

**As Reported by the House Finance and Appropriations  
Committee\***

**124th General Assembly  
Regular Session  
2001-2002**

**H. B. No. 675**

**REPRESENTATIVES Calvert, Hoops, DeWine, Gilb, Faber, Schmidt, Hughes,  
Clancy, Raga, Webster, Peterson, Husted, Hartnett, Kearns, R. Miller**

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**A B I L L**

To amend sections 102.02, 109.71, 109.77, 122.171,	1
123.024, 123.10, 124.381, 124.82, 133.20, 145.01,	2
145.012, 145.33, 151.01, 151.40, 152.09, 152.10,	3
166.01, 166.02, 166.03, 166.04, 166.05, 166.06,	4
166.07, 166.08, 166.11, 183.021, 183.19, 183.30,	5
307.23, 715.02, 1561.351, 1565.04, 1565.15,	6
1711.11, 1711.53, 2113.031, 2901.01, 2921.51,	7
2935.01, 2935.03, 2935.031, 3318.01, 3318.011,	8
3318.03, 3318.031, 3318.032, 3318.033, 3318.042,	9
3318.08, 3318.084, 3318.086, 3318.10, 3318.12,	10
3318.15, 3318.19, 3318.25, 3318.26, 3318.311,	11
3318.36, 3354.16, 3355.12, 3357.16, 3383.01,	12
3383.02, 3383.03, 3519.04, 3702.5210, 3702.5211,	13
3702.5213, 3721.01, 3737.71, 4117.01, 4117.14,	14
4123.01, 4123.35, 4582.03, 4582.20, 4582.27,	15
4582.30, 4582.46, 5709.61, 5715.20, 5717.01,	16
5731.21, 5733.021, 5733.26, 5733.40, 5733.401,	17
5739.031, 5747.01, 5747.02, 5902.02, 5902.05,	18
5907.01, 5907.02, 5907.021, 5907.022, 5907.03,	19
5907.04, 5907.05, 5907.06, 5907.07, 5907.08,	20
5907.09, 5907.10, 5907.11, 5907.12, 5907.13,	21
5907.131, 5907.14, 5907.141, 5907.15, 6103.02, and	22
6103.25; to enact new section 5747.231 and sections	23

## As Reported by the House Finance and Appropriations Committee\*

152.101, 166.12, 166.13, 166.14, 166.15, 166.16, 24  
 184.01, 184.02, 184.03, 307.675, 718.151, 3318.40, 25  
 3318.41, 3318.42, 3318.43, 3318.44, 3318.45, 26  
 3318.46, 3385.01, 3385.02, 3385.03, 3385.04, 27  
 3385.05, 3385.06, 3385.07, 3385.08, 3385.09, 28  
 3385.10, 5747.011, 5747.012, and 5907.023; to 29  
 repeal sections 183.20, 183.21, 183.22, 183.23, 30  
 183.24, 183.25, and 5747.231 of the Revised Code; 31  
 and to amend Section 9 of Am. Sub. S.B. 242 of the 32  
 124th General Assembly to repeal Section 25 of Am. 33  
 Sub. S.B. 261 of the 124th General Assembly to make 34  
 capital appropriations, to modify other 35  
 appropriations for the biennium ending June 30, 36  
 2004, and to provide authorization and conditions 37  
 for the operation of state programs; to amend the 38  
 version of section 2935.03 of the Revised Code that 39  
 is scheduled to take effect January 1, 2004, to 40  
 continue the provisions of this act on and after 41  
 that effective date; to amend the versions of 42  
 sections 5739.026 and 5739.033 of the Revised Code 43  
 that are scheduled to take effect July 1, 2003, to 44  
 continue the provisions of this act on and after 45  
 that effective date; and to repeal Section 32.01 of 46  
 this act on July 1, 2003. 47

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

**Section 1.01.** That sections 102.02, 109.71, 109.77, 122.171, 48  
 123.024, 123.10, 124.381, 124.82, 133.20, 145.01, 145.012, 145.33, 49  
 151.01, 151.40, 152.09, 152.10, 166.01, 166.02, 166.03, 166.04, 50  
 166.05, 166.06, 166.07, 166.08, 166.11, 183.021, 183.19, 183.30, 51  
 307.23, 715.02, 1561.351, 1565.04, 1565.15, 1711.11, 1711.53, 52  
 2113.031, 2901.01, 2921.51, 2935.01, 2935.03, 2935.031, 3318.01, 53

## As Reported by the House Finance and Appropriations Committee\*

3318.011, 3318.03, 3318.031, 3318.032, 3318.033, 3318.042, 54  
 3318.08, 3318.084, 3318.086, 3318.10, 3318.12, 3318.15, 3318.19, 55  
 3318.25, 3318.26, 3318.311, 3318.36, 3354.16, 3355.12, 3357.16, 56  
 3383.01, 3383.02, 3383.03, 3519.04, 3702.5210, 3702.5211, 57  
 3702.5213, 3721.01, 3737.71, 4117.01, 4117.14, 4123.01, 4123.35, 58  
 4582.03, 4582.20, 4582.27, 4582.30, 4582.46, 5709.61, 5715.20, 59  
 5717.01, 5731.21, 5733.021, 5733.26, 5733.40, 5733.401, 5739.031, 60  
 5747.01, 5747.02, 5902.02, 5902.05, 5907.01, 5907.02, 5907.021, 61  
 5907.022, 5907.03, 5907.04, 5907.05, 5907.06, 5907.07, 5907.08, 62  
 5907.09, 5907.10, 5907.11, 5907.12, 5907.13, 5907.131, 5907.14, 63  
 5907.141, 5907.15, 6103.02, and 6103.25 be amended and new section 64  
 5747.231 and sections 152.101, 166.12, 166.13, 166.14, 166.15, 65  
 166.16, 184.01, 184.02, 184.03, 307.675, 718.151, 3318.40, 66  
 3318.41, 3318.42, 3318.43, 3318.44, 3318.45, 3318.46, 3385.01, 67  
 3385.02, 3385.03, 3385.04, 3385.05, 3385.06, 3385.07, 3385.08, 68  
 3385.09, 3385.10, 5747.011, 5747.012, and 5907.023 of the Revised 69  
 Code be enacted to read as follows: 70

**Sec. 102.02.** (A) Except as otherwise provided in division (H) 71  
 of this section, every person who is elected to or is a candidate 72  
 for a state, county, or city office, or the office of member of 73  
 the United States congress, and every person who is appointed to 74  
 fill a vacancy for an unexpired term in such an elective office; 75  
 all members of the state board of education; the director, 76  
 assistant directors, deputy directors, division chiefs, or persons 77  
 of equivalent rank of any administrative department of the state; 78  
 the president or other chief administrative officer of every state 79  
 institution of higher education as defined in section 3345.011 of 80  
 the Revised Code; the chief executive officer of each state 81  
 retirement system; all members of the board of commissioners on 82  
 grievances and discipline of the supreme court and the ethics 83  
 commission created under section 102.05 of the Revised Code; every 84  
 business manager, treasurer, or superintendent of a city, local, 85

## As Reported by the House Finance and Appropriations Committee\*

exempted village, joint vocational, or cooperative education 86  
 school district or an educational service center; every person who 87  
 is elected to or is a candidate for the office of member of a 88  
 board of education of a city, local, exempted village, joint 89  
 vocational, or cooperative education school district or of a 90  
 governing board of an educational service center that has a total 91  
 student count of twelve thousand or more as most recently 92  
 determined by the department of education pursuant to section 93  
 3317.03 of the Revised Code; every person who is appointed to the 94  
 board of education of a municipal school district pursuant to 95  
 division (B) or (F) of section 3311.71 of the Revised Code; all 96  
 members of the board of directors of a sanitary district 97  
 established under Chapter 6115. of the Revised Code and organized 98  
 wholly for the purpose of providing a water supply for domestic, 99  
 municipal, and public use that includes two municipal corporations 100  
 in two counties; every public official or employee who is paid a 101  
 salary or wage in accordance with schedule C of section 124.15 or 102  
 schedule E-2 of section 124.152 of the Revised Code; members of 103  
 the board of trustees and the executive director of the tobacco 104  
 use prevention and control foundation; members of the board of 105  
 trustees and the executive director of the southern Ohio 106  
 agricultural and community development foundation; ~~members and the~~ 107  
~~executive director of the biomedical research and technology~~ 108  
~~transfer commission;~~ and every other public official or employee 109  
 who is designated by the appropriate ethics commission pursuant to 110  
 division (B) of this section shall file with the appropriate 111  
 ethics commission on a form prescribed by the commission, a 112  
 statement disclosing all of the following: 113

(1) The name of the person filing the statement and each 114  
 member of the person's immediate family and all names under which 115  
 the person or members of the person's immediate family do 116  
 business; 117

## As Reported by the House Finance and Appropriations Committee\*

(2)(a) Subject to divisions (A)(2)(b) and (c) of this section 118  
and except as otherwise provided in section 102.022 of the Revised 119  
Code, identification of every source of income, other than income 120  
from a legislative agent identified in division (A)(2)(b) of this 121  
section, received during the preceding calendar year, in the 122  
person's own name or by any other person for the person's use or 123  
benefit, by the person filing the statement, and a brief 124  
description of the nature of the services for which the income was 125  
received. If the person filing the statement is a member of the 126  
general assembly, the statement shall identify the amount of every 127  
source of income received in accordance with the following ranges 128  
of amounts: zero or more, but less than one thousand dollars; one 129  
thousand dollars or more, but less than ten thousand dollars; ten 130  
thousand dollars or more, but less than twenty-five thousand 131  
dollars; twenty-five thousand dollars or more, but less than fifty 132  
thousand dollars; fifty thousand dollars or more, but less than 133  
one hundred thousand dollars; and one hundred thousand dollars or 134  
more. Division (A)(2)(a) of this section shall not be construed to 135  
require a person filing the statement who derives income from a 136  
business or profession to disclose the individual items of income 137  
that constitute the gross income of that business or profession, 138  
except for those individual items of income that are attributable 139  
to the person's or, if the income is shared with the person, the 140  
partner's, solicitation of services or goods or performance, 141  
arrangement, or facilitation of services or provision of goods on 142  
behalf of the business or profession of clients, including 143  
corporate clients, who are legislative agents as defined in 144  
section 101.70 of the Revised Code. A person who files the 145  
statement under this section shall disclose the identity of and 146  
the amount of income received from a person who the public 147  
official or employee knows or has reason to know is doing or 148  
seeking to do business of any kind with the public official's or 149  
employee's agency. 150

## As Reported by the House Finance and Appropriations Committee\*

(b) If the person filing the statement is a member of the general assembly, the statement shall identify every source of income and the amount of that income that was received from a legislative agent, as defined in section 101.70 of the Revised Code, during the preceding calendar year, in the person's own name or by any other person for the person's use or benefit, by the person filing the statement, and a brief description of the nature of the services for which the income was received. Division (A)(2)(b) of this section requires the disclosure of clients of attorneys or persons licensed under section 4732.12 of the Revised Code, or patients of persons certified under section 4731.14 of the Revised Code, if those clients or patients are legislative agents. Division (A)(2)(b) of this section requires a person filing the statement who derives income from a business or profession to disclose those individual items of income that constitute the gross income of that business or profession that are received from legislative agents.

(c) Except as otherwise provided in division (A)(2)(c) of this section, division (A)(2)(a) of this section applies to attorneys, physicians, and other persons who engage in the practice of a profession and who, pursuant to a section of the Revised Code, the common law of this state, a code of ethics applicable to the profession, or otherwise, generally are required not to reveal, disclose, or use confidences of clients, patients, or other recipients of professional services except under specified circumstances or generally are required to maintain those types of confidences as privileged communications except under specified circumstances. Division (A)(2)(a) of this section does not require an attorney, physician, or other professional subject to a confidentiality requirement as described in division (A)(2)(c) of this section to disclose the name, other identity, or address of a client, patient, or other recipient of professional

As Reported by the House Finance and Appropriations Committee\*

services if the disclosure would threaten the client, patient, or  
other recipient of professional services, would reveal details of  
the subject matter for which legal, medical, or professional  
advice or other services were sought, or would reveal an otherwise  
privileged communication involving the client, patient, or other  
recipient of professional services. Division (A)(2)(a) of this  
section does not require an attorney, physician, or other  
professional subject to a confidentiality requirement as described  
in division (A)(2)(c) of this section to disclose in the brief  
description of the nature of services required by division  
(A)(2)(a) of this section any information pertaining to specific  
professional services rendered for a client, patient, or other  
recipient of professional services that would reveal details of  
the subject matter for which legal, medical, or professional  
advice was sought or would reveal an otherwise privileged  
communication involving the client, patient, or other recipient of  
professional services.

(3) The name of every corporation on file with the secretary  
of state that is incorporated in this state or holds a certificate  
of compliance authorizing it to do business in this state, trust,  
business trust, partnership, or association that transacts  
business in this state in which the person filing the statement or  
any other person for the person's use and benefit had during the  
preceding calendar year an investment of over one thousand dollars  
at fair market value as of the thirty-first day of December of the  
preceding calendar year, or the date of disposition, whichever is  
earlier, or in which the person holds any office or has a  
fiduciary relationship, and a description of the nature of the  
investment, office, or relationship. Division (A)(3) of this  
section does not require disclosure of the name of any bank,  
savings and loan association, credit union, or building and loan  
association with which the person filing the statement has a

deposit or a withdrawable share account. 215

(4) All fee simple and leasehold interests to which the 216  
person filing the statement holds legal title to or a beneficial 217  
interest in real property located within the state, excluding the 218  
person's residence and property used primarily for personal 219  
recreation; 220

(5) The names of all persons residing or transacting business 221  
in the state to whom the person filing the statement owes, in the 222  
person's own name or in the name of any other person, more than 223  
one thousand dollars. Division (A)(5) of this section shall not be 224  
construed to require the disclosure of debts owed by the person 225  
resulting from the ordinary conduct of a business or profession or 226  
debts on the person's residence or real property used primarily 227  
for personal recreation, except that the superintendent of 228  
financial institutions shall disclose the names of all 229  
state-chartered savings and loan associations and of all service 230  
corporations subject to regulation under division (E)(2) of 231  
section 1151.34 of the Revised Code to whom the superintendent in 232  
the superintendent's own name or in the name of any other person 233  
owes any money, and that the superintendent and any deputy 234  
superintendent of banks shall disclose the names of all 235  
state-chartered banks and all bank subsidiary corporations subject 236  
to regulation under section 1109.44 of the Revised Code to whom 237  
the superintendent or deputy superintendent owes any money. 238

(6) The names of all persons residing or transacting business 239  
in the state, other than a depository excluded under division 240  
(A)(3) of this section, who owe more than one thousand dollars to 241  
the person filing the statement, either in the person's own name 242  
or to any person for the person's use or benefit. Division (A)(6) 243  
of this section shall not be construed to require the disclosure 244  
of clients of attorneys or persons licensed under section 4732.12 245  
or 4732.15 of the Revised Code, or patients of persons certified 246



## As Reported by the House Finance and Appropriations Committee\*

under section 4731.14 of the Revised Code, nor the disclosure of  
debts owed to the person resulting from the ordinary conduct of a  
business or profession.

(7) Except as otherwise provided in section 102.022 of the  
Revised Code, the source of each gift of over seventy-five  
dollars, or of each gift of over twenty-five dollars received by a  
member of the general assembly from a legislative agent, received  
by the person in the person's own name or by any other person for  
the person's use or benefit during the preceding calendar year,  
except gifts received by will or by virtue of section 2105.06 of  
the Revised Code, or received from spouses, parents, grandparents,  
children, grandchildren, siblings, nephews, nieces, uncles, aunts,  
brothers-in-law, sisters-in-law, sons-in-law, daughters-in-law,  
fathers-in-law, mothers-in-law, or any person to whom the person  
filing the statement stands in loco parentis, or received by way  
of distribution from any inter vivos or testamentary trust  
established by a spouse or by an ancestor;

(8) Except as otherwise provided in section 102.022 of the  
Revised Code, identification of the source and amount of every  
payment of expenses incurred for travel to destinations inside or  
outside this state that is received by the person in the person's  
own name or by any other person for the person's use or benefit  
and that is incurred in connection with the person's official  
duties, except for expenses for travel to meetings or conventions  
of a national or state organization to which any state agency,  
including, but not limited to, any legislative agency or state  
institution of higher education as defined in section 3345.011 of  
the Revised Code, pays membership dues, or any political  
subdivision or any office or agency of a political subdivision  
pays membership dues;

(9) Except as otherwise provided in section 102.022 of the  
Revised Code, identification of the source of payment of expenses

## As Reported by the House Finance and Appropriations Committee\*

for meals and other food and beverages, other than for meals and  
other food and beverages provided at a meeting at which the person  
participated in a panel, seminar, or speaking engagement or at a  
meeting or convention of a national or state organization to which  
any state agency, including, but not limited to, any legislative  
agency or state institution of higher education as defined in  
section 3345.011 of the Revised Code, pays membership dues, or any  
political subdivision or any office or agency of a political  
subdivision pays membership dues, that are incurred in connection  
with the person's official duties and that exceed one hundred  
dollars aggregated per calendar year;

(10) If the financial disclosure statement is filed by a  
public official or employee described in division (B)(2) of  
section 101.73 of the Revised Code or division (B)(2) of section  
121.63 of the Revised Code who receives a statement from a  
legislative agent, executive agency lobbyist, or employer that  
contains the information described in division (F)(2) of section  
101.73 of the Revised Code or division (G)(2) of section 121.63 of  
the Revised Code, all of the nondisputed information contained in  
the statement delivered to that public official or employee by the  
legislative agent, executive agency lobbyist, or employer under  
division (F)(2) of section 101.73 or (G)(2) of section 121.63 of  
the Revised Code. As used in division (A)(10) of this section,  
"legislative agent," "executive agency lobbyist," and "employer"  
have the same meanings as in sections 101.70 and 121.60 of the  
Revised Code.

A person may file a statement required by this section in  
person or by mail. A person who is a candidate for elective office  
shall file the statement no later than the thirtieth day before  
the primary, special, or general election at which the candidacy  
is to be voted on, whichever election occurs soonest, except that  
a person who is a write-in candidate shall file the statement no

**As Reported by the House Finance and Appropriations Committee\***

later than the twentieth day before the earliest election at which  
the person's candidacy is to be voted on. A person who holds  
elective office shall file the statement on or before the  
fifteenth day of April of each year unless the person is a  
candidate for office. A person who is appointed to fill a vacancy  
for an unexpired term in an elective office shall file the  
statement within fifteen days after the person qualifies for  
office. Other persons shall file an annual statement on or before  
the fifteenth day of April or, if appointed or employed after that  
date, within ninety days after appointment or employment. No  
person shall be required to file with the appropriate ethics  
commission more than one statement or pay more than one filing fee  
for any one calendar year.

The appropriate ethics commission, for good cause, may extend  
for a reasonable time the deadline for filing a statement under  
this section.

A statement filed under this section is subject to public  
inspection at locations designated by the appropriate ethics  
commission except as otherwise provided in this section.

(B) The Ohio ethics commission, the joint legislative ethics  
committee, and the board of commissioners on grievances and  
discipline of the supreme court, using the rule-making procedures  
of Chapter 119. of the Revised Code, may require any class of  
public officials or employees under its jurisdiction and not  
specifically excluded by this section whose positions involve a  
substantial and material exercise of administrative discretion in  
the formulation of public policy, expenditure of public funds,  
enforcement of laws and rules of the state or a county or city, or  
the execution of other public trusts, to file an annual statement  
on or before the fifteenth day of April under division (A) of this  
section. The appropriate ethics commission shall send the public  
officials or employees written notice of the requirement by the

## As Reported by the House Finance and Appropriations Committee\*

fifteenth day of February of each year the filing is required 343  
unless the public official or employee is appointed after that 344  
date, in which case the notice shall be sent within thirty days 345  
after appointment, and the filing shall be made not later than 346  
ninety days after appointment. 347

Except for disclosure statements filed by members of the 348  
board of trustees and the executive director of the tobacco use 349  
prevention and control foundation, and members of the board of 350  
trustees and the executive director of the southern Ohio 351  
agricultural and community development foundation, ~~and members and~~ 352  
~~the executive director of the biomedical research and technology~~ 353  
~~transfer commission~~, disclosure statements filed under this 354  
division with the Ohio ethics commission by members of boards, 355  
commissions, or bureaus of the state for which no compensation is 356  
received other than reasonable and necessary expenses shall be 357  
kept confidential. Disclosure statements filed with the Ohio 358  
ethics commission under division (A) of this section by business 359  
managers, treasurers, and superintendents of city, local, exempted 360  
village, joint vocational, or cooperative education school 361  
districts or educational service centers shall be kept 362  
confidential, except that any person conducting an audit of any 363  
such school district or educational service center pursuant to 364  
section 115.56 or Chapter 117. of the Revised Code may examine the 365  
disclosure statement of any business manager, treasurer, or 366  
superintendent of that school district or educational service 367  
center. The Ohio ethics commission shall examine each disclosure 368  
statement required to be kept confidential to determine whether a 369  
potential conflict of interest exists for the person who filed the 370  
disclosure statement. A potential conflict of interest exists if 371  
the private interests of the person, as indicated by the person's 372  
disclosure statement, might interfere with the public interests 373  
the person is required to serve in the exercise of the person's 374

## As Reported by the House Finance and Appropriations Committee\*

authority and duties in the person's office or position of 375  
 employment. If the commission determines that a potential conflict 376  
 of interest exists, it shall notify the person who filed the 377  
 disclosure statement and shall make the portions of the disclosure 378  
 statement that indicate a potential conflict of interest subject 379  
 to public inspection in the same manner as is provided for other 380  
 disclosure statements. Any portion of the disclosure statement 381  
 that the commission determines does not indicate a potential 382  
 conflict of interest shall be kept confidential by the commission 383  
 and shall not be made subject to public inspection, except as is 384  
 necessary for the enforcement of Chapters 102. and 2921. of the 385  
 Revised Code and except as otherwise provided in this division. 386

(C) No person shall knowingly fail to file, on or before the 388  
 applicable filing deadline established under this section, a 389  
 statement that is required by this section. 390

(D) No person shall knowingly file a false statement that is 391  
 required to be filed under this section. 392

(E)(1) Except as provided in divisions (E)(2) and (3) of this 393  
 section, the statement required by division (A) or (B) of this 394  
 section shall be accompanied by a filing fee of twenty-five 395  
 dollars. 396

(2) The statement required by division (A) of this section 397  
 shall be accompanied by a filing fee to be paid by the person who 398  
 is elected or appointed to, or is a candidate for, any of the 399  
 following offices: 400

For state office, except member of		401
state board of education	\$50	402
For office of member of United States		403
congress or member of general assembly	\$25	404
For county office	\$25	405
For city office	\$10	406

As Reported by the House Finance and Appropriations Committee\*

For office of member of state board		407
of education	\$20	408
For office of member of city, local,		409
exempted village, or cooperative		410
education board of		411
education or educational service		412
center governing board	\$ 5	413
For position of business manager,		414
treasurer, or superintendent of		415
city, local, exempted village, joint		416
vocational, or cooperative education		417
school district or		418
educational service center	\$ 5	419

(3) No judge of a court of record or candidate for judge of a court of record, and no referee or magistrate serving a court of record, shall be required to pay the fee required under division (E)(1) or (2) or (F) of this section.

(4) For any public official who is appointed to a nonelective office of the state and for any employee who holds a nonelective position in a public agency of the state, the state agency that is the primary employer of the state official or employee shall pay the fee required under division (E)(1) or (F) of this section.

(F) If a statement required to be filed under this section is not filed by the date on which it is required to be filed, the appropriate ethics commission shall assess the person required to file the statement a late filing fee equal to one-half of the applicable filing fee for each day the statement is not filed, except that the total amount of the late filing fee shall not exceed one hundred dollars.

(G)(1) The appropriate ethics commission other than the Ohio ethics commission shall deposit all fees it receives under

## As Reported by the House Finance and Appropriations Committee\*

divisions (E) and (F) of this section into the general revenue 439  
fund of the state. 440

(2) The Ohio ethics commission shall deposit all receipts, 441  
including, but not limited to, fees it receives under divisions 442  
(E) and (F) of this section and all moneys it receives from 443  
settlements under division (G) of section 102.06 of the Revised 444  
Code, into the Ohio ethics commission fund, which is hereby 445  
created in the state treasury. All moneys credited to the fund 446  
shall be used solely for expenses related to the operation and 447  
statutory functions of the commission. 448

(H) Division (A) of this section does not apply to a person 449  
elected or appointed to the office of precinct, ward, or district 450  
committee member under Chapter 3517. of the Revised Code; a 451  
presidential elector; a delegate to a national convention; village 452  
or township officials and employees; any physician or psychiatrist 453  
who is paid a salary or wage in accordance with schedule C of 454  
section 124.15 or schedule E-2 of section 124.152 of the Revised 455  
Code and whose primary duties do not require the exercise of 456  
administrative discretion; or any member of a board, commission, 457  
or bureau of any county or city who receives less than one 458  
thousand dollars per year for serving in that position. 459

**Sec. 109.71.** There is hereby created in the office of the 460  
attorney general the Ohio peace officer training commission. The 461  
commission shall consist of nine members appointed by the governor 462  
with the advice and consent of the senate and selected as follows: 463  
one member representing the public; two members who are incumbent 464  
sheriffs; two members who are incumbent chiefs of police; one 465  
member from the bureau of criminal identification and 466  
investigation; one member from the state highway patrol; one 467  
member who is the special agent in charge of a field office of the 468  
federal bureau of investigation in this state; and one member from 469

## As Reported by the House Finance and Appropriations Committee\*

the department of education, trade and industrial education 470  
services, law enforcement training. 471

As used in sections 109.71 to 109.77 of the Revised Code: 472

(A) "Peace officer" means: 473

(1) A deputy sheriff, marshal, deputy marshal, member of the 474  
organized police department of a township or municipal 475  
corporation, member of a township police district or joint 476  
township police district police force, member of a police force 477  
employed by a metropolitan housing authority under division (D) of 478  
section 3735.31 of the Revised Code, or township constable, who is 479  
commissioned and employed as a peace officer by a political 480  
subdivision of this state or by a metropolitan housing authority, 481  
and whose primary duties are to preserve the peace, to protect 482  
life and property, and to enforce the laws of this state, 483  
ordinances of a municipal corporation, resolutions of a township, 484  
or regulations of a board of county commissioners or board of 485  
township trustees, or any of those laws, ordinances, resolutions, 486  
or regulations; 487

(2) A police officer who is employed by a railroad company 488  
and appointed and commissioned by the governor pursuant to 489  
sections 4973.17 to 4973.22 of the Revised Code; 490

(3) Employees of the department of taxation engaged in the 491  
enforcement of Chapter 5743. of the Revised Code and designated by 492  
the tax commissioner for peace officer training for purposes of 493  
the delegation of investigation powers under section 5743.45 of 494  
the Revised Code; 495

(4) An undercover drug agent; 496

(5) Enforcement agents of the department of public safety 497  
whom the director of public safety designates under section 498  
5502.14 of the Revised Code; 499

(6) An employee of the department of natural resources who is 500



## As Reported by the House Finance and Appropriations Committee\*

- a natural resources law enforcement staff officer designated 501  
pursuant to section 1501.013, a park officer designated pursuant 502  
to section 1541.10, a forest officer designated pursuant to 503  
section 1503.29, a preserve officer designated pursuant to section 504  
1517.10, a wildlife officer designated pursuant to section 505  
1531.13, or a state watercraft officer designated pursuant to 506  
section 1547.521 of the Revised Code; 507
- (7) An employee of a park district who is designated pursuant 508  
to section 511.232 or 1545.13 of the Revised Code; 509
- (8) An employee of a conservancy district who is designated 510  
pursuant to section 6101.75 of the Revised Code; 511
- (9) A police officer who is employed by a hospital that 512  
employs and maintains its own proprietary police department or 513  
security department, and who is appointed and commissioned by the 514  
governor pursuant to sections 4973.17 to 4973.22 of the Revised 515  
Code; 516
- (10) ~~Ohio veterans' home~~ Veterans' homes police officers 517  
designated under section 5907.02 of the Revised Code; 518
- (11) A police officer who is employed by a qualified 519  
nonprofit corporation police department pursuant to section 520  
1702.80 of the Revised Code; 521
- (12) A state university law enforcement officer appointed 522  
under section 3345.04 of the Revised Code or a person serving as a 523  
state university law enforcement officer on a permanent basis on 524  
June 19, 1978, who has been awarded a certificate by the executive 525  
director of the Ohio peace officer training council attesting to 526  
the person's satisfactory completion of an approved state, county, 527  
municipal, or department of natural resources peace officer basic 528  
training program; 529
- (13) A special police officer employed by the department of 530  
mental health pursuant to section 5119.14 of the Revised Code or 531

the department of mental retardation and developmental	532
disabilities pursuant to section 5123.13 of the Revised Code;	533
(14) A member of a campus police department appointed under	534
section 1713.50 of the Revised Code;	535
(15) A member of a police force employed by a regional	536
transit authority under division (Y) of section 306.35 of the	537
Revised Code;	538
(16) Investigators appointed by the auditor of state pursuant	539
to section 117.091 of the Revised Code and engaged in the	540
enforcement of Chapter 117. of the Revised Code;	541
(17) A special police officer designated by the	542
superintendent of the state highway patrol pursuant to section	543
5503.09 of the Revised Code or a person who was serving as a	544
special police officer pursuant to that section on a permanent	545
basis on October 21, 1997, and who has been awarded a certificate	546
by the executive director of the Ohio peace officer training	547
commission attesting to the person's satisfactory completion of an	548
approved state, county, municipal, or department of natural	549
resources peace officer basic training program;	550
<del>(19)</del> (18) A special police officer employed by a port	551
authority under section 4582.04 or 4582.28 of the Revised Code or	552
a person serving as a special police officer employed by a port	553
authority on a permanent basis on <del>the effective date of this</del>	554
<del>amendment</del> <u>May 17, 2000</u> , who has been awarded a certificate by the	555
executive director of the Ohio peace officer training council	556
attesting to the person's satisfactory completion of an approved	557
state, county, municipal, or department of natural resources peace	558
officer basic training program.	559
(B) "Undercover drug agent" has the same meaning as in	560
division (B)(2) of section 109.79 of the Revised Code.	561
(C) "Crisis intervention training" means training in the use	562

## As Reported by the House Finance and Appropriations Committee\*

of interpersonal and communication skills to most effectively and	563
sensitively interview victims of rape.	564
(D) "Missing children" has the same meaning as in section	565
2901.30 of the Revised Code.	566
<b>Sec. 109.77.</b> (A) As used in this section, "felony" has the	567
same meaning as in section 109.511 of the Revised Code.	568
(B)(1) Notwithstanding any general, special, or local law or	569
charter to the contrary, and except as otherwise provided in this	570
section, no person shall receive an original appointment on a	571
permanent basis as any of the following unless the person	572
previously has been awarded a certificate by the executive	573
director of the Ohio peace officer training commission attesting	574
to the person's satisfactory completion of an approved state,	575
county, municipal, or department of natural resources peace	576
officer basic training program:	577
(a) A peace officer of any county, township, municipal	578
corporation, regional transit authority, or metropolitan housing	579
authority;	580
(b) A natural resources law enforcement staff officer, park	581
officer, forest officer, preserve officer, wildlife officer, or	582
state watercraft officer of the department of natural resources;	583
(c) An employee of a park district under section 511.232 or	584
1545.13 of the Revised Code;	585
(d) An employee of a conservancy district who is designated	586
pursuant to section 6101.75 of the Revised Code;	587
(e) A state university law enforcement officer;	588
(f) A special police officer employed by the department of	589
mental health pursuant to section 5119.14 of the Revised Code or	590
the department of mental retardation and developmental	591

## As Reported by the House Finance and Appropriations Committee\*

disabilities pursuant to section 5123.13 of the Revised Code;	592
(g) An enforcement agent of the department of public safety	593
whom the director of public safety designates under section	594
5502.14 of the Revised Code;	595
(h) A special police officer employed by a port authority	596
under section 4582.04 or 4582.28 of the Revised Code.	597
(2) Every person who is appointed on a temporary basis or for	598
a probationary term or on other than a permanent basis as any of	599
the following shall forfeit the appointed position unless the	600
person previously has completed satisfactorily or, within the time	601
prescribed by rules adopted by the attorney general pursuant to	602
section 109.74 of the Revised Code, satisfactorily completes a	603
state, county, municipal, or department of natural resources peace	604
officer basic training program for temporary or probationary	605
officers and is awarded a certificate by the director attesting to	606
the satisfactory completion of the program:	607
(a) A peace officer of any county, township, municipal	608
corporation, regional transit authority, or metropolitan housing	609
authority;	610
(b) A natural resources law enforcement staff officer, park	611
officer, forest officer, preserve officer, wildlife officer, or	612
state watercraft officer of the department of natural resources;	613
(c) An employee of a park district under section 511.232 or	614
1545.13 of the Revised Code;	615
(d) An employee of a conservancy district who is designated	616
pursuant to section 6101.75 of the Revised Code;	617
(e) A special police officer employed by the department of	618
mental health pursuant to section 5119.14 of the Revised Code or	619
the department of mental retardation and developmental	620
disabilities pursuant to section 5123.13 of the Revised Code;	621

## As Reported by the House Finance and Appropriations Committee\*

(f) An enforcement agent of the department of public safety 622  
whom the director of public safety designates under section 623  
5502.14 of the Revised Code; 624

(g) A special police officer employed by a port authority 625  
under section 4582.04 or 4582.28 of the Revised Code. 626

(3) For purposes of division (B) of this section, a state, 627  
county, municipal, or department of natural resources peace 628  
officer basic training program, regardless of whether the program 629  
is to be completed by peace officers appointed on a permanent or 630  
temporary, probationary, or other nonpermanent basis, shall 631  
include at least fifteen hours of training in the handling of the 632  
offense of domestic violence, other types of domestic 633  
violence-related offenses and incidents, and protection orders and 634  
consent agreements issued or approved under section 2919.26 or 635  
3113.31 of the Revised Code and at least six hours of crisis 636  
intervention training. The requirement to complete fifteen hours 637  
of training in the handling of the offense of domestic violence, 638  
other types of domestic violence-related offenses and incidents, 639  
and protection orders and consent agreements issued or approved 640  
under section 2919.26 or 3113.31 of the Revised Code does not 641  
apply to any person serving as a peace officer on March 27, 1979, 642  
and the requirement to complete six hours of training in crisis 643  
intervention does not apply to any person serving as a peace 644  
officer on April 4, 1985. Any person who is serving as a peace 645  
officer on April 4, 1985, who terminates that employment after 646  
that date, and who subsequently is hired as a peace officer by the 647  
same or another law enforcement agency shall complete the six 648  
hours of training in crisis intervention within the time 649  
prescribed by rules adopted by the attorney general pursuant to 650  
section 109.742 of the Revised Code. No peace officer shall have 651  
employment as a peace officer terminated and then be reinstated 652  
with intent to circumvent this section. 653

## As Reported by the House Finance and Appropriations Committee\*

(4) Division (B) of this section does not apply to any person 654  
serving on a permanent basis on March 28, 1985, as a park officer, 655  
forest officer, preserve officer, wildlife officer, or state 656  
watercraft officer of the department of natural resources or as an 657  
employee of a park district under section 511.232 or 1545.13 of 658  
the Revised Code, to any person serving on a permanent basis on 659  
March 6, 1986, as an employee of a conservancy district designated 660  
pursuant to section 6101.75 of the Revised Code, to any person 661  
serving on a permanent basis on January 10, 1991, as a preserve 662  
officer of the department of natural resources, to any person 663  
employed on a permanent basis on July 2, 1992, as a special police 664  
officer by the department of mental health pursuant to section 665  
5119.14 of the Revised Code or by the department of mental 666  
retardation and developmental disabilities pursuant to section 667  
5123.13 of the Revised Code, to any person serving on a permanent 668  
basis on ~~the effective date of this amendment~~ May 17, 2000, as a 669  
special police officer employed by a port authority under section 670  
4582.04 or 4582.28 of the Revised Code, to any person serving on a 671  
permanent basis on June 19, 1978, as a state university law 672  
enforcement officer pursuant to section 3345.04 of the Revised 673  
Code and who, immediately prior to June 19, 1978, was serving as a 674  
special police officer designated under authority of that section, 675  
or to any person serving on a permanent basis on September 20, 676  
1984, as a liquor control investigator, known after June 30, 1999, 677  
as an enforcement agent of the department of public safety, 678  
engaged in the enforcement of Chapters 4301. and 4303. of the 679  
Revised Code. 680

(5) Division (B) of this section does not apply to any person 681  
who is appointed as a regional transit authority police officer 682  
pursuant to division (Y) of section 306.35 of the Revised Code if, 683  
on or before July 1, 1996, the person has completed satisfactorily 684  
an approved state, county, municipal, or department of natural 685

## As Reported by the House Finance and Appropriations Committee\*

resources peace officer basic training program and has been  
awarded a certificate by the executive director of the Ohio peace  
officer training commission attesting to the person's satisfactory  
completion of such an approved program and if, on July 1, 1996,  
the person is performing peace officer functions for a regional  
transit authority.

(C) No person, after September 20, 1984, shall receive an  
original appointment on a permanent basis as ~~an Ohio~~ a veterans'  
home police officer designated under section 5907.02 of the  
Revised Code unless the person previously has been awarded a  
certificate by the executive director of the Ohio peace officer  
training commission attesting to the person's satisfactory  
completion of an approved police officer basic training program.  
Every person who is appointed on a temporary basis or for a  
probationary term or on other than a permanent basis as ~~an Ohio~~ a  
veterans' home police officer designated under section 5907.02 of  
the Revised Code shall forfeit that position unless the person  
previously has completed satisfactorily or, within one year from  
the time of appointment, satisfactorily completes an approved  
police officer basic training program.

(D) No bailiff or deputy bailiff of a court of record of this  
state and no criminal investigator who is employed by the state  
public defender shall carry a firearm, as defined in section  
2923.11 of the Revised Code, while on duty unless the bailiff,  
deputy bailiff, or criminal investigator has done or received one  
of the following:

(1) Has been awarded a certificate by the executive director  
of the Ohio peace officer training commission, which certificate  
attests to satisfactory completion of an approved state, county,  
or municipal basic training program for bailiffs and deputy  
bailiffs of courts of record and for criminal investigators  
employed by the state public defender that has been recommended by

## As Reported by the House Finance and Appropriations Committee\*

the Ohio peace officer training commission; 718

(2) Has successfully completed a firearms training program 719  
approved by the Ohio peace officer training commission prior to 720  
employment as a bailiff, deputy bailiff, or criminal investigator; 721

(3) Prior to June 6, 1986, was authorized to carry a firearm 722  
by the court that employed the bailiff or deputy bailiff or, in 723  
the case of a criminal investigator, by the state public defender 724  
and has received training in the use of firearms that the Ohio 725  
peace officer training commission determines is equivalent to the 726  
training that otherwise is required by division (D) of this 727  
section. 728

(E)(1) Prior to awarding any certificate prescribed in this 729  
section, the executive director of the Ohio peace officer training 730  
commission shall request the person to whom the certificate is to 731  
be awarded to disclose, and the person shall disclose, any 732  
previous criminal conviction of or plea of guilty of that person 733  
to a felony. 734

(2) Prior to the award by the executive director of the 735  
commission of any certificate prescribed in this section, the 736  
prospective employer of the person to whom the certificate is to 737  
be awarded or the commander of the peace officer training school 738  
attended by that person shall request the bureau of criminal 739  
identification and investigation to conduct a criminal history 740  
records check on the person. Upon receipt of the request, the 741  
bureau promptly shall conduct a criminal history records check on 742  
the person and, upon completion of the check, promptly shall 743  
provide a copy of the criminal history records check to the 744  
prospective employer or peace officer training school commander 745  
that made the request. Upon receipt of the copy of the criminal 746  
history records check from the bureau, the prospective employer or 747  
peace officer training school commander that made the request 748  
shall submit the copy to the executive director of the Ohio peace 749



## As Reported by the House Finance and Appropriations Committee\*

officer training commission. The executive director shall not  
award any certificate prescribed in this section unless the  
executive director has received a copy of the criminal history  
records check on the person to whom the certificate is to be  
awarded.

(3) The executive director of the commission shall not award  
a certificate prescribed in this section to a person who has been  
convicted of or has pleaded guilty to a felony or who fails to  
disclose any previous criminal conviction of or plea of guilty to  
a felony as required under division (E)(1) of this section.

(4) The executive director of the commission shall revoke the  
certificate awarded to a person as prescribed in this section, and  
that person shall forfeit all of the benefits derived from being  
certified as a peace officer under this section, if the person,  
prior to the award of the certificate, failed to disclose any  
previous criminal conviction of or plea of guilty to a felony as  
required under division (E)(1) of this section.

(F)(1) Regardless of whether the person has been awarded the  
certificate or has been classified as a peace officer prior to,  
on, or after October 16, 1996, the executive director of the Ohio  
peace officer training commission shall revoke any certificate  
that has been awarded to a person as prescribed in this section if  
the person does either of the following:

(a) Pleads guilty to a felony committed on or after January  
1, 1997.

(b) Pleads guilty to a misdemeanor committed on or after  
January 1, 1997, pursuant to a negotiated plea agreement as  
provided in division (D) of section 2929.29 of the Revised Code in  
which the person agrees to surrender the certificate awarded to  
the person under this section.

(2) The executive director of the commission shall suspend

## As Reported by the House Finance and Appropriations Committee\*

any certificate that has been awarded to a person as prescribed in 781  
this section if the person is convicted, after trial, of a felony 782  
committed on or after January 1, 1997. The executive director 783  
shall suspend the certificate pursuant to division (F)(2) of this 784  
section pending the outcome of an appeal by the person from that 785  
conviction to the highest court to which the appeal is taken or 786  
until the expiration of the period in which an appeal is required 787  
to be filed. If the person files an appeal that results in that 788  
person's acquittal of the felony or conviction of a misdemeanor, 789  
or in the dismissal of the felony charge against that person, the 790  
executive director shall reinstate the certificate awarded to the 791  
person under this section. If the person files an appeal from that 792  
person's conviction of the felony and the conviction is upheld by 793  
the highest court to which the appeal is taken or if the person 794  
does not file a timely appeal, the executive director shall revoke 795  
the certificate awarded to the person under this section. 796

(G)(1) If a person is awarded a certificate under this 797  
section and the certificate is revoked pursuant to division (E)(4) 798  
or (F) of this section, the person shall not be eligible to 799  
receive, at any time, a certificate attesting to the person's 800  
satisfactory completion of a peace officer basic training program. 801

(2) The revocation or suspension of a certificate under 802  
division (E)(4) or (F) of this section shall be in accordance with 803  
Chapter 119. of the Revised Code. 804

(H)(1) A person who was employed as a peace officer of a 805  
county, township, or municipal corporation of the state on January 806  
1, 1966, and who has completed at least sixteen years of full-time 807  
active service as such a peace officer may receive an original 808  
appointment on a permanent basis and serve as a peace officer of a 809  
county, township, or municipal corporation, or as a state 810  
university law enforcement officer, without complying with the 811  
requirements of division (B) of this section. 812

## As Reported by the House Finance and Appropriations Committee\*

(2) Any person who held an appointment as a state highway trooper on January 1, 1966, may receive an original appointment on a permanent basis and serve as a peace officer of a county, township, or municipal corporation, or as a state university law enforcement officer, without complying with the requirements of division (B) of this section.

(I) No person who is appointed as a peace officer of a county, township, or municipal corporation on or after April 9, 1985, shall serve as a peace officer of that county, township, or municipal corporation unless the person has received training in the handling of missing children and child abuse and neglect cases from an approved state, county, township, or municipal police officer basic training program or receives the training within the time prescribed by rules adopted by the attorney general pursuant to section 109.741 of the Revised Code.

(J) No part of any approved state, county, or municipal basic training program for bailiffs and deputy bailiffs of courts of record and no part of any approved state, county, or municipal basic training program for criminal investigators employed by the state public defender shall be used as credit toward the completion by a peace officer of any part of the approved state, county, or municipal peace officer basic training program that the peace officer is required by this section to complete satisfactorily.

(K) This section does not apply to any member of the police department of a municipal corporation in an adjoining state serving in this state under a contract pursuant to section 737.04 of the Revised Code.

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

(1) "Capital investment project" means a plan of investment at a project site for the acquisition, construction, renovation,

or repair of buildings, machinery, or equipment, or for 844  
capitalized costs of basic research and new product development 845  
determined in accordance with generally accepted accounting 846  
principles, but does not include any of the following: 847

(a) Payments made for the acquisition of personal property 848  
through operating leases; 849

(b) Project costs paid before January 1, 2002, or after 850  
December 31, 2006; 851

(c) Payments made to a related member as defined in section 852  
5733.042 of the Revised Code. 853

(2) "Eligible business" means a business with Ohio operations 854  
that satisfying all of the following: 855

(a) Employed an average of at least one thousand employees in 856  
full-time employment positions at a project site during each of 857  
the twelve months preceding the application for a tax credit under 858  
this section; and 859

(b) On or after January 1, 2002, has made payments for the 860  
capital investment project of at either of the following: 861

(i) At least two hundred million dollars at the project site 862  
during a period of three consecutive calendar years that includes 863  
including the calendar year that includes a day of the taxpayer's 864  
taxable year with respect to which the credit is granted; 865

(ii) If the average wage of all employment positions at the 866  
project site is greater than four hundred per cent of the federal 867  
minimum wage, at least one hundred million dollars at the project 868  
site during a period of three consecutive calendar years including 869  
the calendar year that includes a day of the taxpayer's taxable 870  
year with respect to which the credit is granted. 871  
872

(c) Is engaged at the project site primarily as a 873

manufacturer or is providing significant corporate administrative 874  
functions; 875

(d) Has had a capital investment project reviewed and 876  
approved by the tax credit authority as provided in divisions (C), 877  
(D), and (E) of this section. 878

(3) "Full-time employment position" means a position of 879  
employment for consideration for at least thirty-five hours a 880  
week, ~~or any other standard of service generally accepted by~~ 881  
~~custom as full-time employment within the industry,~~ that has been 882  
filled for at least one hundred eighty days immediately preceding 883  
the filing of an application under this section, ~~and for at least~~ 884  
one hundred eighty days during each taxable year with respect to 885  
which the credit is granted. 886

(4) "Manufacturer" has the same meaning as in section 887  
5739.011 of the Revised Code. 888

(5) "Project site" means an integrated complex of facilities 889  
in this state, as specified by the tax credit authority under this 890  
section, within a ~~five-mile~~ fifteen-mile radius where a taxpayer 891  
~~in this state~~ is primarily operating as a manufacturer ~~as defined~~ 892  
~~in section 5739.011 of the Revised Code.~~ 893

(B) The tax credit authority created under section 122.17 of 894  
the Revised Code may grant tax credits under this section for the 895  
purpose of fostering job retention in this state. Upon application 896  
by an eligible business and upon consideration of the 897  
recommendation of the director of budget and management, tax 898  
commissioner, and director of development under division (C) of 899  
this section, the tax credit authority may grant to an eligible 900  
business a nonrefundable credit against the tax imposed by section 901  
5733.06 or 5747.02 of the Revised Code for a period up to ten 902  
taxable years. The credit shall be in an amount not exceeding 903  
seventy-five per cent of the Ohio income tax withheld from the 904  
employees of the eligible business occupying full-time employment 905

## As Reported by the House Finance and Appropriations Committee\*

positions at the project site during the calendar year that  
includes the last day of such business' taxable year with respect  
to which the credit is granted. The amount of the credit shall not  
be based on the Ohio income tax withheld from full-time employees  
for a calendar year prior to the calendar year in which the ~~two~~  
~~hundred million dollar~~ minimum investment requirement referred to  
in division (A)(2)(b) of this section is completed. The credit  
shall be claimed only for the taxable years specified in the  
eligible business' agreement with the tax credit authority under  
division (E) of this section, but in no event shall the credit be  
claimed for a taxable year terminating before the date specified  
in the agreement.

Any unused portion of a tax credit may be carried forward for  
not more than three additional years after the year for which the  
credit is granted.

(C) A taxpayer ~~who~~ that proposes a capital investment project  
to retain jobs in this state may apply to the tax credit authority  
to enter into an agreement for a tax credit under this section.  
The director of development shall prescribe the form of the  
application. After receipt of an application, the authority shall  
forward copies of the application to the director of budget and  
management, the tax commissioner, and the director of development,  
each of whom shall review the application to determine the  
economic impact the proposed project would have on the state and  
the affected political subdivisions and shall submit a summary of  
their determinations and recommendations to the authority. The  
authority shall make no agreements under this section after June  
30, 2007.

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

the following:	938
(1) The taxpayer's capital investment project will result in the retention of full-time employment positions in this state.	939 940
(2) The taxpayer is economically sound and has the ability to complete the proposed capital investment project.	941 942
(3) The taxpayer intends to and has the ability to maintain operations at the project site for at least twice the term of the credit.	943 944 945
(4) Receiving the credit is a major factor in the taxpayer's decision to begin, continue with, or complete the project.	946 947
(5) The political subdivisions in which the project is located have agreed to provide substantial financial support to the project.	948 949 950
(E) An agreement under this section shall include all of the following:	951 952
(1) A detailed description of the project that is the subject of the agreement, including the amount of the investment, the period over which the investment has been or is being made, and the number of full-time employment positions at the project site.	953 954 955 956 957
(2) The method of calculating the number of full-time employment positions as specified in division (A)(3) of this section.	958 959 960
(3) The term and percentage of the tax credit, and the first year for which the credit may be claimed.	961 962
(4) A requirement that the taxpayer maintain operations at the project site for at least twice the number of years as the term of the credit.	963 964 965
(5) A requirement that the taxpayer retain a specified number of full-time employment positions at the project site and within	966 967

## As Reported by the House Finance and Appropriations Committee\*

this state for the term of the credit, including a requirement  
that the taxpayer continue to employ at least one thousand  
employees in full-time employment positions at the project site  
during the entire term of any agreement, subject to division  
(E)(7) of this section.

(6) A requirement that the taxpayer annually report to the  
director of development the number of full-time employment  
positions subject to the credit, the amount of tax withheld from  
employees in those positions, the amount of the payments made for  
the capital investment project, and any other information the  
director needs to perform the director's duties under this  
section.

(7) A requirement that the director of development annually  
review the annual reports of the taxpayer to verify the  
information reported under division (E)(6) of this section and  
compliance with the agreement. Upon verification, the director  
shall issue a certificate to the taxpayer stating that the  
information has been verified and identifying the amount of the  
credit for the taxable year. The director shall not issue a  
certificate for any year in which the total number of filled  
full-time employment positions for each day of the calendar year  
divided by three hundred sixty-five is less than ninety per cent  
of the full-time employment positions specified in division (E)(5)  
of this section. In determining the number of full-time employment  
positions, no position shall be counted that is filled by an  
employee who is included in the calculation of a tax credit under  
section 122.17 of the Revised Code.

(8)(a) A provision requiring that the taxpayer, except as  
otherwise provided in division (E)(8)(b) of this section, shall  
not relocate employment positions from elsewhere in this state to  
the project site that is the subject of the agreement for the  
lesser of five years from the date the agreement is entered into



## As Reported by the House Finance and Appropriations Committee\*

or the number of years the taxpayer is entitled to claim the credit. 1000  
1001

(b) The taxpayer may relocate employment positions from elsewhere in this state to the project site that is the subject of the agreement if the director of development determines both of the following: 1002  
1003  
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1005

(i) That the site from which the employment positions would be relocated is inadequate to meet market and industry conditions, expansion plans, consolidation plans, or other business considerations affecting the taxpayer; 1006  
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1009

(ii) That the legislative authority of the county, township, or municipal corporation from which the employment positions would be relocated has been notified of the relocation. 1010  
1011  
1012

For purposes of this section, the movement of an employment position from one political subdivision to another political subdivision shall be considered a relocation of an employment position unless the movement is confined to the project site. The transfer of an individual employee from one political subdivision to another political subdivision shall not be considered a relocation of an employment position as long as the individual's employment position in the first political subdivision is refilled. 1013  
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(9) A waiver by the taxpayer of any limitations periods relating to assessments or adjustments resulting from the taxpayer's failure to comply with the agreement. 1022  
1023  
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(F) If a taxpayer fails to meet or comply with any condition or requirement set forth in a tax credit agreement, the tax credit authority may amend the agreement to reduce the percentage or term of the credit. The reduction of the percentage or term shall take effect in the taxable year immediately following the taxable year in which the authority amends the agreement. If the taxpayer 1025  
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## As Reported by the House Finance and Appropriations Committee\*

relocates employment positions in violation of the provision 1031  
required under division (D)(8)(a) of this section, the taxpayer 1032  
shall not claim the tax credit under section 5733.0610 of the 1033  
Revised Code for any tax years following the calendar year in 1034  
which the relocation occurs, or shall not claim the tax credit 1035  
under section 5747.058 of the Revised Code for the taxable year in 1036  
which the relocation occurs and any subsequent taxable years. 1037

(G) Financial statements and other information submitted to 1038  
the department of development or the tax credit authority by an 1039  
applicant for or recipient of a tax credit under this section, and 1040  
any information taken for any purpose from such statements or 1041  
information, are not public records subject to section 149.43 of 1042  
the Revised Code. However, the chairperson of the authority may 1043  
make use of the statements and other information for purposes of 1044  
issuing public reports or in connection with court proceedings 1045  
concerning tax credit agreements under this section. Upon the 1046  
request of the tax commissioner, the chairperson of the authority 1047  
shall provide to the commissioner any statement or other 1048  
information submitted by an applicant for or recipient of a tax 1049  
credit in connection with the credit. The commissioner shall 1050  
preserve the confidentiality of the statement or other 1051  
information. 1052

(H) A taxpayer claiming a tax credit under this section shall 1053  
submit to the tax commissioner a copy of the director of 1054  
development's certificate of verification under division (E)(7) of 1055  
this section for the taxable year. However, failure to submit a 1056  
copy of the certificate does not invalidate a claim for a credit. 1057

(I) For the purposes of this section, a taxpayer may include 1058  
a partnership, a corporation that has made an election under 1059  
subchapter S of chapter one of subtitle A of the Internal Revenue 1060  
Code, or any other business entity through which income flows as a 1061  
distributive share to its owners. A tax credit received under this 1062

## As Reported by the House Finance and Appropriations Committee\*

section by a partnership, S-corporation, or other such business  
entity shall be apportioned among the persons to whom the income  
or profit of the partnership, S-corporation, or other entity is  
distributed, in the same proportions as those in which the income  
or profit is distributed.

(J) If the director of development determines that a taxpayer  
~~who has that~~ received a tax credit under this section is not  
complying with the requirement under division (E)(4) of this  
section ~~or reduces the number of employees agreed to under~~  
~~division (E)(5) of this section by more than ten per cent~~, the  
director shall notify the tax credit authority of the  
noncompliance. After receiving such a notice, and after giving the  
taxpayer an opportunity to explain the noncompliance, the  
authority may terminate the agreement and require the taxpayer to  
refund to the state all or a portion of the credit claimed in  
previous years, as follows:

(1) If the taxpayer maintained operations at the project site  
for less than the term of the credit, the amount required to be  
refunded shall not exceed the amount of any tax credits previously  
allowed and received under this section.

