclusively to agricultural use" includes tracts, lots, or parcels of land or portions thereof that are used for conservation practices, provided that the tracts, lots, or parcels of land or portions thereof comprise twenty-five per cent or less of the total of the tracts, lots, or parcels of land that satisfy the criteria established in division (A)(1), (2), (3), or (4) of this section together with the tracts, lots, or parcels of land or portions thereof that are used for

conservation practices.	571
Notwithstanding any other provision of law to the	572
contrary, the existence of agritourism on a tract, lot, or	573
parcel of land that otherwise meets the definition of "land	574
devoted exclusively to agricultural use" as defined in this	575
division does not disqualify that tract, lot, or parcel from	576
valuation under sections 5713.30 to 5713.37 and 5715.01 of the	577
Revised Code.	578
A tract, lot, or parcel of land taxed under sections	579
5713.22 to 5713.26 of the Revised Code is not land devoted	580
exclusively to agricultural use.	581
A tract, lot, parcel, or portion thereof on which medical	582
marijuana, as defined by section 3796.01 of the Revised Code, is	583
cultivated or processed is not land devoted exclusively to	584
agricultural use.	585
(B) "Conversion of land devoted exclusively to	586
agricultural use" means any of the following:	587
(1) The failure of the owner of land devoted exclusively	588
to agricultural use during the next preceding calendar year to	589
file a renewal application under section 5713.31 of the Revised	590
Code without good cause as determined by the board of revision;	591
(2) The failure of the new owner of such land to file an	592
initial application under that section without good cause as	593
determined by the board of revision;	594
(3) The failure of such land or portion thereof to qualify	595
as land devoted exclusively to agricultural use for the current	596
calendar year as requested by an application filed under such	597
section;	598

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(4) The failure of the owner of the land described in 599 division (A)(3) or (4) of this section to act on such land in a 600 manner that is consistent with the return of the land to 601 agricultural production after three years.

The construction or installation of an energy facility, as defined in section 5727.01 of the Revised Code, on a portion of a tract, lot, or parcel of land devoted exclusively to agricultural use shall not cause the remaining portion of the tract, lot, or parcel to be regarded as a conversion of land devoted exclusively to agricultural use if the remaining portion of the tract, lot, or parcel continues to be devoted exclusively to agricultural use.

- (C) "Tax savings" means the difference between the dollar

 amount of real property taxes levied in any year on land valued

 and assessed in accordance with its current agricultural use

 for value and the dollar amount of real property taxes that would

 have been levied upon such land if it had been valued and

 assessed for such year in accordance with Section 2 of Article

 XII, Ohio Constitution.

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- (D) "Owner" includes, but is not limited to, any person

 owning a fee simple, fee tail, or life estate or a buyer on a

 land installment contract.

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- (E) "Conservation practices" are practices used to abate 621 soil erosion as required in the management of the farming 622 operation, and include, but are not limited to, the 623 installation, construction, development, planting, or use of 624 grass waterways, terraces, diversions, filter strips, field 625 borders, windbreaks, riparian buffers, wetlands, ponds, and 626 cover crops for that purpose. 627

(F) "Wetlands" has the same meaning as in section 6111.02	628
of the Revised Code.	629
(G) "Biodiesel" means a mono-alkyl ester combustible	630
liquid fuel that is derived from vegetable oils or animal fats	631
or any combination of those reagents and that meets the American	632
society for testing and materials specification D6751-03a for	633
biodiesel fuel (B100) blend stock distillate fuels.	634
(H) "Biologically derived methane gas" means gas from the	635
anaerobic digestion of organic materials, including animal waste	636
and agricultural crops and residues.	637
(I) "Biomass energy" means energy that is produced from	638
organic material derived from plants or animals and available on	639
a renewable basis, including, but not limited to, agricultural	640
crops, tree crops, crop by-products, and residues.	641
(J) "Electric or heat energy" means electric or heat	642
energy generated from manure, cornstalks, soybean waste, or	643
other agricultural feedstocks.	644
(K) "Dredged material" means material that is excavated or	645
dredged from waters of this state. "Dredged material" does not	646
include material resulting from normal farming, silviculture,	647
and ranching activities, such as plowing, cultivating, seeding,	648
and harvesting, for production of food, fiber, and forest	649
products.	650
(L) "Agritourism" has the same meaning as in section	651
901.80 of the Revised Code.	652
Sec. 6119.06. Upon the declaration of the court of common	653
pleas organizing the regional water and sewer district pursuant	654
to section 6119.04 of the Revised Code and upon the qualifying	655
of its board of trustees and the election of a president and a	656

secretary, said district shall exercise in its own name all the	657
rights, powers, and duties vested in it by Chapter 6119. of the	658
Revised Code, and, subject to such reservations, limitations and	659
qualifications as are set forth in this chapter, such district	660
may:	661
(A) Adopt bylaws for the regulation of its affairs, the	662
conduct of its business, and notice of its actions;	663
(B) Adopt an official seal;	664
(C) Maintain a principal office and suboffices at such	665
places within the district as it designates;	666
(D) Sue and plead in its own name; be sued and impleaded	667
in its own name with respect to its contracts or torts of its	668
members, employees, or agents acting within the scope of their	669
employment, or to enforce its obligations and covenants made	670
under sections 6119.09, 6119.12, and 6119.14 of the Revised	671
Code. Any such actions against the district shall be brought in	672
the court of common pleas of the county in which the principal	673
office of the district is located, or in the court of common	674
pleas of the county in which the cause of action arose, and all	675
summonses, exceptions, and notices of every kind shall be served	676
on the district by leaving a copy thereof at the principal	677
office with the person in charge thereof or with the secretary	678
of the district.	679
(E) Assume any liability or obligation of any person or	680
political subdivision, including a right on the part of such	681
district to indemnify and save harmless the other contracting	682
party from any loss, cost, or liability by reason of the	683
failure, refusal, neglect, or omission of such district to	684
perform any agreement assumed by it or to act or discharge any	685

such obligation;	686
(F) Make loans and grants to any person or political	687
subdivisions for the $\underline{\text{design,}}$ acquisition, or construction of	688
water resource projects by such person or political subdivisions	689
and adopt rules, regulations, and procedures for making such	690
loans and grants;	691
(G) Acquire, construct, reconstruct, enlarge, improve,	692
furnish, equip, maintain, repair, operate, lease or rent to or	693
from, or contract for operation by or for, a political	694
subdivision or person, water resource projects within or without	695
the district;	696
(H) Make available the use or service of any water	697
resource project to one or more persons, one or more political	698
subdivisions, or any combination thereof;	699
(I) Levy and collect taxes and special assessments;	700
(J) Issue bonds and notes and refunding bonds and notes as	701
provided in Chapter 6119. of the Revised Code;	702
(K) Acquire by gift or purchase, hold, and dispose of real	703
and personal property in the exercise of its powers and the	704
performance of its duties under Chapter 6119. of the Revised	705
Code;	706
(L) Dispose of, by public or private sale, or lease any	707
real or personal property determined by the board of trustees to	708
be no longer necessary or needed for the operation or purposes	709
of the district;	710
(M) Acquire, in the name of the district, by purchase or	711
otherwise, on such terms and in such manner as it considers	712
proper, or by the exercise of the right of condemnation in the	713

by-products or waste;

manner provided by section 6119.11 of the Revised Code, such	714
public or private lands, including public parks, playgrounds, or	715
reservations, or parts thereof or rights therein, rights-of-way,	716
property, rights, easements, and interests as it considers	717
necessary for carrying out Chapter 6119. of the Revised Code,	718
but excluding the acquisition by the exercise of the right of	719
condemnation of any waste water facility or water management	720
facility owned by any person or political subdivision, and	721
compensation shall be paid for public or private lands so taken;	722
(N) Adopt rules and regulations to protect augmented flow	723
by the district in waters of the state, to the extent augmented	724
by a water resource project, from depletion so it will be	725
available for beneficial use, to provide standards for the	726
withdrawal from waters of the state of the augmented flow	727
created by a water resource project which is not returned to the	728
waters of the state so augmented, and to establish reasonable	729
charges therefor, if considered necessary by the district;	730
(O) Make and enter into all contracts and agreements and	731
execute all instruments necessary or incidental to the	732
performance of its duties and the execution of its powers under	733
Chapter 6119. of the Revised Code;	734
(P) Enter into contracts with any person or any political	735
subdivision to render services to such contracting party for any	736
service the district is authorized to provide;	737
(Q) Enter into agreements for grants or the receipt and	738
repayment of loans from a board of township trustees under	739
section 505.705 of the Revised Code;	740
(R) Make provision for, contract for, or sell any of its	741

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- (S) Exercise the power of eminent domain in the manner 743 provided in Chapter 6119. of the Revised Code; 744
- (T) Remove or change the location of any fence, building, 745 railroad, canal, or other structure or improvement located in or 746 out of the district, and in case it is not feasible or 747 economical to move any such building, structure, or improvement 748 situated in or upon lands required, and if the cost is 749 determined by the board to be less than that of purchase or 750 condemnation, to acquire land and construct, acquire, or install 751 752 therein or thereon buildings, structures, or improvements 753 similar in purpose, to be exchanged for such buildings, structures, or improvements under contracts entered into between 754 the owner thereof and the district; 755
- (U) Receive and accept, from any federal or state agency,

 grants for or in aid of the construction of any water resource

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 project, and receive and accept aid or contributions from any

 source of money, property, labor, or other things of value, to

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 be held, used, and applied only for the purposes for which such