(2) If the taxpayer maintained operations at the project site  
longer than the term of the credit but less than one and one-half  
times the term of the credit, the amount required to be refunded  
shall not exceed fifty per cent of the sum of any tax credits  
previously allowed and received under this section.

(3) If the taxpayer maintained operations at the project site  
for at least one and one-half times the term of the credit but  
less than twice the term of the credit, the amount required to be  
refunded shall not exceed twenty-five per cent of the sum of any  
tax credits previously allowed and received under this section.

1093

## As Reported by the House Finance and Appropriations Committee\*

In determining the portion of the credit to be refunded to this state, the authority shall consider the effect of market conditions on the taxpayer's project and whether the taxpayer continues to maintain other operations in this state. After making the determination, the authority shall certify the amount to be refunded to the tax commissioner. The commissioner shall make an assessment for that amount against the taxpayer under Chapter 5733. or 5747. of the Revised Code. The time limitations on assessments under Chapter 5733. or 5747. of the Revised Code do not apply to an assessment under this division, but the commissioner shall make the assessment within one year after the date the authority certifies to the commissioner the amount to be refunded.

If the director of development determines that a taxpayer that received a tax credit under this section has reduced the number of employees agreed to under division (E)(5) of this section by more than ten per cent, the director shall notify the tax credit authority of the noncompliance. After receiving such notice, and after providing the taxpayer an opportunity to explain the noncompliance, the authority may amend the agreement to reduce the percentage or term of the tax credit. The reduction in the percentage or term shall take effect in the taxable year in which the authority amends the agreement.

(K) The director of development, after consultation with the tax commissioner and in accordance with Chapter 119. of the Revised Code, shall adopt rules necessary to implement this section. The rules may provide for recipients of tax credits under this section to be charged fees to cover administrative costs of the tax credit program. At the time the director gives public notice under division (A) of section 119.03 of the Revised Code of the adoption of the rules, the director shall submit copies of the proposed rules to the chairpersons of the standing committees on

## As Reported by the House Finance and Appropriations Committee\*

economic development in the senate and the house of 1126  
representatives. 1127

(L) On or before the thirty-first day of March of each year, 1128  
the director of development shall submit a report to the governor, 1129  
the president of the senate, and the speaker of the house of 1130  
representatives on the tax credit program under this section. The 1131  
report shall include information on the number of agreements that 1132  
were entered into under this section during the preceding calendar 1133  
year, a description of the project that is the subject of each 1134  
such agreement, and an update on the status of projects under 1135  
agreements entered into before the preceding calendar year. 1136

**Sec. 123.024.** (A) The department of administrative services 1137  
shall assign and make available, at state expense, suitable office 1138  
space in state-owned facilities to accommodate the office 1139  
operations of the state headquarters of all of the following: 1140

(1) All veterans organizations in this state that either are 1141  
incorporated and issued a charter by the congress of the United 1142  
States or are recognized by the United States department of 1143  
veterans affairs; 1144

(2) The auxiliary organizations of veterans organizations 1145  
described in division (A)(1) of this section; 1146

(3) The Ohio veterans' home agency. 1147

(B) The department may situate office space for each 1148  
auxiliary organization of a veterans organization with or near the 1149  
office space of that veterans organization. 1150

**Sec. 123.10.** (A) The director of administrative services 1151  
shall regulate the rate of tolls to be collected on the public 1152  
works of the state, and shall fix all rentals and collect all 1153  
tolls, rents, fines, commissions, fees, and all other revenues 1154

## As Reported by the House Finance and Appropriations Committee\*

arising from any source in the public works, including the sale, 1155  
construction, purchase, or rental of property. 1156

(B) There is hereby created in the state treasury the state 1157  
architect's fund which shall consist of money received by the 1158  
department of administrative services under division (A) of this 1159  
section, transfers of money to the fund authorized by the general 1160  
assembly, and such percentage of the investment earnings of the 1161  
administrative building fund created in section 152.101 of the 1162  
Revised Code as the director of budget and management determines 1163  
to be appropriate. Money in the fund shall be used by the 1164  
department of administrative services for the following purposes: 1165

(1) To pay personnel and other administrative expenses of the 1166  
department; 1167

(2) To pay the cost of conducting evaluations of public 1168  
works; 1169

(3) To pay the cost of building design specifications; 1170

(4) To pay the cost of providing project management services; 1171

(5) Any other purposes that the director of administrative 1173  
services determines to be necessary for the department to execute 1174  
its duties under this chapter. 1175

**Sec. 124.381.** Each employee of the department of 1176  
rehabilitation and correction, the department of mental health, 1177  
the department of mental retardation and developmental 1178  
disabilities, the Ohio veteran's home agency, or the Ohio schools 1179  
for the deaf and blind, and each employee of the department of 1180  
youth services as established in division (A) of section 124.14 of 1181  
the Revised Code who suffers bodily injury inflicted by an inmate, 1182  
patient, client, youth, or student in the facilities of these 1183  
agencies during the time the employee is lawfully carrying out the 1184

## As Reported by the House Finance and Appropriations Committee\*

assigned duties of the employee's position shall be paid the 1185  
employee's total rate of pay during the period the employee is 1186  
disabled as a result of that injury, but in no case to exceed one 1187  
hundred twenty work days, in lieu of workers' compensation. Pay 1188  
made according to this section shall not be charged to the 1189  
employee's accumulation of sick leave credit. 1190

The director of administrative services shall adopt rules for 1191  
the administration of the occupational injury leave program. The 1192  
rules shall include, but not be limited to, provisions for 1193  
determining a disability, for filing a claim for leave under this 1194  
section, and for allowing or denying claims for the leave. 1195

During the time an employee is receiving injury compensation 1196  
as provided in this section, the employee shall be exempt from the 1197  
accumulation of vacation leave credit under section 124.134 of the 1198  
Revised Code but shall continue to receive sick leave credit and 1199  
personal leave credit under sections 124.382 and 124.386 of the 1200  
Revised Code. 1201

In any case when an employee's disability, as covered by this 1202  
section, extends beyond one hundred twenty work days, the employee 1203  
shall immediately become subject to sections 124.382 and 124.385 1204  
of the Revised Code regarding sick leave and disability leave 1205  
benefits. 1206

An appointing authority may apply to the director of 1207  
administrative services to grant injury leave in accordance with 1208  
this section to law enforcement personnel employed by the agency. 1209

**Sec. 124.82.** (A) Except as provided in division (D) of this 1210  
section, the department of administrative services, in 1211  
consultation with the superintendent of insurance, shall, in 1212  
accordance with competitive selection procedures of Chapter 125. 1213  
of the Revised Code, contract with an insurance company or a 1214  
health plan in combination with an insurance company, authorized 1215

## As Reported by the House Finance and Appropriations Committee\*

to do business in this state, for the issuance of a policy or 1216  
contract of health, medical, hospital, dental, or surgical 1217  
benefits, or any combination of those benefits, covering state 1218  
employees who are paid directly by warrant of the auditor of 1219  
state, including elected state officials. The department may 1220  
fulfill its obligation under this division by exercising its 1221  
authority under division (A)(2) of section 124.81 of the Revised 1222  
Code. 1223

(B) The department may, in addition, in consultation with the 1224  
superintendent of insurance, negotiate and contract with health 1225  
insuring corporations holding a certificate of authority under 1226  
Chapter 1751. of the Revised Code, in their approved service areas 1227  
only, for issuance of a contract or contracts of health care 1228  
services, covering state employees who are paid directly by 1229  
warrant of the auditor of state, including elected state 1230  
officials. Except for health insuring corporations, no more than 1231  
one insurance carrier or health plan shall be contracted with to 1232  
provide the same plan of benefits, provided that: 1233

(1) The amount of the premium or cost for such coverage 1234  
contributed by the state, for an individual or for an individual 1235  
and the individual's family, does not exceed that same amount of 1236  
the premium or cost contributed by the state under division (A) of 1237  
this section; 1238

(2) The employee be permitted to exercise the option as to 1239  
which plan the employee will select under division (A) or (B) of 1240  
this section, at a time that shall be determined by the 1241  
department; 1242

(3) The health insuring corporations do not refuse to accept 1243  
the employee, or the employee and the employee's family, if the 1244  
employee exercises the option to select care provided by the 1245  
corporations; 1246

(4) The employee may choose participation in only one of the 1247



## As Reported by the House Finance and Appropriations Committee\*

plans sponsored by the department; 1248

(5) The director of health examines and certifies to the 1249  
department that the quality and adequacy of care rendered by the 1250  
health insuring corporations meet at least the standards of care 1251  
provided by hospitals and physicians in that employee's community, 1252  
who would be providing such care as would be covered by a contract 1253  
awarded under division (A) of this section. 1254

(C) All or any portion of the cost, premium, or charge for 1255  
the coverage in divisions (A) and (B) of this section may be paid 1256  
in such manner or combination of manners as the department 1257  
determines and may include the proration of health care costs, 1258  
premiums, or charges for part-time employees. 1259

(D) Notwithstanding division (A) of this section, the 1260  
department may provide benefits equivalent to those that may be 1261  
paid under a policy or contract issued by an insurance company or 1262  
a health plan pursuant to division (A) of this section. 1263

(E) This section does not prohibit the state office of 1264  
collective bargaining from entering into an agreement with an 1265  
employee representative for the purposes of providing fringe 1266  
benefits, including, but not limited to, hospitalization, surgical 1267  
care, major medical care, disability, dental care, vision care, 1268  
medical care, hearing aids, prescription drugs, group life 1269  
insurance, sickness and accident insurance, group legal services 1270  
or other benefits, or any combination ~~thereof~~ of those benefits, 1271  
to employees paid directly by warrant of the auditor of state 1272  
through a jointly administered trust fund. The employer's 1273  
contribution for the cost of the benefit care shall be mutually 1274  
agreed to in the collectively bargained agreement. The amount, 1275  
type, and structure of fringe benefits provided under this 1276  
division is subject to the determination of the board of trustees 1277  
of the jointly administered trust fund. Notwithstanding any other 1278  
provision of the Revised Code, competitive bidding does not apply 1279

## As Reported by the House Finance and Appropriations Committee\*

to the purchase of fringe benefits for employees under this 1280  
 division when ~~such~~ those benefits are provided through a jointly 1281  
 administered trust fund. 1282

(F) Members of state boards ~~and or~~ commissions who are 1283  
~~members of the public employees retirement system~~ may be covered 1284  
 by any policy, contract, or plan of benefits or services described 1285  
 in division (A) or (B) of this section ~~if they.~~ Board or 1286  
commission members who are appointed for a fixed term and who are 1287  
compensated on a per meeting basis, or paid only for expenses, or 1288  
receive a combination of per diem payments and expenses shall pay 1289  
 the entire amount of the premiums, costs, or charges for that 1290  
 coverage. 1291

**Sec. 133.20.** (A) This section applies to bonds that are 1292  
 general obligation Chapter 133. securities. If the bonds are 1293  
 payable as to principal by provision for annual installments, the 1294  
 period of limitations on their last maturity, referred to as their 1295  
 maximum maturity, shall be measured from a date twelve months 1296  
 prior to the first date on which provision for payment of 1297  
 principal is made. If the bonds are payable as to principal by 1298  
 provision for semiannual installments, the period of limitations 1299  
 on their last maturity shall be measured from a date six months 1300  
 prior to the first date on which provision for payment of 1301  
 principal is made. 1302

(B) Bonds issued for the following permanent improvements or 1303  
 for permanent improvements for the following purposes shall have 1304  
 maximum maturities not exceeding the number of years stated: 1305

(1) Fifty years: 1306

(a) The clearance and preparation of real property for 1307  
 redevelopment as an urban redevelopment project; 1308

(b) Acquiring, constructing, widening, relocating, enlarging, 1309  
 extending, and improving a publicly owned railroad or line of 1310

railway or a light or heavy rail rapid transit system, including	1311
related bridges, overpasses, underpasses, and tunnels, but not	1312
including rolling stock or equipment;	1313
<u>(c) Pursuant to section 307.675 of the Revised Code,</u>	1314
<u>constructing or repairing a bridge using long life expectancy</u>	1315
<u>material for the bridge deck, and purchasing, installing, and</u>	1316
<u>maintaining any performance equipment to monitor the physical</u>	1317
<u>condition of a bridge so constructed or repaired. Additionally,</u>	1318
<u>the average maturity of the bonds shall not exceed the expected</u>	1319
<u>useful life of the bridge deck as determined by the county</u>	1320
<u>engineer under that section.</u>	1321
(2) Forty years:	1322
(a) General waterworks or water system permanent	1323
improvements, including buildings, water mains, or other	1324
structures and facilities in connection therewith;	1325
(b) Sewers or sewage treatment or disposal works or	1326
facilities, including fireproof buildings or other structures in	1327
connection therewith;	1328
(c) Storm water drainage, surface water, and flood prevention	1329
facilities.	1330
(3) Thirty-five years: sports facilities.	1331
(4) Thirty years:	1332
(a) Municipal recreation, excluding recreational equipment;	1333
(b) Urban redevelopment projects;	1334
(c) Acquisition of real property;	1335
(d) Street or alley lighting purposes or relocating overhead	1336
wires, cables, and appurtenant equipment underground.	1337
(5) Twenty years: constructing, reconstructing, widening,	1338
opening, improving, grading, draining, paving, extending, or	1339

## As Reported by the House Finance and Appropriations Committee\*

changing the line of roads, highways, expressways, freeways,	1340
streets, sidewalks, alleys, or curbs and gutters, and related	1341
bridges, viaducts, overpasses, underpasses, grade crossing	1342
eliminations, service and access highways, and tunnels.	1343
(6) Fifteen years:	1344
(a) Resurfacing roads, highways, streets, or alleys;	1345
(b) Alarm, telegraph, or other communications systems for	1346
police or fire departments or other emergency services;	1347
(c) Passenger buses used for mass transportation;	1348
(d) Energy conservation measures as authorized by section	1349
133.06 of the Revised Code.	1350
(7) Ten years:	1351
(a) Water meters;	1352
(b) Fire department apparatus and equipment;	1353
(c) Road rollers and other road construction and servicing	1354
vehicles;	1355
(d) Furniture, equipment, and furnishings;	1356
(e) Landscape planting and other site improvements;	1357
(f) Playground, athletic, and recreational equipment and	1358
apparatus;	1359
(g) Energy conservation measures as authorized by section	1360
307.041, 505.264, or 717.02 of the Revised Code.	1361
(8) Five years: New motor vehicles other than those described	1362
in any other division of this section and those for which	1363
provision is made in other provisions of the Revised Code.	1364
(C) Bonds issued for any permanent improvements not within	1365
the categories set forth in division (B) of this section shall	1366
have maximum maturities of from five to thirty years as the fiscal	1367

## As Reported by the House Finance and Appropriations Committee\*

officer estimates is the estimated life or period of usefulness of those permanent improvements. Bonds issued under section 133.51 of the Revised Code for purposes other than permanent improvements shall have the maturities, not to exceed forty years, that the taxing authority shall specify.

(D) Securities issued under section 505.265 or 717.07 of the Revised Code shall mature not later than December 31, 2035.

(E) A securities issue for one purpose may include permanent improvements within two or more categories under divisions (B) and (C) of this section. The maximum maturity of such a bond issue shall not exceed the average number of years of life or period of usefulness of the permanent improvements as measured by the weighted average of the amounts expended or proposed to be expended for the categories of permanent improvements.

**Sec. 145.01.** As used in this chapter:

(A) "Public employee" means:

(1) Any person holding an office, not elective, under the state or any county, township, municipal corporation, park district, conservancy district, sanitary district, health district, metropolitan housing authority, state retirement board, Ohio historical society, public library, county law library, union cemetery, joint hospital, institutional commissary, state university, or board, bureau, commission, council, committee, authority, or administrative body as the same are, or have been, created by action of the general assembly or by the legislative authority of any of the units of local government named in division (A)(1) of this section, or employed and paid in whole or in part by the state or any of the authorities named in division (A)(1) of this section in any capacity not covered by section 742.01, 3307.01, 3309.01, or 5505.01 of the Revised Code.

## As Reported by the House Finance and Appropriations Committee\*

(2) A person who is a member of the public employees retirement system and who continues to perform the same or similar duties under the direction of a contractor who has contracted to take over what before the date of the contract was a publicly operated function. The governmental unit with which the contract has been made shall be deemed the employer for the purposes of administering this chapter.

(3) Any person who is an employee of a public employer, notwithstanding that the person's compensation for that employment is derived from funds of a person or entity other than the employer. Credit for such service shall be included as total service credit, provided that the employee makes the payments required by this chapter, and the employer makes the payments required by sections 145.48 and 145.51 of the Revised Code.

(4) A person who elects in accordance with section 145.015 of the Revised Code to remain a contributing member of the public employees retirement system.

In all cases of doubt, the public employees retirement board shall determine whether any person is a public employee, and its decision is final.

(B) "Member" means any public employee, other than a public employee excluded or exempted from membership in the retirement system by section 145.03, 145.031, 145.032, 145.033, 145.034, 145.035, or 145.38 of the Revised Code. "Member" includes a PERS retirant who becomes a member under division (C) of section 145.38 of the Revised Code. "Member" also includes a disability benefit recipient.

(C) "Head of the department" means the elective or appointive head of the several executive, judicial, and administrative departments, institutions, boards, and commissions of the state and local government as the same are created and defined by the

## As Reported by the House Finance and Appropriations Committee\*

laws of this state or, in case of a charter government, by that 1429  
 charter. 1430

(D) "Employer" or "public employer" means the state or any 1431  
 county, township, municipal corporation, park district, 1432  
 conservancy district, sanitary district, health district, 1433  
 metropolitan housing authority, state retirement board, Ohio 1434  
 historical society, public library, county law library, union 1435  
 cemetery, joint hospital, institutional commissary, state medical 1436  
 college, state university, or board, bureau, commission, council, 1437  
 committee, authority, or administrative body as the same are, or 1438  
 have been, created by action of the general assembly or by the 1439  
 legislative authority of any of the units of local government 1440  
 named in this division not covered by section 742.01, 3307.01, 1441  
 3309.01, or 5505.01 of the Revised Code. In addition, "employer" 1442  
 means the employer of any public employee. 1443

(E) "Prior service" means all service as a public employee 1444  
 rendered before January 1, 1935, and all service as an employee of 1445  
 any employer who comes within the state teachers retirement system 1446  
 or of the school employees retirement system or of any other 1447  
 retirement system established under the laws of this state 1448  
 rendered prior to January 1, 1935, provided that if the employee 1449  
 claiming the service was employed in any capacity covered by that 1450  
 other system after that other system was established, credit for 1451  
 the service may be allowed by the public employees retirement 1452  
 system only when the employee has made payment, to be computed on 1453  
 the salary earned from the date of appointment to the date 1454  
 membership was established in the public employees retirement 1455  
 system, at the rate in effect at the time of payment, and the 1456  
 employer has made payment of the corresponding full liability as 1457  
 provided by section 145.44 of the Revised Code. "Prior service" 1458  
 also means all service credited for active duty with the armed 1459  
 forces of the United States as provided in section 145.30 of the 1460

Revised Code. 1461

If an employee who has been granted prior service credit by 1462  
the public employees retirement system for service rendered prior 1463  
to January 1, 1935, as an employee of a board of education 1464  
establishes, before retirement, one year or more of contributing 1465  
service in the state teachers retirement system or school 1466  
employees retirement system, then the prior service ceases to be 1467  
the liability of this system. 1468

If the board determines that a position of any member in any 1469  
calendar year prior to January 1, 1935, was a part-time position, 1470  
the board shall determine what fractional part of a year's credit 1471  
shall be allowed by the following formula: 1472

(1) When the member has been either elected or appointed to 1473  
an office the term of which was two or more years and for which an 1474  
annual salary is established, the fractional part of the year's 1475  
credit shall be computed as follows: 1476

First, when the member's annual salary is one thousand 1477  
dollars or less, the service credit for each such calendar year 1478  
shall be forty per cent of a year. 1479

Second, for each full one hundred dollars of annual salary 1480  
above one thousand dollars, the member's service credit for each 1481  
such calendar year shall be increased by two and one-half per 1482  
cent. 1483

(2) When the member is paid on a per diem basis, the service 1484  
credit for any single year of the service shall be determined by 1485  
using the number of days of service for which the compensation was 1486  
received in any such year as a numerator and using two hundred 1487  
fifty days as a denominator. 1488

(3) When the member is paid on an hourly basis, the service 1489  
credit for any single year of the service shall be determined by 1490  
using the number of hours of service for which the compensation 1491



## As Reported by the House Finance and Appropriations Committee\*

was received in any such year as a numerator and using two 1492  
thousand hours as a denominator. 1493

(F) "Contributor" means any person who has an account in the 1494  
employees' savings fund created by section 145.23 of the Revised 1495  
Code. When used in the sections listed in division (B) of section 1496  
145.82 of the Revised Code, "contributor" includes any person 1497  
participating in a PERS defined contribution plan. 1498

(G) "Beneficiary" or "beneficiaries" means the estate or a 1499  
person or persons who, as the result of the death of a member, 1500  
contributor, or retirant, qualify for or are receiving some right 1501  
or benefit under this chapter. 1502

(H)(1) "Total service credit," except as provided in section 1503  
145.37 of the Revised Code, means all service credited to a member 1504  
of the retirement system since last becoming a member, including 1505  
restored service credit as provided by section 145.31 of the 1506  
Revised Code; credit purchased under sections 145.293 and 145.299 1507  
of the Revised Code; all the member's prior service credit; all 1508  
the member's military service credit computed as provided in this 1509  
chapter; all service credit established pursuant to section 1510  
145.297 of the Revised Code; and any other service credited under 1511  
this chapter. In addition, "total service credit" includes any 1512  
period, not in excess of three years, during which a member was 1513  
out of service and receiving benefits under Chapters 4121. and 1514  
4123. of the Revised Code. For the exclusive purpose of satisfying 1515  
the service credit requirement and of determining eligibility for 1516  
benefits under sections 145.32, 145.33, 145.331, 145.35, 145.36, 1517  
and 145.361 of the Revised Code, "five or more years of total 1518  
service credit" means sixty or more calendar months of 1519  
contributing service in this system. 1520

(2) "One and one-half years of contributing service credit," 1521  
as used in division (B) of section 145.45 of the Revised Code, 1522  
also means eighteen or more calendar months of employment by a 1523

## As Reported by the House Finance and Appropriations Committee\*

municipal corporation that formerly operated its own retirement 1524  
plan for its employees or a part of its employees, provided that 1525  
all employees of that municipal retirement plan who have eighteen 1526  
or more months of such employment, upon establishing membership in 1527  
the public employees retirement system, shall make a payment of 1528  
the contributions they would have paid had they been members of 1529  
this system for the eighteen months of employment preceding the 1530  
date membership was established. When that payment has been made 1531  
by all such employee members, a corresponding payment shall be 1532  
paid into the employers' accumulation fund by that municipal 1533  
corporation as the employer of the employees. 1534

(3) Where a member also is a member of the state teachers 1535  
retirement system or the school employees retirement system, or 1536  
both, except in cases of retirement on a combined basis pursuant 1537  
to section 145.37 of the Revised Code or as provided in section 1538  
145.383 of the Revised Code, service credit for any period shall 1539  
be credited on the basis of the ratio that contributions to the 1540  
public employees retirement system bear to total contributions in 1541  
all state retirement systems. 1542

(4) Not more than one year of credit may be given for any 1543  
period of twelve months. 1544

(5) "Ohio service credit" means credit for service that was 1545  
rendered to the state or any of its political subdivisions or any 1546  
employer. 1547

(I) "Regular interest" means interest at any rates for the 1548  
respective funds and accounts as the public employees retirement 1549  
board may determine from time to time. 1550

(J) "Accumulated contributions" means the sum of all amounts 1551  
credited to a contributor's individual account in the employees' 1552  
savings fund together with any interest credited to the 1553  
contributor's account under section 145.471 or 145.472 of the 1554

## As Reported by the House Finance and Appropriations Committee\*

Revised Code. 1555

(K)(1) "Final average salary" means the quotient obtained by 1556  
dividing by three the sum of the three full calendar years of 1557  
contributing service in which the member's earnable salary was 1558  
highest, except that if the member has a partial year of 1559  
contributing service in the year the member's employment 1560  
terminates and the member's earnable salary for the partial year 1561  
is higher than for any comparable period in the three years, the 1562  
member's earnable salary for the partial year shall be substituted 1563  
for the member's earnable salary for the comparable period during 1564  
the three years in which the member's earnable salary was lowest. 1565

(2) If a member has less than three years of contributing 1566  
service, the member's final average salary shall be the member's 1567  
total earnable salary divided by the total number of years, 1568  
including any fraction of a year, of the member's contributing 1569  
service. 1570

(3) For the purpose of calculating benefits payable to a 1571  
member qualifying for service credit under division (Z) of this 1572  
section, "final average salary" means the total earnable salary on 1573  
which contributions were made divided by the total number of years 1574  
during which contributions were made, including any fraction of a 1575  
year. If contributions were made for less than twelve months, 1576  
"final average salary" means the member's total earnable salary. 1577

(L) "Annuity" means payments for life derived from 1578  
contributions made by a contributor and paid from the annuity and 1579  
pension reserve fund as provided in this chapter. All annuities 1580  
shall be paid in twelve equal monthly installments. 1581

(M) "Annuity reserve" means the present value, computed upon 1582  
the basis of the mortality and other tables adopted by the board, 1583  
of all payments to be made on account of any annuity, or benefit 1584  
in lieu of any annuity, granted to a retirant as provided in this 1585

## As Reported by the House Finance and Appropriations Committee\*

chapter.	1586
(N)(1) "Disability retirement" means retirement as provided in section 145.36 of the Revised Code.	1587 1588
(2) "Disability allowance" means an allowance paid on account of disability under section 145.361 of the Revised Code.	1589 1590
(3) "Disability benefit" means a benefit paid as disability retirement under section 145.36 of the Revised Code, as a disability allowance under section 145.361 of the Revised Code, or as a disability benefit under section 145.37 of the Revised Code.	1591 1592 1593 1594
(4) "Disability benefit recipient" means a member who is receiving a disability benefit.	1595 1596
(O) "Age and service retirement" means retirement as provided in sections 145.32, 145.33, 145.331, 145.34, 145.37, and 145.46 of the Revised Code.	1597 1598 1599
(P) "Pensions" means annual payments for life derived from contributions made by the employer that at the time of retirement are credited into the annuity and pension reserve fund from the employers' accumulation fund and paid from the annuity and pension reserve fund as provided in this chapter. All pensions shall be paid in twelve equal monthly installments.	1600 1601 1602 1603 1604 1605
(Q) "Retirement allowance" means the pension plus that portion of the benefit derived from contributions made by the member.	1606 1607 1608
(R)(1) Except as otherwise provided in division (R) of this section, "earnable salary" means all salary, wages, and other earnings paid to a contributor by reason of employment in a position covered by the retirement system. The salary, wages, and other earnings shall be determined prior to determination of the amount required to be contributed to the employees' savings fund under section 145.47 of the Revised Code and without regard to	1609 1610 1611 1612 1613 1614 1615

## As Reported by the House Finance and Appropriations Committee\*

whether any of the salary, wages, or other earnings are treated as	1616
deferred income for federal income tax purposes. "Earnable salary"	1617
includes the following:	1618
(a) Payments made by the employer in lieu of salary, wages,	1619
or other earnings for sick leave, personal leave, or vacation used	1620
by the contributor;	1621
(b) Payments made by the employer for the conversion of sick	1622
leave, personal leave, and vacation leave accrued, but not used if	1623
the payment is made during the year in which the leave is accrued,	1624
except that payments made pursuant to section 124.383 or 124.386	1625
of the Revised Code are not earnable salary;	1626
(c) Allowances paid by the employer for full maintenance,	1627
consisting of housing, laundry, and meals, as certified to the	1628
retirement board by the employer or the head of the department	1629
that employs the contributor;	1630
(d) Fees and commissions paid under section 507.09 of the	1631
Revised Code;	1632
(e) Payments that are made under a disability leave program	1633
sponsored by the employer and for which the employer is required	1634
by section 145.296 of the Revised Code to make periodic employer	1635
and employee contributions;	1636
(f) Amounts included pursuant to divisions (K)(3) and (Y) of	1637
this section.	1638
(2) "Earnable salary" does not include any of the following:	1639
(a) Fees and commissions, other than those paid under section	1640
507.09 of the Revised Code, paid as sole compensation for personal	1641
services and fees and commissions for special services over and	1642
above services for which the contributor receives a salary;	1643
	1644
(b) Amounts paid by the employer to provide life insurance,	1645

## As Reported by the House Finance and Appropriations Committee\*

sickness, accident, endowment, health, medical, hospital, dental, 1646  
or surgical coverage, or other insurance for the contributor or 1647  
the contributor's family, or amounts paid by the employer to the 1648  
contributor in lieu of providing the insurance; 1649

(c) Incidental benefits, including lodging, food, laundry, 1650  
parking, or services furnished by the employer, or use of the 1651  
employer's property or equipment, or amounts paid by the employer 1652  
to the contributor in lieu of providing the incidental benefits; 1653

(d) Reimbursement for job-related expenses authorized by the 1654  
employer, including moving and travel expenses and expenses 1655  
related to professional development; 1656

(e) Payments for accrued but unused sick leave, personal 1657  
leave, or vacation that are made at any time other than in the 1658  
year in which the sick leave, personal leave, or vacation was 1659  
accrued; 1660

(f) Payments made to or on behalf of a contributor that are 1661  
in excess of the annual compensation that may be taken into 1662  
account by the retirement system under division (a)(17) of section 1663  
401 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 1664  
U.S.C.A. 401(a)(17), as amended; 1665

(g) Payments made under division (B), (C), or (E) of section 1666  
5923.05 of the Revised Code, Section 4 of Substitute Senate Bill 1667  
No. 3 of the 119th general assembly, Section 3 of Amended 1668  
Substitute Senate Bill No. 164 of the 124th general assembly, or 1669  
Amended Substitute House Bill No. 405 of the 124th general 1670  
assembly; 1671

(h) Anything of value received by the contributor that is 1672  
based on or attributable to retirement or an agreement to retire, 1673  
except that payments made on or before January 1, 1989, that are 1674  
based on or attributable to an agreement to retire shall be 1675  
included in earnable salary if both of the following apply: 1676

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- (i) The payments are made in accordance with contract provisions that were in effect prior to January 1, 1986;
- (ii) The employer pays the retirement system an amount specified by the retirement board equal to the additional liability resulting from the payments.
- (3) The retirement board shall determine by rule whether any compensation not enumerated in division (R) of this section is earnable salary, and its decision shall be final.
- (S) "Pension reserve" means the present value, computed upon the basis of the mortality and other tables adopted by the board, of all payments to be made on account of any retirement allowance or benefit in lieu of any retirement allowance, granted to a member or beneficiary under this chapter.
- (T)(1) "Contributing service" means all service credited to a member of the system since January 1, 1935, for which contributions are made as required by sections 145.47, 145.48, and 145.483 of the Revised Code. In any year subsequent to 1934, credit for any service shall be allowed by the following formula:
- (a) For each month for which the member's earnable salary is two hundred fifty dollars or more, allow one month's credit.
- (b) For each month for which the member's earnable salary is less than two hundred fifty dollars, allow a fraction of a month's credit. The numerator of this fraction shall be the earnable salary during the month, and the denominator shall be two hundred fifty dollars, except that if the member's annual earnable salary is less than six hundred dollars, the member's credit shall not be reduced below twenty per cent of a year for a calendar year of employment during which the member worked each month. Division (T)(1)(b) of this section shall not reduce any credit earned before January 1, 1985.
- (2) Notwithstanding division (T)(1) of this section, an

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elected official who prior to January 1, 1980, was granted a full year of credit for each year of service as an elected official shall be considered to have earned a full year of credit for each year of service regardless of whether the service was full-time or part-time. The public employees retirement board has no authority to reduce the credit.

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(U) "State retirement board" means the public employees retirement board, the school employees retirement board, or the state teachers retirement board.

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(V) "Retirant" means any former member who retires and is receiving a monthly allowance as provided in sections 145.32, 145.33, 145.331, 145.34, and 145.46 of the Revised Code.

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(W) "Employer contribution" means the amount paid by an employer as determined under section 145.48 of the Revised Code.

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(X) "Public service terminates" means the last day for which a public employee is compensated for services performed for an employer or the date of the employee's death, whichever occurs first.

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(Y) When a member has been elected or appointed to an office, the term of which is two or more years, for which an annual salary is established, and in the event that the salary of the office is increased and the member is denied the additional salary by reason of any constitutional provision prohibiting an increase in salary during a term of office, the member may elect to have the amount of the member's contributions calculated upon the basis of the increased salary for the office. At the member's request, the board shall compute the total additional amount the member would have contributed, or the amount by which each of the member's contributions would have increased, had the member received the increased salary for the office the member holds. If the member elects to have the amount by which the member's contribution would



## As Reported by the House Finance and Appropriations Committee\*

have increased withheld from the member's salary, the member shall  
notify the employer, and the employer shall make the withholding  
and transmit it to the retirement system. A member who has not  
elected to have that amount withheld may elect at any time to make  
a payment to the retirement system equal to the additional amount  
the member's contribution would have increased, plus interest on  
that contribution, compounded annually at a rate established by  
the board and computed from the date on which the last  
contribution would have been withheld from the member's salary to  
the date of payment. A member may make a payment for part of the  
period for which the increased contribution was not withheld, in  
which case the interest shall be computed from the date the last  
contribution would have been withheld for the period for which the  
payment is made. Upon the payment of the increased contributions  
as provided in this division, the increased annual salary as  
provided by law for the office for the period for which the member  
paid increased contributions thereon shall be used in determining  
the member's earnable salary for the purpose of computing the  
member's final average salary.

(Z) "Five years of service credit," for the exclusive purpose  
of satisfying the service credit requirements and of determining  
eligibility for benefits under section 145.33 of the Revised Code,  
means employment covered under this chapter or under a former  
retirement plan operated, recognized, or endorsed by the employer  
prior to coverage under this chapter or under a combination of the  
coverage.

(AA) "Deputy sheriff" means any person who is commissioned  
and employed as a full-time peace officer by the sheriff of any  
county, and has been so employed since on or before December 31,  
1965, and whose primary duties are to preserve the peace, to  
protect life and property, and to enforce the laws of this state;

## As Reported by the House Finance and Appropriations Committee\*

any person who is or has been commissioned and employed as a peace officer by the sheriff of any county since January 1, 1966, and who has received a certificate attesting to the person's satisfactory completion of the peace officer training school as required by section 109.77 of the Revised Code and whose primary duties are to preserve the peace, protect life and property, and enforce the laws of this state; or any person deputized by the sheriff of any county and employed pursuant to section 2301.12 of the Revised Code as a criminal bailiff or court constable who has received a certificate attesting to the person's satisfactory completion of the peace officer training school as required by section 109.77 of the Revised Code and whose primary duties are to preserve the peace, protect life and property, and enforce the laws of this state.

(BB) "Township constable or police officer in a township police department or district" means any person who is commissioned and employed as a full-time peace officer pursuant to Chapter 505. or 509. of the Revised Code, who has received a certificate attesting to the person's satisfactory completion of the peace officer training school as required by section 109.77 of the Revised Code, and whose primary duties are to preserve the peace, protect life and property, and enforce the laws of this state.

(CC) "Drug agent" means any person who is either of the following:

(1) Employed full-time as a narcotics agent by a county narcotics agency created pursuant to section 307.15 of the Revised Code and has received a certificate attesting to the satisfactory completion of the peace officer training school as required by section 109.77 of the Revised Code;

(2) Employed full-time as an undercover drug agent as defined in section 109.79 of the Revised Code and is in compliance with

## As Reported by the House Finance and Appropriations Committee\*

section 109.77 of the Revised Code.	1803
(DD) "Department of public safety enforcement agent" means a full-time employee of the department of public safety who is designated under section 5502.14 of the Revised Code as an enforcement agent and who is in compliance with section 109.77 of the Revised Code.	1804 1805 1806 1807 1808
(EE) "Natural resources law enforcement staff officer" means a full-time employee of the department of natural resources who is designated a natural resources law enforcement staff officer under section 1501.013 of the Revised Code and is in compliance with section 109.77 of the Revised Code.	1809 1810 1811 1812 1813
(FF) "Park officer" means a full-time employee of the department of natural resources who is designated a park officer under section 1541.10 of the Revised Code and is in compliance with section 109.77 of the Revised Code.	1814 1815 1816 1817
(GG) "Forest officer" means a full-time employee of the department of natural resources who is designated a forest officer under section 1503.29 of the Revised Code and is in compliance with section 109.77 of the Revised Code.	1818 1819 1820 1821
(HH) "Preserve officer" means a full-time employee of the department of natural resources who is designated a preserve officer under section 1517.10 of the Revised Code and is in compliance with section 109.77 of the Revised Code.	1822 1823 1824 1825
(II) "Wildlife officer" means a full-time employee of the department of natural resources who is designated a wildlife officer under section 1531.13 of the Revised Code and is in compliance with section 109.77 of the Revised Code.	1826 1827 1828 1829
(JJ) "State watercraft officer" means a full-time employee of the department of natural resources who is designated a state watercraft officer under section 1547.521 of the Revised Code and is in compliance with section 109.77 of the Revised Code.	1830 1831 1832 1833

## As Reported by the House Finance and Appropriations Committee\*

(KK) "Park district police officer" means a full-time	1834
employee of a park district who is designated pursuant to section	1835
511.232 or 1545.13 of the Revised Code and is in compliance with	1836
section 109.77 of the Revised Code.	1837
(LL) "Conservancy district officer" means a full-time	1838
employee of a conservancy district who is designated pursuant to	1839
section 6101.75 of the Revised Code and is in compliance with	1840
section 109.77 of the Revised Code.	1841
(MM) "Municipal police officer" means a member of the	1842
organized police department of a municipal corporation who is	1843
employed full-time, is in compliance with section 109.77 of the	1844
Revised Code, and is not a member of the Ohio police and fire	1845
pension fund.	1846
(NN) " <del>Ohio veterans</del> <u>Veterans'</u> home police officer" means any	1847
person who is employed at <del>the Ohio</del> a veterans' home as a police	1848
officer pursuant to section 5907.02 of the Revised Code and is in	1849
compliance with section 109.77 of the Revised Code.	1850
(OO) "Special police officer for a mental health institution"	1851
means any person who is designated as such pursuant to section	1852
5119.14 of the Revised Code and is in compliance with section	1853
109.77 of the Revised Code.	1854
(PP) "Special police officer for an institution for the	1855
mentally retarded and developmentally disabled" means any person	1856
who is designated as such pursuant to section 5123.13 of the	1857
Revised Code and is in compliance with section 109.77 of the	1858
Revised Code.	1859
(QQ) "State university law enforcement officer" means any	1860
person who is employed full-time as a state university law	1861
enforcement officer pursuant to section 3345.04 of the Revised	1862
Code and who is in compliance with section 109.77 of the Revised	1863
Code.	1864

## As Reported by the House Finance and Appropriations Committee\*

(RR) "House sergeant at arms" means any person appointed by the speaker of the house of representatives under division (B)(1) of section 101.311 of the Revised Code who has arrest authority under division (E)(1) of that section.	1865 1866 1867 1868
(SS) "Assistant house sergeant at arms" means any person appointed by the house sergeant at arms under division (C)(1) of section 101.311 of the Revised Code.	1869 1870 1871
(TT) "Regional transit authority police officer" means a person who is employed full time as a regional transit authority police officer under division (Y) of section 306.35 of the Revised Code and is in compliance with section 109.77 of the Revised Code.	1872 1873 1874 1875
(UU) "State highway patrol police officer" means a special police officer employed full time and designated by the superintendent of the state highway patrol pursuant to section 5503.09 of the Revised Code or a person serving full time as a special police officer pursuant to that section on a permanent basis on October 21, 1997, who is in compliance with section 109.77 of the Revised Code.	1876 1877 1878 1879 1880 1881 1882
(VV) Notwithstanding section 2901.01 of the Revised Code, "PERS law enforcement officer" means a sheriff, deputy sheriff, township constable or police officer in a township police department or district, drug agent, department of public safety enforcement agent, natural resources law enforcement staff officer, park officer, forest officer, preserve officer, wildlife officer, state watercraft officer, park district police officer, conservancy district officer, Ohio veterans' home police officer, special police officer for a mental health institution, special police officer for an institution for the mentally retarded and developmentally disabled, state university law enforcement officer, municipal police officer, house sergeant at arms, assistant house sergeant at arms, regional transit authority police officer, or state highway patrol police officer.	1883 1884 1885 1886 1887 1888 1889 1890 1891 1892 1893 1894 1895 1896

## As Reported by the House Finance and Appropriations Committee\*

(WW) "Hamilton county municipal court bailiff" means a person appointed by the clerk of courts of the Hamilton county municipal court under division (A)(3) of section 1901.32 of the Revised Code who is employed full time as a bailiff or deputy bailiff, who has received a certificate attesting to the person's satisfactory completion of the peace officer basic training described in division (D)(1) of section 109.77 of the Revised Code, and whose primary duties are to preserve the peace, to protect life and property, and to enforce the laws of this state.

(XX) "Fiduciary" means a person who does any of the following:

(1) Exercises any discretionary authority or control with respect to the management of the system or with respect to the management or disposition of its assets;

(2) Renders investment advice for a fee, direct or indirect, with respect to money or property of the system;

(3) Has any discretionary authority or responsibility in the administration of the system.

(YY) "Actuary" means an individual who satisfies all of the following requirements:

(1) Is a member of the American academy of actuaries;

(2) Is an associate or fellow of the society of actuaries;

(3) Has a minimum of five years' experience in providing actuarial services to public retirement plans.

(ZZ) "PERS defined benefit plan" means the plan described in sections 145.201 to 145.79 of the Revised Code.

(AAA) "PERS defined contribution plans" means the plan or plans established under section 145.81 of the Revised Code.

**Sec. 145.012.** (A) "Public employee," as defined in division

## As Reported by the House Finance and Appropriations Committee\*

(A) of section 145.01 of the Revised Code, does not include any person:	1926
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(1) Who is employed by a private, temporary-help service and performs services under the direction of a public employer or is employed on a contractual basis as an independent contractor under a personal service contract with a public employer;	1928
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(2) Who is an emergency employee serving on a temporary basis in case of fire, snow, earthquake, flood, or other similar emergency;	1932
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(3) Who is employed in a program established pursuant to the "Job Training Partnership Act," 96 Stat. 1322 (1982), 29 U.S.C.A. 1501;	1935
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(4) Who is an appointed member of either the motor vehicle salvage dealers board or the motor vehicle dealer's board whose rate and method of payment are determined pursuant to division (J) of section 124.15 of the Revised Code;	1938
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(5) Who is employed as an election worker and paid less than five hundred dollars per calendar year for that service;	1942
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(6) Who is employed as a firefighter in a position requiring satisfactory completion of a firefighter training course approved under former section 3303.07 or section 4765.55 of the Revised Code or conducted under section 3737.33 of the Revised Code except for the following:	1944
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(a) Any firefighter who has elected under section 145.013 of the Revised Code to remain a contributing member of the public employees retirement system;	1949
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(b) Any firefighter who was eligible to transfer from the public employees retirement system to the Ohio police and fire pension fund under section 742.51 or 742.515 of the Revised Code and did not elect to transfer;	1952
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## As Reported by the House Finance and Appropriations Committee\*

(c) Any firefighter who has elected under section 742.516 of the Revised Code to transfer from the Ohio police and fire pension fund to the public employees retirement system. 1956  
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(7) Who is a member of the board of health of a city or general health district, which pursuant to sections 3709.051 and 3709.07 of the Revised Code includes a combined health district, and whose compensation for attendance at meetings of the board is set forth in division (B) of section 3709.02 or division (B) of section 3709.05 of the Revised Code, as appropriate; 1959  
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(8) Who participates in an alternative retirement plan established under Chapter 3305. of the Revised Code; 1965  
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(9) Who is a member of the board of directors of a sanitary district established under Chapter 6115. of the Revised Code. 1967  
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(B) No inmate of a correctional institution operated by the department of rehabilitation and correction, no patient in a hospital for the mentally ill or criminally insane operated by the department of mental health, no resident in an institution for the mentally retarded operated by the department of mental retardation and developmental disabilities, no resident admitted as a patient of ~~the Ohio a veterans' home at Sandusky~~ operated under Chapter 5907. of the Revised Code, and no resident of a county home shall be considered as a public employee for the purpose of establishing membership or calculating service credit or benefits under this chapter. Nothing in this division shall be construed to affect any service credit attained by any person who was a public employee before becoming an inmate, patient, or resident at any institution listed in this division, or the payment of any benefit for which such a person or such a person's beneficiaries otherwise would be eligible. 1969  
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**Sec. 145.33.** (A) Except as provided in division (B) or (C) of this section, a member with at least five years of total service 1985  
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## As Reported by the House Finance and Appropriations Committee\*

credit who has attained age sixty, or who has thirty years of	1987
total Ohio service credit, may apply for age and service	1988
retirement, which shall consist of:	1989
(1) An annuity having a reserve equal to the amount of the	1990
member's accumulated contributions at that time;	1991
(2) A pension equal to the annuity provided by division	1992
(A)(1) of this section;	1993
(3) An additional pension, if the member can qualify for	1994
prior service, equal to forty dollars multiplied by the number of	1995
years, and fraction thereof, of such prior and military service	1996
credit;	1997
(4) A basic annual pension equal to one hundred eighty	1998
dollars if the member has ten or more years of total service	1999
credit as of October 1, 1956, except that the basic annual pension	2000
shall not exceed the sum of the annual benefits provided by	2001
divisions (A)(1), (2), and (3) of this section.	2002
(5) When a member retires on age and service retirement, the	2003
member's total annual single lifetime allowance, including the	2004
allowances provided in divisions (A)(1), (2), (3), and (4) of this	2005
section, shall be not less than a base amount adjusted in	2006
accordance with division (A)(5) of this section and determined by	2007
multiplying the member's total service credit by the greater of	2008
the following:	2009
(a) Eighty-six dollars;	2010
(b) Two and two-tenths per cent of the member's final average	2011
salary for each of the first thirty years of service plus two and	2012
one-half per cent of the member's final average salary for each	2013
subsequent year of service.	2014
The allowance shall be adjusted by the factors of attained	2015
age or years of service to provide the greater amount as	2016
determined by the following schedule:	2017

As Reported by the House Finance and Appropriations Committee\*

Attained Birthday	or	Years of Total Service Credit	Percentage of Base Amount	2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028 2029 2030
58		25	75	
59		26	80	
60		27	85	
61			88	
		28	90	
62			91	
63			94	
		29	95	
64			97	
65		30 or more	100	

Members shall vest the right to a benefit in accordance with the following schedule, based on the member's attained age by September 1, 1976:

Attained Birthday	Percentage of Base Amount	2034 2035 2036 2037 2038 2039 2040 2041
66	102	
67	104	
68	106	
69	108	
70 or more	110	

(6) The total annual single lifetime allowance that a member shall receive under division (A)(5) of this section shall not exceed the lesser of one hundred per cent of the member's final average salary or the limit established by section 415 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended.

(B)(1) For the purposes of divisions (B) to ~~(H)~~(G) of this section, "total service credit as a PERS law enforcement officer"

## As Reported by the House Finance and Appropriations Committee\*

and "total service credit as a Hamilton county municipal court  
 bailiff" include credit for military service to the extent  
 permitted by division ~~(F)~~(E)(2) of this section and credit for  
 service as a police officer or state highway patrol trooper to the  
 extent permitted by divisions ~~(F)~~(E)(3) and (4) of this section.

(2) A member who meets the conditions in division (B)(2)(a),  
 (b), (c), or (d) of this section may apply for an age and service  
 retirement benefit under this division:

(a) The member has attained age forty-eight and has at least  
 twenty-five years of total service credit as a PERS law  
 enforcement officer whose primary duties were to preserve the  
 peace, protect life and property, and enforce the laws in the  
 member's jurisdiction;

(b) The member has attained age fifty-two, and has at least  
 twenty-five years of total service credit as a PERS law  
 enforcement officer, but the member's primary duties were other  
 than to preserve the peace, protect life and property, and enforce  
 the laws in the member's jurisdiction;

(c) The member has attained age fifty-two and has at least  
 twenty-five years of total service as a Hamilton county municipal  
 court bailiff;

(d) The member has attained age sixty-two and has at least  
 fifteen years of total service credit as either of the following:

(i) A PERS law enforcement officer;

(ii) A Hamilton county municipal court bailiff.

(3) A benefit paid under division (B)(2) of this section  
 shall consist of an annual single lifetime allowance equal to the  
 sum of two and one-half per cent of the member's final average  
 salary multiplied by the first twenty-five years of the member's  
 total service plus two and one-tenth per cent of the member's  
 final average salary multiplied by the number of years of the

## As Reported by the House Finance and Appropriations Committee\*

member's total service credit in excess of twenty-five years. 2081

(4) A member with at least fifteen years of total service 2082  
 credit as a PERS law enforcement officer or Hamilton county 2083  
 municipal court bailiff who voluntarily resigns or is discharged 2084  
 for any reason except death, dishonesty, cowardice, intemperate 2085  
 habits, or conviction of a felony may apply for an age and service 2086  
 retirement benefit, which shall consist of an annual single 2087  
 lifetime allowance equal to one and one-half per cent of the 2088  
 member's final average salary multiplied by the number of years of 2089  
 the member's total service credit. The allowance shall commence on 2090  
 the first day of the calendar month following the month in which 2091  
 the application is filed with the public employees retirement 2092  
 board on or after the attainment by the applicant of age 2093  
 fifty-two. 2094

(C)(1) A member with at least twenty-five years of total 2095  
 service credit who would be eligible to retire under division 2096  
 (B)(2)(b) or (c) of this section had the member attained age 2097  
 fifty-two and who voluntarily resigns or is discharged for any 2098  
 reason except death, dishonesty, cowardice, intemperate habits, or 2099  
 conviction of a felony, on or after the date of attaining 2100  
 forty-eight years of age, but before the date of attaining 2101  
 fifty-two years of age, may elect to receive a reduced benefit as 2102  
 determined by the following schedule: 2103

Attained Age	Reduced Benefit	
48	75% of the benefit payable under	2105
	division (B)(3) of this section	2106
49	80% of the benefit payable under	2107
	division (B)(3) of this section	2108
50	86% of the benefit payable under	2109
	division (B)(3) of this section	2110
51	93% of the benefit payable under	2111
	division (B)(3) of this section	2112

## As Reported by the House Finance and Appropriations Committee\*

(2) If a member elects to receive a reduced benefit after 2113  
attaining age forty-eight the reduced benefit is payable from the 2114  
later of the date of the member's most recent birthday or the date 2115  
the member becomes eligible to receive the reduced benefit. 2116

(3) Once a member elects to receive a reduced benefit 2117  
determined by the schedule in division (C)(1) of this section and 2118  
has received a payment, the member may not reelect to change that 2119  
election. 2120

(4) If a member who has resigned or been discharged has left 2121  
on deposit the member's accumulated contributions in the 2122  
employees' savings fund and has not elected to receive a reduced 2123  
benefit determined by the schedule in division (C)(1) of this 2124  
section, upon attaining fifty-two years of age, the member shall 2125  
be entitled to receive a benefit computed and paid under division 2126  
(B)(3) of this section. 2127

(D) A benefit paid under division (B) or (C) of this section 2128  
shall not exceed the lesser of ninety per cent of the member's 2129  
final average salary or the limit established by section 415 of 2130  
the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 2131  
415, as amended. 2132

(E)(1) A member with service credit as a PERS law enforcement 2133  
officer or a Hamilton county municipal court bailiff and other 2134  
service credit under this chapter may elect one of the following: 2135  
2136

(a) To have all the member's service credit under this 2137  
chapter, including credit for service as a PERS law enforcement 2138  
officer or Hamilton county municipal court bailiff, used in 2139  
calculating a retirement allowance under division (A) of this 2140  
section if the member qualifies for an allowance under that 2141  
division; 2142

(b) If the member qualifies for an allowance under division 2143

## As Reported by the House Finance and Appropriations Committee\*

(B) or (C) of this section, to have the member's service credit as  
a PERS law enforcement officer or Hamilton county municipal court  
bailiff used in calculating a benefit under the appropriate  
division and the member's credit for all service other than PERS  
law enforcement service or service as a Hamilton county municipal  
court bailiff under this chapter used in calculating a benefit  
consisting of a single life annuity having a reserve equal to the  
amount of the member's accumulated contributions and an equal  
amount of the employer's contributions.

(2) Notwithstanding sections 145.01 and 145.30 of the Revised  
Code, no more than four years of military service credit granted  
under section 145.30 of the Revised Code and five years of  
military service credit purchased under section 145.301 or 145.302  
of the Revised Code shall be used in calculating service as a PERS  
law enforcement officer or Hamilton county municipal court bailiff  
or the total service credit of that person.

(3) Only credit for the member's service as a PERS law  
enforcement officer or service credit obtained as a police officer  
or state highway patrol trooper shall be used in computing the  
benefit of a member who qualifies for a benefit under division  
(B)(2)(a), (b), or (d)(ii) or (4) or division (C) of this section  
for the following:

(a) Any person who originally is commissioned and employed as  
a deputy sheriff by the sheriff of any county, or who originally  
is elected sheriff, on or after January 1, 1975;

(b) Any deputy sheriff who originally is employed as a  
criminal bailiff or court constable on or after April 16, 1993;

(c) Any person who originally is appointed as a township  
constable or police officer in a township police department or  
district on or after January 1, 1981;

(d) Any person who originally is employed as a county

## As Reported by the House Finance and Appropriations Committee\*

narcotics agent on or after September 26, 1984;	2175
(e) Any person who originally is employed as an undercover	2176
drug agent as defined in section 109.79 of the Revised Code,	2177
department of public safety enforcement agent who prior to June	2178
30, 1999, was a liquor control investigator, park officer, forest	2179
officer, wildlife officer, state watercraft officer, park district	2180
police officer, conservancy district officer, Ohio veterans' home	2181
police officer, special police officer for a mental health	2182
institution, special police officer for an institution for the	2183
mentally retarded and developmentally disabled, or municipal	2184
police officer on or after December 15, 1988;	2185
(f) Any person who originally is employed as a state	2186
university law enforcement officer on or after November 6, 1996;	2187
(g) Any person who is originally employed as a state	2188
university law enforcement officer by the university of Akron on	2189
or after September 16, 1998;	2190
(h) Any person who originally is employed as a preserve	2191
officer on or after March 18, 1999;	2192
(i) Any person who originally is employed as a natural	2193
resources law enforcement staff officer on or after March 18,	2194
1999;	2195
(j) Any person who is originally employed as a department of	2196
public safety enforcement agent on or after June 30, 1999;	2197
(k) Any person who is originally employed as a house sergeant	2198
at arms or assistant house sergeant at arms on or after September	2199
5, 2001;	2200
(l) Any person who is originally appointed as a regional	2201
transit authority police officer or state highway patrol police	2202
officer on or after <del>the effective date of this amendment</del> <u>February</u>	2203
<u>1, 2002.</u>	2204

## As Reported by the House Finance and Appropriations Committee\*

(4) Only credit for a member's service as a Hamilton county municipal court bailiff or service credit obtained as a PERS law enforcement officer, police officer, or state highway patrol trooper shall be used in computing the benefit of a member who qualifies for a benefit under division (B)(2)(c) or (d)(ii) or (4) or division (C) of this section for any person who originally is employed as a Hamilton county municipal court bailiff on or after November 6, 1996.

~~(G)~~(F) Retirement allowances determined under this section shall be paid as provided in section 145.46 of the Revised Code.

~~(H)~~(G) For the purposes of this section, service prior to June 30, 1999, as a food stamp trafficking agent under former section 5502.14 of the Revised Code shall be considered service as a law enforcement officer.

**Sec. 151.01.** (A) As used in sections 151.01 to 151.09 and 151.40 of the Revised Code and in the applicable bond proceedings unless otherwise provided:

(1) "Bond proceedings" means the resolutions, orders, agreements, and credit enhancement facilities, and amendments and supplements to them, or any one or more or combination of them, authorizing, awarding, or providing for the terms and conditions applicable to or providing for the security or liquidity of, the particular obligations, and the provisions contained in those obligations.

(2) "Bond service fund" means the respective bond service fund created by section 151.03, 151.04, 151.05, 151.06, 151.07, 151.08, 151.09, or 151.40 of the Revised Code, and any accounts in that fund, including all moneys and investments, and earnings from investments, credited and to be credited to that fund and accounts as and to the extent provided in the applicable bond proceedings.



## As Reported by the House Finance and Appropriations Committee\*

(3) "Capital facilities" means capital facilities or projects 2235  
 as referred to in section 151.03, 151.04, 151.05, 151.06, 151.07, 2236  
 151.08, 151.09, or 151.40 of the Revised Code. 2237

(4) "Costs of capital facilities" means the costs of 2238  
 acquiring, constructing, reconstructing, rehabilitating, 2239  
 remodeling, renovating, enlarging, improving, equipping, or 2240  
 furnishing capital facilities, and of the financing of those 2241  
 costs. "Costs of capital facilities" includes, without limitation, 2242  
 and in addition to costs referred to in section 151.03, 151.04, 2243  
 151.05, 151.06, 151.07, 151.08, 151.09, or 151.40 of the Revised 2244  
 Code, the cost of clearance and preparation of the site and of any 2245  
 land to be used in connection with capital facilities, the cost of 2246  
 any indemnity and surety bonds and premiums on insurance, all 2247  
 related direct administrative expenses and allocable portions of 2248  
 direct costs of the issuing authority, costs of engineering and 2249  
 architectural services, designs, plans, specifications, surveys, 2250  
 and estimates of cost, financing costs, interest on obligations 2251  
 from their date to the time when interest is to be paid from 2252  
 sources other than proceeds of obligations, amounts necessary to 2253  
 establish any reserves as required by the bond proceedings, the 2254  
 reimbursement of all moneys advanced or applied by or borrowed 2255  
 from any person or governmental agency or entity for the payment 2256  
 of any item of costs of capital facilities, and all other expenses 2257  
 necessary or incident to planning or determining feasibility or 2258  
 practicability with respect to capital facilities, and such other 2259  
 expenses as may be necessary or incident to the acquisition, 2260  
 construction, reconstruction, rehabilitation, remodeling, 2261  
 renovation, enlargement, improvement, equipment, and furnishing of 2262  
 capital facilities, the financing of those costs, and the placing 2263  
 of the capital facilities in use and operation, including any one, 2264  
 part of, or combination of those classes of costs and expenses. 2265

(5) "Credit enhancement facilities," "financing costs," and 2266

## As Reported by the House Finance and Appropriations Committee\*

"interest" or "interest equivalent" have the same meanings as in	2267
section 133.01 of the Revised Code.	2268
(6) "Debt service" means principal, including any mandatory	2269
sinking fund or redemption requirements for retirement of	2270
obligations, interest and other accreted amounts, interest	2271
equivalent, and any redemption premium, payable on obligations. If	2272
not prohibited by the applicable bond proceedings, debt service	2273
<del>includes</del> <u>may include</u> costs relating to credit enhancement	2274
facilities that are related to and represent, or are intended to	2275
provide a source of payment of or limitation on, other debt	2276
service.	2277
(7) "Issuing authority" means the Ohio public facilities	2278
commission created in section 151.02 of the Revised Code for	2279
obligations issued under section 151.03, 151.04, 151.05, 151.07,	2280
or 151.09 of the Revised Code, or the treasurer of state, or the	2281
officer who by law performs the functions of that office, for	2282
obligations issued under section 151.06, 151.08, or 151.40 of the	2283
Revised Code.	2284
(8) "Net proceeds" means amounts received from the sale of	2285
obligations, excluding amounts used to refund or retire	2286
outstanding obligations, amounts required to be deposited into	2287
special funds pursuant to the applicable bond proceedings, and	2288
amounts to be used to pay financing costs.	2289
(9) "Obligations" means bonds, notes, or other evidences of	2290
obligation of the state, including any appertaining interest	2291
coupons, issued pursuant to sections 151.01 to 151.09 or 151.40 of	2292
the Revised Code.	2293
(10) "Principal amount" means the aggregate of the amount as	2294
stated or provided for in the applicable bond proceedings as the	2295
amount on which interest or interest equivalent on particular	2296
obligations is initially calculated. Principal amount does not	2297

## As Reported by the House Finance and Appropriations Committee\*

include any premium paid to the state by the initial purchaser of  
the obligations. "Principal amount" of a capital appreciation  
bond, as defined in division (C) of section 3334.01 of the Revised  
Code, means its face amount, and "principal amount" of a zero  
coupon bond, as defined in division (J) of section 3334.01 of the  
Revised Code, means the discounted offering price at which the  
bond is initially sold to the public, disregarding any purchase  
price discount to the original purchaser, if provided for pursuant  
to the bond proceedings.

(11) "Special funds" or "funds," unless the context indicates  
otherwise, means the bond service fund, and any other funds,  
including any reserve funds, created under the bond proceedings  
and stated to be special funds in those proceedings, including  
moneys and investments, and earnings from investments, credited  
and to be credited to the particular fund. Special funds do not  
include the school building program assistance fund created by  
section 3318.25 of the Revised Code, the higher education  
improvement fund created by division (F) of section 154.21 of the  
Revised Code, the highway capital improvement bond fund created by  
section 5528.53 of the Revised Code, the state parks and natural  
resources fund created by section 1557.02 of the Revised Code, the  
coal research and development fund created by section 1555.15 of  
the Revised Code, the clean Ohio conservation fund created by  
section 164.27 of the Revised Code, the clean Ohio revitalization  
fund created by section 122.658 of the Revised Code, or other  
funds created by the bond proceedings that are not stated by those  
proceedings to be special funds.

(B) Subject to Section 21, 2m, 2n, 2o, or 15, and Section 17,  
of Article VIII, Ohio Constitution, the state, by the issuing  
authority, is authorized to issue and sell, as provided in  
sections 151.03 to 151.09 or 151.40 of the Revised Code, and in  
respective aggregate principal amounts as from time to time

## As Reported by the House Finance and Appropriations Committee\*

provided or authorized by the general assembly, general 2330  
obligations of this state for the purpose of paying costs of 2331  
capital facilities or projects identified by or pursuant to 2332  
general assembly action. 2333

(C) Each issue of obligations shall be authorized by 2334  
resolution or order of the issuing authority. The bond proceedings 2335  
shall provide for or authorize the manner for determining the 2336  
principal amount or maximum principal amount of obligations of an 2337  
issue, the principal maturity or maturities, the interest rate or 2338  
rates, the date of and the dates of payment of interest on the 2339  
obligations, their denominations, and the place or places of 2340  
payment of debt service which may be within or outside the state. 2341  
Unless otherwise provided by law, the latest principal maturity 2342  
may not be later than the earlier of the thirty-first day of 2343  
December of the twenty-fifth calendar year after the year of 2344  
issuance of the particular obligations or of the twenty-fifth 2345  
calendar year after the year in which the original obligation to 2346  
pay was issued or entered into. Sections 9.96, 9.98, 9.981, 9.982, 2347  
and 9.983 of the Revised Code apply to obligations. The purpose of 2348  
the obligations may be stated in the bond proceedings in general 2349  
terms, such as, as applicable, "financing or assisting in the 2350  
financing of projects as provided in Section 2l of Article VIII, 2351  
Ohio Constitution," "financing or assisting in the financing of 2352  
highway capital improvement projects as provided in Section 2m of 2353  
Article VIII, Ohio Constitution," "paying costs of capital 2354  
facilities for a system of common schools throughout the state as 2355  
authorized by Section 2n of Article VIII, Ohio Constitution," 2356  
"paying costs of capital facilities for state-supported and 2357  
state-assisted institutions of higher education as authorized by 2358  
Section 2n of Article VIII, Ohio Constitution," "paying costs of 2359  
coal research and development as authorized by Section 15 of 2360  
Article VIII, Ohio Constitution," "financing or assisting in the 2361

## As Reported by the House Finance and Appropriations Committee\*

financing of local subdivision capital improvement projects as 2362  
 authorized by Section 2m of Article VIII, Ohio Constitution," 2363  
 "paying costs of conservation projects as authorized by Section 2o 2364  
 of Article VIII, Ohio Constitution," or "paying costs of 2365  
 revitalization projects as authorized by Section 2o of Article 2366  
 VIII, Ohio Constitution." 2367

(D) The issuing authority may appoint or provide for the 2368  
 appointment of paying agents, bond registrars, securities 2369  
 depositories, clearing corporations, and transfer agents, and may 2370  
 without need for any other approval retain or contract for the 2371  
 services of underwriters, investment bankers, financial advisers, 2372  
 accounting experts, marketing, remarketing, indexing, and 2373  
 administrative agents, other consultants, and independent 2374  
 contractors, including printing services, as are necessary in the 2375  
 judgment of the issuing authority to carry out the issuing 2376  
 authority's functions under this chapter. When the issuing 2377  
 authority is the Ohio public facilities commission, the issuing 2378  
 authority also may without need for any other approval retain or 2379  
 contract for the services of attorneys and other professionals for 2380  
 that purpose. Financing costs are payable, as may be provided in 2381  
 the bond proceedings, from the proceeds of the obligations, from 2382  
 special funds, or from other moneys available for the purpose. 2383

(E) The bond proceedings may contain additional provisions 2384  
 customary or appropriate to the financing or to the obligations or 2385  
 to particular obligations including, but not limited to, 2386  
 provisions for: 2387

(1) The redemption of obligations prior to maturity at the 2388  
 option of the state or of the holder or upon the occurrence of 2389  
 certain conditions, and at particular price or prices and under 2390  
 particular terms and conditions; 2391

(2) The form of and other terms of the obligations; 2392

## As Reported by the House Finance and Appropriations Committee\*

(3) The establishment, deposit, investment, and application	2393
of special funds, and the safeguarding of moneys on hand or on	2394
deposit, in lieu of the applicability of provisions of Chapter	2395
131. or 135. of the Revised Code, but subject to any special	2396
provisions of sections 151.01 to 151.09 or 151.40 of the Revised	2397
Code with respect to the application of particular funds or	2398
moneys. Any financial institution that acts as a depository of any	2399
moneys in special funds or other funds under the bond proceedings	2400
may furnish indemnifying bonds or pledge securities as required by	2401
the issuing authority.	2402
(4) Any or every provision of the bond proceedings being	2403
binding upon the issuing authority and upon such governmental	2404
agency or entity, officer, board, commission, authority, agency,	2405
department, institution, district, or other person or body as may	2406
from time to time be authorized to take actions as may be	2407
necessary to perform all or any part of the duty required by the	2408
provision;	2409
(5) The maintenance of each pledge or instrument comprising	2410
part of the bond proceedings until the state has fully paid or	2411
provided for the payment of the debt service on the obligations or	2412
met other stated conditions;	2413
(6) In the event of default in any payments required to be	2414
made by the bond proceedings, or by any other agreement of the	2415
issuing authority made as part of a contract under which the	2416
obligations were issued or secured, including a credit enhancement	2417
facility, the enforcement of those payments by mandamus, a suit in	2418
equity, an action at law, or any combination of those remedial	2419
actions;	2420
(7) The rights and remedies of the holders or owners of	2421
obligations or of book-entry interests in them, and of third	2422
parties under any credit enhancement facility, and provisions for	2423
protecting and enforcing those rights and remedies, including	2424

## As Reported by the House Finance and Appropriations Committee\*

limitations on rights of individual holders or owners;	2425
(8) The replacement of mutilated, destroyed, lost, or stolen obligations;	2426
	2427
(9) The funding, refunding, or advance refunding, or other provision for payment, of obligations that will then no longer be outstanding for purposes of this section or of the applicable bond proceedings;	2428
	2429
	2430
	2431
(10) Amendment of the bond proceedings;	2432
(11) Any other or additional agreements with the owners of obligations, and such other provisions as the issuing authority determines, including limitations, conditions, or qualifications, relating to any of the foregoing.	2433
	2434
	2435
	2436
(F) The great seal of the state or a facsimile of it may be affixed to or printed on the obligations. The obligations requiring execution by or for the issuing authority shall be signed as provided in the bond proceedings. Any obligations may be signed by the individual who on the date of execution is the authorized signer although on the date of these obligations that individual is not an authorized signer. In case the individual whose signature or facsimile signature appears on any obligation ceases to be an authorized signer before delivery of the obligation, that signature or facsimile is nevertheless valid and sufficient for all purposes as if that individual had remained the authorized signer until delivery.	2437
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(G) Obligations are investment securities under Chapter 1308. of the Revised Code. Obligations may be issued in bearer or in registered form, registrable as to principal alone or as to both principal and interest, or both, or in certificated or uncertificated form, as the issuing authority determines. Provision may be made for the exchange, conversion, or transfer of obligations and for reasonable charges for registration, exchange,	2449
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	2455

## As Reported by the House Finance and Appropriations Committee\*

conversion, and transfer. Pending preparation of final 2456  
obligations, the issuing authority may provide for the issuance of 2457  
interim instruments to be exchanged for the final obligations. 2458

(H) Obligations may be sold at public sale or at private 2459  
sale, in such manner, and at such price at, above or below par, 2460  
all as determined by and provided by the issuing authority in the 2461  
bond proceedings. 2462

(I) Except to the extent that rights are restricted by the 2463  
bond proceedings, any owner of obligations or provider of a credit 2464  
enhancement facility may by any suitable form of legal proceedings 2465  
protect and enforce any rights relating to obligations or that 2466  
facility under the laws of this state or granted by the bond 2467  
proceedings. Those rights include the right to compel the 2468  
performance of all applicable duties of the issuing authority and 2469  
the state. Each duty of the issuing authority and that authority's 2470  
officers, staff, and employees, and of each state entity or 2471  
agency, or using district or using institution, and its officers, 2472  
members, staff, or employees, undertaken pursuant to the bond 2473  
proceedings, is hereby established as a duty of the entity or 2474  
individual having authority to perform that duty, specifically 2475  
enjoined by law and resulting from an office, trust, or station 2476  
within the meaning of section 2731.01 of the Revised Code. The 2477  
individuals who are from time to time the issuing authority, 2478  
members or officers of the issuing authority, or those members' 2479  
designees acting pursuant to section 154.02 of the Revised Code, 2480  
or the issuing authority's officers, staff, or employees, are not 2481  
liable in their personal capacities on any obligations or 2482  
otherwise under the bond proceedings. 2483

(J)(1) Subject to Section 2l, 2m, 2n, 2o, or 15, and Section 2484  
17, of Article VIII, Ohio Constitution and sections 151.01 to 2485  
151.09 or 151.40 of the Revised Code, the issuing authority may, 2486  
in addition to the authority referred to in division (B) of this 2487



## As Reported by the House Finance and Appropriations Committee\*

section, authorize and provide for the issuance of: 2488

(a) Obligations in the form of bond anticipation notes, and 2489  
may provide for the renewal of those notes from time to time by 2490  
the issuance of new notes. The holders of notes or appertaining 2491  
interest coupons have the right to have debt service on those 2492  
notes paid solely from the moneys and special funds that are or 2493  
may be pledged to that payment, including the proceeds of bonds or 2494  
renewal notes or both, as the issuing authority provides in the 2495  
bond proceedings authorizing the notes. Notes may be additionally 2496  
secured by covenants of the issuing authority to the effect that 2497  
the issuing authority and the state will do all things necessary 2498  
for the issuance of bonds or renewal notes in such principal 2499  
amount and upon such terms as may be necessary to provide moneys 2500  
to pay when due the debt service on the notes, and apply their 2501  
proceeds to the extent necessary, to make full and timely payment 2502  
of debt service on the notes as provided in the applicable bond 2503  
proceedings. In the bond proceedings authorizing the issuance of 2504  
bond anticipation notes the issuing authority shall set forth for 2505  
the bonds anticipated an estimated schedule of annual principal 2506  
payments the latest of which shall be no later than provided in 2507  
division (C) of this section. While the notes are outstanding 2508  
there shall be deposited, as shall be provided in the bond 2509  
proceedings for those notes, from the sources authorized for 2510  
payment of debt service on the bonds, amounts sufficient to pay 2511  
the principal of the bonds anticipated as set forth in that 2512  
estimated schedule during the time the notes are outstanding, 2513  
which amounts shall be used solely to pay the principal of those 2514  
notes or of the bonds anticipated. 2515

(b) Obligations for the refunding, including funding and 2516  
retirement, and advance refunding with or without payment or 2517  
redemption prior to maturity, of any obligations previously 2518  
issued. Refunding obligations may be issued in amounts sufficient 2519

## As Reported by the House Finance and Appropriations Committee\*

to pay or to provide for repayment of the principal amount, 2520  
including principal amounts maturing prior to the redemption of 2521  
the remaining prior obligations, any redemption premium, and 2522  
interest accrued or to accrue to the maturity or redemption date 2523  
or dates, payable on the prior obligations, and related financing 2524  
costs and any expenses incurred or to be incurred in connection 2525  
with that issuance and refunding. Subject to the applicable bond 2526  
proceedings, the portion of the proceeds of the sale of refunding 2527  
obligations issued under division (J)(1)(b) of this section to be 2528  
applied to debt service on the prior obligations shall be credited 2529  
to an appropriate separate account in the bond service fund and 2530  
held in trust for the purpose by the issuing authority or by a 2531  
corporate trustee. Obligations authorized under this division 2532  
shall be considered to be issued for those purposes for which the 2533  
prior obligations were issued. 2534

(2) Except as otherwise provided in sections 151.01 to 151.09 2535  
or 151.40 of the Revised Code, bonds or notes authorized pursuant 2536  
to division (J) of this section are subject to the provisions of 2537  
those sections pertaining to obligations generally. 2538

(3) The principal amount of refunding or renewal obligations 2539  
issued pursuant to division (J) of this section shall be in 2540  
addition to the amount authorized by the general assembly as 2541  
referred to in division (B) of the following sections: section 2542  
151.03, 151.04, 151.05, 151.06, 151.07, 151.08, 151.09, or 151.40 2543  
of the Revised Code. 2544

(K) Obligations are lawful investments for banks, savings and 2545  
loan associations, credit union share guaranty corporations, trust 2546  
companies, trustees, fiduciaries, insurance companies, including 2547  
domestic for life and domestic not for life, trustees or other 2548  
officers having charge of sinking and bond retirement or other 2549  
special funds of the state and political subdivisions and taxing 2550  
districts of this state, the sinking fund, the administrator of 2551

## As Reported by the House Finance and Appropriations Committee\*

workers' compensation subject to the approval of the workers' 2552  
 compensation board, the state teachers retirement system, the 2553  
 public employees retirement system, the school employees 2554  
 retirement system, and the Ohio police and fire pension fund, 2555  
 notwithstanding any other provisions of the Revised Code or rules 2556  
 adopted pursuant to those provisions by any state agency with 2557  
 respect to investments by them, and are also acceptable as 2558  
 security for the repayment of the deposit of public moneys. The 2559  
 exemptions from taxation in Ohio as provided for in particular 2560  
 sections of the Ohio Constitution and section 5709.76 of the 2561  
 Revised Code apply to the obligations. 2562

(L)(1) Unless otherwise provided or provided for in any 2563  
 applicable bond proceedings, moneys to the credit of or in a 2564  
 special fund shall be disbursed on the order of the issuing 2565  
 authority. No such order is required for the payment, from the 2566  
 bond service fund or other special fund, when due of debt service 2567  
 or required payments under credit enhancement facilities. 2568

(2) Payments received by the state under interest rate hedges 2569  
 entered into as credit enhancement facilities under this chapter 2570  
 shall be deposited to the credit of the bond service fund for the 2571  
 obligations to which those credit enhancement facilities relate. 2572  
 2573

(M) The full faith and credit, revenue, and taxing power of 2574  
 the state are and shall be pledged to the timely payment of debt 2575  
 service on outstanding obligations as it comes due, all in 2576  
 accordance with Section 2l, 2m, 2n, 2o, or 15 of Article VIII, 2577  
 Ohio Constitution, and section 151.03, 151.04, 151.05, 151.06, 2578  
 151.07, 151.08, or 151.09 of the Revised Code. Moneys referred to 2579  
 in Section 5a of Article XII, Ohio Constitution, may not be 2580  
 pledged or used for the payment of debt service except on 2581  
 obligations referred to in section 151.06 of the Revised Code. Net 2582  
 state lottery proceeds, as provided for and referred to in section 2583

## As Reported by the House Finance and Appropriations Committee\*

3770.06 of the Revised Code, may not be pledged or used for the  
 payment of debt service except on obligations referred to in  
 section 151.03 of the Revised Code. The state covenants, and that  
 covenant shall be controlling notwithstanding any other provision  
 of law, that the state and the applicable officers and agencies of  
 the state, including the general assembly, shall, so long as any  
 obligations are outstanding in accordance with their terms,  
 maintain statutory authority for and cause to be levied, collected  
 and applied sufficient pledged excises, taxes, and revenues of the  
 state so that the revenues shall be sufficient in amounts to pay  
 debt service when due, to establish and maintain any reserves and  
 other requirements, and to pay financing costs, including costs of  
 or relating to credit enhancement facilities, all as provided for  
 in the bond proceedings. Those excises, taxes, and revenues are  
 and shall be deemed to be levied and collected, in addition to the  
 purposes otherwise provided for by law, to provide for the payment  
 of debt service and financing costs in accordance with sections  
 151.01 to 151.09 of the Revised Code and the bond proceedings.

(N) The general assembly may from time to time repeal or  
 reduce any excise, tax, or other source of revenue pledged to the  
 payment of the debt service pursuant to Section 21, 2m, 2n, 2o, or  
 15 of Article VIII, Ohio Constitution, and sections 151.01 to  
 151.09 or 151.40 of the Revised Code, and may levy, collect and  
 apply any new or increased excise, tax, or revenue to meet the  
 pledge, to the payment of debt service on outstanding obligations,  
 of the state's full faith and credit, revenue and taxing power, or  
 of designated revenues and receipts, except fees, excises or taxes  
 referred to in Section 5a of Article XII, Ohio Constitution, for  
 other than obligations referred to in section 151.06 of the  
 Revised Code and except net state lottery proceeds for other than  
 obligations referred to in section 151.03 of the Revised Code.  
 Nothing in division (N) of this section authorizes any impairment

## As Reported by the House Finance and Appropriations Committee\*

of the obligation of this state to levy and collect sufficient 2616  
excises, taxes, and revenues to pay debt service on obligations 2617  
outstanding in accordance with their terms. 2618

(O) Each bond service fund is a trust fund and is hereby 2619  
pledged to the payment of debt service on the applicable 2620  
obligations. Payment of that debt service shall be made or 2621  
provided for by the issuing authority in accordance with the bond 2622  
proceedings without necessity for any act of appropriation. The 2623  
bond proceedings may provide for the establishment of separate 2624  
accounts in the bond service fund and for the application of those 2625  
accounts only to debt service on specific obligations, and for 2626  
other accounts in the bond service fund within the general 2627  
purposes of that fund. 2628

(P) Subject to the bond proceedings pertaining to any 2629  
obligations then outstanding in accordance with their terms, the 2630  
issuing authority may in the bond proceedings pledge all, or such 2631  
portion as the issuing authority determines, of the moneys in the 2632  
bond service fund to the payment of debt service on particular 2633  
obligations, and for the establishment and maintenance of any 2634  
reserves for payment of particular debt service. 2635

(Q) The issuing authority shall by the fifteenth day of July 2636  
of each fiscal year, certify or cause to be certified to the 2637  
office of budget and management the total amount of moneys 2638  
required during the current fiscal year to meet in full all debt 2639  
service on the respective obligations and any related financing 2640  
costs payable from the applicable bond service fund and not from 2641  
the proceeds of refunding or renewal obligations. The issuing 2642  
authority shall make or cause to be made supplemental 2643  
certifications to the office of budget and management for each 2644  
debt service payment date and at such other times during each 2645  
fiscal year as may be provided in the bond proceedings or 2646  
requested by that office. Debt service, costs of credit 2647

## As Reported by the House Finance and Appropriations Committee\*

enhancement facilities, and other financing costs shall be set  
forth separately in each certification. If and so long as the  
moneys to the credit of the bond service fund, together with any  
other moneys available for the purpose, are insufficient to meet  
in full all payments when due of the amount required as stated in  
the certificate or otherwise, the office of budget and management  
shall at the times as provided in the bond proceedings, and  
consistent with any particular provisions in sections 151.03 to  
151.09 and 151.40 of the Revised Code, transfer a sufficient  
amount to the bond service fund from the pledged revenues in the  
case of obligations issued pursuant to section 151.40 of the  
Revised Code, and in the case of other obligations from the  
revenues derived from excises, taxes, and other revenues,  
including net state lottery proceeds in the case of obligations  
referred to in section 151.03 of the Revised Code.

(R) Unless otherwise provided in any applicable bond  
proceedings, moneys to the credit of special funds may be invested  
by or on behalf of the state only in one or more of the following:

(1) Notes, bonds, or other direct obligations of the United  
States or of any agency or instrumentality of the United States,  
or in no-front-end-load money market mutual funds consisting  
exclusively of those obligations, or in repurchase agreements,  
including those issued by any fiduciary, secured by those  
obligations, or in collective investment funds consisting  
exclusively of those obligations;

(2) Obligations of this state or any political subdivision of  
this state;

(3) Certificates of deposit of any national bank located in  
this state and any bank, as defined in section 1101.01 of the  
Revised Code, subject to inspection by the superintendent of  
financial institutions;

## As Reported by the House Finance and Appropriations Committee\*

(4) The treasurer of state's pooled investment program under 2679  
section 135.45 of the Revised Code. 2680

The income from investments referred to in division (R) of 2681  
this section shall, unless otherwise provided in sections 151.01 2682  
to 151.09 or 151.40 of the Revised Code, be credited to special 2683  
funds or otherwise as the issuing authority determines in the bond 2684  
proceedings. Those investments may be sold or exchanged at times 2685  
as the issuing authority determines, provides for, or authorizes. 2686

(S) The treasurer of state shall have responsibility for 2687  
keeping records, making reports, and making payments, relating to 2688  
any arbitrage rebate requirements under the applicable bond 2689  
proceedings. 2690

**Sec. 151.40.** (A) As used in this section: 2691

(1) "Bond proceedings" includes any trust agreements, and any 2692  
amendments or supplements to them, as authorized by this section. 2693  
2694

(2) "Costs of revitalization projects" includes related 2695  
direct administrative expenses and allocable portions of the 2696  
direct costs of those projects of the department of development or 2697  
the environmental protection agency. 2698

(3) "Issuing authority" means the treasurer of state. 2699

(4) "Obligations" means obligations as defined in section 2700  
151.01 of the Revised Code issued to pay the costs of projects for 2701  
revitalization purposes as referred to in division (A)(2) of 2702  
Section 2o of Article VIII, Ohio Constitution. 2703

(5) "Pledged liquor profits" means all receipts of the state 2704  
representing the gross profit on the sale of spirituous liquor, as 2705  
referred to in division (B)(4) of section 4301.10 of the Revised 2706  
Code, after paying all costs and expenses of the division of 2707  
liquor control and providing an adequate working capital reserve 2708

## As Reported by the House Finance and Appropriations Committee\*

for the division of liquor control as provided in that division, 2709  
 but excluding the sum required by the second paragraph of section 2710  
 4301.12 of the Revised Code, as it was in effect on May 2, 1980, 2711  
 to be paid into the state treasury. 2712

(6) "Pledged receipts" means, as and to the extent provided 2713  
 in bond proceedings: 2714

(a) Pledged liquor profits. The pledge of pledged liquor 2715  
 profits to obligations is subject to the priority of the pledge of 2716  
 those profits to obligations issued and to be issued, ~~and~~ 2717  
~~guarantees made and to be made,~~ pursuant to Chapter 166. of the 2718  
 Revised Code. 2719

(b) Moneys accruing to the state from the lease, sale, or 2720  
 other disposition or use of revitalization projects or from the 2721  
 repayment, including any interest, of loans or advances made from 2722  
 net proceeds; 2723

(c) Accrued interest received from the sale of obligations; 2724

(d) Income from the investment of the special funds; 2725

(e) Any gifts, grants, donations, or pledges, and receipts 2726  
 therefrom, available for the payment of debt service; 2727

(f) Additional or any other specific revenues or receipts 2728  
 lawfully available to be pledged, and pledged, pursuant to further 2729  
 authorization by the general assembly, to the payment of debt 2730  
 service. 2731

(B) The issuing authority shall issue obligations of the 2732  
 state to pay costs of revitalization projects pursuant to division 2733  
 (B)(2) of Section 20 of Article VIII, Ohio Constitution, section 2734  
 151.01 of the Revised Code as applicable to this section, and this 2735  
 section. The issuing authority, upon the certification to it by 2736  
 the clean Ohio council of the amount of moneys needed in and for 2737  
 the purposes of the clean Ohio revitalization fund created by 2738



## As Reported by the House Finance and Appropriations Committee\*

section 122.658 of the Revised Code, shall issue obligations in 2739  
the amount determined by the issuing authority to be required for 2740  
those purposes. The total principal amount of obligations issued 2741  
under this section shall not exceed two hundred million dollars. 2742  
The provisions and authorizations in section 151.01 of the Revised 2743  
Code apply to the obligations and the bond proceedings except as 2744  
otherwise provided or provided for in those obligations and bond 2745  
proceedings. 2746

(C) Net proceeds of obligations shall be deposited in the 2747  
clean Ohio revitalization fund created in section 122.658 of the 2748  
Revised Code. 2749

(D) There is hereby created the revitalization projects bond 2750  
service fund, which shall be in the custody of the treasurer of 2751  
state, but shall be separate and apart from and not a part of the 2752  
state treasury. All money received by the state and required by 2753  
the bond proceedings, consistent with section 151.01 of the 2754  
Revised Code and this section, to be deposited, transferred, or 2755  
credited to the bond service fund, and all other money transferred 2756  
or allocated to or received for the purposes of that fund, shall 2757  
be deposited and credited to the bond service fund, subject to any 2758  
applicable provisions of the bond proceedings, but without 2759  
necessity for any act of appropriation. During the period 2760  
beginning with the date of the first issuance of obligations and 2761  
continuing during the time that any obligations are outstanding in 2762  
accordance with their terms, so long as moneys in the bond service 2763  
fund are insufficient to pay debt service when due on those 2764  
obligations payable from that fund, except the principal amounts 2765  
of bond anticipation notes payable from the proceeds of renewal 2766  
notes or bonds anticipated, and due in the particular fiscal year, 2767  
a sufficient amount of pledged receipts is committed and, without 2768  
necessity for further act of appropriation, shall be paid to the 2769  
bond service fund for the purpose of paying that debt service when 2770

due. 2771

(E) The issuing authority may pledge all, or such portion as 2772  
the issuing authority determines, of the pledged receipts to the 2773  
payment of the debt service charges on obligations issued under 2774  
this section, and for the establishment and maintenance of any 2775  
reserves, as provided in the bond proceedings, and make other 2776  
provisions in the bond proceedings with respect to pledged 2777  
receipts as authorized by this section, which provisions are 2778  
controlling notwithstanding any other provisions of law pertaining 2779  
to them. 2780

(F) The issuing authority may covenant in the bond 2781  
proceedings, and such covenants shall be controlling 2782  
notwithstanding any other provision of law, that the state and 2783  
applicable officers and state agencies, including the general 2784  
assembly, so long as any obligations issued under this section are 2785  
outstanding, shall maintain statutory authority for and cause to 2786  
be charged and collected wholesale or retail prices for spirituous 2787  
liquor sold by the state or its agents so that the available 2788  
pledged receipts are sufficient in time and amount to meet debt 2789  
service payable from pledged liquor profits and for the 2790  
establishment and maintenance of any reserves and other 2791  
requirements provided for in the bond proceedings. 2792

(G) Obligations may be further secured, as determined by the 2793  
issuing authority, by a trust agreement between the state and a 2794  
corporate trustee, which may be any trust company or bank having 2795  
its principal place of business within the state. Any trust 2796  
agreement may contain the resolution or order authorizing the 2797  
issuance of the obligations, any provisions that may be contained 2798  
in any bond proceedings, and other provisions that are customary 2799  
or appropriate in an agreement of that type, including, but not 2800  
limited to: 2801

(1) Maintenance of each pledge, trust agreement, or other 2802

instrument comprising part of the bond proceedings until the state 2803  
has fully paid or provided for the payment of debt service on the 2804  
obligations secured by it; 2805

(2) In the event of default in any payments required to be 2806  
made by the bond proceedings, enforcement of those payments or 2807  
agreements by mandamus, the appointment of a receiver, suit in 2808  
equity, action at law, or any combination of them; 2809

(3) The rights and remedies of the holders or owners of 2810  
obligations and of the trustee and provisions for protecting and 2811  
enforcing them, including limitations on rights of individual 2812  
holders and owners. 2813

(H) The obligations shall not be general obligations of the 2814  
state and the full faith and credit, revenue, and taxing power of 2815  
the state shall not be pledged to the payment of debt service on 2816  
them. The holders or owners of the obligations shall have no right 2817  
to have any moneys obligated or pledged for the payment of debt 2818  
service except as provided in this section and in the applicable 2819  
bond proceedings. The rights of the holders and owners to payment 2820  
of debt service are limited to all or that portion of the pledged 2821  
receipts, and those special funds, pledged to the payment of debt 2822  
service pursuant to the bond proceedings in accordance with this 2823  
section, and each obligation shall bear on its face a statement to 2824  
that effect. 2825

**Sec. 152.09.** (A) As used in sections 152.06 and 152.09 to 2826  
152.33 of the Revised Code: 2827

(1) "Obligations" means bonds, notes, or other evidences of 2828  
obligation, including interest coupons pertaining thereto, issued 2829  
pursuant to sections 152.09 to 152.33 of the Revised Code. 2830

(2) "State agencies" means the state of Ohio and branches, 2831  
officers, boards, commissions, authorities, departments, 2832

## As Reported by the House Finance and Appropriations Committee\*

divisions, courts, general assembly, or other units or agencies of 2833  
the state. "State agency" also includes counties, municipal 2834  
corporations, and governmental entities of this state that enter 2835  
into leases with the Ohio building authority pursuant to section 2836  
152.31 of the Revised Code or that are designated by law as state 2837  
agencies for the purpose of performing a state function that is to 2838  
be housed by a capital facility for which the Ohio building 2839  
authority is authorized to issue revenue obligations pursuant to 2840  
sections 152.09 to 152.33 of the Revised Code. 2841

(3) "Bond service charges" means principal, including 2842  
mandatory sinking fund requirements for retirement of obligations, 2843  
and interest, and redemption premium, if any, required to be paid 2844  
by the Ohio building authority on obligations. 2845

(4) "Capital facilities" means buildings, structures, and 2846  
other improvements, and equipment, real estate, and interests in 2847  
real estate therefor, within the state, and any one, part of, or 2848  
combination of the foregoing, for housing of branches and agencies 2849  
of state government, including capital facilities for the purpose 2850  
of housing personnel, equipment, or functions, or any combination 2851  
thereof that the state agencies are responsible for housing, for 2852  
which the Ohio building authority is authorized to issue 2853  
obligations pursuant to Chapter 152. of the Revised Code, and 2854  
includes storage and parking facilities related to such capital 2855  
facilities. 2856

(5) "Cost of capital facilities" means the costs of 2857  
acquiring, constructing, reconstructing, rehabilitating, 2858  
remodeling, renovating, enlarging, improving, altering, 2859  
maintaining, equipping, furnishing, repairing, painting, 2860  
decorating, managing, or operating capital facilities, and the 2861  
financing thereof, including the cost of clearance and preparation 2862  
of the site and of any land to be used in connection with capital 2863  
facilities, the cost of participating in capital facilities 2864

## As Reported by the House Finance and Appropriations Committee\*

pursuant to section 152.33 of the Revised Code, the cost of any 2865  
 indemnity and surety bonds and premiums on insurance, all related 2866  
 direct administrative expenses and allocable portions of direct 2867  
 costs of the authority and lessee state agencies, cost of 2868  
 engineering and architectural services, designs, plans, 2869  
 specifications, surveys, and estimates of cost, legal fees, fees 2870  
 and expenses of trustees, depositories, and paying agents for the 2871  
 obligations, cost of issuance of the obligations and financing 2872  
 charges and fees and expenses of financial advisers and 2873  
 consultants in connection therewith, interest on obligations from 2874  
 the date thereof to the time when interest is to be covered from 2875  
 sources other than proceeds of obligations, amounts necessary to 2876  
 establish reserves as required by the resolutions or the 2877  
 obligations, trust agreements, or indentures, costs of audits, the 2878  
 reimbursement of all moneys advanced or applied by or borrowed 2879  
 from any governmental entity, whether to or by the authority or 2880  
 others, from whatever source provided, for the payment of any item 2881  
 or items of cost of the capital facilities, any share of the cost 2882  
 undertaken by the authority pursuant to arrangements made with 2883  
 governmental entities under division (J) of section 152.21 of the 2884  
 Revised Code, and all other expenses necessary or incident to 2885  
 planning or determining the feasibility or practicability with 2886  
 respect to capital facilities, and such other expenses as may be 2887  
 necessary or incident to the acquisition, construction, 2888  
 reconstruction, rehabilitation, remodeling, renovation, 2889  
 enlargement, improvement, alteration, maintenance, equipment, 2890  
 furnishing, repair, painting, decoration, management, or operation 2891  
 of capital facilities, the financing thereof and the placing of 2892  
 the same in use and operation, including any one, part of, or 2893  
 combination of such classes of costs and expenses. 2894

(6) "Governmental entity" means any state agency, municipal 2895  
 corporation, county, township, school district, and any other 2896

## As Reported by the House Finance and Appropriations Committee\*

political subdivision or special district in this state 2897  
established pursuant to law, and, except where otherwise 2898  
indicated, also means the United States or any of the states or 2899  
any department, division, or agency thereof, and any agency, 2900  
commission, or authority established pursuant to an interstate 2901  
compact or agreement. 2902

(7) "Governing body" means: 2903

(a) In the case of a county, the board of county 2904  
commissioners or other legislative authority; in the case of a 2905  
municipal corporation, the legislative authority; in the case of a 2906  
township, the board of township trustees; in the case of a school 2907  
district, the board of education; 2908

(b) In the case of any other governmental entity, the 2909  
officer, board, commission, authority, or other body having the 2910  
general management of the entity or having jurisdiction or 2911  
authority in the particular circumstances. 2912

(8) "Available receipts" means fees, charges, revenues, 2913  
grants, subsidies, income from the investment of moneys, proceeds 2914  
from the sale of goods or services, and all other revenues or 2915  
receipts received by or on behalf of any state agency for which 2916  
capital facilities are financed with obligations issued under 2917  
Chapter 152. of the Revised Code, any state agency participating 2918  
in capital facilities pursuant to section 152.33 of the Revised 2919  
Code, or any state agency by which the capital facilities are 2920  
constructed or financed; revenues or receipts derived by the 2921  
authority from the operation, leasing, or other disposition of 2922  
capital facilities, and the proceeds of obligations issued under 2923  
Chapter 152. of the Revised Code; and also any moneys appropriated 2924  
by a governmental entity, gifts, grants, donations, and pledges, 2925  
and receipts therefrom, available for the payment of bond service 2926  
charges on such obligations. 2927

## As Reported by the House Finance and Appropriations Committee\*

(B) Pursuant to the powers granted to the general assembly 2928  
under Section 2i of Article VIII, Ohio Constitution, to authorize 2929  
the issuance of revenue obligations and other obligations, the 2930  
owners or holders of which are not given the right to have excises 2931  
or taxes levied by the general assembly for the payment of 2932  
principal thereof or interest thereon, the Ohio building authority 2933  
may issue obligations, in accordance with Chapter 152. of the 2934  
Revised Code, and shall cause the net proceeds thereof, after any 2935  
deposits of accrued interest for the payment of bond service 2936  
charges and after any deposit of all or such lesser portion as the 2937  
authority may direct of the premium received upon the sale of 2938  
those obligations for the payment of the bond service charges, to 2939  
be applied to the costs of capital facilities designated by or 2940  
pursuant to act of the general assembly for housing state agencies 2941  
as authorized by Chapter 152. of the Revised Code. The authority 2942  
shall provide by resolution for the issuance of such obligations. 2943  
The bond service charges and all other payments required to be 2944  
made by the trust agreement or indenture securing such obligations 2945  
shall be payable solely from available receipts of the authority 2946  
pledged thereto as provided in such resolution. The available 2947  
receipts pledged and thereafter received by the authority are 2948  
immediately subject to the lien of such pledge without any 2949  
physical delivery thereof or further act, and the lien of any such 2950  
pledge is valid and binding against all parties having claims of 2951  
any kind against the authority, irrespective of whether those 2952  
parties have notice thereof, and creates a perfected security 2953  
interest for all purposes of Chapter 1309. of the Revised Code and 2954  
a perfected lien for purposes of any real property interest, all 2955  
without the necessity for separation or delivery of funds or for 2956  
the filing or recording of the resolution, trust agreement, 2957  
indenture, or other agreement by which such pledge is created or 2958  
any certificate, statement, or other document with respect 2959  
thereto; and the pledge of such available receipts is effective 2960

## As Reported by the House Finance and Appropriations Committee\*

and the money therefrom and thereof may be applied to the purposes 2961  
for which pledged. Every pledge, and every covenant and agreement 2962  
made with respect to the pledge, made in the resolution may 2963  
therein be extended to the benefit of the owners and holders of 2964  
obligations authorized by Chapter 152. of the Revised Code, and to 2965  
any trustee therefor, for the further securing of the payment of 2966  
the bond service charges, and all or any rights under any 2967  
agreement or lease made under this section may be assigned for 2968  
such purpose. Obligations may be issued at one time or from time 2969  
to time, and each issue shall be dated, shall mature at such time 2970  
or times as determined by the authority not exceeding forty years 2971  
from the date of issue, and may be redeemable before maturity at 2972  
the option of the authority at such price or prices and under such 2973  
terms and conditions as are fixed by the authority prior to the 2974  
issuance of the obligations. The authority shall determine the 2975  
form of the obligations, fix their denominations, establish their 2976  
interest rate or rates, which may be a variable rate or rates, or 2977  
the maximum interest rate, and establish within or without this 2978  
state a place or places of payment of bond service charges. 2979

(C) The obligations shall be signed by the authority 2980  
chairperson, vice-chairperson, and secretary-treasurer, and the 2981  
authority seal shall be affixed. The signatures may be facsimile 2982  
signatures and the seal affixed may be a facsimile seal, as 2983  
provided by resolution of the authority. Any coupons attached may 2984  
bear the facsimile signature of the chairperson. In case any 2985  
officer who has signed any obligations, or caused the officer's 2986  
facsimile signature to be affixed thereto, ceases to be such 2987  
officer before such obligations have been delivered, such 2988  
obligations may, nevertheless, be issued and delivered as though 2989  
the person who had signed the obligations or caused the person's 2990  
facsimile signature to be affixed thereto had not ceased to be 2991  
such officer. 2992



## As Reported by the House Finance and Appropriations Committee\*

Any obligations may be executed on behalf of the authority by 2993  
an officer who, on the date of execution, is the proper officer 2994  
although on the date of such obligations such person was not the 2995  
proper officer. 2996

(D) All obligations issued by the authority shall have all 2997  
the qualities and incidents of negotiable instruments and may be 2998  
issued in coupon or in registered form, or both, as the authority 2999  
determines. Provision may be made for the registration of any 3000  
obligations with coupons attached thereto as to principal alone or 3001  
as to both principal and interest, their exchange for obligations 3002  
so registered, and for the conversion or reconversion into 3003  
obligations with coupons attached thereto of any obligations 3004  
registered as to both principal and interest, and for reasonable 3005  
charges for such registration, exchange, conversion, and 3006  
reconversion. The authority may sell its obligations in any manner 3007  
and for such prices as it determines, except that the authority 3008  
shall sell obligations sold at public or private sale in 3009  
accordance with section 152.091 of the Revised Code. 3010

(E) The obligations of the authority, principal, interest, 3011  
and any proceeds from their sale or transfer, are exempt from all 3012  
taxation within this state. 3013

(F) The authority is authorized to issue revenue obligations 3014  
and other obligations under Section 2i of Article VIII, Ohio 3015  
Constitution, for the purpose of paying the cost of capital 3016  
facilities for housing of branches and agencies of state 3017  
government, including capital facilities for the purpose of 3018  
housing personnel, equipment, or functions, or any combination 3019  
thereof that the state agencies are responsible for housing, as 3020  
are authorized by Chapter 152. of the Revised Code, and that are 3021  
authorized by the general assembly by the appropriation of lease 3022  
payments or other moneys for such capital facilities or by any 3023  
other act of the general assembly, but not including the 3024

## As Reported by the House Finance and Appropriations Committee\*

appropriation of moneys for feasibility studies for such capital 3025  
facilities. This division does not authorize the authority to 3026  
issue obligations pursuant to Section 2i of Article VIII, Ohio 3027  
Constitution, to pay the cost of capital facilities for mental 3028  
hygiene and retardation, parks and recreation, or state-supported 3029  
or state-assisted institutions of higher education. 3030

**Sec. 152.10.** The resolution of the Ohio building authority 3031  
authorizing the issuance of authority obligations may contain 3032  
provisions which shall be part of the contract with the holders of 3033  
the obligations as to: 3034

(A) Pledging all or such portion as it determines of the 3035  
available receipts of the authority for the payment of bond 3036  
service charges and all other payments required to be made by the 3037  
trust agreement or indenture securing such obligations, or 3038  
restricting the security for a particular issue of obligations to 3039  
specific revenues or receipts of the authority; 3040

(B) The acquisition, construction, reconstruction, equipment, 3041  
furnishing, improvement, operation, alteration, enlargement, 3042  
maintenance, insurance, and repair of capital facilities and sites 3043  
therefor, and the duties of the authority with reference thereto; 3044  
3045

(C) Other terms of the obligations; 3046

(D) Limitations on the purposes to which the proceeds of the 3047  
obligations may be applied; 3048

(E) The rate of rentals or other charges for the use of 3049  
capital facilities, the revenues from which are pledged to the 3050  
obligations authorized by such resolution, including limitations 3051  
upon the power of the authority to modify such rentals or other 3052  
charges; 3053

(F) The use of and the expenditures of the revenues of the 3054

## As Reported by the House Finance and Appropriations Committee\*

authority in such manner and to such extent as shall be 3055  
determined, which may include provision for the payment of the 3056  
expenses of the operation, maintenance, and repair of capital 3057  
facilities, and the operation and administration of the authority 3058  
so that such expenses shall be paid or provided as a charge prior 3059  
to the payment of bond service charges and all other payments 3060  
required to be made by the trust agreement or indenture securing 3061  
such obligations; 3062

(G) Limitations on the issuance of additional obligations; 3063

(H) The terms of any trust agreement or indenture securing 3064  
the obligations or under which the same may be issued; 3065

(I) Any other or additional agreements with the holders of 3066  
the obligations, or the trustee therefor with respect to the 3067  
operation of the authority and with respect to its property, 3068  
funds, and revenues, and insurance thereof, and of the authority, 3069  
its members, officers, and employees; 3070

(J) The deposit and application of funds and the safeguarding 3071  
of funds on hand or on deposit without regard to Chapter 131. of 3072  
the Revised Code, including any deposits of accrued interest for 3073  
the payment of bond service charges and any deposits of premium 3074  
for the payment of bond service charges or for the application to 3075  
the payment of costs of capital facilities; 3076

(K) Municipal bond insurance, letters of credit, and other 3077  
related agreements, the cost of which may be included in the costs 3078  
of issuance of the obligations, and the pledge, holding, and 3079  
disposition of the proceeds thereof; 3080

(L) A covenant that the state and any using state agency 3081  
shall, so long as such obligations are outstanding, cause to be 3082  
charged and collected such revenues and receipts of, or from, any 3083  
such using state agency constituting available receipts under the 3084  
resolution sufficient in amount to provide for the payment of bond 3085

## As Reported by the House Finance and Appropriations Committee\*

service charges on such obligations and for the establishment and 3086  
 maintenance of any reserves, as provided in the resolution for 3087  
 such obligations, which covenant shall be controlling 3088  
 notwithstanding any other provision of law ~~pertainng~~ pertaining to 3089  
 such revenues and receipts; provided that no covenant shall 3090  
 require the general assembly to appropriate money derived from the 3091  
 levying of excises or taxes for the payment of rent or bond 3092  
 service charges. 3093

Sec. 152.101. There is hereby created in the state treasury 3094  
the administrative building fund which shall consist of proceeds 3095  
of obligations authorized to pay the cost of capital facilities. 3096  
Except as provided in section 123.10 of the Revised Code, all 3097  
investment earnings of the fund shall be credited to the fund. The 3098  
fund shall be used to pay the costs of capital facilities 3099  
designated by or pursuant to an act of the general assembly. 3100

**Sec. 166.01.** As used in this chapter: 3101

(A) "Allowable costs" means all or part of the costs of 3102  
 project facilities or eligible innovation projects, including 3103  
 costs of acquiring, constructing, reconstructing, rehabilitating, 3104  
 renovating, enlarging, improving, equipping, or furnishing project 3105  
 facilities or eligible innovation projects, site clearance and 3106  
 preparation, supplementing and relocating public capital 3107  
 improvements or utility facilities, designs, plans, 3108  
 specifications, surveys, studies, and estimates of costs, expenses 3109  
 necessary or incident to determining the feasibility or 3110  
 practicability of assisting an eligible project or an eligible 3111  
innovation project or providing project facilities or facilities 3112  
related to an eligible innovation project, architectural, 3113  
 engineering, and legal services fees and expenses, the costs of 3114  
 conducting any other activities as part of a voluntary action, and 3115  
 such other expenses as may be necessary or incidental to the 3116

## As Reported by the House Finance and Appropriations Committee\*

establishment or development of an eligible project or an eligible 3117  
innovation project, and reimbursement of moneys advanced or 3118  
applied by any governmental agency or other person for allowable 3119  
costs. 3120

(B) "Allowable innovation costs" includes allowable costs of 3121  
eligible innovation projects and, in addition, includes the costs 3122  
of research and development of eligible innovation projects; 3123  
obtaining or creating any requisite software or computer hardware 3124  
related to an eligible innovation project or the products or 3125  
services associated therewith; testing (including, without 3126  
limitation, quality control activities necessary for initial 3127  
production), perfecting, and marketing of such products and 3128  
services; creating and protecting intellectual property related to 3129  
an eligible innovation project or any products or services related 3130  
thereto, including costs of securing appropriate patent, 3131  
trademark, trade secret, trade dress, copyright, or other form of 3132  
intellectual property protection for an eligible innovation 3133  
project or related products and services; all to the extent that 3134  
such expenditures could be capitalized under then-applicable 3135  
generally accepted accounting principles; and the reimbursement of 3136  
moneys advanced or applied by any governmental agency or other 3137  
person for allowable innovation costs. 3138

(C) "Eligible innovation project" includes an eligible 3139  
project, including any project facilities associated with an 3140  
eligible innovation project and, in addition, includes all 3141  
tangible and intangible property related to a new product or 3142  
process based on new technology or the creative application of 3143  
existing technology, including research and development, product 3144  
or process testing, quality control, market research, and related 3145  
activities, that is to be acquired, established, expanded, 3146  
remodeled, rehabilitated, or modernized for industry, commerce, 3147  
distribution, or research, or any combination thereof, the 3148

## As Reported by the House Finance and Appropriations Committee\*

operation of which, alone or in conjunction with other eligible projects, eligible innovation projects, or innovation property, will create new jobs or preserve existing jobs and employment opportunities and improve the economic welfare of the people of the state.

(D) "Eligible project" means project facilities to be acquired, established, expanded, remodeled, rehabilitated, or modernized for industry, commerce, distribution, or research, or any combination thereof, the operation of which, alone or in conjunction with other facilities, will create new jobs or preserve existing jobs and employment opportunities and improve the economic welfare of the people of the state. "Eligible project" includes, without limitation, a voluntary action. For purposes of this division, "new jobs" does not include existing jobs transferred from another facility within the state, and "existing jobs" includes only those existing jobs with work places within the municipal corporation or unincorporated area of the county in which the eligible project is located.