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 grants and contributions are made;

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- (V) Purchase fire and extended coverage and liability insurance for any water resource project and for the principal office and suboffices of the district, insurance protecting the district and its officers and employees against liability for damage to property or injury to or death of persons arising from its operations, and any other insurance the district may agree to provide under any resolution authorizing its water resource revenue bonds or in any trust agreement securing the same;
- (W) (1) Charge, alter, and collect rentals and other 770
 charges for the use of services of any water resource project as 771
 provided in section 6119.09 of the Revised Code. Such district 772

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may refuse the services of any of its projects if any of such	773
rentals or other charges, including penalties for late payment,	774
are not paid by the user thereof, and, if such rentals or other	775
charges are not paid when due and upon certification of	776
nonpayment to the county auditor, such rentals or other charges	777
constitute a lien upon the property so served, shall be placed	778
by the auditor upon the real property tax list and duplicate,	779
and shall be collected in the same manner as other taxes.	780

- (2) A district shall not certify to the county auditor for placement upon the tax list and duplicate and the county auditor shall not place upon the tax list or duplicate as a charge against the property the amount of unpaid rentals or other charges including any penalties for late payment as described in division (W)(1) of this section if any of the following apply:
- (a) The property served has been transferred or sold to an electing subdivision as defined in section 5722.01 of the Revised Code, regardless of whether the electing subdivision is still the owner of the property, and the unpaid rentals or other charges including penalties for late payment have arisen from a period of time prior to the transfer or confirmation of sale to the electing subdivision.
- (b) The property served has been sold to a purchaser at sheriff's sale or auditor's sale, the unpaid rentals or other charges including penalties for late payment have arisen from a period of time prior to the confirmation of sale, and the purchaser is not the owner of record of the property immediately prior to the judgment of foreclosure nor any of the following:
 - (i) A member of that owner's immediate family;
 - (ii) A person with a power of attorney appointed by that

owner who subsequently transfers the property to the owner;	802
(iii) A sole proprietorship owned by that owner or a	803
member of that owner's immediate family;	804
(iv) A partnership, trust, business trust, corporation, or	805
association of which the owner or a member of the owner's	806
immediate family owns or controls directly or indirectly more	807
than fifty per cent.	808
(c) The property served has been forfeited to this state	809
for delinquent taxes, unless the owner of record redeems the	810
property.	811
(3) Upon valid written notice to the county auditor by any	812
owner possessing an ownership interest of record of the property	813
or an electing subdivision previously in the chain of title to	814
the property that the unpaid water rents or charges together	815
with any penalties have been certified for placement or placed	816
upon the tax list and duplicate as a charge against the property	817
in violation of division (W)(2) of this section, the county	818
auditor shall promptly remove such charge from the tax	819
duplicate. This written notice to the county auditor shall	820
include all of the following:	821
(a) The parcel number of the property;	822
(b) The common address of the property;	823
(c) The date of the recording of the transfer of the	824
property to the owner or electing subdivision;	825
(d) The charge allegedly placed in violation of division	826
(W)(2) of this section.	827
(4) When title to property is transferred to a county land	828
reutilization corporation, any lien placed on the property under	829

this division shall be extinguished, and the corporation shall	830
not be held liable for any rentals or charges certified under	831
this division with respect to the property, if the rentals or	832
charges were incurred before the date of the transfer to the	833
corporation and if the corporation did not incur the rentals or	834
charges, regardless of whether the rentals or charges were	835
certified, or the lien was attached, before the date of	836
transfer. In such a case, the corporation and its successors in	837
title shall take title to the property free and clear of any	838
such lien and shall be immune from liability in any collection	839
action brought with respect to such rentals or charges. If a	840
lien placed on property is extinguished as provided in this	841
division, the district shall retain the ability to recoup the	842
rents and charges incurred with respect to the property from any	843
owner, tenant, or other person liable to pay such rents and	844
charges before the property was transferred to the corporation.	845