"Eligible project" does not include project facilities to be acquired, established, expanded, remodeled, rehabilitated, or modernized for industry, commerce, distribution, or research, or any combination of industry, commerce, distribution, or research, if the project facilities consist solely of point-of-final-purchase retail facilities. If the project facilities consist of both point-of-final-purchase retail facilities and nonretail facilities, only the portion of the project facilities consisting of nonretail facilities is an eligible project. If a warehouse facility is part of a point-of-final-purchase retail facility and supplies only that facility, the warehouse facility is not an eligible project. Catalog distribution facilities are not considered point-of-final-purchase retail facilities for purposes of this

## As Reported by the House Finance and Appropriations Committee\*

paragraph, and are eligible projects.	3181
<del>(C)</del> (E) "Financial assistance" means inducements under	3182
division (B) of section 166.02 of the Revised Code, loan	3183
guarantees under section 166.06 of the Revised Code, and direct	3184
loans under section 166.07 of the Revised Code.	3185
<del>(D)</del> (F) "Governmental action" means any action by a	3186
governmental agency relating to the establishment, development, or	3187
operation of an eligible project <u>or eligible innovation project</u>	3188
and project facilities that the governmental agency acting has	3189
authority to take or provide for the purpose under law, including,	3190
but not limited to, actions relating to contracts and agreements,	3191
zoning, building, permits, acquisition and disposition of	3192
property, public capital improvements, utility and transportation	3193
service, taxation, employee recruitment and training, and liaison	3194
and coordination with and among governmental agencies.	3195
<del>(E)</del> (G) "Governmental agency" means the state and any state	3196
department, division, commission, institution or authority; a	3197
municipal corporation, county, or township, and any agency	3198
thereof, and any other political subdivision or public corporation	3199
or the United States or any agency thereof; any agency,	3200
commission, or authority established pursuant to an interstate	3201
compact or agreement; and any combination of the above.	3202
<u>(H) "Innovation financial assistance" means inducements under</u>	3203
<u>division (B) of section 166.12 of the Revised Code, innovation</u>	3204
<u>Ohio loan guarantees under section 166.15 of the Revised Code, and</u>	3205
<u>innovation Ohio loans under section 166.16 of the Revised Code.</u>	3206
	3207
<u>(I) "Innovation Ohio loan guarantee reserve requirement"</u>	3208
<u>means, at any time, with respect to innovation loan guarantees</u>	3209
<u>made under section 166.15 of the Revised Code, a balance in the</u>	3210
<u>innovation Ohio loan guarantee fund equal to the greater of twenty</u>	3211

## As Reported by the House Finance and Appropriations Committee\*

per cent of the then-outstanding principal amount of all 3212  
outstanding innovation loan guarantees made pursuant to section 3213  
166.15 of the Revised Code or fifty per cent of the principal 3214  
amount of the largest outstanding guarantee made pursuant to 3215  
section 166.15 of the Revised Code. 3216

(J) "Innovation property" includes property and also includes 3217  
software, inventory, licenses, contract rights, goodwill, 3218  
intellectual property, including without limitation, patents, 3219  
patent applications, trademarks and service marks, and trade 3220  
secrets, and other tangible and intangible property, and any 3221  
rights and interests in or connected to the foregoing. 3222

(K) "Loan guarantee reserve requirement" means, at any time, 3223  
with respect to loan guarantees made under section 166.06 of the 3224  
Revised Code, a balance in the loan guarantee fund equal to the 3225  
greater of twenty per cent of the then-outstanding principal 3226  
amount of all outstanding guarantees made pursuant to section 3227  
166.06 of the Revised Code or fifty per cent of the principal 3228  
amount of the largest outstanding guarantee made pursuant to 3229  
section 166.06 of the Revised Code. 3230

~~(F)~~(L) "Person" means any individual, firm, partnership, 3231  
 association, corporation, or governmental agency, and any 3232  
 combination thereof. 3233

~~(G)~~(M) "Project facilities" means buildings, structures, and 3234  
 other improvements, and equipment and other property, excluding 3235  
 small tools, supplies, and inventory, and any one, part of, or 3236  
 combination of the above, comprising all or part of, or serving or 3237  
 being incidental to, an eligible project or an eligible innovation 3238  
project, including, but not limited to, public capital 3239  
 improvements. 3240

~~(H)~~(N) "Property" means real and personal property and 3241  
 interests therein. 3242



## As Reported by the House Finance and Appropriations Committee\*

~~(I)~~(O) "Public capital improvements" means capital 3243  
improvements or facilities that any governmental agency has 3244  
authority to acquire, pay the costs of, own, maintain, or operate, 3245  
or to contract with other persons to have the same done, 3246  
including, but not limited to, highways, roads, streets, water and 3247  
sewer facilities, railroad and other transportation facilities, 3248  
and air and water pollution control and solid waste disposal 3249  
facilities. 3250

(P) "Targeted innovation industry sectors" means industry 3251  
sectors involving the production or use of advanced materials, 3252  
instruments, controls and electronics, power and propulsion, 3253  
biosciences, and information technology, or such other sectors as 3254  
may be designated by the director of development. 3255

~~(J)~~(O) "Voluntary action" means a voluntary action, as 3256  
defined in section 3746.01 of the Revised Code, that is conducted 3257  
under the voluntary action program established in Chapter 3746. of 3258  
the Revised Code. 3259

~~(K)~~(R) "Project financing obligations" means obligations 3260  
issued pursuant to section 166.08 of the Revised Code other than 3261  
obligations for which the bond proceedings provide that bond 3262  
service charges shall be paid from receipts of the state 3263  
representing gross profit on the sale of spirituous liquor as 3264  
referred to in division (B)(4) of section 4310.10 of the Revised 3265  
Code. 3266

~~(L)~~(S) "Regional economic development entity" means an entity 3267  
that is under contract with the director of development to 3268  
administer a loan program under this chapter in a particular area 3269  
of this state. 3270

**Sec. 166.02.** (A) The general assembly finds that many local 3271  
areas throughout the state are experiencing economic stagnation or 3272  
decline, and that the economic development program provided for by 3273

## As Reported by the House Finance and Appropriations Committee\*

~~Chapter 166.~~ in sections 166.01 to 166.11 of the Revised Code will 3274  
 constitute a deserved, necessary reinvestment by the state in 3275  
 those areas, materially contribute to their economic 3276  
 revitalization, and result in improving the economic welfare of 3277  
 all the people of the state. Accordingly, it is declared to be the 3278  
 public policy of the state, through the operations under ~~Chapter~~ 3279  
~~166.~~ sections 166.01 to 166.11 of the Revised Code and other 3280  
 applicable laws adopted pursuant to Section 13 of Article VIII, 3281  
 Ohio Constitution, and other authority vested in the general 3282  
 assembly, to assist in and facilitate the establishment or 3283  
 development of eligible projects or assist and cooperate with any 3284  
 governmental agency in achieving such purpose. 3285

(B) In furtherance of such public policy and to implement 3286  
 such purpose, the director of development may: 3287

(1) After consultation with appropriate governmental 3288  
 agencies, enter into agreements with persons engaged in industry, 3289  
 commerce, distribution, or research and with governmental agencies 3290  
 to induce such persons to acquire, construct, reconstruct, 3291  
 rehabilitate, renovate, enlarge, improve, equip, or furnish, or 3292  
 otherwise develop, eligible projects and make provision therein 3293  
 for project facilities and governmental actions, as authorized by 3294  
 this chapter and other applicable laws, subject to any required 3295  
 actions by the general assembly or the controlling board and 3296  
 subject to applicable local government laws and regulations; 3297

(2) Provide for the guarantees and loans as provided for in 3298  
 sections 166.06 and 166.07 of the Revised Code; 3299

(3) Subject to release of such moneys by the controlling 3300  
 board, contract for labor and materials needed for, or contract 3301  
 with others, including governmental agencies, to provide, project 3302  
 facilities the allowable costs of which are to be paid for or 3303  
 reimbursed from moneys in the facilities establishment fund, and 3304  
 contract for the operation of such project facilities; 3305

## As Reported by the House Finance and Appropriations Committee\*

- (4) Subject to release thereof by the controlling board, from 3306  
moneys in the facilities establishment fund acquire or contract to 3307  
acquire by gift, exchange, or purchase, including the obtaining 3308  
and exercise of purchase options, property, and convey or 3309  
otherwise dispose of, or provide for the conveyance or disposition 3310  
of, property so acquired or contracted to be acquired by sale, 3311  
exchange, lease, lease purchase, conditional or installment sale, 3312  
transfer, or other disposition, including the grant of an option 3313  
to purchase, to any governmental agency or to any other person 3314  
without necessity for competitive bidding and upon such terms and 3315  
conditions and manner of consideration pursuant to and as the 3316  
director determines to be appropriate to satisfy the objectives of 3317  
~~Chapter 166.~~ sections 166.01 to 166.11 of the Revised Code; 3318  
3319
- (5) Retain the services of or employ financial consultants, 3320  
appraisers, consulting engineers, superintendents, managers, 3321  
construction and accounting experts, attorneys, and employees, 3322  
agents, and independent contractors as are necessary in ~~his~~ the 3323  
director's judgment and fix the compensation for their services; 3324
- (6) Receive and accept from any person grants, gifts, and 3325  
contributions of money, property, labor, and other things of 3326  
value, to be held, used and applied only for the purpose for which 3327  
such grants, gifts, and contributions are made; 3328
- (7) Enter into appropriate arrangements and agreements with 3329  
any governmental agency for the taking or provision by that 3330  
governmental agency of any governmental action; 3331
- (8) Do all other acts and enter into contracts and execute 3332  
all instruments necessary or appropriate to carry out the 3333  
provisions of Chapter 166. of the Revised Code; 3334
- (9) Adopt rules to implement any of the provisions of Chapter 3335  
166. of the Revised Code applicable to the director. 3336

## As Reported by the House Finance and Appropriations Committee\*

(C) The determinations by the director that facilities 3337  
 constitute eligible projects, that facilities are project 3338  
 facilities, that costs of such facilities are allowable costs, and 3339  
 all other determinations relevant thereto or to an action taken or 3340  
 agreement entered into shall be conclusive for purposes of the 3341  
 validity and enforceability of rights of parties arising from 3342  
 actions taken and agreements entered into under this chapter. 3343

(D) Except as otherwise prescribed in Chapter 166. of the 3344  
 Revised Code, all expenses and obligations incurred by the 3345  
 director in carrying out ~~his or her~~ the director's powers and in 3346  
 exercising ~~his or her~~ the director's duties under Chapter 166. of 3347  
 the Revised Code, shall be payable solely from, as appropriate, 3348  
 moneys in the facilities establishment fund, the loan guarantee 3349  
 fund, the innovation Ohio loan guarantee fund, the innovation Ohio 3350  
loan fund, or moneys appropriated for such purpose by the general 3351  
 assembly. Chapter 166. of the Revised Code does not authorize the 3352  
 director or the issuing authority under section 166.08 of the 3353  
 Revised Code to incur bonded indebtedness of the state or any 3354  
 political subdivision thereof, or to obligate or pledge moneys 3355  
 raised by taxation for the payment of any bonds or notes issued or 3356  
 guarantees made pursuant to Chapter 166. of the Revised Code. 3357

(E) ~~No~~ Except for financial assistance provided under 3358  
sections 166.12 to 166.16 of the Revised Code, no financial 3359  
 assistance for project facilities shall be provided under this 3360  
 chapter unless the provisions of the agreement providing for such 3361  
 assistance specify that all wages paid to laborers and mechanics 3362  
 employed on such project facilities for which the assistance is 3363  
 granted shall be paid at the prevailing rates of wages of laborers 3364  
 and mechanics for the class of work called for by such project 3365  
 facilities, which wages shall be determined in accordance with the 3366  
 requirements of Chapter 4115. of the Revised Code for 3367  
 determination of prevailing wage rates, provided that the 3368

## As Reported by the House Finance and Appropriations Committee\*

requirements of this division do not apply where the federal 3369  
government or any of its agencies provides financing assistance as 3370  
to all or any part of the funds used in connection with such 3371  
project facilities and prescribes predetermined minimum wages to 3372  
be paid to such laborers and mechanics; and provided further that 3373  
should a nonpublic user beneficiary of the eligible project 3374  
undertake, as part of the eligible project, construction to be 3375  
performed by its regular bargaining unit employees who are covered 3376  
under a collective bargaining agreement which was in existence 3377  
prior to the date of the document authorizing such assistance 3378  
then, in that event, the rate of pay provided under the collective 3379  
bargaining agreement may be paid to such employees. 3380

(F) Any governmental agency may enter into an agreement with 3381  
the director, any other governmental agency, or a person to be 3382  
assisted under this chapter, to take or provide for the purposes 3383  
of this chapter any governmental action it is authorized to take 3384  
or provide, and to undertake on behalf and at the request of the 3385  
director any action which the director is authorized to undertake 3386  
pursuant to divisions (B)(3), (4), and (5) of this section or 3387  
divisions (B)(3), (4), and (5) of section 166.12 of the Revised 3388  
Code. Governmental agencies of the state shall cooperate with and 3389  
provide assistance to the director of development and the 3390  
controlling board in the exercise of their respective functions 3391  
under this chapter. 3392

**Sec. 166.03.** (A) There is hereby created the facilities 3393  
establishment fund within the state treasury, consisting of 3394  
proceeds from the issuance of obligations as specified under 3395  
section 166.08 of the Revised Code; the moneys received by the 3396  
state from the sources specified in section 166.09 of the Revised 3397  
Code; service charges imposed under sections 166.06 and 166.07 of 3398  
the Revised Code; any grants, gifts, or contributions of moneys 3399  
received by the director of development to be used for loans made 3400

## As Reported by the House Finance and Appropriations Committee\*

under section 166.07 of the Revised Code or for the payment of the 3401  
allowable costs of project facilities; and all other moneys 3402  
appropriated or transferred to the fund. Moneys in the loan 3403  
guarantee fund in excess of ~~four per cent of the unpaid principal~~ 3404  
~~amount of loan repayments guaranteed under section 166.06 of the~~ 3405  
~~Revised Code~~ the loan guarantee reserve requirement, but subject 3406  
to the provisions and requirements of any guarantee contracts, may 3407  
be transferred to the facilities establishment fund by the 3408  
treasurer of state upon the order of the director of development. 3409  
Moneys received by the state under Chapter 122. of the Revised 3410  
Code, to the extent allocable to the utilization of moneys derived 3411  
from proceeds of the sale of obligations pursuant to section 3412  
166.08 of the Revised Code, shall be credited to the facilities 3413  
establishment fund. 3414

(B) All moneys appropriated or transferred to the facilities 3415  
establishment fund may be released at the request of the director 3416  
of development for payment of allowable costs or the making of 3417  
loans under ~~this chapter~~ section 166.07 of the Revised Code, for 3418  
transfer to the loan guarantee fund established in section 166.06 3419  
of the Revised Code, or for use for the purpose of or transfer to 3420  
the funds established by sections 122.35, 122.42, 122.54, 122.55, 3421  
122.56, 122.561, 122.57, 122.601, and 122.80 of the Revised Code 3422  
and, until July 1, 2003, the fund established by section 166.031 3423  
of the Revised Code, and, until July 1, 2007, the fund established 3424  
by section 122.26 of the Revised Code, but only for such of those 3425  
purposes as are within the authorization of Section 13 of Article 3426  
VIII, Ohio Constitution, in all cases subject to the approval of 3427  
the controlling board. 3428

(C) The department of development, in the administration of 3429  
the facilities establishment fund, is encouraged to utilize and 3430  
promote the utilization of, to the maximum practicable extent, the 3431  
other existing programs, business incentives, and tax incentives 3432

## As Reported by the House Finance and Appropriations Committee\*

that department is required or authorized to administer or 3433  
supervise. 3434

**Sec. 166.04.** (A) Prior to entering into each agreement to 3435  
provide assistance under ~~this chapter~~ sections 166.02, 166.06, and 3436  
166.07 of the Revised Code, the director of development shall 3437  
determine whether the assistance will conform to the requirements 3438  
of ~~Chapter 166.~~ sections 166.01 to 166.11 of the Revised Code. 3439  
Such determination, and the facts upon which it is based, shall be 3440  
set forth by the director in submissions made to the controlling 3441  
board for purposes of section 166.03 and, unless provision of the 3442  
assistance has been recommended to the director by a regional 3443  
economic development entity, to the development financing advisory 3444  
council under section 166.05 of the Revised Code. An agreement to 3445  
provide assistance under ~~this chapter~~ sections 166.02, 166.06, and 3446  
166.07 of the Revised Code shall set forth such determination, 3447  
which shall be conclusive for purposes of the validity and 3448  
enforceability of such agreement and any loan guarantees, loans, 3449  
or other agreements entered into pursuant to such agreement to 3450  
provide assistance. 3451

(B) Whenever a person applies for financial assistance under 3452  
~~this chapter~~ sections 166.02, 166.06, and 166.07 of the Revised 3453  
Code and the project for which assistance is requested is to 3454  
relocate facilities that are currently being operated by the 3455  
person and that are located in another county, municipal 3456  
corporation, or township, the director shall provide written 3457  
notification to the appropriate local governmental bodies and 3458  
state officials. The notification shall contain the following 3459  
information: 3460

(1) The name of the person applying for financial assistance 3461  
~~under this chapter;~~ 3462

(2) The county, and the municipal corporation or township, in 3463

## As Reported by the House Finance and Appropriations Committee\*

which the project for which assistance is requested is located;	3464
and	3465
(3) The county, and the municipal corporation or township, in	3466
which the facility to be replaced is located.	3467
The director shall provide the written notification to the	3468
appropriate local governmental bodies and state officials so that	3469
they receive the notification at least five days before the	3470
development financing advisory council meeting at which the	3471
council considers the request for financial assistance pursuant to	3472
section 166.05 of the Revised Code.	3473
(C) As used in division (B) of this section:	3474
(1) "Appropriate local governmental bodies" means:	3475
(a) The boards of county commissioners or legislative	3476
authorities of the county in which the project for which	3477
assistance is requested is located and of the county in which the	3478
facility to be replaced is located;	3479
(b) The legislative authority of the municipal corporation or	3480
the board of township trustees of the township in which the	3481
project for which assistance is requested is located; and	3482
(c) The legislative authority of the municipal corporation or	3483
the board of township trustees of the township in which the	3484
facility to be replaced is located.	3485
(2) "State officials" means:	3486
(a) The state representative and state senator in whose	3487
districts the project for which assistance is requested is	3488
located;	3489
(b) The state representative and state senator in whose	3490
districts the facility to be replaced is located.	3491
<b>Sec. 166.05.</b> (A) In determining the projects to be assisted	3492



## As Reported by the House Finance and Appropriations Committee\*

and the nature, amount, and terms of assistance to be provided for	3493
an eligible project under <del>this chapter</del> <u>sections 166.02, 166.06,</u>	3494
<u>and 166.07 of the Revised Code:</u>	3495
(1) Except as otherwise provided in division (A)(3) of this	3496
section, the director of development shall take into consideration	3497
all of the following:	3498
(a) The number of jobs to be created or preserved, directly	3499
or indirectly;	3500
(b) Payrolls, and the taxes generated, at both state and	3501
local levels, by the eligible project and by the employment	3502
created or preserved by the eligible project;	3503
(c) The size, nature, and cost of the eligible project,	3504
including the prospect of the project for providing long-term jobs	3505
in enterprises consistent with the changing economics of the state	3506
and the nation;	3507
(d) The needs, and degree of needs, of the area in which the	3508
eligible project is to be located;	3509
(e) The needs of any private sector enterprise to be	3510
assisted;	3511
(f) The competitive effect of the assistance on other	3512
enterprises providing jobs for people of the state;	3513
(g) The amount and kind of assistance, if any, to be provided	3514
to the private sector enterprise by other governmental agencies	3515
through tax exemption or abatement, financing assistance with	3516
industrial development bonds, and otherwise, with respect to the	3517
eligible project;	3518
(h) The impact of the eligible project and its operations on	3519
local government services, including school services, and on	3520
public facilities;	3521
(i) The effect of the assistance on the loss of or damage to	3522

## As Reported by the House Finance and Appropriations Committee\*

or destruction of prime farmland, or the removal from agricultural  
production of prime farmland. As used in this section, "prime  
farmland" means agricultural land that meets the criteria for this  
classification as defined by the United States soil conservation  
service.

(j) The length of time the operator of the project has been  
operating facilities within the state.

~~(k) The reservation of financial assistance made by the  
general assembly for small business concerns.~~

(2) The benefits to the local area, including taxes, jobs,  
and reduced unemployment and reduced welfare costs, among others,  
may be accorded value in the leasing or sales of project  
facilities and in loan and guarantee arrangements.

(B) Prior to granting final approval of the assistance to be  
provided, the director shall determine that the benefits to be  
derived by the state and local area from the establishment or  
development, and operation, of the eligible project will exceed  
the cost of providing such assistance and, except as provided in  
division (C)(2) of this section, shall submit to the development  
financing advisory council and to the controlling board a copy of  
that determination including the basis for the determination.

(C)(1) Except as provided in division (C)(2) of this section,  
prior to the submission provided for in division (B) of this  
section to the controlling board, the director shall submit to the  
development financing advisory council data pertinent to the  
considerations set forth in division (A) of this section, the  
terms of the proposed assistance, and such other relevant  
information as the development financing advisory council may  
request.

(2) The director is not required to submit any determination,  
data, terms, or other application materials or information to the

## As Reported by the House Finance and Appropriations Committee\*

development financing advisory council when provision of the 3554  
 assistance has been recommended to the director by a regional 3555  
 economic development entity. 3556

(D) The development financing advisory council, on the basis 3557  
 of such data, shall make recommendations as to the appropriateness 3558  
 of the assistance to be provided. The recommendations may be 3559  
 revised to reflect any changes in the proposed assistance as the 3560  
 director may submit to the council. The recommendations, as 3561  
 amended, of the council as to the appropriateness of the proposed 3562  
 assistance shall be submitted to the controlling board. 3563

(E) Financial statements and other data submitted to the 3564  
 director of development, the development financing advisory 3565  
 council, or the controlling board by any private sector person in 3566  
 connection with financial assistance under ~~this chapter~~ sections 3567  
166.02, 166.06, and 166.07 of the Revised Code, or any information 3568  
 taken from such statements or data for any purpose, shall not be 3569  
 open to public inspection. The development financing advisory 3570  
 council in considering confidential information in connection with 3571  
 financial assistance under ~~this chapter~~ sections 166.02, 166.06, 3572  
and 166.07 of the Revised Code may, only for consideration of the 3573  
 confidential information referred to, and in the manner provided 3574  
 in division (E) of section 121.22 of the Revised Code, close the 3575  
 meeting during such consideration. 3576

**Sec. 166.06.** (A) Subject to any limitations as to aggregate 3577  
 amounts thereof that may from time to time be prescribed by the 3578  
 general assembly and to other applicable provisions of this 3579  
 chapter, the director of development may, on behalf of the state, 3580  
 enter into contracts to guarantee the repayment or payment of not 3581  
 more than ninety per cent of the unpaid principal amount of loans 3582  
 made, including bonds, notes, or other certificates issued or 3583  
 given to provide funds, to pay allowable costs of eligible 3584

## As Reported by the House Finance and Appropriations Committee\*

projects. Such guarantees shall be secured solely by and payable 3585  
solely from the loan guarantee fund created by this section and 3586  
~~from the unencumbered and available moneys representing gross~~ 3587  
~~profits payable to the state from the sale of spirituous liquor as~~ 3588  
~~included in the definition of "pledged receipts" in division~~ 3589  
~~(A)(6) of section 166.08 of the Revised Code, in the facilities~~ 3590  
establishment fund in the manner and to the extent provided in 3591  
such guarantee contracts consistent with this section. Such 3592  
guarantees shall not constitute general obligations of the state 3593  
or of any political subdivision, and moneys raised by taxation 3594  
shall not be obligated or pledged for the payment of such 3595  
guarantees. 3596

(B) Before guaranteeing any such repayments or payments the 3597  
director shall determine that: 3598

(1) The project is an eligible project and is economically 3599  
sound; 3600

(2) The principal amount to be guaranteed does not exceed 3601  
ninety per cent of the allowable costs of the eligible project as 3602  
determined by ~~an independent engineer, architect, or appraiser~~ 3603  
~~engaged by the director by separate contract relating separately~~ 3604  
~~and solely to the particular eligible project for which the~~ 3605  
~~guarantee is to be made and. To assist the director in making this~~ 3606  
determination, the director may, in the director's discretion, 3607  
engage an independent engineer, architect, appraiser, or other 3608  
professional pursuant to a contract to be paid solely from the 3609  
facilities establishment fund. ~~Such contract shall be,~~ subject to 3610  
controlling board approval ~~prior to making such an appraisal.~~ 3611  
3612

(3) The principal amount to be guaranteed has a satisfactory 3613  
maturity date or dates, which in no case shall be later than 3614  
~~twenty-five~~ twenty years from the effective date of the guarantee; 3615

(4) The rate of interest on the loan to be guaranteed and on 3616

## As Reported by the House Finance and Appropriations Committee\*

any other loan made by the same parties or related persons for the 3617  
eligible project is not excessive; 3618

(5) The principal obligor, or primary guarantor, is 3619  
responsible and is reasonably expected to be able to meet the 3620  
payments under the loan, bonds, notes, or other certificates; 3621

(6) The loan or documents pertaining to the bonds, notes, or 3622  
other certificates to be guaranteed contains ~~amortization~~ 3623  
~~provisions satisfactory to the director requiring periodic~~ 3624  
~~payments or sinking fund or similar deposits~~ for payment by the 3625  
principal obligor, and is in such form and contains such terms and 3626  
provisions for the protection of the lenders as are generally 3627  
consistent with commercial practice, including, where applicable, 3628  
provisions with respect to property insurance, repairs, 3629  
alterations, payment of taxes and assessments, delinquency 3630  
charges, default remedies, acceleration of maturity, prior, 3631  
additional and secondary liens, and other matters as the director 3632  
may approve. 3633

~~The determinations of the director shall be conclusive for~~ 3634  
~~purposes of the validity of a guarantee evidenced by a contract~~ 3635  
~~signed by the director, and such guarantee shall be incontestable~~ 3636  
~~as to moneys advanced under loans to which such guarantees are by~~ 3637  
~~their terms applicable.~~ 3638

(C) The contract of guarantee may make provision for the 3639  
conditions of, time for and manner of fulfillment of the guarantee 3640  
commitment, subrogation of the state to the rights of the parties 3641  
guaranteed and exercise of such parties' rights by the state, 3642  
giving the state the options of making payment of the principal 3643  
amount guaranteed in one or more installments and, if deferred, to 3644  
pay interest thereon from the loan guarantee fund ~~and pledged~~ 3645  
~~receipts described in division (A)(6) of section 166.08 of the~~ 3646  
~~Revised Code~~ and the facilities establishment fund, any other 3647  
terms or conditions customary to such guarantees and as the 3648

## As Reported by the House Finance and Appropriations Committee\*

director may approve, and may contain provisions for securing the 3649  
guarantee in the manner consistent with this section, covenants on 3650  
behalf of the state for the maintenance of the loan guarantee fund 3651  
created by this section and of receipts to it permitted by this 3652  
chapter, including covenants on behalf of the state to issue 3653  
obligations under section 166.08 of the Revised Code to provide 3654  
moneys to the loan guarantee fund to fulfill such guarantees and 3655  
covenants authorized by division (R)(1) of section 166.08 of the 3656  
Revised Code, and covenants restricting the aggregate amount of 3657  
guarantees that may be contracted under this section and 3658  
obligations that may be issued under section 166.08 of the Revised 3659  
Code, and terms pertinent to either, to better secure the parties 3660  
guaranteed. 3661

(D) The "loan guarantee fund" of the economic development 3662  
program is hereby created as a special revenue fund and a trust 3663  
fund which shall be in the custody of the treasurer of state but 3664  
shall be separate and apart from and not a part of the state 3665  
treasury to consist of all grants, gifts, and contributions of 3666  
moneys or rights to moneys lawfully designated for or deposited in 3667  
such fund, all moneys and rights to moneys lawfully appropriated 3668  
and transferred to such fund, including moneys received from the 3669  
issuance of obligations under section 166.08 of the Revised Code, 3670  
and moneys deposited to such fund pursuant to division (F) of this 3671  
section; provided that the loan guarantee fund shall not be 3672  
comprised, in any part, of moneys raised by taxation. 3673

(E) The director may fix service charges for making a 3674  
guarantee. Such charges shall be payable at such times and place 3675  
and in such amounts and manner as may be prescribed by the 3676  
director. 3677

(F) The treasurer of state shall serve as agent for the 3678  
director in the making of deposits and withdrawals and maintenance 3679  
of records pertaining to the loan guarantee fund. Prior to the 3680

## As Reported by the House Finance and Appropriations Committee\*

director's entry into a contract providing for the making of a 3681  
guarantee payable from the loan guarantee fund, the treasurer of 3682  
state shall cause to be transferred from the facilities 3683  
establishment fund to the loan guarantee fund an amount sufficient 3684  
to make the aggregate balance therein, taking into account the 3685  
proposed loan guarantee, equal to the loan guarantee reserve 3686  
requirement. Thereafter, the treasurer of state shall cause the 3687  
balance in the loan guarantee fund to be at least equal to the 3688  
loan guarantee reserve requirement. Funds from the loan guarantee 3689  
fund shall be disbursed under a guarantee made pursuant to this 3690  
section to satisfy a guaranteed repayment or payment which is in 3691  
default. The treasurer of state shall first withdraw and transfer 3692  
moneys then on deposit in the loan guarantee fund. Whenever these 3693  
moneys are inadequate to meet the requirements of a guarantee, the 3694  
treasurer of state shall, without need of appropriation or further 3695  
action by the director, provide for a withdrawal and transfer to 3696  
the loan guarantee fund and then to the guaranteed party of moneys 3697  
in such amount as is necessary to meet the guarantee, ~~from moneys~~ 3698  
~~representing gross profits payable to the state from the sale of~~ 3699  
~~spirituous liquor as are included in the definition of "pledged~~ 3700  
~~receipts" in division (A)(6) of section 166.08 of the Revised Code~~ 3701  
from unencumbered and available moneys in the facilities 3702  
establishment fund. Such disbursements shall be made in the manner 3703  
and at the times provided in such guarantees. Within ninety days 3704  
following a disbursement of moneys from the loan guarantee fund, 3705  
the treasurer of state, without need of appropriation or further 3706  
action by the director, shall provide for a withdrawal and 3707  
transfer to the loan guarantee fund from unencumbered and 3708  
available moneys in the facilities establishment fund, including 3709  
moneys from the repayment of loans made from that fund, of an 3710  
amount sufficient to cause the balance in the loan guarantee fund 3711  
to be at least equal to the loan guarantee reserve requirement. 3712

(G) Any guaranteed parties under this section, except to the 3713

## As Reported by the House Finance and Appropriations Committee\*

extent that their rights are restricted by the guarantee 3714  
documents, may by any suitable form of legal proceedings, protect 3715  
and enforce any rights under the laws of this state or granted by 3716  
such guarantee or guarantee documents. Such rights include the 3717  
right to compel the performance of all duties of the director and 3718  
the treasurer of state required by this section or the guarantee 3719  
or guarantee documents; and in the event of default with respect 3720  
to the payment of any guarantees, to apply to a court having 3721  
jurisdiction of the cause to appoint a receiver to receive and 3722  
administer the moneys pledged to such guarantee with full power to 3723  
pay, and to provide for payment of, such guarantee, and with such 3724  
powers, subject to the direction of the court, as are accorded 3725  
receivers in general equity cases, excluding any power to pledge 3726  
or apply additional revenues or receipts or other income or moneys 3727  
of the state or governmental agencies of the state to the payment 3728  
of such guarantee. Each duty of the director and the treasurer of 3729  
state and their officers and employees, and of each governmental 3730  
agency and its officers, members, or employees, required or 3731  
undertaken pursuant to this section or a guarantee made under 3732  
authority of this section, is hereby established as a duty of the 3733  
director and the treasurer of state, and of each such officer, 3734  
member, or employee having authority to perform such duty, 3735  
specifically enjoined by the law resulting from ~~and~~ an office, 3736  
trust, or station within the meaning of section 2731.01 of the 3737  
Revised Code. The persons who are at the time the director and 3738  
treasurer of state, or their officers or employees, are not liable 3739  
in their personal capacities on any guarantees or contracts to 3740  
make guarantees by the director. 3741

(H) The determinations of the director under divisions (B) 3742  
and (C) of this section shall be conclusive for purposes of the 3743  
validity of a guarantee evidenced by a contract signed by the 3744  
director, and such guarantee shall be incontestable as to moneys 3745



## As Reported by the House Finance and Appropriations Committee\*

advanced under loans to which such guarantees are by their terms 3746  
applicable. 3747

**Sec. 166.07.** (A) The director of development, with the 3748  
approval of the controlling board and subject to the other 3749  
applicable provisions of this chapter, may lend moneys in the 3750  
facilities establishment fund to persons for the purpose of paying 3751  
allowable costs of an eligible project if the director determines 3752  
that: 3753

(1) The project is an eligible project and is economically 3754  
sound; 3755

(2) The borrower is unable to finance the necessary allowable 3756  
costs through ordinary financial channels upon comparable terms; 3757  
3758

(3) The amount to be lent from the facilities establishment 3759  
fund will not exceed seventy-five per cent of the total allowable 3760  
costs of the eligible project, except that if any part of the 3761  
~~entire~~ amount to be lent from the facilities establishment fund is 3762  
derived from the issuance and sale of project financing 3763  
obligations the amount to be lent will not exceed ninety per cent 3764  
of the total allowable costs of the eligible project; 3765

(4) The eligible project could not be achieved in the local 3766  
area in which it is to be located if the portion of the project to 3767  
be financed by the loan instead were to be financed by a loan 3768  
guaranteed under section 166.06 of the Revised Code; 3769

(5) The ~~amount~~ repayment of the loan from the facilities 3770  
establishment fund ~~to be repaid~~ will be adequately secured by a 3771  
mortgage, lien, assignment, or pledge, at such level of priority 3772  
as the director may require; 3773

(6) The borrower will hold at least a ten per cent equity 3774  
interest in the eligible project at the time the loan is made. 3775

## As Reported by the House Finance and Appropriations Committee\*

(B) The determinations of the director under division (A) of this section shall be conclusive for purposes of the validity of a loan commitment evidenced by a loan agreement signed by the director.

(C) Fees, charges, rates of interest, times of payment of interest and principal, and other terms, conditions, and provisions of and security for loans made from the facilities establishment fund pursuant to this section shall be such as the director determines to be appropriate and in furtherance of the purpose for which the loans are made. The moneys used in making such loans shall be disbursed from the facilities establishment fund upon order of the director. The director shall give special consideration in setting the required job creation ratios and interest rates for loans that are for voluntary actions.

(D) The director may take actions necessary or appropriate to collect or otherwise deal with any loan made under this section.

(E) The director may fix service charges for the making of a loan. Such charges shall be payable at such times and place and in such amounts and manner as may be prescribed by the director.

**Sec. 166.08.** (A) As used in this chapter:

(1) "Bond proceedings" means the resolution, order, trust agreement, indenture, lease, and other agreements, amendments and supplements to the foregoing, or any one or more or combination thereof, authorizing or providing for the terms and conditions applicable to, or providing for the security or liquidity of, obligations issued pursuant to this section, and the provisions contained in such obligations.

(2) "Bond service charges" means principal, including mandatory sinking fund requirements for retirement of obligations,

## As Reported by the House Finance and Appropriations Committee\*

and interest, and redemption premium, if any, required to be paid 3806  
by the state on obligations. 3807

(3) "Bond service fund" means the applicable fund and 3808  
accounts therein created for and pledged to the payment of bond 3809  
service charges, which may be, or may be part of, the economic 3810  
development bond service fund created by division (S) of this 3811  
section including all moneys and investments, and earnings from 3812  
investments, credited and to be credited thereto. 3813

(4) "Issuing authority" means the treasurer of state, or the 3814  
officer who by law performs the functions of such officer. 3815

(5) "Obligations" means bonds, notes, or other evidence of 3816  
obligation including interest coupons pertaining thereto, issued 3817  
pursuant to this section. 3818

(6) "Pledged receipts" means all receipts of the state 3819  
representing the gross profit on the sale of spirituous liquor, as 3820  
referred to in division (B)(4) of section 4301.10 of the Revised 3821  
Code, after paying all costs and expenses of the division of 3822  
liquor control and providing an adequate working capital reserve 3823  
for the division of liquor control as provided in that division, 3824  
but excluding the sum required by the second paragraph of section 3825  
4301.12 of the Revised Code, as in effect on May 2, 1980, to be 3826  
paid into the state treasury; moneys accruing to the state from 3827  
the lease, sale, or other disposition, or use, of project 3828  
facilities, and from the repayment, including interest, of loans 3829  
made from proceeds received from the sale of obligations; accrued 3830  
interest received from the sale of obligations; income from the 3831  
investment of the special funds; and any gifts, grants, donations, 3832  
and pledges, and receipts therefrom, available for the payment of 3833  
bond service charges. 3834

(7) "Special funds" or "funds" means, except where the 3835  
context does not permit, the bond service fund, and any other 3836

## As Reported by the House Finance and Appropriations Committee\*

funds, including reserve funds, created under the bond 3837  
 proceedings, and the economic development bond service fund 3838  
 created by division (S) of this section to the extent provided in 3839  
 the bond proceedings, including all moneys and investments, and 3840  
 earnings from investment, credited and to be credited thereto. 3841

(B) Subject to the limitations provided in section 166.11 of 3842  
 the Revised Code, the issuing authority, upon the certification by 3843  
 the director of development to the issuing authority of the amount 3844  
 of moneys or additional moneys needed in the facilities 3845  
 establishment fund ~~or~~, the loan guarantee fund, the innovation 3846  
Ohio loan fund, or the innovation Ohio loan guarantee fund for the 3847  
 purpose of paying, or making loans for, allowable costs from the 3848  
 facilities establishment fund or allowable innovation costs from 3849  
the innovation Ohio loan fund, or needed for capitalized interest, 3850  
 for funding reserves, and for paying costs and expenses incurred 3851  
 in connection with the issuance, carrying, securing, paying, 3852  
 redeeming, or retirement of the obligations or any obligations 3853  
 refunded thereby, including payment of costs and expenses relating 3854  
 to letters of credit, lines of credit, insurance, put agreements, 3855  
 standby purchase agreements, indexing, marketing, remarketing and 3856  
 administrative arrangements, interest swap or hedging agreements, 3857  
 and any other credit enhancement, liquidity, remarketing, renewal, 3858  
 or refunding arrangements, all of which are authorized by this 3859  
 section, or providing moneys for the loan guarantee fund or the 3860  
innovation Ohio loan guarantee fund, as provided in this chapter 3861  
 or needed for the purposes of funds established in accordance with 3862  
 or pursuant to sections 122.35, 122.42, 122.54, 122.55, 122.56, 3863  
 122.561, 122.57, and 122.80 of the Revised Code which are within 3864  
 the authorization of Section 13 of Article VIII, Ohio 3865  
 Constitution, shall issue obligations of the state under this 3866  
 section in the required amount; provided that such obligations may 3867  
 be issued ~~to the extent necessary~~ to satisfy the covenants in 3868

## As Reported by the House Finance and Appropriations Committee\*

contracts of guarantee made under section 166.06 or 166.15 of the Revised Code ~~to issue obligations to meet such guarantees,~~ notwithstanding limitations otherwise applicable to the issuance of obligations under this section. The proceeds of such obligations, except for the portion to be deposited in special funds, including reserve funds, as may be provided in the bond proceedings, shall as provided in the bond proceedings be deposited by the director of development to the facilities establishment fund ~~or,~~ the loan guarantee fund ~~established by section 166.06 of the Revised Code,~~ the innovation Ohio loan guarantee fund, or the innovation Ohio loan fund. Bond proceedings for project financing obligations may provide that the proceeds derived from the issuance of such obligations shall be deposited into such fund or funds provided for in the bond proceedings and, to the extent provided for in the bond proceedings, such proceeds shall be deemed to have been deposited into the facilities establishment fund and transferred to such fund or funds. The issuing authority may appoint trustees, paying agents, and transfer agents and may retain the services of financial advisors, accounting experts, and attorneys, and retain or contract for the services of marketing, remarketing, indexing, and administrative agents, other consultants, and independent contractors, including printing services, as are necessary in the issuing authority's judgment to carry out this section. The costs of such services are allowable costs payable from the facilities establishment fund or allowable innovation costs payable from the innovation Ohio loan fund.

(C) The holders or owners of such obligations shall have no right to have moneys raised by taxation obligated or pledged, and moneys raised by taxation shall not be obligated or pledged, for the payment of bond service charges. Such holders or owners shall have no rights to payment of bond service charges from any moneys accruing to the state from the lease, sale, or other disposition,

As Reported by the House Finance and Appropriations Committee\*

or use, of project facilities, or from payment of the principal of 3902  
or interest on loans made, or fees charged for guarantees made, or 3903  
from any money or property received by the director, treasurer of 3904  
state, or the state under Chapter 122. of the Revised Code, or 3905  
from any other use of the proceeds of the sale of the obligations, 3906  
and no such moneys may be used for the payment of bond service 3907  
charges, except for accrued interest, capitalized interest, and 3908  
reserves funded from proceeds received upon the sale of the 3909  
obligations and except as otherwise expressly provided in the 3910  
applicable bond proceedings pursuant to written directions by the 3911  
director. The right of such holders and owners to payment of bond 3912  
service charges is limited to all or that portion of the pledged 3913  
receipts and those special funds pledged thereto pursuant to the 3914  
bond proceedings in accordance with this section, and each such 3915  
obligation shall bear on its face a statement to that effect. 3916

(D) Obligations shall be authorized by resolution or order of 3917  
the issuing authority and the bond proceedings shall provide for 3918  
the purpose thereof and the principal amount or amounts, and shall 3919  
provide for or authorize the manner or agency for determining the 3920  
principal maturity or maturities, not exceeding twenty-five years 3921  
from the date of issuance, the interest rate or rates or the 3922  
maximum interest rate, the date of the obligations and the dates 3923  
of payment of interest thereon, their denomination, and the 3924  
establishment within or without the state of a place or places of 3925  
payment of bond service charges. Sections 9.98 to 9.983 of the 3926  
Revised Code are applicable to obligations issued under this 3927  
section, subject to any applicable limitation under section 166.11 3928  
of the Revised Code. The purpose of such obligations may be stated 3929  
in the bond proceedings in terms describing the general purpose or 3930  
purposes to be served. The bond proceedings also shall provide, 3931  
subject to the provisions of any other applicable bond 3932  
proceedings, for the pledge of all, or such part as the issuing 3933

## As Reported by the House Finance and Appropriations Committee\*

authority may determine, of the pledged receipts and the  
applicable special fund or funds to the payment of bond service  
charges, which pledges may be made either prior or subordinate to  
other expenses, claims, or payments, and may be made to secure the  
obligations on a parity with obligations theretofore or thereafter  
issued, if and to the extent provided in the bond proceedings. The  
pledged receipts and special funds so pledged and thereafter  
received by the state are immediately subject to the lien of such  
pledge without any physical delivery thereof or further act, and  
the lien of any such pledges is valid and binding against all  
parties having claims of any kind against the state or any  
governmental agency of the state, irrespective of whether such  
parties have notice thereof, and shall create a perfected security  
interest for all purposes of Chapter 1309. of the Revised Code,  
without the necessity for separation or delivery of funds or for  
the filing or recording of the bond proceedings by which such  
pledge is created or any certificate, statement or other document  
with respect thereto; and the pledge of such pledged receipts and  
special funds is effective and the money therefrom and thereof may  
be applied to the purposes for which pledged without necessity for  
any act of appropriation. Every pledge, and every covenant and  
agreement made with respect thereto, made in the bond proceedings  
may therein be extended to the benefit of the owners and holders  
of obligations authorized by this section, and to any trustee  
therefor, for the further security of the payment of the bond  
service charges.

(E) The bond proceedings may contain additional provisions as  
to:

(1) The redemption of obligations prior to maturity at the  
option of the issuing authority at such price or prices and under  
such terms and conditions as are provided in the bond proceedings;

(2) Other terms of the obligations;

## As Reported by the House Finance and Appropriations Committee\*

(3) Limitations on the issuance of additional obligations;	3966
(4) The terms of any trust agreement or indenture securing the obligations or under which the same may be issued;	3967 3968
(5) The deposit, investment and application of special funds, and the safeguarding of moneys on hand or on deposit, without regard to Chapter 131. or 135. of the Revised Code, but subject to any special provisions of this chapter, with respect to particular funds or moneys, provided that any bank or trust company which acts as depository of any moneys in the special funds may furnish such indemnifying bonds or may pledge such securities as required by the issuing authority;	3969 3970 3971 3972 3973 3974 3975 3976
(6) Any or every provision of the bond proceedings being binding upon such officer, board, commission, authority, agency, department, or other person or body as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision;	3977 3978 3979 3980 3981
(7) Any provision that may be made in a trust agreement or indenture;	3982 3983
(8) Any other or additional agreements with the holders of the obligations, or the trustee therefor, relating to the obligations or the security therefor, including the assignment of mortgages or other security obtained or to be obtained for loans under section 122.43 <del>or</del> , <u>166.07</u> , <u>or 166.16</u> of the Revised Code.	3984 3985 3986 3987 3988
(F) The obligations may have the great seal of the state or a facsimile thereof affixed thereto or printed thereon. The obligations and any coupons pertaining to obligations shall be signed or bear the facsimile signature of the issuing authority. Any obligations or coupons may be executed by the person who, on the date of execution, is the proper issuing authority although on the date of such bonds or coupons such person was not the issuing authority. If the issuing authority whose signature or a facsimile	3989 3990 3991 3992 3993 3994 3995 3996



## As Reported by the House Finance and Appropriations Committee\*

of whose signature appears on any such obligation or coupon ceases 3997  
to be the issuing authority before delivery thereof, such 3998  
signature or facsimile is nevertheless valid and sufficient for 3999  
all purposes as if the former issuing authority had remained the 4000  
issuing authority until such delivery; and if the seal to be 4001  
affixed to obligations has been changed after a facsimile of the 4002  
seal has been imprinted on such obligations, such facsimile seal 4003  
shall continue to be sufficient as to such obligations and 4004  
obligations issued in substitution or exchange therefor. 4005

(G) All obligations are negotiable instruments and securities 4006  
under Chapter 1308. of the Revised Code, subject to the provisions 4007  
of the bond proceedings as to registration. The obligations may be 4008  
issued in coupon or in registered form, or both, as the issuing 4009  
authority determines. Provision may be made for the registration 4010  
of any obligations with coupons attached thereto as to principal 4011  
alone or as to both principal and interest, their exchange for 4012  
obligations so registered, and for the conversion or reconversion 4013  
into obligations with coupons attached thereto of any obligations 4014  
registered as to both principal and interest, and for reasonable 4015  
charges for such registration, exchange, conversion, and 4016  
reconversion. 4017

(H) Obligations may be sold at public sale or at private 4018  
sale, as determined in the bond proceedings. 4019

Obligations issued to provide moneys for the loan guarantee 4020  
fund or the innovation Ohio loan guarantee fund may, as determined 4021  
by the issuing authority, be sold at private sale, and without 4022  
publication of a notice of sale. 4023

(I) Pending preparation of definitive obligations, the 4024  
issuing authority may issue interim receipts or certificates which 4025  
shall be exchanged for such definitive obligations. 4026

(J) In the discretion of the issuing authority, obligations 4027

## As Reported by the House Finance and Appropriations Committee\*

may be secured additionally by a trust agreement or indenture 4028  
between the issuing authority and a corporate trustee which may be 4029  
any trust company or bank having its principal place of business 4030  
within the state. Any such agreement or indenture may contain the 4031  
resolution or order authorizing the issuance of the obligations, 4032  
any provisions that may be contained in any bond proceedings, and 4033  
other provisions which are customary or appropriate in an 4034  
agreement or indenture of such type, including, but not limited 4035  
to: 4036

(1) Maintenance of each pledge, trust agreement, indenture, 4037  
or other instrument comprising part of the bond proceedings until 4038  
the state has fully paid the bond service charges on the 4039  
obligations secured thereby, or provision therefor has been made; 4040

(2) In the event of default in any payments required to be 4041  
made by the bond proceedings, or any other agreement of the 4042  
issuing authority made as a part of the contract under which the 4043  
obligations were issued, enforcement of such payments or agreement 4044  
by mandamus, the appointment of a receiver, suit in equity, action 4045  
at law, or any combination of the foregoing; 4046

(3) The rights and remedies of the holders of obligations and 4047  
of the trustee, and provisions for protecting and enforcing them, 4048  
including limitations on rights of individual holders of 4049  
obligations; 4050

(4) The replacement of any obligations that become mutilated 4051  
or are destroyed, lost, or stolen; 4052

(5) Such other provisions as the trustee and the issuing 4053  
authority agree upon, including limitations, conditions, or 4054  
qualifications relating to any of the foregoing. 4055

(K) Any holders of obligations or trustees under the bond 4056  
proceedings, except to the extent that their rights are restricted 4057  
by the bond proceedings, may by any suitable form of legal 4058

## As Reported by the House Finance and Appropriations Committee\*

proceedings, protect and enforce any rights under the laws of this state or granted by such bond proceedings. Such rights include the right to compel the performance of all duties of the issuing authority, the director of development, or the division of liquor control required by this chapter or the bond proceedings; to enjoin unlawful activities; and in the event of default with respect to the payment of any bond service charges on any obligations or in the performance of any covenant or agreement on the part of the issuing authority, the director of development, or the division of liquor control in the bond proceedings, to apply to a court having jurisdiction of the cause to appoint a receiver to receive and administer the pledged receipts and special funds, other than those in the custody of the treasurer of state, which are pledged to the payment of the bond service charges on such obligations or which are the subject of the covenant or agreement, with full power to pay, and to provide for payment of bond service charges on, such obligations, and with such powers, subject to the direction of the court, as are accorded receivers in general equity cases, excluding any power to pledge additional revenues or receipts or other income or moneys of the issuing authority or the state or governmental agencies of the state to the payment of such principal and interest and excluding the power to take possession of, mortgage, or cause the sale or otherwise dispose of any project facilities.

Each duty of the issuing authority and the issuing authority's officers and employees, and of each governmental agency and its officers, members, or employees, undertaken pursuant to the bond proceedings or any agreement or lease, lease-purchase agreement, or loan made under authority of this chapter, and in every agreement by or with the issuing authority, is hereby established as a duty of the issuing authority, and of each such officer, member, or employee having authority to perform

## As Reported by the House Finance and Appropriations Committee\*

such duty, specifically enjoined by the law resulting from an 4091  
office, trust, or station within the meaning of section 2731.01 of 4092  
the Revised Code. 4093

The person who is at the time the issuing authority, or the 4094  
issuing authority's officers or employees, are not liable in their 4095  
personal capacities on any obligations issued by the issuing 4096  
authority or any agreements of or with the issuing authority. 4097

(L) The issuing authority may authorize and issue obligations 4098  
for the refunding, including funding and retirement, and advance 4099  
refunding with or without payment or redemption prior to maturity, 4100  
of any obligations previously issued by the issuing authority. 4101  
Such obligations may be issued in amounts sufficient for payment 4102  
of the principal amount of the prior obligations, any redemption 4103  
premiums thereon, principal maturities of any such obligations 4104  
maturing prior to the redemption of the remaining obligations on a 4105  
parity therewith, interest accrued or to accrue to the maturity 4106  
dates or dates of redemption of such obligations, and any 4107  
allowable costs including expenses incurred or to be incurred in 4108  
connection with such issuance and such refunding, funding, and 4109  
retirement. Subject to the bond proceedings therefor, the portion 4110  
of proceeds of the sale of obligations issued under this division 4111  
to be applied to bond service charges on the prior obligations 4112  
shall be credited to an appropriate account held by the trustee 4113  
for such prior or new obligations or to the appropriate account in 4114  
the bond service fund for such obligations. Obligations authorized 4115  
under this division shall be deemed to be issued for those 4116  
purposes for which such prior obligations were issued and are 4117  
subject to the provisions of this section pertaining to other 4118  
obligations, except as otherwise provided in this section; 4119  
provided that, unless otherwise authorized by the general 4120  
assembly, any limitations imposed by the general assembly pursuant 4121  
to this section with respect to bond service charges applicable to 4122

## As Reported by the House Finance and Appropriations Committee\*

the prior obligations shall be applicable to the obligations 4123  
issued under this division to refund, fund, advance refund or 4124  
retire such prior obligations. 4125

(M) The authority to issue obligations under this section 4126  
includes authority to issue obligations in the form of bond 4127  
anticipation notes and to renew the same from time to time by the 4128  
issuance of new notes. The holders of such notes or interest 4129  
coupons pertaining thereto shall have a right to be paid solely 4130  
from the pledged receipts and special funds that may be pledged to 4131  
the payment of the bonds anticipated, or from the proceeds of such 4132  
bonds or renewal notes, or both, as the issuing authority provides 4133  
in the resolution or order authorizing such notes. Such notes may 4134  
be additionally secured by covenants of the issuing authority to 4135  
the effect that the issuing authority and the state will do such 4136  
or all things necessary for the issuance of such bonds or renewal 4137  
notes in appropriate amount, and apply the proceeds thereof to the 4138  
extent necessary, to make full payment of the principal of and 4139  
interest on such notes at the time or times contemplated, as 4140  
provided in such resolution or order. For such purpose, the 4141  
issuing authority may issue bonds or renewal notes in such 4142  
principal amount and upon such terms as may be necessary to 4143  
provide funds to pay when required the principal of and interest 4144  
on such notes, notwithstanding any limitations prescribed by or 4145  
for purposes of this section. Subject to this division, all 4146  
provisions for and references to obligations in this section are 4147  
applicable to notes authorized under this division. 4148

The issuing authority in the bond proceedings authorizing the 4149  
issuance of bond anticipation notes shall set forth for such bonds 4150  
an estimated interest rate and a schedule of principal payments 4151  
for such bonds and the annual maturity dates thereof, and for 4152  
purposes of any limitation on bond service charges prescribed 4153  
under division (A) of section 166.11 of the Revised Code, the 4154

## As Reported by the House Finance and Appropriations Committee\*

amount of bond service charges on such bond anticipation notes is 4155  
deemed to be the bond service charges for the bonds anticipated 4156  
thereby as set forth in the bond proceedings applicable to such 4157  
notes, but this provision does not modify any authority in this 4158  
section to pledge receipts and special funds to, and covenant to 4159  
issue bonds to fund, the payment of principal of and interest and 4160  
any premium on such notes. 4161

(N) Obligations issued under this section are lawful 4162  
investments for banks, societies for savings, savings and loan 4163  
associations, deposit guarantee associations, trust companies, 4164  
trustees, fiduciaries, insurance companies, including domestic for 4165  
life and domestic not for life, trustees or other officers having 4166  
charge of sinking and bond retirement or other special funds of 4167  
political subdivisions and taxing districts of this state, the 4168  
commissioners of the sinking fund of the state, the administrator 4169  
of workers' compensation, the state teachers retirement system, 4170  
the public employees retirement system, the school employees 4171  
retirement system, and the Ohio police and fire pension fund, 4172  
notwithstanding any other provisions of the Revised Code or rules 4173  
adopted pursuant thereto by any governmental agency of the state 4174  
with respect to investments by them, and are also acceptable as 4175  
security for the deposit of public moneys. 4176

(O) Unless otherwise provided in any applicable bond 4177  
proceedings, moneys to the credit of or in the special funds 4178  
established by or pursuant to this section may be invested by or 4179  
on behalf of the issuing authority only in notes, bonds, or other 4180  
obligations of the United States, or of any agency or 4181  
instrumentality of the United States, obligations guaranteed as to 4182  
principal and interest by the United States, obligations of this 4183  
state or any political subdivision of this state, and certificates 4184  
of deposit of any national bank located in this state and any 4185  
bank, as defined in section 1101.01 of the Revised Code, subject 4186

## As Reported by the House Finance and Appropriations Committee\*

to inspection by the superintendent of banks. If the law or the 4187  
instrument creating a trust pursuant to division (J) of this 4188  
section expressly permits investment in direct obligations of the 4189  
United States or an agency of the United States, unless expressly 4190  
prohibited by the instrument, such moneys also may be invested in 4191  
no-front-end-load money market mutual funds consisting exclusively 4192  
of obligations of the United States or an agency of the United 4193  
States and in repurchase agreements, including those issued by the 4194  
fiduciary itself, secured by obligations of the United States or 4195  
an agency of the United States; and in common trust funds 4196  
established in accordance with section 1111.20 of the Revised Code 4197  
and consisting exclusively of any such securities, notwithstanding 4198  
division (A)(4) of that section. The income from such investments 4199  
shall be credited to such funds as the issuing authority 4200  
determines, and such investments may be sold at such times as the 4201  
issuing authority determines or authorizes. 4202

(P) Provision may be made in the applicable bond proceedings 4203  
for the establishment of separate accounts in the bond service 4204  
fund and for the application of such accounts only to the 4205  
specified bond service charges on obligations pertinent to such 4206  
accounts and bond service fund and for other accounts therein 4207  
within the general purposes of such fund. Unless otherwise 4208  
provided in any applicable bond proceedings, moneys to the credit 4209  
of or in the several special funds established pursuant to this 4210  
section shall be disbursed on the order of the treasurer of state, 4211  
provided that no such order is required for the payment from the 4212  
bond service fund when due of bond service charges on obligations. 4213

(Q) The issuing authority may pledge all, or such portion as 4214  
the issuing authority determines, of the pledged receipts to the 4215  
payment of bond service charges on obligations issued under this 4216  
section, and for the establishment and maintenance of any 4217  
reserves, as provided in the bond proceedings, and make other 4218

## As Reported by the House Finance and Appropriations Committee\*

provisions therein with respect to pledged receipts as authorized 4219  
by this chapter, which provisions are controlling notwithstanding 4220  
any other provisions of law pertaining thereto. 4221

(R) The issuing authority may covenant in the bond 4222  
proceedings, and any such covenants are controlling 4223  
notwithstanding any other provision of law, that the state and 4224  
applicable officers and governmental agencies of the state, 4225  
including the general assembly, so long as any obligations are 4226  
outstanding, shall: 4227

(1) Maintain statutory authority for and cause to be charged 4228  
and collected wholesale and retail prices for spirituous liquor 4229  
sold by the state or its agents so that the pledged receipts are 4230  
sufficient in amount to meet bond service charges, and the 4231  
establishment and maintenance of any reserves and other 4232  
requirements provided for in the bond proceedings, and, as 4233  
necessary, to meet covenants contained in contracts of guarantee 4234  
made under section 166.06 of the Revised Code; 4235

(2) Take or permit no action, by statute or otherwise, that 4236  
would impair the exemption from federal income taxation of the 4237  
interest on the obligations. 4238

(S) There is hereby created the economic development bond 4239  
service fund, which shall be in the custody of the treasurer of 4240  
state but shall be separate and apart from and not a part of the 4241  
state treasury. All moneys received by or on account of the 4242  
issuing authority or state agencies and required by the applicable 4243  
bond proceedings, consistent with this section, to be deposited, 4244  
transferred, or credited to a bond service fund or the economic 4245  
development bond service fund, and all other moneys transferred or 4246  
allocated to or received for the purposes of the fund, shall be 4247  
deposited and credited to such fund and to any separate accounts 4248  
therein, subject to applicable provisions of the bond proceedings, 4249  
but without necessity for any act of appropriation. During the 4250



## As Reported by the House Finance and Appropriations Committee\*

period beginning with the date of the first issuance of 4251  
obligations and continuing during such time as any such 4252  
obligations are outstanding, and so long as moneys in the 4253  
pertinent bond service funds are insufficient to pay all bond 4254  
services charges on such obligations becoming due in each year, a 4255  
sufficient amount of the gross profit on the sale of spirituous 4256  
liquor included in pledged receipts are committed and shall be 4257  
paid to the bond service fund or economic development bond service 4258  
fund in each year for the purpose of paying the bond service 4259  
charges becoming due in that year without necessity for further 4260  
act of appropriation for such purpose and notwithstanding anything 4261  
to the contrary in Chapter 4301. of the Revised Code. The economic 4262  
development bond service fund is a trust fund and is hereby 4263  
pledged to the payment of bond service charges to the extent 4264  
provided in the applicable bond proceedings, and payment thereof 4265  
from such fund shall be made or provided for by the treasurer of 4266  
state in accordance with such bond proceedings without necessity 4267  
for any act of appropriation. 4268

(T) The obligations, the transfer thereof, and the income 4269  
therefrom, including any profit made on the sale thereof, shall at 4270  
all times be free from taxation within the state. 4271

**Sec. 166.11.** (A) The aggregate principal amount of project 4272  
financing obligations that may be issued under section 166.08 of 4273  
the Revised Code is three hundred million dollars, plus the 4274  
principal amount of such project financing obligations retired by 4275  
payments. The aggregate principal amount of obligations, exclusive 4276  
of project financing obligations, that may be issued under section 4277  
166.08 of the Revised Code is three hundred million dollars, plus 4278  
the principal amount of any such obligations retired by payment, 4279  
the amounts held or obligations pledged for the payment of the 4280  
principal amount of any such obligations outstanding, amounts in 4281  
special funds held as reserves to meet bond service charges, and 4282

## As Reported by the House Finance and Appropriations Committee\*

amounts of obligations issued to provide moneys required to meet 4283  
 payments from the loan guarantee fund created in section 166.06 of 4284  
 the Revised Code and the innovation Ohio loan guarantee fund 4285  
created in section 166.15 of the Revised Code, and minus the 4286  
 amount if any by which four per cent of the unpaid principal 4287  
 amount of loan repayments guaranteed under section 166.06 of the 4288  
 Revised Code exceeds the amount in the loan guarantee fund. The 4289  
 terms of the obligations issued under section 166.08 of the 4290  
 Revised Code, other than obligations issued to meet guarantees 4291  
 that cannot be satisfied from amounts then held in the loan 4292  
 guarantee fund, shall be such that the aggregate amount of moneys 4293  
 used from profit from the sale of spirituous liquor, and not from 4294  
 other sources, in any fiscal year shall not exceed twenty-five 4295  
 million dollars. For purposes of the preceding sentence, "other 4296  
 sources" include the annual investment income on special funds to 4297  
 the extent it will be available for payment of any bond service 4298  
 charges in lieu of use of profit from the sale of spirituous 4299  
 liquor, and shall be estimated on the basis of the expected 4300  
 funding of those special funds and assumed investment earnings 4301  
 thereon at a rate equal to the weighted average yield on 4302  
 investments of those special funds determined as of any date 4303  
 within sixty days immediately preceding the date of issuance of 4304  
 the bonds in respect of which the determination is being made. The 4305  
 determinations required by this division shall be made by the 4306  
 treasurer of state at the time of issuance of an issue of 4307  
 obligations and shall be conclusive for purposes of such issue of 4308  
 obligations from and after their issuance and delivery. 4309

(B) The aggregate amount of the guaranteed portion of the 4310  
 unpaid principal of loans guaranteed under ~~section~~ sections 166.06 4311  
and 166.15 of the Revised Code and the unpaid principal of loans 4312  
 made under ~~section~~ sections 166.07 and 166.16 of the Revised Code 4313  
 may not at any time exceed ~~five~~ seven hundred million dollars. Of 4314  
that seven hundred million dollars, the aggregate amount of the 4315

## As Reported by the House Finance and Appropriations Committee\*

guaranteed portion of the unpaid principal of loans guaranteed 4316  
under sections 166.06 and 166.15 of the Revised Code shall not at 4317  
any time exceed two hundred million dollars. However, this 4318  
limitation does the limitations established under this division do 4319  
not apply to loans made with proceeds from the issuance and sale 4320  
of project financing obligations. 4321

~~(C) At least fifty per cent of the original amounts~~ 4322  
~~authorized by division (B) of this section shall be reserved for~~ 4323  
~~and applied to assist small business concerns that have not more~~ 4324  
~~than four hundred employees, not including new employment to be~~ 4325  
~~generated by the eligible project to be assisted under this~~ 4326  
~~chapter, but this requirement does not limit the portion of such~~ 4327  
~~amounts which may be applied to assist such small business~~ 4328  
~~concerns.~~ 4329

Sec. 166.12. (A) The general assembly finds that in order to 4330  
maintain and enhance the competitiveness of the Ohio economy and 4331  
to improve the economic welfare of all of the people of the state, 4332  
it is necessary to ensure that high-value jobs based on research, 4333  
technology, and innovation will be available to the people of this 4334  
state. Further, the general assembly finds that the attraction of 4335  
such jobs and their presence in this state will materially 4336  
contribute to the economic welfare of all of the people of the 4337  
state. Accordingly, it is declared to be the public policy of this 4338  
state, through the operations under sections 166.01 and 166.12 to 4339  
166.16 of the Revised Code, and the loan and loan guarantee 4340  
provisions contained in those sections, applicable laws adopted 4341  
pursuant to Section 13 of Article VIII, Ohio Constitution, and 4342  
other authority vested in the general assembly, to assist in and 4343  
facilitate the establishment or development of eligible innovation 4344  
projects or assist and cooperate with any governmental agency in 4345  
achieving that purpose. 4346

(B) In furtherance of that public policy and to implement 4347

## As Reported by the House Finance and Appropriations Committee\*

that purpose, the director of development may: 4348

(1) After consultation with appropriate governmental 4349  
agencies, enter into agreements with persons engaged in industry, 4350  
commerce, distribution, or research and with governmental agencies 4351  
to induce such persons to acquire, construct, reconstruct, 4352  
rehabilitate, renovate, enlarge, improve, equip, or furnish, or 4353  
otherwise develop, eligible innovation projects and make provision 4354  
therein for project facilities and governmental actions, as 4355  
authorized by sections 166.01 and 166.12 to 166.16 of the Revised 4356  
Code and other applicable laws; 4357

(2) Provide for innovation Ohio loan guarantees and loans 4358  
under sections 166.15 and 166.16 of the Revised Code; 4359

(3) Subject to the release of such moneys by the controlling 4360  
board, contract for labor and materials needed for, or contract 4361  
with others, including governmental agencies, to provide, eligible 4362  
innovation projects the allowable innovation costs of which are to 4363  
be paid for or reimbursed from moneys in the innovation Ohio loan 4364  
fund, and contract for the operation of such eligible innovation 4365  
projects; 4366

(4) Subject to release thereof by the controlling board, from 4367  
moneys in the innovation Ohio loan fund, acquire or contract to 4368  
acquire by gift, exchange, or purchase, including the obtaining 4369  
and exercise of purchase options, innovation property, and convey 4370  
or otherwise dispose of, or provide for the conveyance or 4371  
disposition of, innovation property so acquired or contracted to 4372  
be acquired by sale, exchange, lease, lease purchase, conditional 4373  
or installment sale, transfer, or other disposition, including the 4374  
grant of an option to purchase, to any governmental agency or to 4375  
any other person without necessity for competitive bidding and 4376  
upon such terms and conditions and manner of consideration 4377  
pursuant to, and as the director determines to be appropriate to 4378  
satisfy the objectives of, Chapter 166. of the Revised Code; 4379

## As Reported by the House Finance and Appropriations Committee\*

(5) Retain the services of or employ financial consultants, appraisers, consulting engineers, superintendents, managers, construction and accounting experts, attorneys, and employees, agents, and independent contractors as are necessary in the director's judgment and fix the compensation for their services;

(6) Receive and accept from any person grants, gifts, and contributions of money, property, labor, and other things of value, to be held, used, and applied only for the purpose for which such grants, gifts, and contributions are made;

(7) Enter into appropriate arrangements and agreements with any governmental agency for the taking or provision by that governmental agency of any governmental action with respect to innovation projects;

(8) Do all other acts and enter into contracts and execute all instruments necessary or appropriate to carry out the provisions of sections 166.01 and 166.12 to 166.16 of the Revised Code;

(9) With respect to property, including but not limited to innovation property, take such interests, including but not limited to mortgages, security interests, assignments, and exclusive or non-exclusive licenses, as may be necessary or appropriate under the circumstances, to ensure that innovation property is used within this state and that products or services associated with that innovation property are produced or, in the case of services, delivered, by persons employed within this state;

(10) Adopt rules necessary to implement any of the provisions of sections 166.01 and 166.12 to 166.16 of the Revised Code applicable to the director.

(C) The determinations by the director that facilities or property constitute eligible innovation projects and that costs of

## As Reported by the House Finance and Appropriations Committee\*

such facilities or property are allowable innovation costs, and 4411  
all other determinations relevant thereto or to an action taken or 4412  
agreement entered into, shall be conclusive for purposes of the 4413  
validity and enforceability of rights of parties arising from 4414  
actions taken and agreements entered into under sections 166.01 4415  
and 166.12 to 166.16 of the Revised Code. 4416

Sec. 166.13. (A) Prior to entering into each agreement to 4417  
provide innovation financial assistance under sections 166.12, 4418  
166.15, and 166.16 of the Revised Code, the director of 4419  
development shall determine whether the assistance will conform to 4420  
the requirements of sections 166.12 to 166.16 of the Revised Code. 4421  
Such determination, and the facts upon which it is based, shall be 4422  
set forth by the director in submissions made to the controlling 4423  
board for purposes of section 166.16 of the Revised Code and to 4424  
the development finance advisory council under section 166.14 of 4425  
the Revised Code. An agreement to provide assistance under 4426  
sections 166.12, 166.15, and 166.16 of the Revised Code shall set 4427  
forth the determination, which shall be conclusive for purposes of 4428  
the validity and enforceability of the agreement and any 4429  
innovation loan guarantees, innovation loans, or other agreements 4430  
entered into pursuant to the agreement to provide innovation 4431  
financial assistance. 4432

(B) Whenever a person applies for innovation financial 4433  
assistance under sections 166.12, 166.15, and 166.16 of the 4434  
Revised Code and the eligible innovation project for which 4435  
innovation financial assistance is requested is to relocate an 4436  
eligible innovation project that is currently being operated by 4437  
the person and that is located in another county, municipal 4438  
corporation, or township, the director shall provide written 4439  
notification to the appropriate local governmental bodies and 4440  
state officials. The notification shall contain the following 4441  
information: 4442

## As Reported by the House Finance and Appropriations Committee\*

(1) The name of the person applying for innovation financial assistance; 4443  
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(2) The county, and the municipal corporation or township, in which the eligible innovation project for which innovation financial assistance is requested is located; and 4445  
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(3) The county, and the municipal corporation or township, in which the eligible innovation project to be replaced is located. 4448  
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The director shall provide the written notification to the appropriate local governmental bodies and state officials so that they receive the notification at least five days before the development finance advisory council meeting at which the council considers the request for innovation financial assistance pursuant to sections 166.12, 166.15, and 166.16 of the Revised Code. 4451  
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(C) As used in division (B) of this section: 4457

(1) "Appropriate local governmental bodies" means: 4458

(a) The boards of county commissioners or legislative authorities of the county in which the project for which innovation financial assistance is requested is located and of the county in which the eligible innovation project to be replaced is located; 4459  
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(b) The legislative authority of the municipal corporation or the board of township trustees of the township in which the eligible innovation project for which innovation financial assistance is requested is located; and 4464  
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(c) The legislative authority of the municipal corporation or the board of township trustees of the township in which the eligible innovation project to be replaced is located. 4468  
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(2) "State officials" means: 4471

(a) The state representative and state senator in whose 4472

## As Reported by the House Finance and Appropriations Committee\*

<u>districts the project for which innovation financial assistance is</u>	4473
<u>requested is located;</u>	4474
<u>(b) The state representative and state senator in whose</u>	4475
<u>districts the innovation project to be replaced is located.</u>	4476
<b>Sec. 166.14.</b> <u>(A) In determining the eligible innovation</u>	4477
<u>projects to be assisted and the nature, amount, and terms of</u>	4478
<u>innovation financial assistance to be provided for an eligible</u>	4479
<u>innovation project under sections 166.12 to 166.16 of the Revised</u>	4480
<u>Code:</u>	4481
<u>(1) The director of development shall take into consideration</u>	4482
<u>all of the following:</u>	4483
<u>(a) The number of jobs to be created or preserved by the</u>	4484
<u>eligible innovation project, directly or indirectly;</u>	4485
<u>(b) Payrolls, and the taxes generated, at both state and</u>	4486
<u>local levels, by or in connection with the eligible innovation</u>	4487
<u>project and by the employment created or preserved by or in</u>	4488
<u>connection with the eligible innovation project;</u>	4489
<u>(c) The size, nature, and cost of the eligible innovation</u>	4490
<u>project, including the prospect of the eligible innovation project</u>	4491
<u>for providing long-term jobs in enterprises consistent with the</u>	4492
<u>changing economics of the state and the nation;</u>	4493
<u>(d) The needs of any private sector enterprise to be</u>	4494
<u>assisted;</u>	4495
<u>(e) The amount and kind of assistance, if any, to be provided</u>	4496
<u>to the private sector enterprise by other governmental agencies</u>	4497
<u>through tax exemption or abatement, financing assistance with</u>	4498
<u>industrial development bonds, and otherwise, with respect to the</u>	4499
<u>eligible innovation project or with respect to any providers of</u>	4500
<u>innovation property to be included as part of the eligible</u>	4501
<u>innovation project;</u>	4502



## As Reported by the House Finance and Appropriations Committee\*

<u>(f) The likelihood of the successful implementation of the</u>	4503
<u>proposed eligible innovation project;</u>	4504
<u>(g) Whether the eligible innovation project involves the use</u>	4505
<u>of technology in a targeted innovation industry sector.</u>	4506
<u>(2) The benefits to the local area, including taxes, jobs,</u>	4507
<u>and reduced unemployment and reduced welfare costs, among others,</u>	4508
<u>may be accorded value in the leasing or sales of innovation</u>	4509
<u>project facilities and in loan and guarantee arrangements.</u>	4510
<u>(3) In making determinations under division (A)(1) of this</u>	4511
<u>section, the director may consider the effect of an eligible</u>	4512
<u>innovation project upon any entity engaged to provide innovation</u>	4513
<u>property to be acquired, leased, or licensed in connection with</u>	4514
<u>such assistance.</u>	4515
<u>(B) The director shall submit to the development finance</u>	4516
<u>advisory council data pertinent to the considerations set forth in</u>	4517
<u>division (A) of this section, the terms of the proposed innovation</u>	4518
<u>financial assistance, and such other relevant information as the</u>	4519
<u>council may request.</u>	4520
<u>(C) The development finance advisory council, on the basis of</u>	4521
<u>such data, shall make recommendations as to the appropriateness of</u>	4522
<u>the innovation financial assistance to be provided. The</u>	4523
<u>recommendations may be revised to reflect any changes in the</u>	4524
<u>proposed innovation financial assistance as the director may</u>	4525
<u>submit to the council. The recommendations, as amended, of the</u>	4526
<u>council as to the appropriateness of the proposed innovation</u>	4527
<u>financial assistance shall be submitted to the controlling board.</u>	4528
<u>(D) Financial statements and other data submitted to the</u>	4529
<u>director of development, the development finance advisory council,</u>	4530
<u>or the controlling board by any private sector person in</u>	4531
<u>connection with innovation financial assistance under sections</u>	4532
<u>166.12, 166.15, and 166.16 of the Revised Code, or any information</u>	4533

## As Reported by the House Finance and Appropriations Committee\*

taken from such statements or data for any purpose, shall not be 4534  
open to public inspection. The development finance advisory 4535  
council in considering confidential information in connection with 4536  
innovation financial assistance under this chapter may, only for 4537  
consideration of the confidential information referred to, and in 4538  
the manner provided in division (E) of section 121.22 of the 4539  
Revised Code, close the meeting during such consideration. 4540

Sec. 166.15. (A) Subject to any limitations as to aggregate 4541  
amounts thereof that may from time to time be prescribed by the 4542  
general assembly and to other applicable provisions of this 4543  
chapter, the director of development may, on behalf of the state, 4544  
enter into contracts to guarantee the repayment or payment of the 4545  
unpaid principal amount of loans made, including bonds, notes, or 4546  
other certificates issued or given to provide funds, to pay 4547  
allowable innovation costs of eligible innovation projects. The 4548  
guarantees shall be secured solely by and payable solely from the 4549  
innovation Ohio loan guarantee fund and unencumbered and available 4550  
moneys in the innovation Ohio loan fund, in the manner and to the 4551  
extent provided in guarantee contracts consistent with this 4552  
section. The guarantees shall not constitute general obligations 4553  
of the state or of any political subdivision, and moneys raised by 4554  
taxation shall not be obligated or pledged for the payment of the 4555  
guarantees. 4556

(B) Before guaranteeing any such repayments or payments, the 4557  
director shall determine that: 4558

(1) The project is an eligible innovation project and is 4559  
economically sound. 4560

(2) The principal amount to be guaranteed does not exceed 4561  
ninety per cent of the allowable innovation costs of the eligible 4562  
innovation project as determined by the director. In making this 4563  
determination, the director may, in the director's discretion, 4564

## As Reported by the House Finance and Appropriations Committee\*

engage an independent engineer, architect, appraiser, or other professional to make it, pursuant to a contract to be paid solely from the innovation Ohio loan fund, subject to approval of the controlling board. 4565  
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(3) The principal amount to be guaranteed has a satisfactory maturity date or dates, which in no case shall be later than twenty years from the effective date of the guarantee. 4569  
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(4) The principal obligor, or primary guarantor, is responsible and is reasonably expected to be able to meet the payments under the loan, bonds, notes, or other certificates. 4572  
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(5) The loan or documents pertaining to the bonds, notes, or other certificates to be guaranteed contains provisions for payment by the principal obligor satisfactory to the director and is in such form and contains such terms and provisions for the protection of the lenders as are generally consistent with commercial practice for the type of eligible innovation project that is the subject of the assistance, including, where applicable, provisions with respect to property insurance, repairs, alterations, payment of taxes and assessments, delinquency charges, default remedies, acceleration of maturity, prior, additional, and secondary liens, and other matters as the director may approve. 4575  
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(C) The contract of guarantee may make provision for the conditions of, time for, and manner of fulfillment of the guarantee commitment, subrogation of this state to the rights of the parties guaranteed and exercise of such parties' rights by this state, giving this state the options of making payment of the principal amount guaranteed in one or more installments and, if deferred, to pay interest thereon from the innovation Ohio loan guarantee fund, and any other terms or conditions customary to such guarantees and as the director may approve, and may contain provisions for securing the guarantee in the manner consistent 4587  
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## As Reported by the House Finance and Appropriations Committee\*

with this section, covenants on behalf of this state for the 4597  
maintenance of the loan guarantee fund created by this section and 4598  
of receipts to it permitted by this chapter, including covenants 4599  
on behalf of this state to issue obligations under section 166.08 4600  
of the Revised Code to provide moneys to the innovation Ohio loan 4601  
guarantee fund to fulfill such guarantees, and covenants 4602  
restricting the aggregate amount of guarantees that may be 4603  
contracted under this section and obligations that may be issued 4604  
under section 166.08 of the Revised Code, and terms pertinent to 4605  
either, to better secure the parties guaranteed. 4606

(D) The innovation Ohio loan guarantee fund is hereby created 4607  
as a special revenue fund and a trust fund which shall be in the 4608  
custody of the treasurer of state but shall be separate and apart 4609  
from and not a part of the state treasury and shall consist of all 4610  
grants, gifts, and contributions of moneys or rights to moneys 4611  
lawfully designated for or deposited in such fund, all moneys and 4612  
rights to moneys lawfully appropriated and transferred to such 4613  
fund, including moneys received from the issuance of obligations 4614  
under section 166.08 of the Revised Code, and moneys deposited to 4615  
such fund pursuant to division (F) of this section. The innovation 4616  
Ohio loan guarantee fund shall not be comprised, in any part, of 4617  
moneys raised by taxation. 4618

(E) The director may fix service charges for making a 4619  
guarantee. The charges shall be payable at such times and place 4620  
and in such amounts and manner as may be prescribed by the 4621  
director. 4622

(F) The treasurer of state shall serve as agent for the 4623  
director in the making of deposits and withdrawals and maintenance 4624  
of records pertaining to the innovation Ohio loan guarantee fund. 4625  
Prior to the director's entry into a contract providing for the 4626  
making of a guarantee payable from the innovation Ohio loan 4627  
guarantee fund, the treasurer of state shall cause to be 4628

## As Reported by the House Finance and Appropriations Committee\*

transferred from the innovation Ohio loan fund to the innovation 4629  
Ohio loan guarantee fund an amount sufficient to make the 4630  
aggregate balance therein, taking into account the proposed loan 4631  
guarantee equal to the innovation Ohio loan guarantee reserve 4632  
requirement. Thereafter, the treasurer of state shall cause the 4633  
balance in the innovation Ohio loan guarantee fund to be at least 4634  
equal to the innovation Ohio loan guarantee reserve requirement. 4635  
Funds from the innovation Ohio loan guarantee fund shall be 4636  
disbursed under a guarantee made pursuant to this section to 4637  
satisfy a guaranteed repayment or payment which is in default. 4638  
After withdrawing moneys from the innovation Ohio loan guarantee 4639  
fund, the treasurer of state shall transfer moneys in the 4640  
innovation Ohio loan fund to the innovation Ohio loan guarantee 4641  
fund to satisfy any repayment obligations. Whenever these moneys 4642  
are inadequate to meet the requirements of a guarantee, the 4643  
treasurer of state shall, without need of appropriation or further 4644  
action by the director, provide for a withdrawal and transfer to 4645  
the innovation Ohio loan guarantee fund and then to the guaranteed 4646  
party of moneys in such amount as is necessary to meet the 4647  
guarantee, from unencumbered and available moneys in the 4648  
innovation Ohio loan fund. The disbursements shall be made in the 4649  
manner and at the times provided in the guarantees. Within ninety 4650  
days following a disbursement of money from the innovation Ohio 4651  
loan guarantee fund, the treasurer of state, without need of 4652  
appropriation or further action by the director, shall provide for 4653  
a withdrawal and transfer to the innovation Ohio loan guarantee 4654  
fund from unencumbered and available moneys in the innovation Ohio 4655  
loan fund, including moneys from the repayment of loans made from 4656  
that fund, of an amount sufficient to cause the balance in the 4657  
innovation Ohio loan guarantee fund to be at least equal to the 4658  
innovation Ohio loan guarantee reserve requirement. 4659

(G) Any guaranteed parties under this section, except to the 4660

## As Reported by the House Finance and Appropriations Committee\*

extent that their rights are restricted by the guarantee 4661  
documents, may by any suitable form of legal proceedings, protect 4662  
and enforce any rights under the laws of this state or granted by 4663  
such guarantee or guarantee documents. Such rights include the 4664  
right to compel the performance of all duties of the director and 4665  
the treasurer of state required by this section or the guarantee 4666  
or guarantee documents; and in the event of default with respect 4667  
to the payment of any guarantees, to apply to a court having 4668  
jurisdiction of the cause to appoint a receiver to receive and 4669  
administer the moneys pledged to such guarantee with full power to 4670  
pay, and to provide for payment of, such guarantee, and with such 4671  
powers, subject to the direction of the court, as are accorded 4672  
receivers in general equity cases, excluding any power to pledge 4673  
or apply additional revenues or receipts or other income or moneys 4674  
of this state or governmental agencies of the state to the payment 4675  
of such guarantee. Each duty of the director and the treasurer of 4676  
state and their officers and employees, and of each governmental 4677  
agency and its officers, members, or employees, required or 4678  
undertaken pursuant to this section or a guarantee made under 4679  
authority of this section, is hereby established as a duty of the 4680  
director and the treasurer of state, and of each such officer, 4681  
member, or employee having authority to perform such duty, 4682  
specifically enjoined by the law resulting from an office, trust, 4683  
or station within the meaning of section 2731.01 of the Revised 4684  
Code. The persons who are at the time the director and treasurer 4685  
of state, or their officers or employees, are not liable in their 4686  
personal capacities on any guarantees or contracts to make 4687  
guarantees by the director. 4688

(H) The determinations of the director under divisions (B) 4689  
and (C) of this section shall be conclusive for purposes of the 4690  
validity of a guarantee evidenced by a contract signed by the 4691  
director, and such guarantee shall be incontestable as to money 4692

## As Reported by the House Finance and Appropriations Committee\*

advanced under loans to which such guarantees are by their terms 4693  
applicable. 4694

Sec. 166.16. (A) The director of development, with the 4695  
approval of the controlling board and subject to the other 4696  
applicable provisions of this chapter, may lend moneys in the 4697  
innovation Ohio loan fund to persons for the purpose of paying 4698  
allowable innovation costs of an eligible innovation project if 4699  
the director determines that: 4700

(1) The project is an eligible innovation project and is 4701  
economically sound. 4702

(2) The borrower is unable to finance the necessary allowable 4703  
costs through ordinary financial channels upon comparable terms. 4704  
4705

(3) The amount to be lent from the innovation Ohio loan fund 4706  
will not exceed ninety per cent of the total costs of the eligible 4707  
innovation project. 4708

(4) The repayment of the loan from the innovation Ohio loan 4709  
fund will be secured by a mortgage, lien, assignment, or pledge, 4710  
or other interest in property or innovation property at such level 4711  
of priority and value as the director may determine necessary, 4712  
provided that, in making such a determination, the director may 4713  
take into account the value of any rights granted by the borrower 4714  
to the director to control the use of any property or innovation 4715  
property of the borrower under the circumstances described in the 4716  
loan documents. 4717

(B) The determinations of the director under division (A) of 4718  
this section shall be conclusive for purposes of the validity of a 4719  
loan commitment evidenced by a loan agreement signed by the 4720  
director. 4721

(C) Fees, charges, rates of interest, times of payment of 4722

## As Reported by the House Finance and Appropriations Committee\*

interest and principal, and other terms, conditions, and 4723  
provisions of and security for loans made from the innovation Ohio 4724  
loan fund shall be such as the director determines to be 4725  
appropriate and in furtherance of the purpose for which the loans 4726  
are made. The moneys used in making the loans shall be disbursed 4727  
from the innovation Ohio loan fund upon order of the director. 4728  
Unless otherwise specified in any indenture or other instrument 4729  
securing obligations under division (D) of section 166.08 of the 4730  
Revised Code, any payments of principal and interest from loans 4731  
made from the innovation Ohio loan fund shall be paid to the 4732  
innovation Ohio loan fund and used for the purpose of making 4733  
loans. 4734

(D) The innovation Ohio loan fund is hereby created as a 4735  
special revenue fund and a trust fund which shall be in the 4736  
custody of the treasurer of state but shall be separate and apart 4737  
from and not a part of the state treasury. The fund shall consist 4738  
of all grants, gifts, and contributions of moneys or rights to 4739  
moneys lawfully designated for or deposited in such fund, all 4740  
moneys and rights to moneys lawfully appropriated and transferred 4741  
to such fund, including moneys received from the issuance of 4742  
obligations under section 166.08 of the Revised Code, and moneys 4743  
deposited to such fund pursuant to divisions (C) and (G) of this 4744  
section. The innovation Ohio loan fund shall not be comprised, in 4745  
any part, of moneys raised by taxation. 4746

(E) The director may take actions necessary or appropriate to 4747  
collect or otherwise deal with any loan made under this section. 4748  
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(F) The director may fix service charges for the making of a 4750  
loan. The charges shall be payable at such times and place and in 4751  
such amounts and manner as may be prescribed by the director. 4752

(G) The treasurer of state shall serve as an agent for the 4753  
director in the making of deposits and withdrawals and maintenance 4754



## As Reported by the House Finance and Appropriations Committee\*

of records pertaining to the innovation Ohio loan fund. 4755

(H)(1) There shall be credited to the innovation Ohio loan 4756  
fund the moneys received by this state from the repayment of 4757  
innovation Ohio loans and recovery on loan guarantees, including 4758  
interest thereon, made from the innovation Ohio loan fund or from 4759  
the innovation Ohio loan guarantee fund and from the sale, lease, 4760  
or other disposition of property acquired or constructed from 4761  
moneys in the innovation Ohio loan fund with moneys derived from 4762  
the proceeds of the sale of obligations under section 166.08 of 4763  
the Revised Code. Such moneys shall be applied as provided in this 4764  
chapter pursuant to appropriations made by the general assembly. 4765

(2) Notwithstanding division (H)(1) of this section, any 4767  
amounts recovered on innovation Ohio loan guarantees shall be 4768  
deposited to the credit of the innovation Ohio loan guarantee fund 4769  
to the extent necessary to restore that fund to the innovation 4770  
Ohio loan guarantee reserve requirement or any level in excess 4771  
thereof required by any guarantee contract. Money in the 4772  
innovation Ohio loan guarantee fund in excess of the innovation 4773  
Ohio loan guarantee reserve requirement, but subject to the 4774  
provisions and requirements of any guarantee contracts, may be 4775  
transferred to the innovation Ohio loan fund by the treasurer of 4776  
state upon the order of the director of development. 4777

(3) In addition to the requirements of division (H)(1) of 4778  
this section, moneys referred to in that division may be deposited 4779  
to the credit of separate accounts within the innovation Ohio loan 4780  
fund or in the bond service fund and pledged to the security of 4781  
obligations, applied to the payment of bond service charges 4782  
without need for appropriation, released from any such pledge and 4783  
transferred to the innovation Ohio loan fund, all as and to the 4784  
extent provided in the bond proceedings pursuant to written 4785  
directions by the director of development. Accounts may be 4786

## As Reported by the House Finance and Appropriations Committee\*

established by the director in the innovation Ohio loan fund for 4787  
particular projects or otherwise. Income from the investment of 4788  
moneys in the innovation Ohio loan fund shall be credited to that 4789  
fund and, as may be provided in bond proceedings, to particular 4790  
accounts in that fund. The treasurer of state may withdraw from 4791  
the innovation Ohio loan fund or, subject to provisions of the 4792  
applicable bond proceedings, from any special funds established 4793  
pursuant to the bond proceedings, or from any accounts in such 4794  
funds, any amounts of investment income required to be rebated and 4795  
paid to the federal government in order to maintain the exemption 4796  
from federal income taxation of interest on obligations issued 4797  
under this chapter, which withdrawal and payment may be made 4798  
without necessity for appropriation. 4799

**Sec. 183.021.** (A) No money from the tobacco master settlement 4800  
 agreement fund shall be expended to do any of the following: 4801  
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(1) Hire an executive agency lobbyist, as defined under 4803  
 section 121.60 of the Revised Code, or a legislative agent, as 4804  
 defined under section 101.70 of the Revised Code; 4805

(2) Support or oppose candidates, ballot questions, 4806  
 referendums, or ballot initiatives. 4807

(B) Nothing in this section prohibits any of the following 4808  
 from advocating on behalf of the specific objectives of a program 4809  
 funded under this chapter: 4810

(1) The members of the board of trustees, executive director, 4811  
 or employees of the tobacco use prevention and control foundation; 4812  
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(2) The members of the board of trustees, executive director, 4814  
 or employees of the southern Ohio agricultural and community 4815  
 development foundation; 4816

## As Reported by the House Finance and Appropriations Committee\*

(3) The members, ~~executive director,~~ or employees of the 4817  
~~biomedical research and technology transfer commission~~ third 4818  
frontier commission or the members of the third frontier advisory 4819  
board. 4820

**Sec. 183.19.** The biomedical research and technology transfer 4821  
trust fund is hereby created in the state treasury. Money credited 4822  
to the fund shall be used as provided in sections ~~183.20 to 183.25~~ 4823  
184.01 to 184.03 of the Revised Code. The third frontier 4824  
commission shall administer the fund in accordance with those 4825  
sections. All investment earnings of the fund shall be credited to 4826  
the fund. 4827

**Sec. 183.30.** (A) Except as provided in division (D) of this 4828  
section, no more than five per cent of the total expenditures of 4829  
the tobacco use prevention and control foundation in a fiscal year 4830  
shall be for administrative expenses of the foundation. 4831

(B) Except as provided in division (D) of this section, no 4832  
more than five per cent of the total expenditures of the southern 4833  
Ohio agricultural and community development foundation in a fiscal 4834  
year shall be for administrative expenses of the foundation. 4835

(C) Except as provided in division (D) of this section, no 4836  
more than five per cent of the total expenditures ~~of~~ made from the 4837  
~~biomedical research and technology transfer commission~~ biomedical 4838  
research and technology transfer trust fund by the third frontier 4839  
commission in a fiscal year shall be for administrative expenses 4840  
of the commission. 4841

(D) This section's five per cent limitation on administrative 4842  
expenses does not apply to any fiscal year for which the 4843  
controlling board approves a spending plan that the foundation or 4844  
commission submits to the board. 4845

## As Reported by the House Finance and Appropriations Committee\*

Sec. 184.01. (A) There is hereby created the third frontier commission in the department of development. The purpose of the commission is to coordinate and administer science and technology programs to promote the welfare of the people of the state and to maximize the economic growth of the state through expansion of both of the following: 4846  
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(1) The state's high technology research and development capabilities; 4852  
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(2) The state's product and process innovation and commercialization. 4854  
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(B) The commission shall consist of the director of development, the chancellor of the Ohio board of regents, and the governor's science and technology advisor. The governor shall select a chairperson from among the members, who shall serve in that role at the pleasure of the governor. Sections 101.82 to 101.87 of the Revised Code do not apply to the commission. 4856  
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(C) The commission shall meet at least once during each quarter of the calendar year or at the call of the chairperson. A majority of all members of the commission constitutes a quorum, and no action shall be taken without the concurrence of a majority of the members. 4862  
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(D) The commission shall administer any money that may be appropriated to it by the general assembly. The commission may use such money for research and commercialization and for any other purposes that may be designated by the commission. 4867  
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(E) The department of development shall provide office space and facilities for the commission. Administrative costs associated with the operation of the commission or with any program or activity administered by the commission shall be paid from amounts appropriated to the commission or to the department of development 4871  
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## As Reported by the House Finance and Appropriations Committee\*

for such purposes.

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(F) The attorney general shall serve as the legal representative for the commission and may appoint other counsel as necessary for that purpose in accordance with section 109.07 of the Revised Code.

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(G) Members of the commission shall serve without compensation, but shall receive their reasonable and necessary expenses incurred in the conduct of commission business.

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**Sec. 184.02.** (A) The third frontier commission may perform any act to ensure the performance of any function necessary or appropriate to carry out the purposes of, and exercise the powers granted under, sections 184.01 and 184.02 of the Revised Code. In addition, the commission may do any of the following:

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(1) Adopt, amend, and rescind rules under section 111.15 of the Revised Code for the administration of any aspect of its operations;

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(2) Adopt bylaws governing its operations, including bylaws that establish procedures and set policies as may be necessary to assist with the furtherance of its purposes;

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(3) Appoint and set the compensation of employees needed to carry out its duties;

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(4) Contract with, retain the services of, or designate, and fix the compensation of, such financial consultants, accountants, other consultants and advisors, and other independent contractors as may be necessary or desirable to carry out its duties;

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(5) Solicit input and comments from the third frontier advisory board, and specialized industry, professional, and other relevant interest groups concerning its purposes;

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## As Reported by the House Finance and Appropriations Committee\*

- (6) Facilitate alignment of the state's science and technology programs and activities; 4905  
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- (7) Make grants and loans to individuals, public agencies, private companies or organizations, or joint ventures for any of the broad range of activities related to its purposes. 4907  
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- (B) The commission shall do all of the following: 4910
- (1) Establish a competitive process for the award of grants and loans that is designed to fund the most meritorious proposals and, when appropriate, provide for peer review of proposals; 4911  
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- (2) Within ninety days after the end of each fiscal year, submit to the governor and the general assembly a report of the activities of the commission during the preceding fiscal year; 4914  
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- (3) With specific application to the biomedical research and technology transfer trust fund, periodically make strategic assessments of the types of state investments in biomedical research and biotechnology in the state that would likely create jobs and business opportunities in the state and produce the most beneficial long-term improvements to the public health of Ohioians, including, but not limited to, biomedical research and biotechnology initiatives that address tobacco-related illnesses as may be outlined in any master agreement. The commission shall award grants and loans from the fund pursuant to a process established under division (B)(1) of this section. 4917  
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- Sec. 184.03.** (A) There is hereby created the third frontier advisory board that, upon request of the third frontier commission, shall provide general advice to the commission on various items including, but not limited to, the following: 4928  
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- (1) Strategic planning for programs administered by the commission; 4932  
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- (2) Budget and funding priorities, funding processes, 4934

## As Reported by the House Finance and Appropriations Committee\*

request-for-proposal criteria, and other aspects of the management 4935  
and coordination of programs administered by the commission; 4936

(3) Metrics and methods of measuring the progress and impact 4937  
of programs administered by the commission; 4938

(4) Studies to be conducted to collect and analyze data 4939  
relevant to advancing the goals of programs administered by the 4940  
commission. 4941

(B) The board shall consist of sixteen members selected for 4942  
their knowledge of and experience in science and technology 4943  
matters that may affect the state in the near future. Of the 4944  
sixteen members, fourteen shall be appointed by the governor, one 4945  
shall be appointed by the speaker of the house of representatives, 4946  
and one shall be appointed by the president of the senate. 4947

(1) Of the fourteen members appointed by the governor, nine 4948  
shall be representative of or have experience with business 4949  
matters that affect the state and five shall be representative of 4950  
or have experience with matters affecting universities or 4951  
nonprofit research institutions in the state. 4952

(2) Of the governor's initial appointees that are 4953  
representative of or have experience with business matters that 4954  
affect the state, three shall serve an initial term of one year, 4955  
three shall serve an initial term of two years, and three shall 4956  
serve an initial term of three years. All of the initial 4957  
appointees that are representative of or have experience with 4958  
matters affecting university or nonprofit research institutions 4959  
shall serve an initial term of three years. Thereafter, each 4960  
member appointed by the governor shall serve a three-year term. 4961

(3) All appointees to the board shall serve at the pleasure 4962  
of their appointing authorities. 4963

(4) Not more than nine members of the board shall be of the 4964  
same political party. 4965

## As Reported by the House Finance and Appropriations Committee\*

(C) The governor shall appoint the chairperson of the board from among its members, and the chairperson shall serve in that role at the pleasure of the governor. 4966  
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(D) A majority of the members of the board constitutes a quorum, and no action shall be taken without the affirmative vote of a majority of the members. 4969  
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(E) Each member of the board shall hold office from the date of appointment until the end of the term for which the member was appointed. A member may be reappointed for an unlimited number of terms. A member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall hold office for the remainder of such term. A vacancy in an unexpired term shall be filled in the same manner as the original appointment. A member of the board shall continue in office subsequent to the expiration date of the member's term until the member's successor takes office, or until a period of sixty days has elapsed, whichever occurs first. The governor may remove any member of the board for malfeasance, misfeasance, or nonfeasance after a hearing in accordance with Chapter 119. of the Revised Code. 4972  
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(F) Members of the board shall not act as representatives of any specific disciplinary, regional, or organizational interest. Members shall represent a wide variety of experience valuable in technology research and development, product process innovation and commercialization, and creating and managing high-growth technology-based companies. 4986  
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(G) Members of the board shall file financial disclosure statements described in division (B) of section 102.02 of the Revised Code. 4992  
4993  
4994

(H) Members of the board shall serve without compensation but shall receive their reasonable and necessary expenses incurred in 4995  
4996



## As Reported by the House Finance and Appropriations Committee\*

<u>the conduct of board business.</u>	4997
<u>(I) Before entering upon duties as a member of the board,</u>	4998
<u>each member shall take an oath as provided by Section 7 of Article</u>	4999
<u>XV, Ohio Constitution.</u>	5000
<u>(J) The department of development shall provide office space</u>	5001
<u>and facilities for the board.</u>	5002
<u>(K) Sections 101.82 to 101.87 of the Revised Code do not</u>	5003
<u>apply to the board.</u>	5004
<b>Sec. 307.23.</b> The board of county commissioners of any county	5005
<del>having a population of less than twenty-five thousand, according</del>	5006
<del>to the most recently completed United States decennial census, may</del>	5007
appropriate, out of the revenue fund not otherwise appropriated, a	5008
<del>sum not exceeding twenty thousand dollars annually; in counties</del>	5009
<del>having a population of more than twenty-five thousand and not more</del>	5010
<del>than one hundred thousand, according to such census, the board may</del>	5011
<del>appropriate a sum not exceeding thirty-two thousand dollars</del>	5012
<del>annually; in counties having a population of more than one hundred</del>	5013
<del>thousand and not more than three hundred thousand, according to</del>	5014
<del>such census, the board may appropriate a sum not exceeding sixty</del>	5015
<del>thousand dollars annually; in counties having a population of more</del>	5016
<del>than three hundred thousand, according to such census, the board</del>	5017
<del>may appropriate a sum not exceeding one hundred thousand dollars</del>	5018
<del>annually, money to be paid to the historical society of such</del>	5019
<del>counties respectively, to the county or to local societies for the</del>	5020
<u>preservation and restoration of historic and archaeological sites</u>	5021
<u>located in the county. The money may be used for the promotion of</u>	5022
historical work within the borders of the county, <del>and</del> <u>for the</u>	5023
<u>restoration or reconstruction of historic buildings, for the</u>	5024
collection, preservation, and publication of historical material,	5025
<del>and</del> to disseminate historical information of the county, and in	5026
general to defray the expense of carrying on historical work in	5027

## As Reported by the House Finance and Appropriations Committee\*

~~such the~~ county. 5028

~~Such Other than for the restoration or reconstruction of~~ 5029  
~~historic buildings, funds appropriated under this section~~ may not 5030  
be used for the construction of buildings. No board may 5031  
appropriate any funds for the benefit of any county historical 5032  
society ~~or preservation and restoration society~~ unless such 5033  
society is incorporated not for profit under the laws of this 5034  
state. Application for the funds shall be made in the form of a 5035  
certified copy of a resolution adopted by the applicant society. 5036

**Sec. 307.675.** (A) As used in this section, "long life 5037  
expectancy material" means any material, including a composite, 5038  
that, when used for a bridge deck in lieu of steel, concrete, or 5039  
reinforced concrete, will result in an expected useful life of the 5040  
bridge deck before replacement of at least thirty years. 5041

(B) A county engineer may make a recommendation to the board 5042  
of county commissioners for the issuance of indebtedness of the 5043  
county as provided under division (C) of this section if the 5044  
county engineer determines that the projected savings from the use 5045  
of long life expectancy material in the construction or repair of 5046  
the bridge deck of a bridge for which the county has construction 5047  
or maintenance responsibility are sufficient to pay any additional 5048  
debt service costs of that indebtedness. In making this 5049  
determination, the county engineer shall do all of the following: 5050

(1) Determine the expected useful life of the bridge deck if 5051  
constructed or repaired using long life expectancy material. In 5052  
making the determination, the county engineer shall use credible 5053  
data and shall thoroughly review any data used that is not 5054  
generated by the engineer. 5055

(2) Determine the additional debt service costs the county 5056  
would incur issuing indebtedness under division (C) of this 5057  
section compared to issuing indebtedness to construct or repair 5058

## As Reported by the House Finance and Appropriations Committee\*

the bridge deck using steel, concrete, or reinforced steel; 5059

(3) Compare the additional debt service costs to the 5060  
projected savings in operating, repair, and future capital 5061  
improvement costs of the bridge deck over the lesser of fifty 5062  
years or its expected useful life. 5063

The county engineer also may include in a recommendation 5064  
under division (B) of this section a recommendation to purchase 5065  
and install performance monitoring equipment to monitor the 5066  
physical condition of the bridge so constructed or repaired. 5067

(C) Upon a recommendation of the county engineer pursuant to 5068  
division (B) of this section, and pursuant to division (C)(7) of 5069  
section 133.07 of the Revised Code, a board of county 5070  
commissioners may issue indebtedness of the county subject to, and 5071  
having a maximum maturity specified in, division (B)(1)(c) of 5072  
section 133.20 of the Revised Code, for the purpose of 5073  
constructing or repairing with long life expectancy material the 5074  
bridge deck of a bridge for which the county has construction or 5075  
maintenance responsibility and, if also so recommended, for the 5076  
purpose of purchasing, installing, and maintaining in conjunction 5077  
with the bridge improvement performance monitoring equipment to 5078  
monitor the physical condition of the bridge. The authority 5079  
conferred by this division is in addition to any other statutory 5080  
authority of a board to issue indebtedness for a bridge 5081  
improvement, including an improvement using long life expectancy 5082  
material. 5083

**Sec. 715.02.** (A) Two or more municipal corporations, one or 5084  
more municipal corporations and one or more other political 5085  
subdivisions, or two or more political subdivisions other than 5086  
municipal corporations may enter into an agreement for the joint 5087  
construction or management, or construction and management, of any 5088  
public work, utility, or improvement, benefiting each such 5089

## As Reported by the House Finance and Appropriations Committee\*

municipal corporation or other political subdivision or for the 5090  
 joint exercise of any power conferred on municipal corporations or 5091  
other political subdivisions by the constitution or laws of this 5092  
 state, in which each of ~~such~~ the municipal corporations or other 5093  
political subdivisions is interested. Any such agreement shall be 5094  
 approved by ordinance or resolution, as applicable, passed by the 5095  
 legislative body of each municipal corporation or other political 5096  
subdivision that is a party thereto, which ~~to the agreement~~. The 5097  
 ordinance or resolution shall set forth the agreement in full, 5098  
 and, when approved, shall be a binding contract ~~between such~~ 5099  
~~municipal corporations~~. 5100

~~(A)~~(B) Any agreement, entered into as provided in this 5101  
 section, shall provide for the following: 5102

(1) The method by which the work, utility, or improvement 5103  
 specified ~~therein in it~~ shall be jointly constructed or managed; 5104

(2) The method by which any specified power shall be jointly 5105  
 exercised; 5106

(3) Apportioning among the contracting municipal corporations 5107  
or other political subdivisions any expense of jointly 5108  
 constructing, maintaining, or managing any work, utility, or 5109  
 improvement or jointly exercising any power. 5110

~~(B)~~(C) Any agreement, entered into as provided in this 5111  
 section, may provide for either of the following: 5112

(1) Assessing the cost, or any specified part of the cost, of 5113  
 the joint construction, maintenance, or management of any public 5114  
 work, utility, or improvement upon abutting property specially 5115  
 benefited thereby; 5116

(2) Assessing the cost, or any specified part of the cost, of 5117  
 constructing, maintaining, or managing any such public work, 5118  
 utility, or improvement upon the property within any district 5119  
 clearly specified in ~~such~~ the agreement, in proportion to benefits 5120

## As Reported by the House Finance and Appropriations Committee\*

derived by ~~such~~ that property from ~~such~~ the work, utility, or 5121  
improvement. 5122

(D) Each municipal corporation or other political subdivision 5123  
may issue bonds for its portion of the cost of any such public 5124  
work, utility, or improvement, if Chapter 133. of the Revised Code 5125  
would authorize the issuance of ~~such those~~ bonds ~~in the event such~~ 5126  
if the municipal corporation or other political subdivision alone 5127  
were undertaking the construction of ~~such public~~ the work, 5128  
utility, or improvement, and subject to the same conditions and 5129  
restrictions which would then apply. 5130

Sec. 718.151. A municipal corporation, by ordinance, may 5131  
grant a nonrefundable credit against its tax on income to a 5132  
taxpayer that also receives a tax credit under section 122.171 of 5133  
the Revised Code. If a credit is granted under this section, it 5134  
shall be measured as a percentage of the income tax revenue the 5135  
municipal corporation derives from the retained employees of the 5136  
taxpayer, and shall be for a term not exceeding ten years. Before 5137  
a municipal corporation passes an ordinance allowing such a 5138  
credit, the municipal corporation and the taxpayer shall enter 5139  
into an agreement specifying all the conditions of the credit. 5140

Sec. 1561.351. A deputy mine inspector who makes a finding 5141  
concerning a violation of this chapter or Chapter 1563., 1565., or 5142  
1567. or section 1509.09, 1509.12, 1509.13, 1509.14, 1509.15, 5143  
1509.17, or 1509.18 of the Revised Code that involves mining 5144  
safety shall notify the ~~chief of the division of mineral resources~~ 5145  
management owner, operator, lessee, agent, and representative of 5146  
the miners of the mine involved of the finding. The owner, 5147  
operator, lessee, or agent of the mine involved may request a 5148  
review of the inspector's finding by the chief of the division of 5149  
mineral resources management. Upon receipt of such a request, the 5150  
chief shall review the inspector's finding, make a written 5151

## As Reported by the House Finance and Appropriations Committee\*

determination regarding it, and provide a copy of the written 5152  
determination to the owner, operator, lessee, or agent of the mine 5153  
involved. The chief shall provide a copy of the written 5154  
determination to any other interested party upon request. 5155

A person, such as an owner, operator, lessee, or agent of the 5156  
mine or the authorized representative of the ~~workers~~ miners of the 5157  
mine, who has an interest that is or may be adversely affected by 5158  
the chief's determination may appeal the determination, not later 5159  
than ten days after receiving notice of the determination, to the 5160  
reclamation commission by filing a copy of the chief's written 5161  
determination with the commission, notwithstanding division (A)(1) 5162  
of section 1513.13 of the Revised Code, which provides for appeals 5163  
within thirty days. The commission shall hear the appeal in 5164  
accordance with section 1513.13 of the Revised Code. 5165

**Sec. 1565.04.** The operator of each mine who is an employer as 5166  
defined in section 4123.01 of the Revised Code, or any mine with 5167  
three or more workers, shall employ a certified mine foreperson. 5168  
In gaseous underground mines, only a holder of a mine foreperson 5169  
of gaseous mines certificate that contains a notation by the chief 5170  
of the division of mineral resources management showing the holder 5171  
to be at least twenty-three years of age and have at least five 5172  
years' actual practical experience in gaseous mines shall be 5173  
employed as the mine foreperson. In other underground mines, the 5174  
mine foreperson shall be a holder of a mine foreperson of 5175  
nongaseous mines certificate that contains a notation by the chief 5176  
showing the holder to be at least twenty-one years of age and have 5177  
at least three years' actual practical experience in mines. All 5178  
such underground mines shall have at least one certified 5179  
foreperson on duty at all times when workers are employed in the 5180  
loading or mining of coal underground. Each active working area of 5181  
a surface coal mine and each active surface installation of an 5182  
underground coal mine shall be examined for hazardous conditions, 5183

## As Reported by the House Finance and Appropriations Committee\*

at least once during each working shift or more often if necessary 5184  
for safety, by a certified mine foreperson who is designated by 5185  
the operator to conduct such examinations. Any hazardous 5186  
conditions noted during the examinations shall be reported to the 5187  
operator and shall be corrected by the operator. A certified mine 5188  
foreperson may conduct the examination that is required during 5189  
each shift at multiple mine sites, provided that the sites are 5190  
within a ten-mile radius. 5191

5192

No operator of a mine shall refuse or neglect to comply with 5193  
 this section. 5194

**Sec. 1565.15.** (A) As used in this section: 5195

(1) "EMT-basic," "EMT-I," "paramedic," and "emergency medical 5196  
 service organization" have the same meanings as in section 4765.01 5197  
 of the Revised Code. 5198

(2) "First aid provider" includes an EMT-basic, an EMT-I, a 5199  
 paramedic, or ~~a supervisory~~ an employee at a surface coal mine who 5200  
 has satisfied the training requirements established in division 5201  
 (D)(1) of this section. 5202

(B) The operator of an underground coal mine where twenty or 5203  
 more persons are employed on a shift, including all persons 5204  
 working at different locations at the mine within a ten-mile 5205  
 radius, shall provide at least one EMT-basic or EMT-I on duty at 5206  
 the underground coal mine whenever employees at the mine are 5207  
 actively engaged in the extraction, production, or preparation of 5208  
 coal. The operator shall provide EMTs-basic or EMTs-I on duty at 5209  
 the underground coal mine at times and in numbers sufficient to 5210  
 ensure that no miner works in a mine location that cannot be 5211  
 reached within a reasonable time by an EMT-basic or an EMT-I. 5212  
 EMTs-basic and EMTs-I shall be employed on their regular coal 5213  
 mining duties at locations convenient for quick response to 5214

## As Reported by the House Finance and Appropriations Committee\*

emergencies in order to provide emergency medical services inside 5215  
the underground coal mine and transportation of injured or sick 5216  
employees to the entrance of the mine. The operator shall provide 5217  
for the services of at least one emergency medical service 5218  
organization to be available on call to reach the entrance of the 5219  
underground coal mine within thirty minutes at any time that 5220  
employees are engaged in the extraction, production, or 5221  
preparation of coal in order to provide emergency medical services 5222  
and transportation to a hospital. 5223

The operator shall make available to EMTs-basic and EMTs-I 5224  
all of the equipment for first aid and emergency medical services 5225  
that is necessary for those personnel to function and to comply 5226  
with the regulations pertaining to first aid and emergency medical 5227  
services that are adopted under the "Federal Mine Safety and 5228  
Health Act of 1977," 91 Stat. 1290, 30 U.S.C.A. 801, and 5229  
amendments to it. The operator of the underground coal mine shall 5230  
install telephone service or equivalent facilities that enable 5231  
two-way voice communication between the EMTs-basic or EMTs-I in 5232  
the mine and the emergency medical service organization outside 5233  
the mine that provides emergency medical services on a regular 5234  
basis. 5235

(C) The operator of a surface coal mine shall provide at 5236  
least one first aid provider on duty at the mine whenever 5237  
employees at the mine are actively engaged in the extraction, 5238  
production, or preparation of coal. The operator shall provide 5239  
first aid providers on duty at the surface coal mine at times and 5240  
in numbers sufficient to ensure that no miner works in a mine 5241  
location that cannot be reached within a reasonable time by a 5242  
first aid provider. First aid providers shall be employed on their 5243  
regular coal mining duties at locations convenient for quick 5244  
response to emergencies in order to provide emergency medical 5245  
services and transportation of injured or sick employees to the 5246



## As Reported by the House Finance and Appropriations Committee\*

entrance of the surface coal mine. The operator shall provide for 5247  
the services of at least one emergency medical service 5248  
organization to be available on call to reach the entrance of the 5249  
surface coal mine within thirty minutes at any time that employees 5250  
are engaged in the extraction, production, or preparation of coal 5251  
in order to provide emergency medical services and transportation 5252  
to a hospital. 5253

The operator shall ~~make available to first aid providers~~ 5254  
provide at the mine site all of the equipment for first aid and 5255  
emergency medical services that is necessary for those personnel 5256  
to function and to comply with the regulations pertaining to first 5257  
aid and emergency medical services that are adopted under the 5258  
"Federal Mine Safety and Health Act of 1977," 91 Stat. 1290, 30 5259  
U.S.C.A. 801, and amendments to it, ~~including, without limitation,~~ 5260  
~~a portable oxygen cylinder with a medical regulator and oxygen~~ 5261  
~~delivery system.~~ 5262

(D)(1) ~~A supervisory~~ An employee at a surface coal mine shall 5263  
be considered to be a first aid provider for the purposes of this 5264  
section if the employee has received from an instructor approved 5265  
by the chief of the division of mineral resources management ten 5266  
hours of initial first aid training as a selected supervisory 5267  
employee under 30 C.F.R. 77.1703 and receives five hours of 5268  
refresher first aid training as a selected supervisory employee 5269  
under 30 C.F.R. 77.1705 in each subsequent calendar year. 5270

(2) Each miner employed at a surface coal mine who is not a 5271  
first aid provider shall receive from an instructor approved by 5272  
the chief three hours of initial first aid training and two hours 5273  
of refresher first aid training in each subsequent calendar year. 5274

(3) The training received in accordance with division (D) of 5275  
this section shall consist of a course of instruction established 5276  
in the manual issued by the mine safety and health administration 5277  
in the United States department of labor entitled "first aid, a 5278

## As Reported by the House Finance and Appropriations Committee\*

bureau of mines instruction manual" or its successor or any other  
curriculum approved by the chief. The training shall be included  
in the hours of instruction provided to miners in accordance with  
training requirements established under 30 C.F.R. part 48, subpart  
(B), as amended, and 30 C.F.R. part 77, as amended.