- (X) Provide coverage for its employees under Chapters 846 145., 4123., and 4141. of the Revised Code; 847
- (Y) Merge or combine with any other regional water and 848 sewer district into a single district, which shall be one of the 849 constituent districts, on terms so that the surviving district 850 shall be possessed of all rights, capacity, privileges, powers, 851 franchises, and authority of the constituent districts and shall 852 be subject to all the liabilities, obligations, and duties of 853 each of the constituent districts and all rights of creditors of 854 such constituent districts shall be preserved unimpaired, 855 limited in lien to the property affected by such liens 856 immediately prior to the time of the merger and all debts, 857 liabilities, and duties of the respective constituent districts 858 shall thereafter attach to the surviving district and may be 859 enforced against it, and such other terms as are agreed upon, 860

provided two-thirds of the members of each of the boards consent	861
to such merger or combination. Such merger or combination shall	862
become legally effective unless, prior to the ninetieth day	863
following the later of the consents, qualified electors residing	864
in either district equal in number to a majority of the	865
qualified electors voting at the last general election in such	866
district file with the secretary of the board of trustees of	867
their regional water and sewer district a petition of	868
remonstrance against such merger or combination. The secretary	869
shall cause the board of elections of the proper county or	870
counties to check the sufficiency of the signatures on such	871
petition.	872

- (Z) Exercise the powers of the district without obtaining the consent of any other political subdivision, provided that all public or private property damaged or destroyed in carrying out the powers of the district shall be restored or repaired and placed in its original condition as nearly as practicable or adequate compensation made therefor by the district;
- (AA) Require the owner of any premises located within the district to connect the owner's premises to a water resource project determined to be accessible to such premises and found to require such connection so as to prevent or abate pollution or protect the health and property of persons in the district. Such connection shall be made in accordance with procedures established by the board of trustees of such district and pursuant to such orders as the board may find necessary to ensure and enforce compliance with such procedures.
- (BB) Do all acts necessary or proper to carry out the powers granted in Chapter 6119. of the Revised Code.
 - Sec. 6119.09. A regional water and sewer district may

charge, alter, and collect rentals or other charges, including	891
penalties for late payment, for the use or services of any water	892
resource project or any benefit conferred thereby and contract	893
in the manner provided by this section with one or more persons,	894
one or more political subdivisions, or any combination thereof,	895
desiring the use or services thereof, and fix the terms,	896
conditions, rentals, or other charges, including penalties for	897
late payment, for such use or services. Such rentals or other	898
charges shall not be subject to supervision or regulation by any	899
authority, commission, board, bureau, or agency of the state or	900
any political subdivision, and such contract may provide for	901
acquisition by such political subdivision of all or any part of	902
such water resource project for such consideration payable over	903
the period of the contract or otherwise as the district in its	904
sole discretion determines to be appropriate, but subject to the	905
provisions of any resolution authorizing the issuance of water	906
resource revenue bonds or notes or water resource revenue	907
refunding bonds of the district or any trust agreement securing	908
the same. Any political subdivision, which has power to	909
construct, operate, and maintain waste water facilities or water	910
management facilities may enter into a contract or lease with	911
the district whereby the use or services of any water resource	912
project of the district will be made available to such political	913
subdivision and pay for such use or services such rentals or	914
other charges as may be agreed to by the district and such	915
political subdivision.	916

Any political subdivision, person, or combination thereof 917
may cooperate with the district in the acquisition or 918
construction of a water resource project and shall enter into 919
such agreements with the district as are necessary, with a view 920
to effective cooperative action and safeguarding of the 921

respective interests of the parties thereto, which agreements	922
shall provide for such contributions by the parties thereto in	923
such proportion as may be agreed upon and such other terms as	924
may be mutually satisfactory to the parties, including without	925
limitation the authorization of the construction of the project	926
by one of the parties acting as agent for all of the parties and	927
the ownership and control of the project by the district or one	928
or more of the other parties or any combination thereof to the	929
extent determined necessary or appropriate. Any political	930
subdivision may provide the funds for the payment of such	931
contribution as is required under such agreements by the levy of	932
taxes, assessments, or rentals and other charges for the use of	933
the system of which the water resource project is a part or to	934
which it is connected, if otherwise authorized by the laws	935
governing such political subdivision in the construction of the	936
type of water resource project provided for in the agreements,	937
and may pay the proceeds from the collection of such taxes,	938
assessments, rentals, or other charges to the district pursuant	939
to such agreements; or the political subdivision may issue bonds	940
or notes, if authorized by such laws, in anticipation of the	941
collection of such taxes, assessments, rentals or other charges	942
and may pay the proceeds of such bonds or notes to the district	943
pursuant to such agreements. In addition, any political	944
subdivision may provide the funds for the payment of such	945
contribution by the appropriation of money or, if otherwise	946
authorized by law, by the issuance of bonds or notes and may pay	947
such appropriated money or the proceeds of such bonds or notes	948
to the district pursuant to such agreements. The agreement by	949
the political subdivision to provide such contribution, whether	950
from appropriated money or from the proceeds of such taxes,	951
assessments, rentals, or other charges, or such bonds or notes,	952
or any combination thereof, is not subject to Chapter 133. of	953

the Revised Code. The proceeds from the collection of such taxes	954
or assessments, and any interest earned thereon, shall be paid	955
into a special fund immediately upon the collection thereof by	956
the political subdivision for the purpose of providing such	957
contribution at the times required under such agreements.	958