(E) Each operator of a surface coal mine shall establish,  
keep current, and make available for inspection an emergency  
medical plan that includes the telephone numbers of the division  
of mineral resources management and of an emergency medical  
services organization the services of which are required to be  
retained under division (C) of this section. The chief shall adopt  
rules in accordance with Chapter 119. of the Revised Code that  
establish any additional information required to be included in an  
emergency medical plan.

(F) Each operator of an underground coal mine or surface coal  
mine shall provide or contract to obtain emergency medical  
services training or first aid training, as applicable, at the  
operator's expense, that is sufficient to train and maintain the  
certification of the number of employees necessary to comply with  
division (B) of this section and that is sufficient to train  
employees as required under division (D) of this section and to  
comply with division (C) of this section.

(G) The division may provide emergency medical services  
training for coal mine employees by operating an emergency medical  
services training program accredited under section 4765.17 of the  
Revised Code or by contracting with the operator of an emergency  
medical services training program accredited under that section to  
provide that training. The division may charge coal mine operators  
a uniform part of the unit cost per trainee.

(H) No coal mine operator shall violate or fail to comply  
with this section.

## As Reported by the House Finance and Appropriations Committee\*

Sec. 1711.11. (A) No person shall operate any concession at 5310  
any fair or exposition conducted by a county or independent 5311  
agricultural society or by the Ohio expositions commission without 5312  
first obtaining from the director of agriculture a license to do 5313  
so under division (B) of this section<sup>+</sup>, nor shall any officer, 5314  
agent, or employee of a county or independent agricultural society 5315  
or of the Ohio expositions commission grant a privilege or 5316  
concession to any person to do so, unless the person holds a 5317  
license. 5318

For the purposes of this section, "concession" means any 5319  
show, amusement other than an amusement ride as defined in 5320  
~~division (A) of~~ section 1711.50 of the Revised Code, game, or 5321  
novelty stand operation at a fair or exposition, but does not 5322  
include food or drink operations. 5323

(B) A license shall be issued by the director only upon a 5324  
written application containing a detailed description of the 5325  
concession. Blank applications for licenses shall be prepared and 5326  
furnished by the director. 5327

(C) No license shall be issued until the applicant has paid a 5328  
fee of ~~fifty~~ seventy dollars to the director, except that no fee 5329  
shall be collected from nonprofit organizations which are recorded 5330  
as such by the secretary of state or with the internal revenue 5331  
service. The director shall pay the fee into the state treasury to 5332  
the credit of the amusement ride inspection fund established by 5333  
section 1711.53 of the Revised Code. 5334

(D) A license issued under this section shall contain a 5335  
detailed description of the concession licensed, shall expire on 5336  
the thirty-first day of December following the date of issue, and 5337  
shall be kept by the licensee in a conspicuous place where the 5338  
licensee's concession is in operation. 5339

(E)(1) The director shall employ and provide training for a 5340

## As Reported by the House Finance and Appropriations Committee\*

chief inspector and additional inspectors and employees as 5341  
necessary to administer and enforce this section. The director may 5342  
appoint or contract with other persons to perform inspections of 5343  
concessions, provided that the persons meet the qualifications for 5344  
inspectors established by rules adopted under division (G) of this 5345  
section and are not owners or employees of owners of any 5346  
concession subject to inspection under this section. No person 5347  
shall inspect a concession who, within six months prior to the 5348  
date of inspection, was an employee of the owner of the 5349  
concession. 5350

(2) Before the director contracts with other persons to 5351  
inspect concessions, the director shall seek the advice of the 5352  
advisory council on amusement ride safety on whether to contract 5353  
with ~~such~~ those persons. ~~Such~~ The advice shall not be binding upon 5354  
the director. After having received the advice of the council the 5355  
director may proceed to contract for amusement ride inspectors and 5356  
award the contract to the lowest responsive and responsible bidder 5357  
in accordance with section 9.312 of the Revised Code. In order to 5358  
determine the lowest responsive and responsible bid, the director, 5359  
with the advice of the council, shall adopt rules governing the 5360  
terms of the contract between the department of agriculture and 5361  
the inspector. The rules shall prescribe the training and work 5362  
experience required of an inspector, any insurance or bonds 5363  
required of an inspector, and all the services the inspector will 5364  
be required to perform on behalf of the department in an efficient 5365  
professional manner. 5366

(F) This section does not require the officers of any ~~such~~ 5367  
county or independent agricultural society or of the Ohio 5368  
expositions commission to grant any privilege or concession to any 5369  
licensee. 5370

(G) The director shall enforce this section and, in 5371  
accordance with Chapter 119. of the Revised Code, adopt all rules 5372

## As Reported by the House Finance and Appropriations Committee\*

that are necessary for its enforcement. If the director finds that  
this section has been violated or that the licensee has been  
dishonest or has been fraudulent in dealings with the public, the  
director, in accordance with Chapter 119. of the Revised Code,  
shall revoke the licensee's license or fine the licensee not more  
than one thousand dollars, or both. The director, for a period not  
exceeding two years from the date of revocation, may refuse to  
issue another license to a person for a concession for which the  
person's license has been revoked. Notwithstanding section 119.12  
of the Revised Code, all appeals from any fine by, or order of,  
the director shall be to the court of common pleas of the county  
where the place of business of the person is located or to the  
common pleas court of the county in which the person is a resident  
or in which the concession is located.

(H) Any person holding a license issued under this section  
who permits or tolerates at any place on the fairground where the  
person's concession is in operation, any immoral show, lottery  
device, game of chance, or gambling of any kind, including pool  
selling and paddle wheels, or who violates the terms of the  
license issued to the person, shall forfeit the license, and the  
director shall not issue any other license to the person until  
after a period of two years from the forfeiture. For the purposes  
of this division, "lottery device," "game of chance," and  
"gambling of any kind" do not include the sale of lottery tickets  
by the state lottery commission pursuant to Chapter 3770. of the  
Revised Code at the state fairground during the state fair. For  
the purposes of this section and section 1711.09 of the Revised  
Code, contests, games, tournaments, and other activities, the  
outcome of which is predominantly determined by the skill of the  
contestants, participants, or players, whether or not the  
contestants, participants, or players pay a price for the  
opportunity to win a prize, do not constitute a game of chance or

## As Reported by the House Finance and Appropriations Committee\*

gambling within the meaning, purpose, and intent of this section 5405  
 and section 1711.09 of the Revised Code or sections 2915.01 to 5406  
 2915.04 of the Revised Code. The foregoing definition does not 5407  
 apply where the contest, game, tournament, or other activity 5408  
 contains or includes any mechanical or physical device which 5409  
 directly or indirectly impedes, impairs, or thwarts the skill of 5410  
 the contestant, participant, or player. 5411

**Sec. 1711.53.** (A)(1) No person shall operate an amusement 5412  
 ride within the state without a permit issued by the director of 5413  
 agriculture under division (A)(2) of this section. The owner of an 5414  
 amusement ride, whether the ride is a temporary amusement ride or 5415  
 a permanent amusement ride, who desires to operate the amusement 5416  
 ride within the state shall, prior to the operation of the 5417  
 amusement ride and annually thereafter, submit to the department 5418  
 of agriculture an application for a permit, together with the 5419  
 appropriate permit and inspection fee, on a form to be furnished 5420  
 by the department. Prior to issuing any permit the department 5421  
 shall, within thirty days after the date on which it receives the 5422  
 application, inspect each amusement ride described in the 5423  
 application. The owner of an amusement ride shall have the 5424  
amusement ride ready for inspection not later than two hours after 5425  
the time that is requested by the person for the inspection. 5426

(2) For each amusement ride found to comply with the rules of 5427  
adopted by the director ~~issued~~ under division (B) of this section 5428  
 and division (B) of section 1711.551 of the Revised Code, the 5429  
 director shall issue an annual permit, provided that evidence of 5430  
 liability insurance coverage for the amusement ride as required by 5431  
 section 1711.54 of the Revised Code is on file with the 5432  
 department. 5433

(3) The director shall issue with each permit a decal 5434  
 indicating that the amusement ride has been issued the permit. The 5435

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owner of the amusement ride shall affix the decal on the ride at a location where the decal is easily visible to the patrons of the ride. A copy of the permit shall be kept on file at the same address as the location of the amusement ride identified on the permit, and shall be made available for inspection, upon reasonable demand, by any person. An owner may operate an amusement ride prior to obtaining a permit, provided that ~~such~~ the operation is for the purpose of testing the amusement ride or training amusement ride operators and other employees of the owner and the amusement ride is not open to the public.

(B) The director, in accordance with Chapter 119. of the Revised Code, shall adopt rules providing for a schedule of fines, with no fine exceeding five thousand dollars, for violations of sections 1711.50 to 1711.57 of the Revised Code or any rules ~~promulgated pursuant to~~ adopted under this division and for the classification of amusement rides and rules for the safe operation and inspection of all amusement rides as are necessary for amusement ride safety and for the protection of the general public. Rules adopted by the director for the safe operation and inspection of amusement rides shall be reasonable and based upon generally accepted engineering standards and practices. In adopting rules under this section, the director may adopt by reference, in whole or in part, the national fire code or the national electrical code prepared by the national fire protection association, the standards of ASTM or the American national standards institute, or any other principles, tests, or standards of nationally recognized technical or scientific authorities. Insofar as is practicable and consistent with sections 1711.50 to 1711.57 of the Revised Code, rules adopted under this division shall be consistent with the rules of other states. The department shall cause sections 1711.50 to 1711.57 of the Revised Code and the rules adopted in accordance with this division and division

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(B) of section 1711.551 of the Revised Code to be published in pamphlet form and a copy to be furnished without charge to each owner of an amusement ride who holds a current permit or is an applicant therefor.

(C) With respect to an application for a permit for an amusement ride, an owner may apply to the director of ~~agriculture~~ for a waiver or modification of any rule adopted under division (B) of this section if there are practical difficulties or unnecessary hardships for the amusement ride to comply with ~~such~~ the rules. Any application ~~must~~ shall set forth the reasons for ~~such~~ the request. The director, with the approval of the advisory council on amusement ride safety, may waive or modify the application of a rule to any amusement ride if the public safety is secure. Any authorization by the director under this division shall be in writing and shall set forth the conditions under which the waiver or modification is authorized, and the department shall retain separate records of all proceedings under this division.

(D)(1) The director shall employ and provide for training of a chief inspector and additional inspectors and employees as may be necessary to administer and enforce sections 1711.50 to 1711.57 of the Revised Code. The director may appoint or contract with other persons to perform inspections of amusement rides, provided that the persons meet the qualifications for inspectors established by rules adopted under division (B) of this section and are not owners, or employees of owners, of any amusement ride subject to inspection under sections 1711.50 to 1711.57 of the Revised Code. No person shall inspect an amusement ride who, within six months prior to the date of inspection, was an employee of the owner of the ride.

(2) Before the director contracts with other persons to inspect amusement rides, the director shall seek the advice of the advisory council on amusement ride safety on whether to contract



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with ~~such~~ those persons. ~~Such~~ The advice shall not be binding upon the director. After having received the advice of the council, the director may proceed to contract with inspectors in accordance with the procedures specified in division (E)(2) of section 1711.11 of the Revised Code.

(3) With the advice and consent of the advisory council on amusement ride safety, the director may employ a special consultant to conduct an independent investigation of an amusement ride accident. This consultant need not be in the civil service of the state, but shall have qualifications to conduct the investigation acceptable to the council.

(E) ~~The (1) Except as otherwise provided in division (E)(1) of this section, the department shall charge fees for each the following amusement ride annual permit, annual inspection, midseason operational inspection, and any reinspection, as follows fees:~~

Permit	\$ 50	
Annual inspection and reinspection <u>per ride</u> :		
Kiddie rides	<del>\$ 50</del> <u>100</u>	
Roller coaster	<del>\$500</del> <u>950</u>	
Aerial lifts or bungee jumping facilities	<del>\$300</del> <u>450</u>	
Go karts	<u>\$5</u>	
Other rides	<del>\$100</del> <u>160</u>	
Midseason operational inspection <u>per ride</u>	<del>\$ 10</del> <u>25</u>	
<u>Expedited inspection per ride</u>	<u>\$100</u>	
<u>Failure to cancel scheduled inspection per ride</u>	<u>\$100</u>	
<u>Failure to have amusement ride ready for inspection per ride</u>	<u>\$100</u>	

The go kart inspection fee is in addition to the inspection fee for the go kart track.

The fees for an expedited inspection, failure to cancel a

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scheduled inspection, and failure to have an amusement ride ready 5532  
for inspection do not apply to go karts. 5533

As used in division (E)(1) of this section, "expedited 5534  
inspection" means an inspection of an amusement ride by the 5535  
department not later than ten days after the owner of the 5536  
amusement ride files an application for a permit under this 5537  
section. 5538

(2) All permit fees, inspection fees, reinspection fees, and 5539  
finer collected by the department under sections 1711.50 to 5540  
1711.57 of the Revised Code shall be deposited in the state 5541  
treasury to the credit of the amusement ride inspection fund, 5542  
which is hereby created, and shall be used only for the purpose of 5543  
administering and enforcing sections 1711.11 and 1711.50 to 5544  
1711.57 of the Revised Code. 5545

(3) The owner of an amusement ride shall be required to pay a 5546  
reinspection fee only if the reinspection was conducted at the 5547  
owner's request under division (F) of this section, ~~or~~ if the 5548  
reinspection is required by division (F) of this section because 5549  
of an accident, or if the reinspection is required by division (F) 5550  
of section 1711.55 of the Revised Code. If a reinspection is 5551  
conducted at the request of the chief officer of a fair, festival, 5552  
or event where the ride is operating, the reinspection fee shall 5553  
be charged to the fair, festival, or event. 5554

(4) The rules adopted under division (B) of this section 5555  
shall ~~contain definitions of~~ define "kiddie rides," "roller 5556  
coaster," "aerial lifts," "go karts," and "other rides" for 5557  
purposes of determining the ~~fee~~ fees under ~~this~~ this division (E) of 5558  
this section. The rules shall define "other rides" to include go 5559  
kart tracks. 5560

(F) A reinspection of an amusement ride shall take place if 5561  
an accident occurs, if the owner of the ride or the chief officer 5562

## As Reported by the House Finance and Appropriations Committee\*

of the fair, festival, or event where the ride is operating 5563  
 requests a reinspection, or if the reinspection is required by 5564  
 division (F) of section 1711.55 of the Revised Code. 5565

(G) As a supplement to its annual inspection of a temporary 5566  
 amusement ride, the department may inspect the ride during each 5567  
 scheduled event, as listed in the schedule of events provided to 5568  
 the department by the owner pursuant to division (C) of section 5569  
 1711.55 of the Revised Code, at which the ride is operated in this 5570  
 state. These supplemental inspections are in addition to any other 5571  
 inspection or reinspection of the ride as may be required under 5572  
 sections 1711.50 to 1711.57 of the Revised Code, and the owner of 5573  
 the temporary amusement ride is not required to pay an inspection 5574  
 or reinspection fee for this supplemental inspection. Nothing in 5575  
 this division shall be construed to prohibit the owner of a 5576  
 temporary amusement ride having a valid permit to operate in this 5577  
 state from operating the ride at a scheduled event before the 5578  
 department conducts a supplemental inspection. 5579

(H) The department ~~shall~~ may annually conduct a midseason 5580  
 operational inspection of every amusement ride upon which it 5581  
 conducts an annual inspection pursuant to division (A) of this 5582  
 section. The midseason operational inspection is in addition to 5583  
 any other inspection or reinspection of the amusement ride as may 5584  
 be required pursuant to sections 1711.50 to 1711.57 of the Revised 5585  
 Code. The owner of an amusement ride shall submit to the 5586  
 department, at the time determined by the department, the 5587  
 midseason operational inspection fee specified in division (E) of 5588  
 this section. The director, in accordance with Chapter 119. of the 5589  
 Revised Code, shall adopt rules specifying the time period during 5590  
 which the department ~~shall~~ will conduct midseason operational 5591  
 inspections. 5592

**Sec. 2113.031.** (A) As used in this section: 5593

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(1) "Financial institution" has the same meaning as in	5594
section 5725.01 of the Revised Code. "Financial institution" also	5595
includes a credit union and a fiduciary that is not a trust	5596
company but that does trust business.	5597
(2) "Funeral and burial expenses" means whichever of the	5598
following applies:	5599
(a) The funeral and burial expenses of the decedent that are	5600
included in the bill of a funeral director;	5601
(b) The funeral expenses of the decedent that are not	5602
included in the bill of a funeral director and that have been	5603
approved by the probate court;	5604
(c) The funeral and burial expenses of the decedent that are	5605
described in divisions (A)(2)(a) and (b) of this section.	5606
(3) "Surviving spouse" means either of the following:	5607
(a) The surviving spouse of a decedent who died leaving the	5608
surviving spouse and no minor children;	5609
(b) The surviving spouse of a decedent who died leaving the	5610
surviving spouse and minor children, all of whom are children of	5611
the decedent and the surviving spouse.	5612
(B)(1) If the value of the assets of the decedent's estate	5613
does not exceed the lesser of two thousand dollars or the amount	5614
of the decedent's funeral and burial expenses, any person who is	5615
not a surviving spouse and who has paid or is obligated in writing	5616
to pay the decedent's funeral and burial expenses may apply to the	5617
probate court for an order granting a summary release from	5618
administration in accordance with this section.	5619
(2) If either of the following applies, the decedent's	5620
surviving spouse may apply to the probate court for an order	5621
granting a summary release from administration in accordance with	5622
this section:	5623

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(a) The decedent's funeral and burial expenses have been 5624  
prepaid, and the value of the assets of the decedent's estate does 5625  
not exceed the total of the following items: 5626

(i) The allowance for support that is made under division (A) 5627  
of section 2106.13 of the Revised Code to the surviving spouse 5628  
and, if applicable, to the decedent's minor children and that is 5629  
distributable in accordance with division (B)(1) or (2) of that 5630  
section; 5631

(ii) An amount, not exceeding two thousand dollars, for the 5632  
decedent's funeral and burial expenses referred to in division 5633  
(A)(2)(c) of this section. 5634

(b) The decedent's funeral and burial expenses have not been 5635  
prepaid, the decedent's surviving spouse has paid or is obligated 5636  
in writing to pay the decedent's funeral and burial expenses, and 5637  
the value of the assets of the decedent's estate does not exceed 5638  
the total of the items referred to in divisions (B)(2)(a)(i) and 5639  
(ii) of this section. 5640

(C) A probate court shall order a summary release from 5641  
administration in connection with a decedent's estate only if the 5642  
court finds that all of the following are satisfied: 5643

(1) A person described in division (B)(1) of this section is 5644  
the applicant for a summary release from administration, and the 5645  
value of the assets of the decedent's estate does not exceed the 5646  
lesser of two thousand dollars or the amount of the decedent's 5647  
funeral and burial expenses, or the applicant for a summary 5648  
release from administration is the decedent's surviving spouse, 5649  
and the circumstances described in division (B)(2)(a) or (b) of 5650  
this section apply. 5651

(2) The application for a summary release from administration 5652  
does all of the following: 5653

(a) Describes all assets of the decedent's estate that are 5654

known to the applicant; 5655

(b) Is in the form that the supreme court prescribes pursuant 5656  
to its powers of superintendence under Section 5 of Article IV, 5657  
Ohio Constitution, and is consistent with the requirements of this 5658  
division; 5659

(c) Has been signed and acknowledged by the applicant in the 5660  
presence of a notary public or a deputy clerk of the probate 5661  
court; 5662

(d) Sets forth the following information if the decedent's 5663  
estate includes a described type of asset: 5664

(i) If the decedent's estate includes a motor vehicle, the 5665  
motor vehicle's year, make, model, body type, manufacturer's 5666  
vehicle identification number, certificate of title number, and 5667  
date of death value; 5668

(ii) If the decedent's estate includes an account maintained 5669  
by a financial institution, that institution's name and the 5670  
account's complete identifying number and date of death balance; 5671

(iii) If the decedent's estate includes one or more shares of 5672  
stock or bonds, the total number of the shares and bonds and their 5673  
total date of death value and, for each share or bond, its serial 5674  
number, the name of its issuer, its date of death value, and, if 5675  
any, the name and address of its transfer agent. 5676

(3) The application for a summary release from administration 5677  
is accompanied by all of the following that apply: 5678

(a) A receipt, contract, or other document that confirms the 5679  
applicant's payment or obligation to pay the decedent's funeral 5680  
and burial expenses or, if applicable in the case of the 5681  
decedent's surviving spouse, the prepayment of the decedent's 5682  
funeral and burial expenses; 5683

(b) An application for a certificate of transfer as described 5684

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in section 2113.61 of the Revised Code, if an interest in real	5685
property is included in the assets of the decedent's estate;	5686
	5687
(c) The fee required by division (A)(59) of section 2101.16	5688
of the Revised Code.	5689
(4) At the time of its determination on the application,	5690
there are no pending proceedings for the administration of the	5691
decedent's estate and no pending proceedings for relief of the	5692
decedent's estate from administration under section 2113.03 of the	5693
Revised Code.	5694
(5) At the time of its determination on the application,	5695
there are no known assets of the decedent's estate other than the	5696
assets described in the application.	5697
(D) If the probate court determines that the requirements of	5698
division (C) of this section are satisfied, the probate court	5699
shall issue an order that grants a summary release from	5700
administration in connection with the decedent's estate. The order	5701
has, and shall specify that it has, all of the following effects:	5702
	5703
(1) It relieves the decedent's estate from administration.	5704
(2) It directs the delivery to the applicant of the	5705
decedent's personal property together with the title to that	5706
property.	5707
(3) It directs the transfer to the applicant of the title to	5708
any interests in real property included in the decedent's estate.	5709
(4) <del>It eliminates the duty of all persons to file an estate</del>	5710
<del>tax return and certificate under division (A) of section 5731.21</del>	5711
<del>of the Revised Code in connection with the decedent's estate.</del>	5712
(5) It eliminates the need for a financial institution,	5713
corporation, or other entity or person referred to in any	5714

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provision of divisions (A) to (F) of section 5731.39 of the Revised Code to obtain, as otherwise would be required by any of those divisions, the written consent of the tax commissioner prior to the delivery, transfer, or payment to the applicant of an asset of the decedent's estate.

(E) A certified copy of an order that grants a summary release from administration together with a certified copy of the application for that order constitutes sufficient authority for a financial institution, corporation, or other entity or person referred to in divisions (A) to (F) of section 5731.39 of the Revised Code or for a clerk of a court of common pleas to transfer title to an asset of the decedent's estate to the applicant for the summary release from administration.

(F) This section does not affect the ability of qualified persons to file an application to relieve an estate from administration under section 2113.03 of the Revised Code or to file an application for the grant of letters testamentary or letters of administration in connection with the decedent's estate.

**Sec. 2901.01.** (A) As used in the Revised Code:

(1) "Force" means any violence, compulsion, or constraint physically exerted by any means upon or against a person or thing.

(2) "Deadly force" means any force that carries a substantial risk that it will proximately result in the death of any person.

(3) "Physical harm to persons" means any injury, illness, or other physiological impairment, regardless of its gravity or duration.

(4) "Physical harm to property" means any tangible or intangible damage to property that, in any degree, results in loss



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to its value or interferes with its use or enjoyment. "Physical	5745
harm to property" does not include wear and tear occasioned by	5746
normal use.	5747
(5) "Serious physical harm to persons" means any of the	5748
following:	5749
(a) Any mental illness or condition of such gravity as would	5750
normally require hospitalization or prolonged psychiatric	5751
treatment;	5752
(b) Any physical harm that carries a substantial risk of	5753
death;	5754
(c) Any physical harm that involves some permanent	5755
incapacity, whether partial or total, or that involves some	5756
temporary, substantial incapacity;	5757
(d) Any physical harm that involves some permanent	5758
disfigurement or that involves some temporary, serious	5759
disfigurement;	5760
(e) Any physical harm that involves acute pain of such	5761
duration as to result in substantial suffering or that involves	5762
any degree of prolonged or intractable pain.	5763
(6) "Serious physical harm to property" means any physical	5764
harm to property that does either of the following:	5765
(a) Results in substantial loss to the value of the property	5766
or requires a substantial amount of time, effort, or money to	5767
repair or replace;	5768
(b) Temporarily prevents the use or enjoyment of the property	5769
or substantially interferes with its use or enjoyment for an	5770
extended period of time.	5771
(7) "Risk" means a significant possibility, as contrasted	5772
with a remote possibility, that a certain result may occur or that	5773
certain circumstances may exist.	5774

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- (8) "Substantial risk" means a strong possibility, as contrasted with a remote or significant possibility, that a certain result may occur or that certain circumstances may exist.
- (9) "Offense of violence" means any of the following:
- (a) A violation of section 2903.01, 2903.02, 2903.03, 2903.04, 2903.11, 2903.12, 2903.13, 2903.15, 2903.21, 2903.211, 2903.22, 2905.01, 2905.02, 2905.11, 2907.02, 2907.03, 2907.05, 2909.02, 2909.03, 2909.24, 2911.01, 2911.02, 2911.11, 2917.01, 2917.02, 2917.03, 2917.31, 2919.25, 2921.03, 2921.04, 2921.34, or 2923.161, of division (A)(1), (2), or (3) of section 2911.12, or of division (B)(1), (2), (3), or (4) of section 2919.22 of the Revised Code or felonious sexual penetration in violation of former section 2907.12 of the Revised Code;
- (b) A violation of an existing or former municipal ordinance or law of this or any other state or the United States, substantially equivalent to any section, division, or offense listed in division (A)(9)(a) of this section;
- (c) An offense, other than a traffic offense, under an existing or former municipal ordinance or law of this or any other state or the United States, committed purposely or knowingly, and involving physical harm to persons or a risk of serious physical harm to persons;
- (d) A conspiracy or attempt to commit, or complicity in committing, any offense under division (A)(9)(a), (b), or (c) of this section.
- (10)(a) "Property" means any property, real or personal, tangible or intangible, and any interest or license in that property. "Property" includes, but is not limited to, cable television service, other telecommunications service, telecommunications devices, information service, computers, data, computer software, financial instruments associated with

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computers, other documents associated with computers, or copies of  
the documents, whether in machine or human readable form, trade  
secrets, trademarks, copyrights, patents, and property protected  
by a trademark, copyright, or patent. "Financial instruments  
associated with computers" include, but are not limited to,  
checks, drafts, warrants, money orders, notes of indebtedness,  
certificates of deposit, letters of credit, bills of credit or  
debit cards, financial transaction authorization mechanisms,  
marketable securities, or any computer system representations of  
any of them.

(b) As used in division (A)(10) of this section, "trade  
secret" has the same meaning as in section 1333.61 of the Revised  
Code, and "telecommunications service" and "information service"  
have the same meanings as in section 2913.01 of the Revised Code.

(c) As used in divisions (A)(10) and (13) of this section,  
"cable television service," "computer," "computer software,"  
"computer system," "computer network," "data," and  
"telecommunications device" have the same meanings as in section  
2913.01 of the Revised Code.

(11) "Law enforcement officer" means any of the following:

(a) A sheriff, deputy sheriff, constable, police officer of a  
township or joint township police district, marshal, deputy  
marshal, municipal police officer, member of a police force  
employed by a metropolitan housing authority under division (D) of  
section 3735.31 of the Revised Code, or state highway patrol  
trooper;

(b) An officer, agent, or employee of the state or any of its  
agencies, instrumentalities, or political subdivisions, upon whom,  
by statute, a duty to conserve the peace or to enforce all or  
certain laws is imposed and the authority to arrest violators is  
conferred, within the limits of that statutory duty and authority;

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	5837
(c) A mayor, in the mayor's capacity as chief conservator of the peace within the mayor's municipal corporation;	5838 5839
(d) A member of an auxiliary police force organized by county, township, or municipal law enforcement authorities, within the scope of the member's appointment or commission;	5840 5841 5842
(e) A person lawfully called pursuant to section 311.07 of the Revised Code to aid a sheriff in keeping the peace, for the purposes and during the time when the person is called;	5843 5844 5845
(f) A person appointed by a mayor pursuant to section 737.01 of the Revised Code as a special patrolling officer during riot or emergency, for the purposes and during the time when the person is appointed;	5846 5847 5848 5849
(g) A member of the organized militia of this state or the armed forces of the United States, lawfully called to duty to aid civil authorities in keeping the peace or protect against domestic violence;	5850 5851 5852 5853
(h) A prosecuting attorney, assistant prosecuting attorney, secret service officer, or municipal prosecutor;	5854 5855
(i) <del>An Ohio</del> A veterans' home police officer appointed under section 5907.02 of the Revised Code;	5856 5857
(j) A member of a police force employed by a regional transit authority under division (Y) of section 306.35 of the Revised Code;	5858 5859 5860
(k) A special police officer employed by a port authority under section 4582.04 or 4582.28 of the Revised Code;	5861 5862
(l) The house sergeant at arms if the house sergeant at arms has arrest authority pursuant to division (E)(1) of section 101.311 of the Revised Code and an assistant house sergeant at arms.	5863 5864 5865 5866

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- (12) "Privilege" means an immunity, license, or right conferred by law, bestowed by express or implied grant, arising out of status, position, office, or relationship, or growing out of necessity.
- (13) "Contraband" means any property described in the following categories:
- (a) Property that in and of itself is unlawful for a person to acquire or possess;
- (b) Property that is not in and of itself unlawful for a person to acquire or possess, but that has been determined by a court of this state, in accordance with law, to be contraband because of its use in an unlawful activity or manner, of its nature, or of the circumstances of the person who acquires or possesses it, including, but not limited to, goods and personal property described in division (D) of section 2913.34 of the Revised Code;
- (c) Property that is specifically stated to be contraband by a section of the Revised Code or by an ordinance, regulation, or resolution;
- (d) Property that is forfeitable pursuant to a section of the Revised Code, or an ordinance, regulation, or resolution, including, but not limited to, forfeitable firearms, dangerous ordnance, obscene materials, and goods and personal property described in division (D) of section 2913.34 of the Revised Code;
- (e) Any controlled substance, as defined in section 3719.01 of the Revised Code, or any device, paraphernalia, money as defined in section 1301.01 of the Revised Code, or other means of exchange that has been, is being, or is intended to be used in an attempt or conspiracy to violate, or in a violation of, Chapter 2925. or 3719. of the Revised Code;
- (f) Any gambling device, paraphernalia, money as defined in

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section 1301.01 of the Revised Code, or other means of exchange 5898  
that has been, is being, or is intended to be used in an attempt 5899  
or conspiracy to violate, or in the violation of, Chapter 2915. of 5900  
the Revised Code; 5901

(g) Any equipment, machine, device, apparatus, vehicle, 5902  
vessel, container, liquid, or substance that has been, is being, 5903  
or is intended to be used in an attempt or conspiracy to violate, 5904  
or in the violation of, any law of this state relating to alcohol 5905  
or tobacco; 5906

(h) Any personal property that has been, is being, or is 5907  
intended to be used in an attempt or conspiracy to commit, or in 5908  
the commission of, any offense or in the transportation of the 5909  
fruits of any offense; 5910

(i) Any property that is acquired through the sale or other 5911  
transfer of contraband or through the proceeds of contraband, 5912  
other than by a court or a law enforcement agency acting within 5913  
the scope of its duties; 5914

(j) Any computer, computer system, computer network, computer 5915  
software, or other telecommunications device that is used in a 5916  
conspiracy to commit, an attempt to commit, or the commission of 5917  
any offense, if the owner of the computer, computer system, 5918  
computer network, computer software, or other telecommunications 5919  
device is convicted of or pleads guilty to the offense in which it 5920  
is used; 5921

(k) Any property that is material support or resources and 5922  
that has been, is being, or is intended to be used in an attempt 5923  
or conspiracy to violate, or in the violation of, section 2909.22, 5924  
2909.23, or 2909.24 of the Revised Code or of section 2921.32 of 5925  
the Revised Code when the offense or act committed by the person 5926  
aided or to be aided as described in that section is an act of 5927  
terrorism. As used in division (A)(13)(k) of this section, 5928

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"material support or resources" and "act of terrorism" have the	5929
same meanings as in section 2909.21 of the Revised Code.	5930
(14) A person is "not guilty by reason of insanity" relative	5931
to a charge of an offense only if the person proves, in the manner	5932
specified in section 2901.05 of the Revised Code, that at the time	5933
of the commission of the offense, the person did not know, as a	5934
result of a severe mental disease or defect, the wrongfulness of	5935
the person's acts.	5936
(B)(1)(a) Subject to division (B)(2) of this section, as used	5937
in any section contained in Title XXIX of the Revised Code that	5938
sets forth a criminal offense, "person" includes all of the	5939
following:	5940
(i) An individual, corporation, business trust, estate,	5941
trust, partnership, and association;	5942
(ii) An unborn human who is viable.	5943
(b) As used in any section contained in Title XXIX of the	5944
Revised Code that does not set forth a criminal offense, "person"	5945
includes an individual, corporation, business trust, estate,	5946
trust, partnership, and association.	5947
(c) As used in division (B)(1)(a) of this section:	5948
(i) "Unborn human" means an individual organism of the	5949
species Homo sapiens from fertilization until live birth.	5950
(ii) "Viable" means the stage of development of a human fetus	5951
at which there is a realistic possibility of maintaining and	5952
nourishing of a life outside the womb with or without temporary	5953
artificial life-sustaining support.	5954
(2) Notwithstanding division (B)(1)(a) of this section, in no	5955
case shall the portion of the definition of the term "person" that	5956
is set forth in division (B)(1)(a)(ii) of this section be applied	5957
or construed in any section contained in Title XXIX of the Revised	5958

## As Reported by the House Finance and Appropriations Committee\*

Code that sets forth a criminal offense in any of the following	5959
manners:	5960
(a) Except as otherwise provided in division (B)(2)(a) of	5961
this section, in a manner so that the offense prohibits or is	5962
construed as prohibiting any pregnant woman or her physician from	5963
performing an abortion with the consent of the pregnant woman,	5964
with the consent of the pregnant woman implied by law in a medical	5965
emergency, or with the approval of one otherwise authorized by law	5966
to consent to medical treatment on behalf of the pregnant woman.	5967
An abortion that violates the conditions described in the	5968
immediately preceding sentence may be punished as a violation of	5969
section 2903.01, 2903.02, 2903.03, 2903.04, 2903.05, 2903.06,	5970
2903.08, 2903.11, 2903.12, 2903.13, 2903.14, 2903.21, or 2903.22	5971
of the Revised Code, as applicable. An abortion that does not	5972
violate the conditions described in the second immediately	5973
preceding sentence, but that does violate section 2919.12,	5974
division (B) of section 2919.13, or section 2919.151, 2919.17, or	5975
2919.18 of the Revised Code, may be punished as a violation of	5976
section 2919.12, division (B) of section 2919.13, or section	5977
2919.151, 2919.17, or 2919.18 of the Revised Code, as applicable.	5978
Consent is sufficient under this division if it is of the type	5979
otherwise adequate to permit medical treatment to the pregnant	5980
woman, even if it does not comply with section 2919.12 of the	5981
Revised Code.	5982
(b) In a manner so that the offense is applied or is	5983
construed as applying to a woman based on an act or omission of	5984
the woman that occurs while she is or was pregnant and that	5985
results in any of the following:	5986
(i) Her delivery of a stillborn baby;	5987
(ii) Her causing, in any other manner, the death in utero of	5988
a viable, unborn human that she is carrying;	5989



## As Reported by the House Finance and Appropriations Committee\*

(iii) Her causing the death of her child who is born alive	5990
but who dies from one or more injuries that are sustained while	5991
the child is a viable, unborn human;	5992
(iv) Her causing her child who is born alive to sustain one	5993
or more injuries while the child is a viable, unborn human;	5994
(v) Her causing, threatening to cause, or attempting to	5995
cause, in any other manner, an injury, illness, or other	5996
physiological impairment, regardless of its duration or gravity,	5997
or a mental illness or condition, regardless of its duration or	5998
gravity, to a viable, unborn human that she is carrying.	5999
(C) As used in Title XXIX of the Revised Code:	6000
(1) "School safety zone" consists of a school, school	6001
building, school premises, school activity, and school bus.	6002
(2) "School," "school building," and "school premises" have	6003
the same meanings as in section 2925.01 of the Revised Code.	6004
(3) "School activity" means any activity held under the	6005
auspices of a board of education of a city, local, exempted	6006
village, joint vocational, or cooperative education school	6007
district, a governing board of an educational service center, or	6008
the governing body of a school for which the state board of	6009
education prescribes minimum standards under section 3301.07 of	6010
the Revised Code.	6011
(4) "School bus" has the same meaning as in section 4511.01	6012
of the Revised Code.	6013
<b>Sec. 2921.51.</b> (A) As used in this section:	6014
(1) "Peace officer" means a sheriff, deputy sheriff, marshal,	6015
deputy marshal, member of the organized police department of a	6016
municipal corporation, or township constable, who is employed by a	6017
political subdivision of this state, a member of a police force	6018

## As Reported by the House Finance and Appropriations Committee\*

employed by a metropolitan housing authority under division (D) of 6019  
section 3735.31 of the Revised Code, a member of a police force 6020  
employed by a regional transit authority under division (Y) of 6021  
section 306.35 of the Revised Code, a state university law 6022  
enforcement officer appointed under section 3345.04 of the Revised 6023  
Code, ~~an Ohio~~ a veterans' home police officer appointed under 6024  
section 5907.02 of the Revised Code, a special police officer 6025  
employed by a port authority under section 4582.04 or 4582.28 of 6026  
the Revised Code, or a state highway patrol trooper and whose 6027  
primary duties are to preserve the peace, to protect life and 6028  
property, and to enforce the laws, ordinances, or rules of the 6029  
state or any of its political subdivisions. 6030

(2) "Private police officer" means any security guard, 6031  
special police officer, private detective, or other person who is 6032  
privately employed in a police capacity. 6033

(3) "Impersonate" means to act the part of, assume the 6034  
identity of, wear the uniform or any part of the uniform of, or 6035  
display the identification of a particular person or of a member 6036  
of a class of persons with purpose to make another person believe 6037  
that the actor is that particular person or is a member of that 6038  
class of persons. 6039

(B) No person shall impersonate a peace officer or a private 6040  
police officer. 6041

(C) No person, by impersonating a peace officer or a private 6042  
police officer, shall arrest or detain any person, search any 6043  
person, or search the property of any person. 6044

(D) No person, with purpose to commit or facilitate the 6045  
commission of an offense, shall impersonate a peace officer, a 6046  
private police officer, or an officer, agent, or employee of the 6047  
state. 6048

(E) No person shall commit a felony while impersonating a 6049

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peace officer, a private police officer, or an officer, agent, or  
employee of the state. 6050  
6051

(F) It is an affirmative defense to a charge under division 6052  
(B) of this section that the impersonation of the peace officer 6053  
was for a lawful purpose. 6054

(G) Whoever violates division (B) of this section is guilty 6055  
of a misdemeanor of the fourth degree. Whoever violates division 6056  
(C) or (D) of this section is guilty of a misdemeanor of the first 6057  
degree. If the purpose of a violation of division (D) of this 6058  
section is to commit or facilitate the commission of a felony, a 6059  
violation of division (D) is a felony of the fourth degree. 6060  
Whoever violates division (E) of this section is guilty of a 6061  
felony of the third degree. 6062

**Sec. 2935.01.** As used in this chapter: 6063

(A) "Magistrate" has the same meaning as in section 2931.01 6064  
of the Revised Code. 6065

(B) "Peace officer" includes, except as provided in section 6066  
2935.081 of the Revised Code, a sheriff; deputy sheriff; marshal; 6067  
deputy marshal; member of the organized police department of any 6068  
municipal corporation, including a member of the organized police 6069  
department of a municipal corporation in an adjoining state 6070  
serving in Ohio under a contract pursuant to section 737.04 of the 6071  
Revised Code; member of a police force employed by a metropolitan 6072  
housing authority under division (D) of section 3735.31 of the 6073  
Revised Code; member of a police force employed by a regional 6074  
transit authority under division (Y) of section 306.05 of the 6075  
Revised Code; state university law enforcement officer appointed 6076  
under section 3345.04 of the Revised Code; enforcement agent of 6077  
the department of public safety designated under section 5502.14 6078  
of the Revised Code; employee of the department of taxation to 6079  
whom investigation powers have been delegated under section 6080

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5743.45 of the Revised Code; employee of the department of natural resources who is a natural resources law enforcement staff officer designated pursuant to section 1501.013 of the Revised Code, a forest officer designated pursuant to section 1503.29 of the Revised Code, a preserve officer designated pursuant to section 1517.10 of the Revised Code, a wildlife officer designated pursuant to section 1531.13 of the Revised Code, a park officer designated pursuant to section 1541.10 of the Revised Code, or a state watercraft officer designated pursuant to section 1547.521 of the Revised Code; individual designated to perform law enforcement duties under section 511.232, 1545.13, or 6101.75 of the Revised Code; Ohio veterans' home police officer appointed under section 5907.02 of the Revised Code; special police officer employed by a port authority under section 4582.04 or 4582.28 of the Revised Code; police constable of any township; police officer of a township or joint township police district; the house sergeant at arms if the house sergeant at arms has arrest authority pursuant to division (E)(1) of section 101.311 of the Revised Code; and an assistant house sergeant at arms; officer or employee of the bureau of criminal identification and investigation established pursuant to section 109.51 of the Revised Code who has been awarded a certificate by the executive director of the Ohio peace officer training commission attesting to the officer's or employee's satisfactory completion of an approved state, county, municipal, or department of natural resources peace officer basic training program and who is providing assistance upon request to a law enforcement officer or emergency assistance to a peace officer pursuant to section 109.54 or 109.541 of the Revised Code; and, for the purpose of arrests within those areas, and for the purposes of Chapter 5503. of the Revised Code, and the filing of and service of process relating to those offenses witnessed or investigated by them, includes the superintendent and troopers of the state highway patrol.

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(C) "Prosecutor" includes the county prosecuting attorney and any assistant prosecutor designated to assist the county prosecuting attorney, and, in the case of courts inferior to courts of common pleas, includes the village solicitor, city director of law, or similar chief legal officer of a municipal corporation, any such officer's assistants, or any attorney designated by the prosecuting attorney of the county to appear for the prosecution of a given case.

(D) "Offense," except where the context specifically indicates otherwise, includes felonies, misdemeanors, and violations of ordinances of municipal corporations and other public bodies authorized by law to adopt penal regulations.

**Sec. 2935.03.** (A)(1) A sheriff, deputy sheriff, marshal, deputy marshal, municipal police officer, township constable, police officer of a township or joint township police district, member of a police force employed by a metropolitan housing authority under division (D) of section 3735.31 of the Revised Code, member of a police force employed by a regional transit authority under division (Y) of section 306.35 of the Revised Code, state university law enforcement officer appointed under section 3345.04 of the Revised Code, ~~Ohio~~ veterans' home police officer appointed under section 5907.02 of the Revised Code, or special police officer employed by a port authority under section 4582.04 or 4582.28 of the Revised Code shall arrest and detain, until a warrant can be obtained, a person found violating, within the limits of the political subdivision, metropolitan housing authority housing project, regional transit authority facilities or areas of a municipal corporation that have been agreed to by a regional transit authority and a municipal corporation located within its territorial jurisdiction, college, university, ~~Ohio~~ veterans' home operated under Chapter 5907. of the Revised Code, or port authority in which the peace officer is appointed,

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employed, or elected, a law of this state, an ordinance of a 6146  
municipal corporation, or a resolution of a township. 6147

(2) A peace officer of the department of natural resources or 6148  
an individual designated to perform law enforcement duties under 6149  
section 511.232, 1545.13, or 6101.75 of the Revised Code shall 6150  
arrest and detain, until a warrant can be obtained, a person found 6151  
violating, within the limits of the peace officer's or 6152  
individual's territorial jurisdiction, a law of this state. 6153

(3) The house sergeant at arms if the house sergeant at arms 6154  
has arrest authority pursuant to division (E)(1) of section 6155  
101.311 of the Revised Code and an assistant house sergeant at 6156  
arms shall arrest and detain, until a warrant can be obtained, a 6157  
person found violating, within the limits of the sergeant at ~~arm's~~ 6158  
arms's or assistant sergeant at ~~arm's~~ arms's territorial 6159  
jurisdiction specified in division (D)(1)(a) of section 101.311 of 6160  
the Revised Code or while providing security pursuant to division 6161  
(D)(1)(f) of section 101.311 of the Revised Code, a law of this 6162  
state, an ordinance of a municipal corporation, or a resolution of 6163  
a township. 6164

(B)(1) When there is reasonable ground to believe that an 6165  
offense of violence, the offense of criminal child enticement as 6166  
defined in section 2905.05 of the Revised Code, the offense of 6167  
public indecency as defined in section 2907.09 of the Revised 6168  
Code, the offense of domestic violence as defined in section 6169  
2919.25 of the Revised Code, the offense of violating a protection 6170  
order as defined in section 2919.27 of the Revised Code, the 6171  
offense of menacing by stalking as defined in section 2903.211 of 6172  
the Revised Code, the offense of aggravated trespass as defined in 6173  
section 2911.211 of the Revised Code, a theft offense as defined 6174  
in section 2913.01 of the Revised Code, or a felony drug abuse 6175  
offense as defined in section 2925.01 of the Revised Code, has 6176  
been committed within the limits of the political subdivision, 6177

## As Reported by the House Finance and Appropriations Committee\*

metropolitan housing authority housing project, regional transit 6178  
authority facilities or those areas of a municipal corporation 6179  
that have been agreed to by a regional transit authority and a 6180  
municipal corporation located within its territorial jurisdiction, 6181  
college, university, Ohio veterans' home operated under Chapter 6182  
5907. of the Revised Code, or port authority in which the peace 6183  
officer is appointed, employed, or elected or within the limits of 6184  
the territorial jurisdiction of the peace officer, a peace officer 6185  
described in division (A) of this section may arrest and detain 6186  
until a warrant can be obtained any person who the peace officer 6187  
has reasonable cause to believe is guilty of the violation. 6188

(2) For purposes of division (B)(1) of this section, the 6189  
execution of any of the following constitutes reasonable ground to 6190  
believe that the offense alleged in the statement was committed 6191  
and reasonable cause to believe that the person alleged in the 6192  
statement to have committed the offense is guilty of the 6193  
violation: 6194

(a) A written statement by a person alleging that an alleged 6195  
offender has committed the offense of menacing by stalking or 6196  
aggravated trespass; 6197

(b) A written statement by the administrator of the 6198  
interstate compact on mental health appointed under section 6199  
5119.51 of the Revised Code alleging that a person who had been 6200  
hospitalized, institutionalized, or confined in any facility under 6201  
an order made pursuant to or under authority of section 2945.37, 6202  
2945.371, 2945.38, 2945.39, 2945.40, 2945.401, or 2945.402 of the 6203  
Revised Code has escaped from the facility, from confinement in a 6204  
vehicle for transportation to or from the facility, or from 6205  
supervision by an employee of the facility that is incidental to 6206  
hospitalization, institutionalization, or confinement in the 6207  
facility and that occurs outside of the facility, in violation of 6208  
section 2921.34 of the Revised Code; 6209

## As Reported by the House Finance and Appropriations Committee\*

(c) A written statement by the administrator of any facility 6210  
in which a person has been hospitalized, institutionalized, or 6211  
confined under an order made pursuant to or under authority of 6212  
section 2945.37, 2945.371, 2945.38, 2945.39, 2945.40, 2945.401, or 6213  
2945.402 of the Revised Code alleging that the person has escaped 6214  
from the facility, from confinement in a vehicle for 6215  
transportation to or from the facility, or from supervision by an 6216  
employee of the facility that is incidental to hospitalization, 6217  
institutionalization, or confinement in the facility and that 6218  
occurs outside of the facility, in violation of section 2921.34 of 6219  
the Revised Code. 6220

(3)(a) For purposes of division (B)(1) of this section, a 6221  
peace officer described in division (A) of this section has 6222  
reasonable grounds to believe that the offense of domestic 6223  
violence or the offense of violating a protection order has been 6224  
committed and reasonable cause to believe that a particular person 6225  
is guilty of committing the offense if any of the following 6226  
occurs: 6227

(i) A person executes a written statement alleging that the 6228  
person in question has committed the offense of domestic violence 6229  
or the offense of violating a protection order against the person 6230  
who executes the statement or against a child of the person who 6231  
executes the statement. 6232

(ii) No written statement of the type described in division 6233  
(B)(3)(a)(i) of this section is executed, but the peace officer, 6234  
based upon the peace officer's own knowledge and observation of 6235  
the facts and circumstances of the alleged incident of the offense 6236  
of domestic violence or the alleged incident of the offense of 6237  
violating a protection order or based upon any other information, 6238  
including, but not limited to, any reasonably trustworthy 6239  
information given to the peace officer by the alleged victim of 6240  
the alleged incident of the offense or any witness of the alleged 6241



## As Reported by the House Finance and Appropriations Committee\*

incident of the offense, concludes that there are reasonable  
grounds to believe that the offense of domestic violence or the  
offense of violating a protection order has been committed and  
reasonable cause to believe that the person in question is guilty  
of committing the offense.

(iii) No written statement of the type described in division  
(B)(3)(a)(i) of this section is executed, but the peace officer  
witnessed the person in question commit the offense of domestic  
violence or the offense of violating a protection order.

(b) If pursuant to division (B)(3)(a) of this section a peace  
officer has reasonable grounds to believe that the offense of  
domestic violence or the offense of violating a protection order  
has been committed and reasonable cause to believe that a  
particular person is guilty of committing the offense, it is the  
preferred course of action in this state that the officer arrest  
and detain that person pursuant to division (B)(1) of this section  
until a warrant can be obtained.

If pursuant to division (B)(3)(a) of this section a peace  
officer has reasonable grounds to believe that the offense of  
domestic violence or the offense of violating a protection order  
has been committed and reasonable cause to believe that family or  
household members have committed the offense against each other,  
it is the preferred course of action in this state that the  
officer, pursuant to division (B)(1) of this section, arrest and  
detain until a warrant can be obtained the family or household  
member who committed the offense and whom the officer has  
reasonable cause to believe is the primary physical aggressor.  
There is no preferred course of action in this state regarding any  
other family or household member who committed the offense and  
whom the officer does not have reasonable cause to believe is the  
primary physical aggressor, but, pursuant to division (B)(1) of  
this section, the peace officer may arrest and detain until a

## As Reported by the House Finance and Appropriations Committee\*

warrant can be obtained any other family or household member who 6274  
committed the offense and whom the officer does not have 6275  
reasonable cause to believe is the primary physical aggressor. 6276

(c) If a peace officer described in division (A) of this 6277  
section does not arrest and detain a person whom the officer has 6278  
reasonable cause to believe committed the offense of domestic 6279  
violence or the offense of violating a protection order when it is 6280  
the preferred course of action in this state pursuant to division 6281  
(B)(3)(b) of this section that the officer arrest that person, the 6282  
officer shall articulate in the written report of the incident 6283  
required by section 2935.032 of the Revised Code a clear statement 6284  
of the officer's reasons for not arresting and detaining that 6285  
person until a warrant can be obtained. 6286

(d) In determining for purposes of division (B)(3)(b) of this 6287  
section which family or household member is the primary physical 6288  
aggressor in a situation in which family or household members have 6289  
committed the offense of domestic violence or the offense of 6290  
violating a protection order against each other, a peace officer 6291  
described in division (A) of this section, in addition to any 6292  
other relevant circumstances, should consider all of the 6293  
following: 6294

(i) Any history of domestic violence or of any other violent 6295  
acts by either person involved in the alleged offense that the 6296  
officer reasonably can ascertain; 6297

(ii) If violence is alleged, whether the alleged violence was 6298  
caused by a person acting in self-defense; 6299

(iii) Each person's fear of physical harm, if any, resulting 6300  
from the other person's threatened use of force against any person 6301  
or resulting from the other person's use or history of the use of 6302  
force against any person, and the reasonableness of that fear; 6303

(iv) The comparative severity of any injuries suffered by the 6304

## As Reported by the House Finance and Appropriations Committee\*

persons involved in the alleged offense. 6305

(e)(i) A peace officer described in division (A) of this 6306  
section shall not require, as a prerequisite to arresting or 6307  
charging a person who has committed the offense of domestic 6308  
violence or the offense of violating a protection order, that the 6309  
victim of the offense specifically consent to the filing of 6310  
charges against the person who has committed the offense or sign a 6311  
complaint against the person who has committed the offense. 6312

(ii) If a person is arrested for or charged with committing 6313  
the offense of domestic violence or the offense of violating a 6314  
protection order and if the victim of the offense does not 6315  
cooperate with the involved law enforcement or prosecuting 6316  
authorities in the prosecution of the offense or, subsequent to 6317  
the arrest or the filing of the charges, informs the involved law 6318  
enforcement or prosecuting authorities that the victim does not 6319  
wish the prosecution of the offense to continue or wishes to drop 6320  
charges against the alleged offender relative to the offense, the 6321  
involved prosecuting authorities, in determining whether to 6322  
continue with the prosecution of the offense or whether to dismiss 6323  
charges against the alleged offender relative to the offense and 6324  
notwithstanding the victim's failure to cooperate or the victim's 6325  
wishes, shall consider all facts and circumstances that are 6326  
relevant to the offense, including, but not limited to, the 6327  
statements and observations of the peace officers who responded to 6328  
the incident that resulted in the arrest or filing of the charges 6329  
and of all witnesses to that incident. 6330

(f) In determining pursuant to divisions (B)(3)(a) to (g) of 6331  
this section whether to arrest a person pursuant to division 6332  
(B)(1) of this section, a peace officer described in division (A) 6333  
of this section shall not consider as a factor any possible 6334  
shortage of cell space at the detention facility to which the 6335  
person will be taken subsequent to the person's arrest or any 6336

## As Reported by the House Finance and Appropriations Committee\*

possibility that the person's arrest might cause, contribute to, 6337  
or exacerbate overcrowding at that detention facility or at any 6338  
other detention facility. 6339

(g) If a peace officer described in division (A) of this 6340  
section intends pursuant to divisions (B)(3)(a) to (g) of this 6341  
section to arrest a person pursuant to division (B)(1) of this 6342  
section and if the officer is unable to do so because the person 6343  
is not present, the officer promptly shall seek a warrant for the 6344  
arrest of the person. 6345

(h) If a peace officer described in division (A) of this 6346  
section responds to a report of an alleged incident of the offense 6347  
of domestic violence or an alleged incident of the offense of 6348  
violating a protection order and if the circumstances of the 6349  
incident involved the use or threatened use of a deadly weapon or 6350  
any person involved in the incident brandished a deadly weapon 6351  
during or in relation to the incident, the deadly weapon that was 6352  
used, threatened to be used, or brandished constitutes contraband, 6353  
and, to the extent possible, the officer shall seize the deadly 6354  
weapon as contraband pursuant to section 2933.43 of the Revised 6355  
Code. Upon the seizure of a deadly weapon pursuant to division 6356  
(B)(3)(h) of this section, section 2933.43 of the Revised Code 6357  
shall apply regarding the treatment and disposition of the deadly 6358  
weapon. For purposes of that section, the "underlying criminal 6359  
offense" that was the basis of the seizure of a deadly weapon 6360  
under division (B)(3)(h) of this section and to which the deadly 6361  
weapon had a relationship is any of the following that is 6362  
applicable: 6363

(i) The alleged incident of the offense of domestic violence 6364  
or the alleged incident of the offense of violating a protection 6365  
order to which the officer who seized the deadly weapon responded; 6366

(ii) Any offense that arose out of the same facts and 6367  
circumstances as the report of the alleged incident of the offense 6368

## As Reported by the House Finance and Appropriations Committee\*

of domestic violence or the alleged incident of the offense of 6369  
violating a protection order to which the officer who seized the 6370  
deadly weapon responded. 6371

(4) If, in the circumstances described in divisions (B)(3)(a) 6372  
to (g) of this section, a peace officer described in division (A) 6373  
of this section arrests and detains a person pursuant to division 6374  
(B)(1) of this section, or if, pursuant to division (B)(3)(h) of 6375  
this section, a peace officer described in division (A) of this 6376  
section seizes a deadly weapon, the officer, to the extent 6377  
described in and in accordance with section 9.86 or 2744.03 of the 6378  
Revised Code, is immune in any civil action for damages for 6379  
injury, death, or loss to person or property that arises from or 6380  
is related to the arrest and detention or the seizure. 6381

(C) When there is reasonable ground to believe that a 6382  
violation of division (A), (B), or (C) of section 4506.15 or a 6383  
violation of section 4511.19 of the Revised Code has been 6384  
committed by a person operating a motor vehicle subject to 6385  
regulation by the public utilities commission of Ohio under Title 6386  
XLIX of the Revised Code, a peace officer with authority to 6387  
enforce that provision of law may stop or detain the person whom 6388  
the officer has reasonable cause to believe was operating the 6389  
motor vehicle in violation of the division or section and, after 6390  
investigating the circumstances surrounding the operation of the 6391  
vehicle, may arrest and detain the person. 6392

(D) If a sheriff, deputy sheriff, marshal, deputy marshal, 6393  
municipal police officer, member of a police force employed by a 6394  
metropolitan housing authority under division (D) of section 6395  
3735.31 of the Revised Code, member of a police force employed by 6396  
a regional transit authority under division (Y) of section 306.35 6397  
of the Revised Code, special police officer employed by a port 6398  
authority under section 4582.04 or 4582.28 of the Revised Code, 6399  
township constable, police officer of a township or joint township 6400

## As Reported by the House Finance and Appropriations Committee\*

police district, state university law enforcement officer 6401  
appointed under section 3345.04 of the Revised Code, peace officer 6402  
of the department of natural resources, individual designated to 6403  
perform law enforcement duties under section 511.232, 1545.13, or 6404  
6101.75 of the Revised Code, the house sergeant at arms if the 6405  
house sergeant at arms has arrest authority pursuant to division 6406  
(E)(1) of section 101.311 of the Revised Code, or an assistant 6407  
house sergeant at arms is authorized by division (A) or (B) of 6408  
this section to arrest and detain, within the limits of the 6409  
political subdivision, metropolitan housing authority housing 6410  
project, regional transit authority facilities or those areas of a 6411  
municipal corporation that have been agreed to by a regional 6412  
transit authority and a municipal corporation located within its 6413  
territorial jurisdiction, port authority, college, or university 6414  
in which the officer is appointed, employed, or elected or within 6415  
the limits of the territorial jurisdiction of the peace officer, a 6416  
person until a warrant can be obtained, the peace officer, outside 6417  
the limits of that territory, may pursue, arrest, and detain that 6418  
person until a warrant can be obtained if all of the following 6419  
apply: 6420

(1) The pursuit takes place without unreasonable delay after 6421  
the offense is committed; 6422

(2) The pursuit is initiated within the limits of the 6423  
political subdivision, metropolitan housing authority housing 6424  
project, regional transit authority facilities or those areas of a 6425  
municipal corporation that have been agreed to by a regional 6426  
transit authority and a municipal corporation located within its 6427  
territorial jurisdiction, port authority, college, or university 6428  
in which the peace officer is appointed, employed, or elected or 6429  
within the limits of the territorial jurisdiction of the peace 6430  
officer; 6431

(3) The offense involved is a felony, a misdemeanor of the 6432

As Reported by the House Finance and Appropriations Committee\*

first degree or a substantially equivalent municipal ordinance, a  
misdemeanor of the second degree or a substantially equivalent  
municipal ordinance, or any offense for which points are  
chargeable pursuant to division (G) of section 4507.021 of the  
Revised Code.

(E) In addition to the authority granted under division (A)  
or (B) of this section:

(1) A sheriff or deputy sheriff may arrest and detain, until  
a warrant can be obtained, any person found violating section  
4503.11, 4503.21, or 4549.01, sections 4549.08 to 4549.12, section  
4549.62, or Chapter 4511. or 4513. of the Revised Code on the  
portion of any street or highway that is located immediately  
adjacent to the boundaries of the county in which the sheriff or  
deputy sheriff is elected or appointed.

(2) A member of the police force of a township police  
district created under section 505.48 of the Revised Code, a  
member of the police force of a joint township police district  
created under section 505.481 of the Revised Code, or a township  
constable appointed in accordance with section 509.01 of the  
Revised Code, who has received a certificate from the Ohio peace  
officer training commission under section 109.75 of the Revised  
Code, may arrest and detain, until a warrant can be obtained, any  
person found violating any section or chapter of the Revised Code  
listed in division (E)(1) of this section, other than sections  
4513.33 and 4513.34 of the Revised Code, on the portion of any  
street or highway that is located immediately adjacent to the  
boundaries of the township police district or joint township  
police district, in the case of a member of a township police  
district or joint township police district police force, or the  
unincorporated territory of the township, in the case of a  
township constable. However, if the population of the township  
that created the township police district served by the member's

## As Reported by the House Finance and Appropriations Committee\*

police force, or the townships that created the joint township  
police district served by the member's police force, or the  
township that is served by the township constable, is sixty  
thousand or less, the member of the township police district or  
joint police district police force or the township constable may  
not make an arrest under division (E)(2) of this section on a  
state highway that is included as part of the interstate system.

(3) A police officer or village marshal appointed, elected,  
or employed by a municipal corporation may arrest and detain,  
until a warrant can be obtained, any person found violating any  
section or chapter of the Revised Code listed in division (E)(1)  
of this section on the portion of any street or highway that is  
located immediately adjacent to the boundaries of the municipal  
corporation in which the police officer or village marshal is  
appointed, elected, or employed.

(4) A peace officer of the department of natural resources or  
an individual designated to perform law enforcement duties under  
section 511.232, 1545.13, or 6101.75 of the Revised Code may  
arrest and detain, until a warrant can be obtained, any person  
found violating any section or chapter of the Revised Code listed  
in division (E)(1) of this section, other than sections 4513.33  
and 4513.34 of the Revised Code, on the portion of any street or  
highway that is located immediately adjacent to the boundaries of  
the lands and waters that constitute the territorial jurisdiction  
of the peace officer.

(F)(1) A department of mental health special police officer  
or a department of mental retardation and developmental  
disabilities special police officer may arrest without a warrant  
and detain until a warrant can be obtained any person found  
committing on the premises of any institution under the  
jurisdiction of the particular department a misdemeanor under a  
law of the state.



## As Reported by the House Finance and Appropriations Committee\*

A department of mental health special police officer or a 6497  
department of mental retardation and developmental disabilities 6498  
special police officer may arrest without a warrant and detain 6499  
until a warrant can be obtained any person who has been 6500  
hospitalized, institutionalized, or confined in an institution 6501  
under the jurisdiction of the particular department pursuant to or 6502  
under authority of section 2945.37, 2945.371, 2945.38, 2945.39, 6503  
2945.40, 2945.401, or 2945.402 of the Revised Code and who is 6504  
found committing on the premises of any institution under the 6505  
jurisdiction of the particular department a violation of section 6506  
2921.34 of the Revised Code that involves an escape from the 6507  
premises of the institution. 6508

(2)(a) If a department of mental health special police 6509  
officer or a department of mental retardation and developmental 6510  
disabilities special police officer finds any person who has been 6511  
hospitalized, institutionalized, or confined in an institution 6512  
under the jurisdiction of the particular department pursuant to or 6513  
under authority of section 2945.37, 2945.371, 2945.38, 2945.39, 6514  
2945.40, 2945.401, or 2945.402 of the Revised Code committing a 6515  
violation of section 2921.34 of the Revised Code that involves an 6516  
escape from the premises of the institution, or if there is 6517  
reasonable ground to believe that a violation of section 2921.34 6518  
of the Revised Code has been committed that involves an escape 6519  
from the premises of an institution under the jurisdiction of the 6520  
department of mental health or the department of mental 6521  
retardation and developmental disabilities and if a department of 6522  
mental health special police officer or a department of mental 6523  
retardation and developmental disabilities special police officer 6524  
has reasonable cause to believe that a particular person who has 6525  
been hospitalized, institutionalized, or confined in the 6526  
institution pursuant to or under authority of section 2945.37, 6527  
2945.371, 2945.38, 2945.39, 2945.40, 2945.401, or 2945.402 of the 6528

## As Reported by the House Finance and Appropriations Committee\*

Revised Code is guilty of the violation, the special police officer, outside of the premises of the institution, may pursue, arrest, and detain that person for that violation of section 2921.34 of the Revised Code, until a warrant can be obtained, if both of the following apply:

(i) The pursuit takes place without unreasonable delay after the offense is committed;

(ii) The pursuit is initiated within the premises of the institution from which the violation of section 2921.34 of the Revised Code occurred.

(b) For purposes of division (F)(2)(a) of this section, the execution of a written statement by the administrator of the institution in which a person had been hospitalized, institutionalized, or confined pursuant to or under authority of section 2945.37, 2945.371, 2945.38, 2945.39, 2945.40, 2945.401, or 2945.402 of the Revised Code alleging that the person has escaped from the premises of the institution in violation of section 2921.34 of the Revised Code constitutes reasonable ground to believe that the violation was committed and reasonable cause to believe that the person alleged in the statement to have committed the offense is guilty of the violation.

(G) As used in this section:

(1) A "department of mental health special police officer" means a special police officer of the department of mental health designated under section 5119.14 of the Revised Code who is certified by the Ohio peace officer training commission under section 109.77 of the Revised Code as having successfully completed an approved peace officer basic training program.

(2) A "department of mental retardation and developmental disabilities special police officer" means a special police officer of the department of mental retardation and developmental

## As Reported by the House Finance and Appropriations Committee\*

disabilities designated under section 5123.13 of the Revised Code 6560  
 who is certified by the Ohio peace officer training council under 6561  
 section 109.77 of the Revised Code as having successfully 6562  
 completed an approved peace officer basic training program. 6563

(3) "Deadly weapon" has the same meaning as in section 6564  
 2923.11 of the Revised Code. 6565

(4) "Family or household member" has the same meaning as in 6566  
 section 2919.25 of the Revised Code. 6567

(5) "Street" or "highway" has the same meaning as in section 6568  
 4511.01 of the Revised Code. 6569

(6) "Interstate system" has the same meaning as in section 6570  
 5516.01 of the Revised Code. 6571

(7) "Peace officer of the department of natural resources" 6572  
 means an employee of the department of natural resources who is a 6573  
 natural resources law enforcement staff officer designated 6574  
 pursuant to section 1501.013, a forest officer designated pursuant 6575  
 to section 1503.29, a preserve officer designated pursuant to 6576  
 section 1517.10, a wildlife officer designated pursuant to section 6577  
 1531.13, a park officer designated pursuant to section 1541.10, or 6578  
 a state watercraft officer designated pursuant to section 1547.521 6579  
 of the Revised Code. 6580

**Sec. 2935.031.** Any agency, instrumentality, or political 6581  
 subdivision of the state that employs a sheriff, deputy sheriff, 6582  
 constable, marshal, deputy marshal, police officer, member of a 6583  
 metropolitan housing authority police force, state university law 6584  
 enforcement officer, or Ohio veterans' home ~~policeman~~ police 6585  
officer with arrest authority under section 2935.03 of the Revised 6586  
 Code or that employs other persons with arrest authority under the 6587  
 Revised Code, shall adopt a policy for the pursuit in a motor 6588  
 vehicle of any person who violates a law of this state or an 6589

## As Reported by the House Finance and Appropriations Committee\*

ordinance of a municipal corporation. The chief law enforcement 6590  
officer or other chief official of the agency, instrumentality, or 6591  
political subdivision shall formally advise each peace officer or 6592  
other person with arrest authority it employs of the pursuit 6593  
policy adopted by that agency, instrumentality, or political 6594  
subdivision pursuant to this section. 6595

**Sec. 3318.01.** As used in sections 3318.01 to 3318.20 of the 6596  
Revised Code: 6597

(A) "Ohio school facilities commission" means the commission 6598  
created pursuant to section 3318.30 of the Revised Code. 6599

(B) "Classroom facilities" means rooms in which pupils 6600  
regularly assemble in public school buildings to receive 6601  
instruction and education and such facilities and building 6602  
improvements for the operation and use of such rooms as may be 6603  
needed in order to provide a complete educational program, and may 6604  
include space within which a child day-care facility or a 6605  
community resource center is housed. "Classroom facilities" 6606  
includes any space necessary for the operation of a vocational 6607  
education program for secondary students in any school district 6608  
that operates such a program. 6609

(C) "Project" means a project to construct or acquire 6610  
classroom facilities, or to reconstruct or make additions to 6611  
existing classroom facilities, to be used for housing the 6612  
applicable school district and its functions. 6613

(D) "School district" means a local, exempted village, or 6614  
city school district as such districts are defined in Chapter 6615  
3311. of the Revised Code, acting as an agency of state 6616  
government, performing essential governmental functions of state 6617  
government pursuant to sections 3318.01 and 3318.20 of the Revised 6618  
Code. 6619

For purposes of assistance provided under sections 3318.40 to 6620

## As Reported by the House Finance and Appropriations Committee\*

3318.45 of the Revised Code, the term "school district" as used in 6621  
this section and in divisions (A), (C), and (D) of section 3318.03 6622  
and in sections 3318.031, 3318.033, 3318.042, 3318.07, 3318.08, 6623  
3318.083, 3318.084, 3318.085, 3318.086, 3318.10, 3318.11, 3318.12, 6624  
3318.13, 3318.14, 3318.15, 3318.16, 3318.19, and 3318.20 of the 6625  
Revised Code means a joint vocational school district established 6626  
pursuant to section 3311.18 of the Revised Code. 6627

(E) "School district board" means the board of education of a 6628  
school district. 6629

(F) "Net bonded indebtedness" means the difference between 6630  
the sum of the par value of all outstanding and unpaid bonds and 6631  
notes which a school district board is obligated to pay, any 6632  
amounts the school district is obligated to pay under 6633  
lease-purchase agreements entered into under section 3313.375 of 6634  
the Revised Code, and the par value of bonds authorized by the 6635  
electors but not yet issued, the proceeds of which can lawfully be 6636  
used for the project, and the amount held in the sinking fund and 6637  
other indebtedness retirement funds for their redemption. Notes 6638  
issued for school buses in accordance with section 3327.08 of the 6639  
Revised Code, notes issued in anticipation of the collection of 6640  
current revenues, and bonds issued to pay final judgments shall 6641  
not be considered in calculating the net bonded indebtedness. 6642

"Net bonded indebtedness" does not include indebtedness 6643  
arising from the acquisition of land to provide a site for 6644  
classroom facilities constructed, acquired, or added to pursuant 6645  
to sections 3318.01 to 3318.20 of the Revised Code. 6646

(G) "Board of elections" means the board of elections of the 6647  
county containing the most populous portion of the school 6648  
district. 6649

(H) "County auditor" means the auditor of the county in which 6650  
the greatest value of taxable property of such school district is 6651

## As Reported by the House Finance and Appropriations Committee\*

- located. 6652
- (I) "Tax duplicates" means the general tax lists and 6653  
duplicates prescribed by sections 319.28 and 319.29 of the Revised 6654  
Code. 6655
- (J) "Required level of indebtedness" means: 6656
- (1) In the case of districts in the first percentile, five 6657  
per cent of the district's valuation for the year preceding the 6658  
year in which the controlling board approved the project under 6659  
section 3318.04 of the Revised Code. 6660
- (2) In the case of districts ranked in a subsequent 6661  
percentile, five per cent of the district's valuation for the year 6662  
preceding the year in which the controlling board approved the 6663  
project under section 3318.04 of the Revised Code, plus [two 6664  
one-hundredths of one per cent multiplied by (the percentile in 6665  
which the district ranks for the fiscal year preceding the fiscal 6666  
year in which the controlling board approved the district's 6667  
project minus one). 6668
- (K) "Required percentage of the basic project costs" means 6669  
one per cent of the basic project costs times the percentile in 6670  
which the district ranks for the fiscal year preceding the fiscal 6671  
year in which the controlling board approved the district's 6672  
project. 6673
- (L) "Basic project cost" means a cost amount determined in 6674  
accordance with rules adopted under section 111.15 of the Revised 6675  
Code by the Ohio school facilities commission. The basic project 6676  
cost calculation shall take into consideration the square footage 6677  
and cost per square foot necessary for the grade levels to be 6678  
housed in the classroom facilities, the variation across the state 6679  
in construction and related costs, the cost of the installation of 6680  
site utilities and site preparation, the cost of demolition of all 6681  
or part of any existing classroom facilities that are abandoned 6682

## As Reported by the House Finance and Appropriations Committee\*

under the project, the cost of insuring the project until it is 6683  
completed, any contingency reserve amount prescribed by the 6684  
commission under section 3318.086 of the Revised Code, and the 6685  
professional planning, administration, and design fees that a 6686  
district may have to pay to undertake a classroom facilities 6687  
project. 6688

For a joint vocational school district that receives 6689  
assistance under sections 3318.40 to 3318.45 of the Revised Code, 6690  
the basic project cost calculation for a project under those 6691  
sections shall also take into account the types of laboratory 6692  
spaces and program square footages needed for the vocational 6693  
education programs for high school students offered by the school 6694  
district. 6695

"Basic project cost" also includes the value of classroom 6696  
facilities authorized in a pre-existing bond issue as described in 6697  
section 3318.033 of the Revised Code. 6698

(M) A(1) Except for a joint vocational school district that 6699  
receives assistance under sections 3318.40 to 3318.45 of the 6700  
Revised Code, a "school district's portion of the basic project 6701  
cost" means the amount determined under section 3318.032 of the 6702  
Revised Code. 6703

(2) For a joint vocational school district that receives 6704  
assistance under sections 3318.40 to 3318.45 of the Revised Code, 6705  
a "school district's portion of the basic project cost" means the 6706  
amount determined under division (C) of section 3318.42 of the 6707  
Revised Code. 6708

(N) "Child day-care facility" means space within a classroom 6709  
facility in which the needs of infants, toddlers, preschool 6710  
children, and school children are provided for by persons other 6711  
than the parent or guardian of such children for any part of the 6712  
day, including persons not employed by the school district 6713  
operating such classroom facility. 6714

## As Reported by the House Finance and Appropriations Committee\*

(O) "Community resource center" means space within a classroom facility in which comprehensive services that support the needs of families and children are provided by community-based social service providers.

(P) "Valuation" means the total value of all property in the district as listed and assessed for taxation on the tax duplicates.

(Q) "Percentile" means the percentile in which the district is ranked pursuant to division (D) of section 3318.011 of the Revised Code.

(R) "Installation of site utilities" means the installation of a site domestic water system, site fire protection system, site gas distribution system, site sanitary system, site storm drainage system, and site telephone and data system.

(S) "Site preparation" means the earthwork necessary for preparation of the building foundation system, the paved pedestrian and vehicular circulation system, playgrounds on the project site, and lawn and planting on the project site.

**Sec. 3318.011.** For purposes of providing assistance under sections 3318.01 to 3318.20 of the Revised Code, the department of education shall annually do all of the following:

(A) Calculate the adjusted valuation per pupil of each city, local, and exempted village school district according to the following formula:

The district's valuation per pupil -  
 [\\$30,000 X (1 - the district's income factor)].

For purposes of this calculation:

(1) "Valuation per pupil" for a district means its average taxable value, divided by its formula ADM reported under section 3317.03 of the Revised Code for the previous fiscal year.



## As Reported by the House Finance and Appropriations Committee\*

(2) "Average taxable value" means the average of the amounts certified for a district in the second, third, and fourth preceding fiscal years under divisions (A)(1) and (2) of section 3317.021 of the Revised Code.

(3) "Income factor" has the same meaning as in section 3317.02 of the Revised Code.

(B) Calculate for each district the three-year average of the adjusted valuations per pupil calculated for the district for the current and two preceding fiscal years;

(C) Rank all such districts in order of adjusted valuation per pupil from the district with the lowest three-year average adjusted valuation per pupil to the district with the highest three-year average adjusted valuation per pupil;

(D) Divide such ranking into percentiles with the first percentile containing the one per cent of school districts having the lowest three-year average adjusted valuations per pupil and the one-hundredth percentile containing the one per cent of school districts having the highest three-year average adjusted valuations per pupil;

(E) Determine the school districts that have three-year average adjusted valuations per pupil that are greater than the median three-year average adjusted valuation per pupil for all school districts in the state;

(F) ~~Certify~~ On or before the first day of September, certify the information described in divisions (A) to (E) of this section to the Ohio school facilities commission.

**Sec. 3318.03.** (A) Before conducting an on-site evaluation of a school district under section 3318.02 of the Revised Code, at the request of the district board of education, the Ohio school facilities commission shall examine any classroom facilities needs

## As Reported by the House Finance and Appropriations Committee\*

assessment that has been conducted by the district and any master 6775  
plan developed for meeting the facility needs of the district. 6776

(B) Upon conducting the on-site evaluation under section 6777  
3318.02 of the Revised Code, the Ohio school facilities commission 6778  
shall make a determination of all of the following: 6779

~~(A)~~(1) The needs of the school district for additional 6780  
classroom facilities; 6781

~~(B)~~(2) The number of classroom facilities to be included in a 6782  
project, including classroom facilities authorized by a bond issue 6783  
described in section 3318.033 of the Revised Code, and the basic 6784  
project cost of constructing, acquiring, reconstructing, or making 6785  
additions to each such facility; 6786

~~(C)~~(3) The amount of such cost that the school district can 6787  
supply from available funds, by the issuance of bonds previously 6788  
authorized by the electors of the school district the proceeds of 6789  
which can lawfully be used for the project, including bonds 6790  
authorized by the district's electors as described in section 6791  
3318.033 of the Revised Code, and by the issuance of bonds under 6792  
section 3318.05 of the Revised Code; 6793

~~(D)~~(4) The remaining amount of such cost that shall be 6794  
supplied by the state; 6795

~~(E)~~(5) The amount of the state's portion to be encumbered in 6796  
accordance with section 3318.11 of the Revised Code in the current 6797  
and subsequent fiscal bienniums from funds appropriated for 6798  
purposes of sections 3318.01 to 3318.20 of the Revised Code. 6799

(C) The commission shall make a determination in favor of 6800  
constructing, acquiring, reconstructing, or making additions to a 6801  
classroom facility only upon evidence that the proposed project 6802  
conforms to sound educational practice, that it is in keeping with 6803  
the orderly process of school district reorganization and 6804  
consolidation, and that the actual or projected enrollment in each 6805

## As Reported by the House Finance and Appropriations Committee\*

classroom facility proposed to be included in the project is at 6806  
 least three hundred fifty pupils. Exceptions shall be authorized 6807  
 only in those districts where topography, sparsity of population, 6808  
 and other factors make larger schools impracticable. 6809

(D) Sections 125.81 and 153.04 of the Revised Code shall not 6810  
 apply to classroom facilities constructed under either sections 6811  
 3318.01 to 3318.20 or sections 3318.40 to 3318.45 of the Revised 6812  
 Code. 6813

**Sec. 3318.031.** The Ohio school facilities commission shall 6814  
 consider student and staff safety when reviewing design plans for 6815  
 classroom facility construction projects proposed under this 6816  
 chapter. After consulting with appropriate education and law 6817  
 enforcement personnel, the commission may require as a condition 6818  
 of project approval under either section 3318.03 or division 6819  
(B)(1) of section 3318.41 of the Revised Code such changes in the 6820  
 design plans as the commission believes will advance or improve 6821  
 student and staff safety in the proposed classroom facility. 6822

To carry out its duties under this section, the commission 6823  
 shall review and, if necessary, amend any construction and design 6824  
 standards used in its project approval process, including 6825  
 standards for location and number of exits and location of 6826  
 restrooms, with a focus on advancing student and staff safety. 6827

**Sec. 3318.032.** (A) The portion of the basic project cost 6828  
 supplied by the school district shall be the greater of: 6829

(1) The required percentage of the basic project costs<sub>7</sub> 6830  
~~determined based on the district's percentile ranking at the time~~ 6831  
~~the controlling board approved the project under section 3318.04~~ 6832  
~~of the Revised Code;~~ 6833

(2) An amount necessary to raise the school district's net 6834  
 bonded indebtedness, as of the date the controlling board approved 6835

## As Reported by the House Finance and Appropriations Committee\*

the project, to within five thousand dollars of the required level of indebtedness. 6836  
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(B) The amount of the district's share determined under this section shall be calculated only as of the date the controlling board approved the project, and that amount applies throughout the one-year period permitted under section 3318.05 of the Revised Code for the district's electors to approve the propositions described in that section. If the amount reserved and encumbered for a project is released because the electors do not approve those propositions within that year, and the school district later receives the controlling board's approval for the project, the district's portion shall be recalculated in accordance with this section as of the date of the controlling board's subsequent approval. 6838  
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(C) Notwithstanding anything to the contrary in division (A) or (B) of this section, at no time shall a school district's portion of the basic project cost be greater than ninety-five per cent of the total basic project cost. 6850  
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6853

**Sec. 3318.033.** If the electors of a school district have approved the issuance of bonds for the acquisition of classroom facilities within eighteen months prior to the school district board's receipt of a notification by the Ohio school facilities commission that the school district is eligible for state assistance under either sections 3318.01 to 3318.20 or sections 3318.40 to 3318.45 of the Revised Code, and if the classroom facilities supported by that bond measure comply with the commission's design specifications for such a project under sections 3318.01 to 3318.20 of the Revised Code, the commission shall include the value of those classroom facilities in the basic project cost of the school district's project determined under section 3318.03 or division (A)(1)(a) of section 3318.41 of the 6854  
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## As Reported by the House Finance and Appropriations Committee\*

Revised Code and shall deduct the amount of the bonds authorized 6867  
 in that bond measure from the amount of the school district's 6868  
 portion of the basic project cost as determined under section 6869  
 3318.032 or 3318.42 of the Revised Code. 6870

A school district board may combine the credit for previously 6871  
 issued bonds authorized under this section along with any local 6872  
 donated contribution, as described under section 3318.084 of the 6873  
 Revised Code, in meeting the school district's obligation to raise 6874  
 its portion of the basic project cost of its classroom facilities 6875  
 project under sections 3318.01 to 3318.20 or sections 3318.40 to 6876  
3318.45 of the Revised Code. 6877

**Sec. 3318.042.** (A) The board of education of any school 6878  
 district that is receiving assistance under sections 3318.01 to 6879  
 3318.20 of the Revised Code after May 20, 1997, or under sections 6880  
3318.40 to 3318.45 of the Revised Code, and whose project is still 6881  
 under construction, may request that the Ohio school facilities 6882  
 commission examine whether the circumstances prescribed in either 6883  
 division (B)(1) or (2) of this section exist in the school 6884  
 district. If the commission so finds, the commission shall review 6885  
 the school district's original assessment and approved project 6886  
~~under sections 3318.01 to 3318.20 of the Revised Code,~~ and 6887  
 consider providing additional assistance to the school district to 6888  
 correct the prescribed conditions found to exist in the district. 6889  
 Additional assistance under this section shall be limited to 6890  
 additions to one or more buildings, remodeling of one or more 6891  
 buildings, or changes to the infrastructure of one or more 6892  
 buildings. 6893

(B) Consideration of additional assistance to a school 6894  
 district under this section is warranted in either of the 6895  
 following circumstances: 6896

(1) Additional work is needed to correct an oversight or 6897

## As Reported by the House Finance and Appropriations Committee\*

deficiency not identified or included in the district's initial 6898  
assessment. 6899

(2) Other conditions exist that, in the opinion of the 6900  
~~commission~~ commission, warrant additions or remodeling of the 6901  
project facilities or changes to infrastructure associated with 6902  
the district's project that were not identified in the initial 6903  
assessment and plan. 6904

(C) If the commission decides in favor of providing 6905  
additional assistance to any school district under this section, 6906  
the school district shall be responsible for paying for its 6907  
portion of the cost of the additions, remodeling, or ~~infrastructure~~ 6908  
infrastructure changes pursuant to section 3318.083 of the Revised 6909  
Code. If, after making a financial evaluation of the school 6910  
district, the commission determines that the school district is 6911  
unable without undue hardship, according to the guidelines adopted 6912  
by the commission, to fund the school district portion of the 6913  
increase, then the state and the school district shall enter into 6914  
an agreement whereby the state shall pay the portion of the cost 6915  
increase attributable to the school district which is determined 6916  
to be in excess of any local resources available to the district 6917  
and the district shall thereafter reimburse the state. The 6918  
commission shall establish the district's schedule for reimbursing 6919  
the state, which shall not extend beyond five years. Debt incurred 6920  
under this section shall not be included in the calculation of the 6921  
net indebtedness of the school district under section 133.06 of 6922  
the Revised Code. 6923

**Sec. 3318.08.** ~~If~~ Except in the case of a joint vocational 6924  
school district that receives assistance under sections 3318.40 to 6925  
3318.45 of the Revised Code, if the requisite favorable vote on 6926  
the election is obtained, or if the school district board has 6927  
resolved to apply the proceeds of a property tax levy or the 6928

## As Reported by the House Finance and Appropriations Committee\*

proceeds of an income tax, or a combination of proceeds from such 6929  
taxes, as authorized in section 3318.052 of the Revised Code, the 6930  
Ohio school facilities commission, upon certification to it of 6931  
either the results of the election or the resolution under section 6932  
3318.052 of the Revised Code, shall enter into a written agreement 6933  
with the school district board for the construction and sale of 6934  
the project, ~~which~~. In the case of a joint vocational school 6935  
district that receives assistance under sections 3318.40 to 6936  
3318.45 of the Revised Code, if the school district board of 6937  
education and the school district electors have satisfied the 6938  
conditions prescribed in division (D)(1) of section 3318.41 of the 6939  
Revised Code, the commission shall enter into an agreement with 6940  
the school district board for the construction and sale of the 6941  
project. In either case, the agreement shall include, but need not 6942  
be limited to, the following provisions: 6943

(A) The sale and issuance of bonds or notes in anticipation 6944  
thereof, as soon as practicable after the execution of the 6945  
agreement, in an amount equal to the school district's portion of 6946  
the basic project cost, including any bonds previously authorized 6947  
by the district's electors as described in section 3318.033 of the 6948  
Revised Code and any securities authorized under division (J) of 6949  
section 133.06 of the Revised Code and dedicated by the school 6950  
district board to payment of the district's portion of the basic 6951  
project cost of the project; provided, that if at that time the 6952  
county treasurer of each county in which the school district is 6953  
located has not commenced the collection of taxes on the general 6954  
duplicate of real and public utility property for the year in 6955  
which the controlling board approved the project, the school 6956  
district board shall authorize the issuance of a first installment 6957  
of bond anticipation notes in an amount specified by the 6958  
agreement, which amount shall not exceed an amount necessary to 6959  
raise the net bonded indebtedness of the school district as of the 6960  
date of the controlling board's approval to within five thousand 6961

As Reported by the House Finance and Appropriations Committee\*

dollars of the required level of indebtedness for the preceding 6962  
year. In the event that a first installment of bond anticipation 6963  
notes is issued, the school district board shall, as soon as 6964  
practicable after the county treasurer of each county in which the 6965  
school district is located has commenced the collection of taxes 6966  
on the general duplicate of real and public utility property for 6967  
the year in which the controlling board approved the project, 6968  
authorize the issuance of a second and final installment of bond 6969  
anticipation notes or a first and final issue of bonds. 6970

The combined value of the first and second installment of 6971  
bond anticipation notes or the value of the first and final issue 6972  
of bonds shall be equal to the school district's portion of the 6973  
basic project cost. The proceeds of any such bonds shall be used 6974  
first to retire any bond anticipation notes. Otherwise, the 6975  
proceeds of such bonds and of any bond anticipation notes, except 6976  
the premium and accrued interest thereon, shall be deposited in 6977  
the school district's project construction fund. In determining 6978  
the amount of net bonded indebtedness for the purpose of fixing 6979  
the amount of an issue of either bonds or bond anticipation notes, 6980  
gross indebtedness shall be reduced by moneys in the bond 6981  
retirement fund only to the extent of the moneys therein on the 6982  
first day of the year preceding the year in which the controlling 6983  
board approved the project. Should there be a decrease in the tax 6984  
valuation of the school district so that the amount of 6985  
indebtedness that can be incurred on the tax duplicates for the 6986  
year in which the controlling board approved the project is less 6987  
than the amount of the first installment of bond anticipation 6988  
notes, there shall be paid from the school district's project 6989  
construction fund to the school district's bond retirement fund to 6990  
be applied against such notes an amount sufficient to cause the 6991  
net bonded indebtedness of the school district, as of the first 6992  
day of the year following the year in which the controlling board 6993



## As Reported by the House Finance and Appropriations Committee\*

approved the project, to be within five thousand dollars of the  
required level of indebtedness for the year in which the  
controlling board approved the project. The maximum amount of  
indebtedness to be incurred by any school district board as its  
share of the cost of the project is either an amount that will  
cause its net bonded indebtedness, as of the first day of the year  
following the year in which the controlling board approved the  
project, to be within five thousand dollars of the required level  
of indebtedness, or an amount equal to the required percentage of  
the basic project costs, whichever is greater. All bonds and bond  
anticipation notes shall be issued in accordance with Chapter 133.  
of the Revised Code, and notes may be renewed as provided in  
section 133.22 of the Revised Code.

(B) The transfer of such funds of the school district board  
available for the project, together with the proceeds of the sale  
of the bonds or notes, except premium, accrued interest, and  
interest included in the amount of the issue, to the school  
district's project construction fund;

(C) For all school districts except joint vocational school  
districts that receive assistance under sections 3318.40 to  
3318.45 of the Revised Code, the following provisions as  
applicable:

(1) If section 3318.052 of the Revised Code applies, the  
earmarking of the proceeds of a tax levied under section 5705.21  
of the Revised Code for general ongoing permanent or under section  
5705.218 of the Revised Code for the purpose of permanent  
improvements, or the proceeds of a school district income tax  
levied under Chapter 5748. of the Revised Code, or the proceeds  
from a combination of those two taxes, in an amount to pay all or  
part of the service charges on bonds issued to pay the school  
district portion of the project and an amount equivalent to all or  
part of the tax required under division (B) of section 3318.05 of

## As Reported by the House Finance and Appropriations Committee\*

the Revised Code;	7026
<del>(D)(2)</del> If section 3318.052 of the Revised Code does not	7027
apply, either of the following:	7028
<del>(1)(a)</del> The levy of the tax authorized at the election for the	7029
payment of maintenance costs, as specified in division (B) of	7030
section 3318.05 of the Revised Code;	7031
<del>(2)(b)</del> If the school district electors have approved a	7032
continuing tax of at least two mills for each dollar of valuation	7033
for general ongoing permanent improvements under section 5705.21	7034
of the Revised Code and that tax can be used for maintenance, the	7035
earmarking of an amount of the proceeds from such tax for	7036
maintenance of classroom facilities as specified in division (B)	7037
of section 3318.05 of the Revised Code.	7038
<u>(D) For joint vocational school districts that receive</u>	7039
<u>assistance under sections 3318.40 to 3318.45 of the Revised Code,</u>	7040
<u>provision for deposit of school district moneys dedicated to</u>	7041
<u>maintenance of the classroom facilities acquired under those</u>	7042
<u>sections as prescribed in section 3318.43 of the Revised Code;</u>	7043
(E) Dedication of any local donated contribution as provided	7044
for under section 3318.084 of the Revised Code, including a	7045
schedule for depositing such moneys applied as an offset of the	7046
district's obligation to levy the tax described in division (B) of	7047
section 3318.05 of the Revised Code as required under division	7048
(D)(2) of section 3318.084 of the Revised Code;	7049
(F) Ownership of or interest in the project during the period	7050
of construction, which shall be divided between the commission and	7051
the school district board in proportion to their respective	7052
contributions to the school district's project construction fund;	7053
	7054
(G) Maintenance of the state's interest in the project until	7055
any obligations issued for the project under section 3318.26 of	7056

## As Reported by the House Finance and Appropriations Committee\*

the Revised Code are no longer outstanding; 7057

(H) The insurance of the project by the school district from 7058  
the time there is an insurable interest therein and so long as the 7059  
state retains any ownership or interest in the project pursuant to 7060  
division (F) of this section, in such amounts and against such 7061  
risks as the commission shall require; provided, that the cost of 7062  
any required insurance until the project is completed shall be a 7063  
part of the basic project cost; 7064

(I) The certification by the director of budget and 7065  
management that funds are available and have been set aside to 7066  
meet the state's share of the basic project cost as approved by 7067  
the controlling board pursuant to either section 3318.04 or 7068  
division (B)(1) of section 3318.41 of the Revised Code; 7069

(J) Authorization of the school district board to advertise 7070  
for and receive construction bids for the project, for and on 7071  
behalf of the commission, and to award contracts in the name of 7072  
the state subject to approval by the commission; 7073

(K) Provisions for the disbursement of moneys from the school 7074  
district's project account upon issuance by the commission or the 7075  
commission's designated representative of vouchers for work done 7076  
to be certified to the commission by the treasurer of the school 7077  
district board; 7078

(L) Disposal of any balance left in the school district's 7079  
project construction fund upon completion of the project; 7080

(M) Limitations upon use of the project or any part of it so 7081  
long as any obligations issued to finance the project under 7082  
section 3318.26 of the Revised Code are outstanding; 7083

(N) Provision for vesting the state's interest in the project 7084  
to the school district board when the obligations issued to 7085  
finance the project under section 3318.26 of the Revised Code are 7086  
outstanding; 7087

## As Reported by the House Finance and Appropriations Committee\*

(O) Provision for deposit of an executed copy of the agreement in the office of the commission; 7088  
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(P) Provision for termination of the contract and release of the funds encumbered at the time of the conditional approval, if the proceeds of the sale of the bonds of the school district board are not paid into the school district's project construction fund and if bids for the construction of the project have not been taken within such period after the execution of the agreement as may be fixed by the commission; 7090  
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(Q) Provision for the school district to maintain the project in accordance with a plan approved by the commission; 7097  
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(R)(1) For all school districts except ~~those~~ a district undertaking a project under section 3318.38 of the Revised Code or a joint vocational school district undertaking a project under sections 3318.40 to 3318.45 of the Revised Code, provision that all state funds reserved and encumbered to pay the state share of the cost of the project pursuant to section 3318.03 of the Revised Code be spent on the construction or acquisition of the project prior to the expenditure of any funds provided by the school district to pay for its share of the project cost, unless the school district certifies to the commission that expenditure by the school district is necessary to maintain the tax-exempt status of notes or bonds issued by the school district to pay for its share of the project cost or to comply with applicable temporary investment periods or spending exceptions to rebate as provided for under federal law in regard to those notes or bonds, in which cases, the school district may commit to spend, or spend, a portion of the funds it provides; 7099  
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(2) For a school districts district undertaking a project under section 3318.38 of the Revised Code or a joint vocational school district undertaking a project under sections 3318.40 to 3318.45 of the Revised Code, provision that the state funds 7116  
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## As Reported by the House Finance and Appropriations Committee\*

reserved and encumbered and the funds provided by the school 7120  
 district to pay the basic project cost of any segment of the 7121  
 project, or of the entire project if it is not divided into 7122  
 segments, be spent on the construction and acquisition of the 7123  
 project simultaneously in proportion to the state's and the school 7124  
 district's respective shares of that basic project cost as 7125  
 determined under section 3318.032 of the Revised Code or, if the 7126  
district is a joint vocational school district, under section 7127  
3318.42 of the Revised Code. 7128

(S) A provision stipulating that the commission may prohibit 7129  
 the district from proceeding with any project if the commission 7130  
 determines that the site is not suitable for construction 7131  
 purposes. The commission may perform soil tests in its 7132  
 determination of whether a site is appropriate for construction 7133  
 purposes. 7134

(T) A provision stipulating that, unless otherwise authorized 7135  
 by the commission, any contingency reserve portion of the 7136  
 construction budget prescribed by the commission shall be used 7137  
 only to pay costs resulting from unforeseen job conditions, to 7138  
 comply with rulings regarding building and other codes, to pay 7139  
 costs related to design clarifications or corrections to contract 7140  
 documents, and to pay the costs of settlements or judgments 7141  
 related to the project as provided under section 3318.086 of the 7142  
 Revised Code. 7143

**Sec. 3318.084.** (A) Notwithstanding anything to the contrary 7144  
 in Chapter 3318. of the Revised Code, a school district board may 7145  
 apply any local donated contribution toward ~~either or both~~ any of 7146  
 the following: 7147

(1) The district's portion of the basic project cost of a 7148  
 project under either sections 3318.01 to 3318.20 or sections 7149  
3318.40 to 3318.45 of the Revised Code to reduce the amount of 7150

## As Reported by the House Finance and Appropriations Committee\*

bonds the district otherwise must issue in order to receive state 7151  
assistance under those sections; 7152

(2) An If the school district is not a joint vocational 7153  
school district proceeding under sections 3318.40 to 3318.45 of 7154  
the Revised Code, an offset of all or part of a district's 7155  
obligation to levy the tax described in division (B) of section 7156  
3318.05 of the Revised Code, which shall be applied only in the 7157  
manner prescribed in division (B) of this section; 7158

(3) If the school district is a joint vocational school 7159  
district proceeding under sections 3318.40 to 3318.45 of the 7160  
Revised Code, all or part of the amount the school district is 7161  
obligated to set aside for maintenance of the classroom facilities 7162  
acquired under that project pursuant to section 3318.43 of the 7163  
Revised Code. 7164

(B) No school district board shall apply any local donated 7165  
contribution under division (A)(2) of this section unless the Ohio 7166  
school facilities commission first approves that application. 7167

Upon the request of the school district board to apply local 7168  
donated contribution under division (A)(2) of this section, the 7169  
commission in consultation with the department of taxation shall 7170  
determine the amount of total revenue that likely would be 7171  
generated by one-half mill of the tax described in division (B) of 7172  
section 3318.05 of the Revised Code over the entire 7173  
twenty-three-year period required under that section and shall 7174  
deduct from that amount any amount of local donated contribution 7175  
that the board has committed to apply under division (A)(2) of 7176  
this section. The commission then shall determine in consultation 7177  
with the department of taxation the rate of tax over twenty-three 7178  
years necessary to generate the amount of a one-half mill tax not 7179  
offset by the local donated contribution. Notwithstanding anything 7180  
to the contrary in section 3318.06, 3318.061, or 3318.361 of the 7181  
Revised Code, the rate determined by the commission shall be the 7182

## As Reported by the House Finance and Appropriations Committee\*

rate for which the district board shall seek elector approval 7183  
under those sections to meet its obligation under division (B) of 7184  
section 3318.05 of the Revised Code. In the case of a complete 7185  
offset of the district's obligation under division (B) of section 7186  
3318.05 of the Revised Code, the district shall not be required to 7187  
levy the tax otherwise required under that section. At the end of 7188  
the twenty-three-year period of the tax required under division 7189  
(B) of section 3318.05 of the Revised Code, whether or not the tax 7190  
is actually levied, the commission in consultation of the 7191  
department of taxation shall recalculate the amount that would 7192  
have been generated by the tax if it had been levied at one-half 7193  
mill. If the total amount actually generated over that period from 7194  
both the tax that was actually levied and any local donated 7195  
contribution applied under division (A)(2) of this section is less 7196  
than the amount that would have been raised by a one-half mill 7197  
tax, the district shall pay any difference. If the total amount 7198  
actually raised in such manner is greater than the amount that 7199  
would have been raised by a one-half mill tax the difference shall 7200  
be zero and no payments shall be made by either the district or 7201  
the commission. 7202

(C) As used in this section, "local donated contribution" 7203  
means any of the following: 7204

(1) Any moneys irrevocably donated or granted to a school 7205  
district board by a source other than the state which the board 7206  
has the authority to apply to the school district's project under 7207  
sections 3318.01 to 3318.20 of the Revised Code and which the 7208  
board has pledged for that purpose by resolution adopted by a 7209  
majority of its members; 7210

(2) Any irrevocable letter of credit issued on behalf of a 7211  
school district or any cash a school district has on hand, 7212  
including any year-end operating fund balances, that can be spent 7213  
for classroom facilities, either of which the school district 7214

## As Reported by the House Finance and Appropriations Committee\*

board has encumbered for payment of the school district's share of 7215  
its project under sections 3318.01 to 3318.20 of the Revised Code 7216  
and either of which has been approved by the commission in 7217  
consultation with the department of education; 7218

(3) Any moneys spent by a source other than the school 7219  
district or the state for construction or renovation of specific 7220  
classroom facilities that have been approved by the commission as 7221  
part of the basic project cost of the district's project. The 7222  
school district, the commission, and the entity providing the 7223  
local donated contribution under division (C)(3) of this section 7224  
shall enter into an agreement ~~indentifying~~ identifying the 7225  
classroom facilities to be acquired by the expenditures made by 7226  
that entity. The agreement shall include, but not be limited to, 7227  
stipulations that require an audit by the commission of such 7228  
expenditures made on behalf of the district and that specify the 7229  
maximum amount of credit to be allowed for those expenditures. 7230  
Upon completion of the construction or renovation, the commission 7231  
shall determine the actual amount that the commission will credit, 7232  
at the request of the district board, toward the district's 7233  
portion of the basic project cost, any project cost overruns, or 7234  
the basic project cost of future segments if the project has been 7235  
divided into segments under section 3318.38 of the Revised Code. 7236  
The actual amount of the credit shall not exceed the lesser of the 7237  
amount specified in the agreement or the actual cost of the 7238  
construction or renovation. 7239

(D) No state moneys shall be released for a project to which 7240  
this section applies until: 7241

(1) Any local donated contribution authorized under division 7242  
(A)(1) of this section is first deposited into the school 7243  
district's project construction fund. 7244

(2) The school district board and the commission have 7245  
included a stipulation in their agreement entered into under 7246



## As Reported by the House Finance and Appropriations Committee\*

section 3318.08 of the Revised Code under which the board will 7247  
 deposit into a fund approved by the commission according to a 7248  
 schedule that does not extend beyond the anticipated completion 7249  
 date of the project the total amount of any local donated 7250  
 contribution authorized under division (A)(2) or (3) of this 7251  
 section and dedicated by the board for that purpose. 7252

However, if any local donated contribution as described in 7253  
 division (C)(3) of this section has been approved under this 7254  
 section, the state moneys may be released even if the entity 7255  
 providing that local donated contribution has not spent the moneys 7256  
 so dedicated as long as the agreement required under that section 7257  
 has been executed. 7258

**Sec. 3318.086.** The construction budget for any project under 7259  
 sections 3318.01 to 3318.20 or sections 3318.40 to 3318.45 of the 7260  
 Revised Code shall contain a contingency reserve in an amount 7261  
 prescribed by the Ohio school facilities commission, which unless 7262  
 otherwise authorized by the commission, shall be used only to pay 7263  
 costs resulting from unforeseen job conditions, to comply with 7264  
 rulings regarding building and other codes, to pay costs related 7265  
 to design clarifications or corrections to contract documents, and 7266  
 to pay the costs of settlements or judgments related to the 7267  
 project. 7268

**Sec. 3318.10.** When such working drawings, specifications, and 7269  
 estimates of cost have been approved by the school district board 7270  
 and the Ohio school facilities commission, the treasurer of the 7271  
 school district board shall advertise for construction bids in 7272  
 accordance with section 3313.46 of the Revised Code. Such notices 7273  
 shall state that plans and specifications for the project are on 7274  
 file in the office of the commission and such other place as may 7275  
 be designated in such notice, and the time and place when and 7276  
 where bids therefor will be received. 7277

## As Reported by the House Finance and Appropriations Committee\*

The form of proposal to be submitted by bidders shall be 7278  
supplied by the commission. Bidders may be permitted to bid upon 7279  
all the branches of work and materials to be furnished and 7280  
supplied, upon any branch thereof, or upon all or any thereof. 7281

When the construction bids for all branches of work and 7282  
materials have been tabulated, the commission shall cause to be 7283  
prepared a revised estimate of the basic project cost based upon 7284  
the lowest responsible bids received. If such revised estimate 7285  
exceeds the estimated basic project cost as approved by the 7286  
controlling board pursuant to section 3318.04 or division (B)(1) 7287  
of section 3318.41 of the Revised Code, no contracts may be 7288  
entered into pursuant to this section unless such revised estimate 7289  
is approved by the commission and by the controlling board 7290  
~~referred to in section 3318.04 of the Revised Code.~~ When such 7291  
revised estimate has been prepared, and after such approvals are 7292  
given, if necessary, and if the school district board has caused 7293  
to be transferred to the project construction fund the proceeds 7294  
from the sale of the first or first and final installment of its 7295  
bonds or bond anticipation notes pursuant to the provision of 7296  
written agreement required by division (B) of section 3318.08 of 7297  
the Revised Code, and when the director of budget and management 7298  
has certified that there is a balance in the appropriation, not 7299  
otherwise obligated to pay precedent obligations, pursuant to 7300  
which the state's share of such revised estimate is required to be 7301  
paid, the contract for all branches of work and materials to be 7302  
furnished and supplied, or for any branch thereof as determined by 7303  
the school district board, shall be awarded by the school district 7304  
board to the lowest responsible bidder subject to the approval of 7305  
the commission. Such award shall be made within sixty days after 7306  
the date on which the bids are opened, and the successful bidder 7307  
shall enter into a contract within ten days after the successful 7308  
bidder is notified of the award of the contract. 7309

## As Reported by the House Finance and Appropriations Committee\*

Subject to the approval of the commission, the school 7310  
 district board may reject all bids and readvertise. Any contract 7311  
 made under this section shall be made in the name of the state and 7312  
 executed on its behalf by the president and treasurer of the 7313  
 school district board. 7314

The provisions of sections 9.312 and 3313.46 of the Revised 7315  
 Code, which are applicable to construction contracts of boards of 7316  
 education, shall apply to construction contracts for the project. 7317

The remedies afforded to any subcontractor, materials 7318  
 supplier, laborer, mechanic, or persons furnishing material or 7319  
 machinery for the project under sections 1311.26 to 1311.32 of the 7320  
 Revised Code, shall apply to contracts entered into under this 7321  
 section and the itemized statement required by section 1311.26 of 7322  
 the Revised Code shall be filed with the school district board. 7323

**Sec. 3318.12.** (A) The Ohio school facilities commission shall 7324  
 cause to be transferred to the school district's project 7325  
 construction fund the necessary amounts from amounts appropriated 7326  
 by the general assembly and set aside for such purpose, from time 7327  
 to time as may be necessary to pay obligations chargeable to such 7328  
 fund when due. All investment earnings of a school district's 7329  
 project construction fund shall be credited to the fund. 7330