When the contribution of any political subdivision is to 959 be made over a period of time from the proceeds of the 960 961 collection of special assessments, the interest accrued and to accrue before the first installment of such assessments is 962 963 collected, which is payable by such political subdivision on such contribution under the terms of such an agreement, shall be 964 treated as part of the cost of the improvement for which such 965 assessments are levied, and that portion of such assessments as 966 is collected in installments shall bear interest at the same 967 rate as such political subdivision is obligated to pay on such 968 contribution under the terms and provisions of such agreement 969 and for the same period of time as the contribution is to be 970 made under such agreement. If the assessment or any installment 971 thereof is not paid when due, it shall bear interest until the 972 payment thereof at the same rate as such contribution and the 973 county auditor shall annually place on the tax list and 974 duplicate the interest applicable to such assessment and the 975 penalty and any additional interest thereon as otherwise 976 authorized by law. 977

Any political subdivision, pursuant to a favorable vote of
the electors in an election held before or after November 19,
1971, for the purpose of issuing bonds to provide funds to
acquire, construct, or equip, or provide real estate and
interests in real estate for, a waste water facility or a water
management facility, whether or not the political subdivision,

at the time of such election, had the authority to pay the

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proceeds from such bonds or notes issued in anticipation thereof	985
to a regional water and sewer district as provided in this	986
section, may issue such bonds or notes in anticipation of the	987
issuance thereof and pay the proceeds thereof to the district in	988
accordance with its agreement with the district; provided, that	989
the legislative authority of the political subdivision	990
determines that the water resource project to be acquired or	991
constructed by the district in cooperation with such political	992
subdivision will serve the same public purpose and meet	993
substantially the same public need as the facility otherwise	994
proposed to be acquired or constructed by the political	995
subdivision with the proceeds of such bonds or notes.	996
Sec. 6119.091. When fixing rentals or other charges under	997
section 6119.09 of the Revised Code, a board of trustees of a	998

998 section 6119.09 of the Revised Code, a board of trustees of a regional water and sewer district may establish discounted 999 rentals or charges or may establish another mechanism for 1000 providing a reduction in rentals or charges—for persons who are— 1001 sixty-five years of age or older. The If the board does so, the 1002 board shall establish eligibility requirements for such 1003 discounted or reduced rentals or charges, including a 1004 requirement that a person be eligible for the homestead 1005 exemption or qualify as a low- and moderate-income person. 1006

 Section 2. That existing sections 905.324, 939.02, 940.06,
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 5713.30, 6119.06, 6119.09, and 6119.091 of the Revised Code are
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 hereby repealed.
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Section 3. The Department of Agriculture, in consultation 1010 with the Lake Erie Commission, the Ohio Soil and Water 1011 Conservation Commission, and the Ohio State University 1012 Extension, may establish a pilot program not later than one 1013 hundred twenty days after the effective date of this section 1014

effective date of that amendment.

that assists farmers, agricultural retailers, and soil and water	1015
conservation districts in reducing phosphorus and dissolved	1016
reactive phosphorous in a watershed determined by the Director	1017
of Agriculture. If established, the program shall be supported	1018
by appropriations under the Department of Agriculture's budget	1019
that fund water quality initiatives.	1020
Funding under the program shall be used to pay for, but is	1021
not limited to, the following: (1) equipment for subsurface	1022
placement of nutrients into the soil; (2) equipment for nutrient	1023
placement based on geographic information system data; (3) soil	1024
testing; (4) implementation of variable rate technology; (5)	1025
equipment involved with manure transformation and manure	1026
conversion technologies; (6) tributary monitoring; (7) water	1027
management and edge-of-field drainage management strategies; and	1028
(8) implementation of nutrient best management practices	1029
according to data collected by soil and water conservation	1030
districts under division (C)(2) of section 940.36 of the Revised	1031
Code.	1032
Data and any associated records under this pilot program	1033
are not a public record subject to disclosure under section	1034
149.43 of the Revised Code.	1035
Section 4. The amendment by this act of section 5713.30 of	1036
the Revised Code applies to tax years beginning on and after the	1037