(B) The treasurer of the school district board shall disburse 7331  
 funds from the school district's project construction fund, 7332  
 including investment earnings credited to the fund, only upon the 7333  
 approval of the commission or the commission's designated 7334  
 representative. The commission or the commission's designated 7335  
 representative shall issue vouchers against such fund, in such 7336  
 amounts, and at such times as required by the contracts for 7337  
 construction of the project. 7338

(C) After the project has been completed: 7339

## As Reported by the House Finance and Appropriations Committee\*

~~(A)~~(1) Any investment earnings remaining in the project 7340  
 construction fund that are attributable to the school district's 7341  
 contribution to the fund shall be transferred to the district's 7342  
 maintenance fund required by division (B) of section 3318.05 or 7343  
section 3318.43 of the Revised Code, and the money shall be used 7344  
 solely for maintaining the classroom facilities included in the 7345  
 project. 7346

~~(B)~~(2) Any investment earnings remaining in the project 7347  
 construction fund that are attributable to the state's 7348  
 contribution to the fund shall be transferred to the commission 7349  
 for expenditure pursuant to sections 3318.01 to 3318.20 or 7350  
sections 3318.40 to 3318.45 of the Revised Code. 7351

~~(C)~~(3) Any other surplus remaining in the school district's 7352  
 project construction fund after the project has been completed 7353  
 shall be transferred to the commission and the school district 7354  
 board in proportion to their respective contributions to the fund. 7355  
 The commission shall use the money transferred to it under this 7356  
 division for expenditure pursuant to sections 3318.01 to 3318.20 7357  
or sections 3318.40 to 3318.45 of the Revised Code. 7358

(D) Pursuant to appropriations of the general assembly, any 7359  
moneys transferred to the commission under division (C)(2) or (3) 7360  
of this section from a project construction fund for a project 7361  
under sections 3318.40 to 3318.45 of the Revised Code may be used 7362  
for future expenditures for projects under sections 3318.40 to 7363  
3318.45 of the Revised Code, notwithstanding the two per cent 7364  
annual limit specified in division (B) of section 3318.40 of the 7365  
Revised Code. 7366

**Sec. 3318.15.** There is hereby created the public school 7367  
 building fund within the state treasury consisting of any moneys 7368  
 transferred or appropriated to the fund by the general assembly 7369  
 and any grants, gifts, or contributions received by the Ohio 7370

## As Reported by the House Finance and Appropriations Committee\*

school facilities commission to be used for the purposes of the 7371  
 fund. All investment earnings of the fund shall be credited to the 7372  
 fund. 7373

Moneys transferred or appropriated to the fund by the general 7374  
 assembly and moneys in the fund from grants, gifts, and 7375  
 contributions shall be used for the purposes of ~~sections 3318.01~~ 7376  
~~to 3318.20~~ Chapter 3318. of the Revised Code. ~~The moneys in the~~ 7377  
~~fund received from payments to the state pursuant to division (C)~~ 7378  
~~of section 3318.08 of the Revised Code shall be held in a separate~~ 7379  
~~account in the fund. Such moneys may be used partially for the~~ 7380  
~~purposes of sections 3318.01 to 3318.20 of the Revised Code and~~ 7381  
~~partially to pay bond service charges as defined in division (C)~~ 7382  
~~of section 3318.21 of the Revised Code on obligations as~~ 7383  
prescribed by the general assembly. 7384

**Sec. 3318.19.** A complete detailed report of the expenditure 7385  
 of funds pursuant to ~~the provisions of~~ sections 3318.01 to 3318.20 7386  
and sections 3318.40 to 3318.45 of the Revised Code shall be made 7387  
 by the Ohio school facilities commission biennially to the general 7388  
 assembly. The report shall contain a detailed statement of 7389  
 classroom facilities acquired in whole or in part by the state and 7390  
 sold to school districts, ~~the moneys received from school~~ 7391  
~~districts for credit against their indebtedness to the state,~~ and 7392  
 such other information as will advise the general assembly of the 7393  
 nature and progress of this program. 7394

**Sec. 3318.25.** There is hereby created in the state treasury 7395  
 the school building program assistance fund. The fund shall 7396  
 consist of the proceeds of obligations issued for the purposes of 7397  
 such fund pursuant to section 3318.26 of the Revised Code that are 7398  
 payable from moneys in the lottery profits education fund created 7399  
 in section 3770.06 of the Revised Code or pursuant to section 7400  
 151.03 of the Revised Code. All investment earnings of the fund 7401

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shall be credited to the fund. Moneys in the fund shall be used as 7402  
 directed by the Ohio school facilities commission for the cost to 7403  
 the state of constructing classroom facilities under ~~sections~~ 7404  
~~3318.01 to 3318.20~~ Chapter 3318. of the Revised Code as prescribed 7405  
by the general assembly. 7406

**Sec. 3318.26.** (A) The provisions of this section apply only 7407  
 to obligations issued by the issuing authority prior to December 7408  
 1, 1999. 7409

(B) Subject to the limitations provided in section 3318.29 of 7410  
 the Revised Code, the issuing authority, upon the certification by 7411  
 the Ohio school facilities commission to the issuing authority of 7412  
 the amount of moneys or additional moneys needed in the school 7413  
 building program assistance fund for the purposes of sections 7414  
 3318.01 to 3318.20 and sections 3318.40 to 3318.45 of the Revised 7415  
 Code, or needed for capitalized interest, for funding reserves, 7416  
 and for paying costs and expenses incurred in connection with the 7417  
 issuance, carrying, securing, paying, redeeming, or retirement of 7418  
 the obligations or any obligations refunded thereby, including 7419  
 payment of costs and expenses relating to letters of credit, lines 7420  
 of credit, insurance, put agreements, standby purchase agreements, 7421  
 indexing, marketing, remarketing and administrative arrangements, 7422  
 interest swap or hedging agreements, and any other credit 7423  
 enhancement, liquidity, remarketing, renewal, or refunding 7424  
 arrangements, all of which are authorized by this section, shall 7425  
 issue obligations of the state under this section in the required 7426  
 amount. The proceeds of such obligations, except for obligations 7427  
 issued to provide moneys for the school building program 7428  
 assistance fund shall be deposited by the treasurer of state in 7429  
 special funds, including reserve funds, as provided in the bond 7430  
 proceedings. The issuing authority may appoint trustees, paying 7431  
 agents, and transfer agents and may retain the services of 7432  
 financial advisors and accounting experts and retain or contract 7433

**As Reported by the House Finance and Appropriations Committee\***

for the services of marketing, remarketing, indexing, and 7434  
administrative agents, other consultants, and independent 7435  
contractors, including printing services, as are necessary in the 7436  
issuing authority's judgment to carry out this section. The costs 7437  
of such services are payable from the school building program 7438  
assistance fund or any special fund determined by the issuing 7439  
authority. 7440

(C) The holders or owners of such obligations shall have no 7441  
right to have moneys raised by taxation obligated or pledged, and 7442  
moneys raised by taxation shall not be obligated or pledged, for 7443  
the payment of bond service charges. Such holders or owners shall 7444  
have no rights to payment of bond service charges from any money 7445  
or property received by the commission, treasurer of state, or the 7446  
state, or from any other use of the proceeds of the sale of the 7447  
obligations, and no such moneys may be used for the payment of 7448  
bond service charges, except for accrued interest, capitalized 7449  
interest, and reserves funded from proceeds received upon the sale 7450  
of the obligations and except as otherwise expressly provided in 7451  
the applicable bond proceedings pursuant to written directions by 7452  
the treasurer of state. The right of such holders and owners to 7453  
payment of bond service charges shall be limited to all or that 7454  
portion of the pledged receipts and those special funds pledged 7455  
thereto pursuant to the bond proceedings in accordance with this 7456  
section, and each such obligation shall bear on its face a 7457  
statement to that effect. 7458

(D) Obligations shall be authorized by resolution or order of 7459  
the issuing authority and the bond proceedings shall provide for 7460  
the purpose thereof and the principal amount or amounts, and shall 7461  
provide for or authorize the manner or agency for determining the 7462  
principal maturity or maturities, not exceeding the limits 7463  
specified in section 3318.29 of the Revised Code, the interest 7464  
rate or rates or the maximum interest rate, the date of the 7465

## As Reported by the House Finance and Appropriations Committee\*

obligations and the dates of payment of interest thereon, their 7466  
denomination, and the establishment within or without the state of 7467  
a place or places of payment of bond service charges. Sections 7468  
9.98 to 9.983 of the Revised Code are applicable to obligations 7469  
issued under this section, subject to any applicable limitation 7470  
under section 3318.29 of the Revised Code. The purpose of such 7471  
obligations may be stated in the bond proceedings in terms 7472  
describing the general purpose or purposes to be served. The bond 7473  
proceedings shall also provide, subject to the provisions of any 7474  
other applicable bond proceedings, for the pledge of all, or such 7475  
part as the issuing authority may determine, of the pledged 7476  
receipts and the applicable special fund or funds to the payment 7477  
of bond service charges, which pledges may be made either prior or 7478  
subordinate to other expenses, claims, or payments, and may be 7479  
made to secure the obligations on a parity with obligations 7480  
theretofore or thereafter issued, if and to the extent provided in 7481  
the bond proceedings. The pledged receipts and special funds so 7482  
pledged and thereafter received by the state are immediately 7483  
subject to the lien of such pledge without any physical delivery 7484  
thereof or further act, and the lien of any such pledges is valid 7485  
and binding against all parties having claims of any kind against 7486  
the state or any governmental agency of the state, irrespective of 7487  
whether such parties have notice thereof, and shall create a 7488  
perfected security interest for all purposes of Chapter 1309. of 7489  
the Revised Code, without the necessity for separation or delivery 7490  
of funds or for the filing or recording of the bond proceedings by 7491  
which such pledge is created or any certificate, statement or 7492  
other document with respect thereto; and the pledge of such 7493  
pledged receipts and special funds is effective and the money 7494  
therefrom and thereof may be applied to the purposes for which 7495  
pledged without necessity for any act of appropriation, except as 7496  
required by section 3770.06 of the Revised Code. Every pledge, and 7497  
every covenant and agreement made with respect thereto, made in 7498



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the bond proceedings may therein be extended to the benefit of the owners and holders of obligations authorized by this section, and to any trustee therefor, for the further security of the payment of the bond service charges.

(E) The bond proceedings may contain additional provisions as to:

(1) The redemption of obligations prior to maturity at the option of the issuing authority at such price or prices and under such terms and conditions as are provided in the bond proceedings;

(2) Other terms of the obligations;

(3) Limitations on the issuance of additional obligations;

(4) The terms of any trust agreement or indenture securing the obligations or under which the same may be issued;

(5) The deposit, investment and application of special funds, and the safeguarding of moneys on hand or on deposit, without regard to Chapter 131., 133., or 135. of the Revised Code, but subject to any special provisions of sections 3318.21 to 3318.29 of the Revised Code, with respect to particular funds or moneys, provided that any bank or trust company that acts as depository of any moneys in the special funds may furnish such indemnifying bonds or may pledge such securities as required by the issuing authority;

(6) Any or every provision of the bond proceedings being binding upon such officer, board, commission, authority, agency, department, or other person or body as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision;

(7) Any provision that may be made in a trust agreement or indenture;

(8) The lease or sublease of any interest of the school

## As Reported by the House Finance and Appropriations Committee\*

district or the state in one or more projects as defined in 7529  
division (C) of section 3318.01 of the Revised Code, or in one or 7530  
more permanent improvements, to or from the issuing authority, as 7531  
provided in one or more lease or sublease agreements between the 7532  
school or the state and the issuing authority; 7533

(9) Any other or additional agreements with the holders of 7534  
the obligations, or the trustee therefor, relating to the 7535  
obligations or the security therefor. 7536

(F) The obligations may have the great seal of the state or a 7537  
facsimile thereof affixed thereto or printed thereon. The 7538  
obligations and any coupons pertaining to obligations shall be 7539  
signed or bear the facsimile signature of the issuing authority. 7540  
Any obligations or coupons may be executed by the person who, on 7541  
the date of execution, is the proper issuing authority although on 7542  
the date of such bonds or coupons such person was not the issuing 7543  
authority. In case the issuing authority whose signature or a 7544  
facsimile of whose signature appears on any such obligation or 7545  
coupon ceases to be the issuing authority before delivery thereof, 7546  
such signature or facsimile is nevertheless valid and sufficient 7547  
for all purposes as if the issuing authority had remained the 7548  
issuing authority until such delivery; and in case the seal to be 7549  
affixed to obligations has been changed after a facsimile of the 7550  
seal has been imprinted on such obligations, such facsimile seal 7551  
shall continue to be sufficient as to such obligations and 7552  
obligations issued in substitution or exchange therefor. 7553

(G) All obligations are negotiable instruments and securities 7554  
under Chapter 1308. of the Revised Code, subject to the provisions 7555  
of the bond proceedings as to registration. The obligations may be 7556  
issued in coupon or in registered form, or both, as the issuing 7557  
authority determines. Provision may be made for the registration 7558  
of any obligations with coupons attached thereto as to principal 7559  
alone or as to both principal and interest, their exchange for 7560

## As Reported by the House Finance and Appropriations Committee\*

obligations so registered, and for the conversion or reconversion 7561  
into obligations with coupons attached thereto of any obligations 7562  
registered as to both principal and interest, and for reasonable 7563  
charges for such registration, exchange, conversion, and 7564  
reconversion. 7565

(H) Obligations may be sold at public sale or at private 7566  
sale, as determined in the bond proceedings. 7567

(I) Pending preparation of definitive obligations, the 7568  
issuing authority may issue interim receipts or certificates which 7569  
shall be exchanged for such definitive obligations. 7570

(J) In the discretion of the issuing authority, obligations 7571  
may be secured additionally by a trust agreement or indenture 7572  
between the issuing authority and a corporate trustee which may be 7573  
any trust company or bank having its principal place of business 7574  
within the state. Any such agreement or indenture may contain the 7575  
resolution or order authorizing the issuance of the obligations, 7576  
any provisions that may be contained in any bond proceedings, and 7577  
other provisions that are customary or appropriate in an agreement 7578  
or indenture of such type, including, but not limited to: 7579

(1) Maintenance of each pledge, trust agreement, indenture, 7580  
or other instrument comprising part of the bond proceedings until 7581  
the state has fully paid the bond service charges on the 7582  
obligations secured thereby, or provision therefor has been made; 7583

(2) In the event of default in any payments required to be 7584  
made by the bond proceedings, or any other agreement of the 7585  
issuing authority made as a part of the contract under which the 7586  
obligations were issued, enforcement of such payments or agreement 7587  
by mandamus, the appointment of a receiver, suit in equity, action 7588  
at law, or any combination of the foregoing; 7589

(3) The rights and remedies of the holders of obligations and 7590  
of the trustee, and provisions for protecting and enforcing them, 7591

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including limitations on rights of individual holders of obligations; 7592  
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(4) The replacement of any obligations that become mutilated or are destroyed, lost, or stolen; 7594  
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(5) Such other provisions as the trustee and the issuing authority agree upon, including limitations, conditions, or qualifications relating to any of the foregoing. 7596  
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(K) Any holder of obligations or a trustee under the bond proceedings, except to the extent that the holder's or trustee's rights are restricted by the bond proceedings, may by any suitable form of legal proceedings, protect and enforce any rights under the laws of this state or granted by such bond proceedings. Such rights include the right to compel the performance of all duties of the issuing authority, the commission, or the director of budget and management required by sections 3318.21 to 3318.29 of the Revised Code or the bond proceedings; to enjoin unlawful activities; and in the event of default with respect to the payment of any bond service charges on any obligations or in the performance of any covenant or agreement on the part of the issuing authority, the commission, or the director of budget and management in the bond proceedings, to apply to a court having jurisdiction of the cause to appoint a receiver to receive and administer the pledged receipts and special funds, other than those in the custody of the treasurer of state or the commission, which are pledged to the payment of the bond service charges on such obligations or which are the subject of the covenant or agreement, with full power to pay, and to provide for payment of bond service charges on, such obligations, and with such powers, subject to the direction of the court, as are accorded receivers in general equity cases, excluding any power to pledge additional revenues or receipts or other income or moneys of the issuing authority or the state or governmental agencies of the state to 7599  
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## As Reported by the House Finance and Appropriations Committee\*

the payment of such principal and interest and excluding the power 7624  
to take possession of, mortgage, or cause the sale or otherwise 7625  
dispose of any permanent improvement. 7626

Each duty of the issuing authority and the issuing 7627  
authority's officers and employees, and of each governmental 7628  
agency and its officers, members, or employees, undertaken 7629  
pursuant to the bond proceedings or any agreement or loan made 7630  
under authority of sections 3318.21 to 3318.29 of the Revised 7631  
Code, and in every agreement by or with the issuing authority, is 7632  
hereby established as a duty of the issuing authority, and of each 7633  
such officer, member, or employee having authority to perform such 7634  
duty, specifically enjoined by the law resulting from an office, 7635  
trust, or station within the meaning of section 2731.01 of the 7636  
Revised Code. 7637

The person who is at the time the issuing authority, or the 7638  
issuing authority's officers or employees, are not liable in their 7639  
personal capacities on any obligations issued by the issuing 7640  
authority or any agreements of or with the issuing authority. 7641

(L) Obligations issued under this section are lawful 7642  
investments for banks, societies for savings, savings and loan 7643  
associations, deposit guarantee associations, trust companies, 7644  
trustees, fiduciaries, insurance companies, including domestic for 7645  
life and domestic not for life, trustees or other officers having 7646  
charge of sinking and bond retirement or other special funds of 7647  
political subdivisions and taxing districts of this state, the 7648  
commissioners of the sinking fund of the state, the administrator 7649  
of workers' compensation, the state teachers retirement system, 7650  
the public employees retirement system, the school employees 7651  
retirement system, and the Ohio police and fire pension fund, 7652  
notwithstanding any other provisions of the Revised Code or rules 7653  
adopted pursuant thereto by any governmental agency of the state 7654  
with respect to investments by them, and also are acceptable as 7655

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security for the deposit of public moneys. 7656

(M) Unless otherwise provided in any applicable bond 7657  
proceedings, moneys to the credit of or in the special funds 7658  
established by or pursuant to this section may be invested by or 7659  
on behalf of the issuing authority only in notes, bonds, or other 7660  
obligations of the United States, or of any agency or 7661  
instrumentality of the United States, obligations guaranteed as to 7662  
principal and interest by the United States, obligations of this 7663  
state or any political subdivision of this state, and certificates 7664  
of deposit of any national bank located in this state and any 7665  
bank, as defined in section 1101.01 of the Revised Code, subject 7666  
to inspection by the superintendent of financial institutions. If 7667  
the law or the instrument creating a trust pursuant to division 7668  
(J) of this section expressly permits investment in direct 7669  
obligations of the United States or an agency of the United 7670  
States, unless expressly prohibited by the instrument, such moneys 7671  
also may be invested in no front end load money market mutual 7672  
funds consisting exclusively of obligations of the United States 7673  
or an agency of the United States and in repurchase agreements, 7674  
including those issued by the fiduciary itself, secured by 7675  
obligations of the United States or an agency of the United 7676  
States; and in collective investment funds established in 7677  
accordance with section 1111.14 of the Revised Code and consisting 7678  
exclusively of any such securities, notwithstanding division 7679  
(B)(1)(c) of that section. The income from such investments shall 7680  
be credited to such funds as the issuing authority determines, and 7681  
such investments may be sold at such times as the issuing 7682  
authority determines or authorizes. 7683

(N) Provision may be made in the applicable bond proceedings 7684  
for the establishment of separate accounts in the bond service 7685  
fund and for the application of such accounts only to the 7686  
specified bond service charges on obligations pertinent to such 7687

## As Reported by the House Finance and Appropriations Committee\*

accounts and bond service fund and for other accounts therein 7688  
within the general purposes of such fund. Unless otherwise 7689  
provided in any applicable bond proceedings, moneys to the credit 7690  
of or in the several special funds established pursuant to this 7691  
section shall be disbursed on the order of the treasurer of state, 7692  
provided that no such order is required for the payment from the 7693  
bond service fund when due of bond service charges on obligations. 7694

(O) The issuing authority may pledge all, or such portion as 7695  
the issuing authority determines, of the pledged receipts to the 7696  
payment of bond service charges on obligations issued under this 7697  
section, and for the establishment and maintenance of any 7698  
reserves, as provided in the bond proceedings, and make other 7699  
provisions therein with respect to pledged receipts as authorized 7700  
by this chapter, which provisions shall be controlling 7701  
notwithstanding any other provisions of law pertaining thereto. 7702

(P) The issuing authority may covenant in the bond 7703  
proceedings, and any such covenants shall be controlling 7704  
notwithstanding any other provision of law, that the state and 7705  
applicable officers and governmental agencies of the state, 7706  
including the general assembly, so long as any obligations are 7707  
outstanding, shall: 7708

(1) Maintain statutory authority for and cause to be operated 7709  
the state lottery, including the transfers to and from the lottery 7710  
profits education fund created in section 3770.06 of the Revised 7711  
Code so that the pledged receipts shall be sufficient in amount to 7712  
meet bond service charges, and the establishment and maintenance 7713  
of any reserves and other requirements provided for in the bond 7714  
proceedings; 7715

(2) Take or permit no action, by statute or otherwise, that 7716  
would impair the exclusion from gross income for federal income 7717  
tax purposes of the interest on any obligations designated by the 7718  
bond proceeding as tax-exempt obligations. 7719

## As Reported by the House Finance and Appropriations Committee\*

(Q) There is hereby created the school building program bond 7720  
service fund, which shall be in the custody of the treasurer of 7721  
state but shall be separate and apart from and not a part of the 7722  
state treasury. All moneys received by or on account of the 7723  
issuing authority or state agencies and required by the applicable 7724  
bond proceedings, consistent with this section, to be deposited, 7725  
transferred, or credited to the school building program bond 7726  
service fund, and all other moneys transferred or allocated to or 7727  
received for the purposes of the fund, shall be deposited and 7728  
credited to such fund and to any separate accounts therein, 7729  
subject to applicable provisions of the bond proceedings, but 7730  
without necessity for any act of appropriation, except as required 7731  
by section 3770.06 of the Revised Code. During the period 7732  
beginning with the date of the first issuance of obligations and 7733  
continuing during such time as any such obligations are 7734  
outstanding, and so long as moneys in the school building program 7735  
bond service fund are insufficient to pay all bond service charges 7736  
on such obligations becoming due in each year, a sufficient amount 7737  
of the moneys from the lottery profits education fund included in 7738  
pledged receipts, subject to appropriation for such purpose as 7739  
provided in section 3770.06 of the Revised Code, are committed and 7740  
shall be paid to the school building program bond service fund in 7741  
each year for the purpose of paying the bond service charges 7742  
becoming due in that year. The school building program bond 7743  
service fund is a trust fund and is hereby pledged to the payment 7744  
of bond service charges solely on obligations issued to provide 7745  
moneys for the school building program assistance fund to the 7746  
extent provided in the applicable bond proceedings, and payment 7747  
thereof from such fund shall be made or provided for by the 7748  
treasurer of state in accordance with such bond proceedings 7749  
without necessity for any act of appropriation except as required 7750  
by section 3770.06 of the Revised Code. 7751



## As Reported by the House Finance and Appropriations Committee\*

(R) The obligations, the transfer thereof, and the income 7752  
therefrom, including any profit made on the sale thereof, at all 7753  
times shall be free from taxation within the state. 7754

~~Sec. 3318.311. Not less than six months after the effective 7755  
date of this section, the Ohio school facilities commission shall 7756  
present to the speaker of the house of representatives, the 7757  
president of the senate, and the governor a proposal for 7758  
legislation to provide classroom facilities assistance to joint 7759  
vocational school districts. 7760~~

Not later than six months after ~~the effective date of this~~ 7761  
~~section~~ September 14, 2000, the Ohio school facilities commission 7762  
shall establish design specifications for classroom facilities 7763  
that are appropriate for joint vocational education programs. The 7764  
specifications shall provide standards for appropriate pupil 7765  
instruction space but shall not include standards for any 7766  
vocational education furnishings or equipment that is not 7767  
comparable to, or the vocational education equivalent of, the 7768  
furnishings or equipment for which assistance is available to 7769  
other school districts under sections 3318.01 to 3318.20 of the 7770  
Revised Code. 7771

Beginning September 1, 2003, from time to time the commission 7772  
may amend the specifications as determined necessary by the 7773  
commission; however, any project under sections 3318.40 to 3318.45 7774  
of the Revised Code approved by the commission prior to the most 7775  
recent amendment to the specifications shall not be subject to the 7776  
provisions of such amendment. 7777

**Sec. 3318.36.** (A)(1) As used in this section: 7778

~~(1)~~(a) "Ohio school facilities commission," "classroom 7779  
facilities," "school district," "school district board," "net 7780  
bonded indebtedness," "required percentage of the basic project 7781

## As Reported by the House Finance and Appropriations Committee\*

costs," "basic project cost," "valuation," and "percentile" have 7782  
the same meanings as in section 3318.01 of the Revised Code. 7783

+2)(b) "Required level of indebtedness" means five per cent 7784  
of the school district's valuation for the year preceding the year 7785  
in which the commission and school district enter into an 7786  
agreement under division (B) of this section, plus [two 7787  
one-hundredths of one per cent multiplied by (the percentile in 7788  
which the district ranks ~~in the fiscal year the commission and the~~ 7789  
~~school district enter into such agreement~~ minus one)]. 7790

+3)(c) "Local resources" means any moneys generated in any 7791  
manner permitted for a school district board to raise the school 7792  
district portion of a project undertaken with assistance under 7793  
sections 3318.01 to 3318.20 of the Revised Code. 7794

(2) For purposes of determining either the required level of 7795  
indebtedness, as defined in division (A)(1)(b) of this section, or 7796  
the required percentage of the basic project costs, under division 7797  
(C)(1) of this section, the percentile ranking of a school 7798  
district with which the commission has entered into an agreement 7799  
under this section between the first day of July and the 7800  
thirty-first day of August in each fiscal year is the percentile 7801  
ranking calculated for that district for the immediately preceding 7802  
fiscal year, and the percentile ranking of a school district with 7803  
which the commission has entered into such agreement between the 7804  
first day of September and the thirtieth day of June in each 7805  
fiscal year is the percentile ranking calculated for that district 7806  
for the current fiscal year. 7807

(B)(1) There is hereby established the school building 7808  
assistance expedited local partnership program. Under the program, 7809  
the Ohio school facilities commission may enter into an agreement 7810  
with the school district board of any school district under which 7811  
the school district board may proceed with the new construction or 7812  
major repairs of a part of the school district's classroom 7813

## As Reported by the House Finance and Appropriations Committee\*

facilities needs, as determined under sections 3318.01 to 3318.20 7814  
of the Revised Code, through the expenditure of local resources 7815  
prior to the school district's eligibility for state assistance 7816  
under sections 3318.01 to 3318.20 of the Revised Code and may 7817  
apply that expenditure toward meeting the school district's 7818  
portion of the basic project cost of the total of the school 7819  
district's classroom facilities needs, as determined under 7820  
sections 3318.01 to 3318.20 of the Revised Code and as 7821  
recalculated under division (E) of this section, that are eligible 7822  
for state assistance under sections 3318.01 to 3318.20 of the 7823  
Revised Code when the school district becomes eligible for such 7824  
state assistance. Any school district that is reasonably expected 7825  
to receive assistance under sections 3318.01 to 3318.20 of the 7826  
Revised Code within two fiscal years from the date the school 7827  
district adopts its resolution under division (B) of this section 7828  
shall not be eligible to participate in the program. 7829

(2) To participate in the program, a school district board 7830  
shall first adopt a resolution certifying to the commission the 7831  
board's intent to participate in the program. 7832

The resolution shall specify the approximate date that the 7833  
board intends to seek elector approval of any bond or tax measures 7834  
or to apply other local resources to use to pay the cost of 7835  
classroom facilities to be constructed under this section. The 7836  
resolution may specify the application of local resources or 7837  
elector-approved bond or tax measures after the resolution is 7838  
adopted by the board, and in such case the board may proceed with 7839  
a discrete portion of its project under this section as soon as 7840  
the commission and the controlling board have approved the basic 7841  
project cost of the district's classroom facilities needs as 7842  
specified in division (D) of this section. The board shall submit 7843  
its resolution to the commission not later than ten days after the 7844  
date the resolution is adopted by the board. 7845

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The commission shall not consider any resolution that is submitted pursuant to division (B)(2) of this section, as amended by this amendment, sooner than September 14, 2000.

(3) Any project under this section shall comply with section 3318.03 of the Revised Code and with any specifications for plans and materials for classroom facilities adopted by the commission under section 3318.04 of the Revised Code.

(4) If a school district that enters into an agreement under this section has not begun a project applying local resources as provided for under that agreement at the time the district is notified by the commission that it is eligible to receive state assistance under sections 3318.01 to 3318.20 of the Revised Code, all assessment and agreement documents entered into under this section are void.

(5) Only construction of or repairs to classroom facilities that have been approved by the commission and have been therefore included as part of a district's basic project cost qualify for application of local resources under this section.

(C) Based on the results of the on-site visits and assessment conducted under division (B)(2) of this section, the commission shall determine the basic project cost of the school district's classroom facilities needs. The commission shall determine the school district's portion of such basic project cost, which shall be the greater of:

(1) The required percentage of the basic project costs, determined based on the school district's percentile ranking ~~in the fiscal year the commission and the school district enter into the agreement under division (B) of this section;~~

(2) An amount necessary to raise the school district's net bonded indebtedness, as of the fiscal year the commission and the school district enter into the agreement under division (B) of

## As Reported by the House Finance and Appropriations Committee\*

this section, to within five thousand dollars of the required  
level of indebtedness. 7877  
7878

(D)(1) When the commission determines the basic project cost 7879  
of the classroom facilities needs of a school district and the 7880  
school district's portion of that basic project cost under 7881  
division (C) of this section, the project shall be conditionally 7882  
approved. Such conditional approval shall be submitted to the 7883  
controlling board for approval thereof. The controlling board 7884  
shall forthwith approve or reject the commission's determination, 7885  
conditional approval, and the amount of the state's portion of the 7886  
basic project cost; however, no state funds shall be encumbered 7887  
under this section. Upon approval by the controlling board, the 7888  
school district board may identify a discrete part of its 7889  
classroom facilities needs, which shall include only new 7890  
construction of or additions or major repairs to a particular 7891  
building, to address with local resources. Upon identifying a part 7892  
of the school district's basic project cost to address with local 7893  
resources, the school district board may allocate any available 7894  
school district moneys to pay the cost of that identified part, 7895  
including the proceeds of an issuance of bonds if approved by the 7896  
electors of the school district. 7897

All local resources utilized under this division shall first 7898  
be deposited in the project construction account required under 7899  
section 3318.08 of the Revised Code. 7900

(2) Unless the school district board exercises its option 7901  
under division (D)(3) of this section, for a school district to 7902  
qualify for participation in the program authorized under this 7903  
section, one of the following conditions shall be satisfied: 7904

(a) The electors of the school district by a majority vote 7905  
shall approve the levy of taxes outside the ten-mill limitation 7906  
for a period of twenty-three years at the rate of not less than 7907  
one-half mill for each dollar of valuation to be used to pay the 7908

## As Reported by the House Finance and Appropriations Committee\*

cost of maintaining the classroom facilities included in the basic 7909  
project cost as determined by the commission. The form of the 7910  
ballot to be used to submit the question whether to approve the 7911  
tax required under this division to the electors of the school 7912  
district shall be the form for an additional levy of taxes 7913  
prescribed in section 3318.361 of the Revised Code, which may be 7914  
combined in a single ballot question with the questions prescribed 7915  
under section 5705.218 of the Revised Code. 7916

(b) As authorized under division (C) of section 3318.05 of 7917  
the Revised Code, the school district board shall earmark from the 7918  
proceeds of a permanent improvement tax levied under section 7919  
5705.21 of the Revised Code, an amount equivalent to the 7920  
additional tax otherwise required under division (D)(2)(a) of this 7921  
section for the maintenance of the classroom facilities included 7922  
in the basic project cost as determined by the commission. 7923

(c) The school district board shall apply the proceeds of a 7924  
tax to leverage bonds as authorized under section 3318.052 of the 7925  
Revised Code or dedicate a local donated contribution in the 7926  
manner described in division (B) of section 3318.084 of the 7927  
Revised Code in an amount equivalent to the additional tax 7928  
otherwise required under division (D)(2)(a) of this section for 7929  
the maintenance of the classroom facilities included in the basic 7930  
project cost as determined by the commission. 7931

(3) A school district board may opt to delay levying the 7932  
additional tax required under division (D)(2)(a) of this section 7933  
or earmarking of the proceeds of a permanent improvement tax 7934  
alternatively required under division (D)(2)(b) of this section 7935  
until such time as the school district becomes eligible for state 7936  
assistance under sections 3318.01 to 3318.20 of the Revised Code. 7937  
In order to exercise its option under this division, the board 7938  
shall certify to the commission a resolution indicating the 7939  
board's intent to do so prior to entering into an agreement under 7940

## As Reported by the House Finance and Appropriations Committee\*

division (B) of this section. 7941

(4) If pursuant to division (D)(3) of this section a district 7942  
board opts to delay levying an additional tax until the district 7943  
becomes eligible for state assistance, it shall submit the 7944  
question of levying that tax to the district electors as follows: 7945  
7946

(a) In accordance with section 3318.06 of the Revised Code if 7947  
it will also be necessary pursuant to division (E) of this section 7948  
to submit a proposal for approval of a bond issue; 7949

(b) In accordance with section 3318.361 of the Revised Code 7950  
if it is not necessary to also submit a proposal for approval of a 7951  
bond issue pursuant to division (E) of this section. 7952

(5) No state assistance under sections 3318.01 to 3318.20 of 7953  
the Revised Code shall be released until a school district board 7954  
that adopts and certifies a resolution under this division either 7955  
has levied the additional tax or has earmarked the proceeds of a 7956  
tax as specified in division (D) of this section. 7957

Any amount required for maintenance under division (D)(2) of 7958  
this section shall be deposited into a separate fund as specified 7959  
in division (B) of section 3318.05 of the Revised Code. 7960

(E)(1) If the school district becomes eligible for state 7961  
assistance under sections 3318.01 to 3318.20 of the Revised Code 7962  
based on its percentile ranking as determined under division (B) 7963  
of this section, the commission shall conduct a new assessment of 7964  
the school district's classroom facilities needs and shall 7965  
recalculate the basic project cost based on this new assessment. 7966  
The basic project cost recalculated under this division shall 7967  
include the amount of expenditures made by the school district 7968  
board under division (D)(1) of this section. The commission shall 7969  
then recalculate the school district's portion of the new basic 7970  
project cost, which shall be the percentage of the original basic 7971

As Reported by the House Finance and Appropriations Committee\*

project cost assigned to the school district as its portion under 7972  
division (C) of this section. The commission shall deduct the 7973  
expenditure of school district moneys made under division (D)(1) 7974  
of this section from the school district's portion of the basic 7975  
project cost as recalculated under this division. If the amount of 7976  
school district resources applied by the school district board to 7977  
the school district's portion of the basic project cost under this 7978  
section is less than the total amount of such portion as 7979  
recalculated under this division, the school district board by a 7980  
majority vote of all of its members shall, if it desires to seek 7981  
state assistance under sections 3318.01 to 3318.20 of the Revised 7982  
Code, adopt a resolution as specified in section 3318.06 of the 7983  
Revised Code to submit to the electors of the school district the 7984  
question of approval of a bond issue in order to pay any 7985  
additional amount of school district portion required for state 7986  
assistance. Any tax levy approved under division (D) of this 7987  
section satisfies the requirements to levy the additional tax 7988  
under section 3318.06 of the Revised Code. 7989

(2) If the amount of school district resources applied by the 7990  
school district board to the school district's portion of the 7991  
basic project cost under this section is more than the total 7992  
amount of such portion as recalculated under this division, within 7993  
one year after the school district's portion is recalculated under 7994  
division (E)(1) of this section the commission may grant to the 7995  
school district the difference between the two calculated 7996  
portions, but at no time shall the commission expend any state 7997  
funds on a project in an amount greater than the state's portion 7998  
of the basic project cost as recalculated under this division. 7999

Any reimbursement under this division shall be only for local 8000  
resources the school district has applied toward construction cost 8001  
expenditures for the classroom facilities approved by the 8002  
commission, which shall not include any financing costs associated 8003



## As Reported by the House Finance and Appropriations Committee\*

with that construction. 8004

The school district board shall use any moneys reimbursed to 8005  
the district under this division to pay off any debt service the 8006  
district owes for classroom facilities constructed under its 8007  
project under this section before such moneys are applied to any 8008  
other purpose. 8009

Sec. 3318.40. (A)(1) Sections 3318.40 to 3318.45 of the 8010  
Revised Code apply only to joint vocational school districts. 8011

(2) As used in sections 3318.40 to 3318.45 of the Revised 8012  
Code: 8013

(a) "Ohio school facilities commission," "classroom 8014  
facilities," "project," and "basic project cost" have the same 8015  
meanings as in section 3318.01 of the Revised Code. 8016

(b) "Acquisition of classroom facilities" means constructing, 8017  
reconstructing, repairing, or making additions to classroom 8018  
facilities. 8019

(B) There is hereby established the vocational school 8020  
facilities assistance program. Under the program, the Ohio school 8021  
facilities commission shall provide assistance to joint vocational 8022  
school districts for the acquisition of classroom facilities 8023  
suitable to the vocational education programs of the districts in 8024  
accordance with sections 3318.40 to 3318.45 of the Revised Code. 8025  
For purposes of the program, beginning July 1, 2003, the 8026  
commission annually may set aside up to two per cent of the 8027  
aggregate amount appropriated to it for classroom facilities 8028  
assistance projects in the education facilities trust fund, 8029  
established under section 183.26 of the Revised Code; the public 8030  
school building fund, established under section 3318.15 of the 8031  
Revised Code; and the school building program assistance fund, 8032  
established under section 3318.25 of the Revised Code. 8033

## As Reported by the House Finance and Appropriations Committee\*

(C) The commission shall not provide assistance for any 8034  
distinct part of a project under sections 3318.40 to 3318.45 of 8035  
the Revised Code that when completed will be used exclusively for 8036  
an adult education program or exclusively for operation of a 8037  
driver training school for instruction leading to the issuance of 8038  
a commercial driver's license under Chapter 4506. of the Revised 8039  
Code, except for life safety items and basic building components 8040  
necessary for complete and continuous construction or renovation 8041  
of a classroom facility as determined by the commission. 8042

(D) The commission shall not provide assistance under 8043  
sections 3318.40 to 3318.45 of the Revised Code to acquire 8044  
classroom facilities for vocational educational instruction at a 8045  
location under the control of a school district that is a member 8046  
of a joint vocational school district. Any assistance to acquire 8047  
classroom facilities for vocational educational instruction at 8048  
such location shall be provided to the school district that is a 8049  
member of the joint vocational school district through other 8050  
provisions of this chapter when that member school district is 8051  
eligible for assistance under those provisions. 8052

(E) By September 1, 2003, the commission shall assess the 8053  
classroom facilities needs of at least five joint vocational 8054  
school districts, according to the order of priority prescribed in 8055  
division (B) of section 3318.42 of the Revised Code, and based on 8056  
the results of those assessments shall determine the extent to 8057  
which amendments to the specifications adopted under section 8058  
3318.311 of the Revised Code are warranted. The commission, 8059  
thereafter, may amend the specifications as provided in that 8060  
section. 8061

(F) After the commission has conducted the assessments 8062  
prescribed in division (E) of this section, the commission shall 8063  
establish, by rule adopted in accordance with section 111.15 of 8064  
the Revised Code, guidelines for the commission to use in deciding 8065

## As Reported by the House Finance and Appropriations Committee\*

whether to waive compliance with the design specifications adopted 8066  
under section 3318.311 of the Revised Code when determining the 8067  
number of facilities and the basic project cost of projects as 8068  
prescribed in division (A)(1)(a) of section 3318.41 of the Revised 8069  
Code. The guidelines shall address the following situations: 8070

(1) Under what circumstances, if any, particular classroom 8071  
facilities are adequate to meet the needs of the school district 8072  
even though the facilities do not comply with the specifications 8073  
adopted under section 3318.311 of the Revised Code; 8074

(2) Under what circumstances, if any, particular classroom 8075  
facilities will be renovated or repaired rather than replaced by 8076  
construction of new facilities. 8077

**Sec. 3318.41.** (A)(1) The Ohio school facilities commission 8078  
annually shall assess the classroom facilities needs of the number 8079  
of joint vocational school districts that the commission 8080  
reasonably expects to be able to provide assistance to in a fiscal 8081  
year, based on the amount set aside for that fiscal year under 8082  
division (B) of section 3318.40 of the Revised Code and the order 8083  
of priority prescribed in division (B) of section 3318.42 of the 8084  
Revised Code, except that in fiscal year 2004 the commission shall 8085  
conduct at least the five assessments prescribed in division (E) 8086  
of section 3318.40 of the Revised Code. 8087

Upon conducting an assessment of the classroom facilities 8088  
needs of a school district, the commission shall make a 8089  
determination of all of the following: 8090

(a) The number of classroom facilities to be included in a 8091  
project, including classroom facilities authorized by a bond issue 8092  
described in section 3318.033 of the Revised Code, and the basic 8093  
project cost of acquiring the classroom facilities included in the 8094  
project. The number of facilities and basic project cost shall be 8095  
determined in accordance with the specifications adopted under 8096

## As Reported by the House Finance and Appropriations Committee\*

section 3318.311 of the Revised Code except to the extent that 8097  
compliance with such specifications is waived by the commission 8098  
pursuant to the rule of the commission adopted under division (F) 8099  
of section 3318.40 of the Revised Code. 8100

(b) The school district's portion of the basic project cost 8101  
as determined under division (C) of section 3318.42 of the Revised 8102  
Code; 8103

(c) The remaining portion of the basic project cost that 8104  
shall be supplied by the state; 8105

(d) The amount of the state's portion of the basic project 8106  
cost to be encumbered in accordance with section 3318.11 of the 8107  
Revised Code in the current and subsequent fiscal bienniums from 8108  
funds set aside under division (B) of section 3318.40 of the 8109  
Revised Code. 8110

(2) Divisions (A), (C), and (D) of section 3318.03 of the 8111  
Revised Code apply to any project under sections 3318.40 to 8112  
3318.45 of the Revised Code. 8113

(B)(1) If the commission makes a determination under division 8114  
(A) of this section in favor of the acquisition of classroom 8115  
facilities for a project under sections 3318.40 to 3318.45 of the 8116  
Revised Code, such project shall be conditionally approved. Such 8117  
conditional approval shall be submitted to the controlling board 8118  
for approval. The controlling board shall immediately approve or 8119  
reject the commission's determination, conditional approval, the 8120  
amount of the state's portion of the basic project cost, and the 8121  
amount of the state's portion of the basic project cost to be 8122  
encumbered in the current fiscal biennium. In the event of 8123  
approval by the controlling board, the commission shall certify 8124  
the conditional approval to the joint vocational school district 8125  
board of education and shall encumber the approved funds for the 8126  
current fiscal year. 8127

## As Reported by the House Finance and Appropriations Committee\*

(2) No school district that receives assistance under sections 3318.40 to 3318.45 of the Revised Code shall have another such project conditionally approved until the expiration of twenty years after the school district's prior project was conditionally approved, unless the school district board demonstrates to the satisfaction of the commission that the school district has experienced since conditional approval of its prior project an exceptional increase in enrollment or program requirements significantly above the school district's design capacity under that prior project as determined by rule of the commission. Any rule adopted by the commission to implement this division shall be tailored to address the classroom facilities needs of joint vocational school districts.

(C) In addition to generating the amount of the school district's portion of the basic project cost as determined under division (C) of section 3318.42 of the Revised Code, in order for a school district to receive assistance under sections 3318.40 to 3318.45 of the Revised Code, the school district board shall set aside school district moneys for the maintenance of the classroom facilities included in the school district's project in the amount and manner prescribed in section 3318.43 of the Revised Code.

(D)(1) The conditional approval for a project certified under division (B)(1) of this section shall lapse and the amount reserved and encumbered for such project shall be released unless both of the following conditions are satisfied:

(a) Within one hundred twenty days following the date of certification of the conditional approval to the joint vocational school district board, the school district board accepts the conditional approval and certifies to the commission the school district board's plan to generate the school district's portion of the basic project cost, as determined under division (C) of section 3318.42 of the Revised Code, and to set aside moneys for

## As Reported by the House Finance and Appropriations Committee\*

<u>maintenance of the classroom facilities acquired under the</u>	8160
<u>project, as prescribed in section 3318.43 of the Revised Code.</u>	8161
<u>(b) Within one year following the date of certification of</u>	8162
<u>the conditional approval to the school district board, the</u>	8163
<u>electors of the school district vote favorably on any ballot</u>	8164
<u>measures proposed by the school district board to generate the</u>	8165
<u>school district's portion of the basic project cost.</u>	8166
<u>(2) If the school district board or electors fail to satisfy</u>	8167
<u>the conditions prescribed in division (D)(1) of this section and</u>	8168
<u>the amount reserved and encumbered for the school district's</u>	8169
<u>project is released, the school district shall be given first</u>	8170
<u>priority over other joint vocational school districts for project</u>	8171
<u>funding under sections 3318.40 to 3318.45 of the Revised Code as</u>	8172
<u>such funds become available.</u>	8173
<u>(E) If the conditions prescribed in division (D)(1) of this</u>	8174
<u>section are satisfied, the commission and the school district</u>	8175
<u>board shall enter into an agreement as prescribed in section</u>	8176
<u>3318.08 of the Revised Code and shall proceed with the development</u>	8177
<u>of plans, cost estimates, designs, drawings, and specifications as</u>	8178
<u>prescribed in section 3318.091 of the Revised Code.</u>	8179
<u>(F) Costs in excess of those approved by the commission under</u>	8180
<u>section 3318.091 of the Revised Code shall be payable only as</u>	8181
<u>provided in sections 3318.042 and 3318.083 of the Revised Code.</u>	8182
<u>(G) Advertisement for bids and the award of contracts for</u>	8183
<u>construction of any project under sections 3318.40 to 3318.45 of</u>	8184
<u>the Revised Code shall be conducted in accordance with section</u>	8185
<u>3318.10 of the Revised Code.</u>	8186
<u>(H) The state funds reserved and encumbered and the funds</u>	8187
<u>provided by the school district to pay the basic project cost of a</u>	8188
<u>project under sections 3318.40 to 3318.45 of the Revised Code</u>	8189
<u>shall be spent simultaneously in proportion to the state's and the</u>	8190

<u>school district's respective portions of that basic project cost.</u>	8191
<u>(I) Sections 3318.13, 3318.14, and 3318.16 of the Revised Code apply to projects under sections 3318.40 to 3318.45 of the Revised Code.</u>	8192
	8193
	8194
<u>Sec. 3318.42. (A) Not later than the sixty-first day after the effective date of this section, and subsequently not later than the sixty-first day after the first day of each ensuing fiscal year, the department of education shall do all of the following:</u>	8195
	8196
	8197
	8198
	8199
<u>(1) Calculate the valuation per pupil of each joint vocational school district according to the following formula:</u>	8200
	8201
<u>The school district's average taxable value divided by the school district's formula ADM reported under section 3317.03 of the Revised Code for the previous fiscal year.</u>	8202
	8203
	8204
<u>For purposes of this calculation:</u>	8205
<u>(a) "Average taxable value" means the average of the amounts certified for a school district in the second, third, and fourth preceding tax years under divisions (A)(1) and (2) of section 3317.021 of the Revised Code.</u>	8206
	8207
	8208
	8209
<u>(b) "Formula ADM" has the same meaning as defined in section 3317.02 of the Revised Code.</u>	8210
	8211
<u>(2) Calculate for each school district the three-year average of the valuations per pupil calculated for the school district for the current and two preceding fiscal years;</u>	8212
	8213
	8214
<u>(3) Rank all joint vocational school districts in order from the school district with the lowest three-year average valuation per pupil to the school district with the highest three-year average valuation per pupil;</u>	8215
	8216
	8217
	8218
<u>(4) Divide the ranking under division (A)(3) of this section</u>	8219

## As Reported by the House Finance and Appropriations Committee\*

into percentiles with the first percentile containing the one per cent of school districts having the lowest three-year average valuations per pupil and the one-hundredth percentile containing the one per cent of school districts having the highest three-year average valuations per pupil;

(5) Certify the information described in divisions (A)(1) to (4) of this section to the Ohio school facilities commission.

(B) The commission annually shall select school districts for assistance under sections 3318.40 to 3318.45 of the Revised Code in the order of the school districts' three-year average valuations per pupil such that the school district with the lowest three-year average valuation per pupil shall be given the highest priority for assistance.

(C) Each joint vocational school district's portion of the basic project cost of the school district's project under sections 3318.40 to 3318.45 of the Revised Code shall be one per cent times the percentile in which the district ranks, except that no school district's portion shall be less than twenty-five per cent or greater than ninety-five per cent of the basic project cost.

**Sec. 3318.43.** Each year for twenty-three successive years after the commencement of a joint vocational school district's project under sections 3318.40 to 3318.45 of the Revised Code, the board of education of that school district shall deposit into a separate maintenance account or into the school district's capital and maintenance fund established under section 3315.18 of the Revised Code, school district moneys dedicated to maintenance of the classroom facilities acquired under sections 3318.40 to 3318.45 of the Revised Code in an amount equal to one and one-half of one per cent of the current insurance value of the classroom facilities acquired under the project, which value shall be



## As Reported by the House Finance and Appropriations Committee\*

<u>subject to the approval of the Ohio school facilities commission.</u>	8251
<u>Sec. 3318.44. (A) A joint vocational school district board of</u>	8252
<u>education may generate the school district's portion of the basic</u>	8253
<u>project cost of its project under sections 3318.40 to 3318.45 of</u>	8254
<u>the Revised Code using any combination of the following means if</u>	8255
<u>lawfully employed for the acquisition of classroom facilities:</u>	8256
	8257
<u>(1) The issuance of securities in accordance with Chapter</u>	8258
<u>133. and section 3311.20 of the Revised Code;</u>	8259
<u>(2) Local donated contributions as authorized under section</u>	8260
<u>3318.084 of the Revised Code;</u>	8261
<u>(3) A levy for permanent improvements under section 3311.21</u>	8262
<u>or 5705.21 of the Revised Code;</u>	8263
<u>(4) Bonds issued pursuant to division (B) of this section.</u>	8264
	8265
<u>(B) By resolution adopted by a majority of all its members, a</u>	8266
<u>school district board in order to pay all or part of the school</u>	8267
<u>district's portion of its basic project cost may apply the</u>	8268
<u>proceeds of a tax levied under section 5705.21 of the Revised Code</u>	8269
<u>to general ongoing permanent improvements if the proceeds of that</u>	8270
<u>levy lawfully may be used for general construction, renovation,</u>	8271
<u>repair, or maintenance of classroom facilities to leverage bonds</u>	8272
<u>adequate to pay all or part of the school district portion of the</u>	8273
<u>basic project cost of the school district's project under sections</u>	8274
<u>3318.40 to 3318.45 of the Revised Code or to generate an amount</u>	8275
<u>equivalent to all or part of the amount required under section</u>	8276
<u>3318.43 of the Revised Code to be used for maintenance of</u>	8277
<u>classroom facilities acquired under the project. Bonds issued</u>	8278
<u>under this division shall be Chapter 133. securities, but the</u>	8279
<u>issuance of the bonds shall not be subject to a vote of the</u>	8280

electors of the school district as long as the tax proceeds 8281  
earmarked for payment of the service charges on the bonds may 8282  
lawfully be used for that purpose. 8283

No state moneys shall be released for a project to which this 8284  
division applies until the proceeds of any bonds issued under this 8285  
division that are dedicated for payment of the school district's 8286  
portion of the basic project cost are first deposited into the 8287  
school district's project construction fund. 8288

(C) A school district board of education may adopt a 8289  
resolution proposing that any of the following questions be 8290  
combined with a question specified in section 3318.45 of the 8291  
Revised Code: 8292

(1) A bond issue question under section 133.18 of the Revised 8293  
Code; 8294

(2) A tax levy question under section 3311.21 of the Revised 8295  
Code; 8296

(3) A tax levy question under section 5705.21 of the Revised 8297  
Code. 8298

Any question described in divisions (C)(1) to (3) of this 8299  
section that is combined with a question proposed under section 8300  
3318.45 of the Revised Code shall be for the purpose of either 8301  
paying for any permanent improvement, as defined in section 133.01 8302  
of the Revised Code, or generating operating revenue specifically 8303  
for the facilities acquired under the school district's project 8304  
under Chapter 3318. of the Revised Code or for both to the extent 8305  
such purposes are permitted by the sections of law under which 8306  
each is proposed. 8307

(D) The board of education of a joint vocational school 8308  
district that receives assistance under this section may enter 8309  
into an agreement for joint issuance of bonds as provided for in 8310  
section 3318.085 of the Revised Code. 8311

As Reported by the House Finance and Appropriations Committee\*

Sec. 3318.45. (A) Unless division (B) of section 3318.44 of 8312  
the Revised Code applies, if a joint vocational school district 8313  
board of education proposes to issue securities to generate all or 8314  
part of the school district's portion of the basic project cost of 8315  
the school district's project under sections 3318.40 to 3318.45 of 8316  
the Revised Code, the school district board shall adopt a 8317  
resolution in accordance with Chapter 133. and section 3311.20 of 8318  
the Revised Code. Unless the school district board seeks authority 8319  
to issue securities in more than one series, the school district 8320  
board shall adopt the form of the ballot prescribed in section 8321  
133.18 of the Revised Code. 8322

(B) If authority is sought to issue bonds in more than one 8323  
series, the form of the ballot shall be: 8324

"Shall bonds be issued by the ..... (here insert name of 8325  
joint vocational school district) joint vocational school district 8326  
to pay the local share of school construction under the State of 8327  
Ohio Joint Vocational School Facilities Assistance Program in the 8328  
total principal amount of ..... (total principal amount of 8329  
the bond issue), to be issued in ..... (number of series) series, 8330  
each series to be repaid annually over not more than ..... 8331  
(maximum number of years over which the principal of each series 8332  
may be paid) years, and an annual levy of property taxes be made 8333  
outside the ten-mill limitation to pay the annual debt charges on 8334  
the bonds and on any notes issued in anticipation of the bonds, at 8335  
a rate estimated by the county auditor to average over the 8336  
repayment period of each series as follows: ..... [insert the 8337  
following for each series: "the ..... series, in a principal 8338  
amount of ..... dollars, requiring ..... mills per dollar of 8339  
tax valuation, which amount to ..... (rate expressed in cents or 8340  
dollars and cents, such as "36 cents" or "\$1.41") for each one 8341  
hundred dollars in tax valuation, commencing in ..... and 8342  
first payable in ....."]? 8343

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8344

For the bond issue 8345

Against the bond issue       " 8346

8347

(C) If it is necessary for the school district to acquire a 8348  
site for the classroom facilities to be acquired pursuant to 8349  
sections 3318.40 to 3318.45 of the Revised Code, the district 8350  
board may propose either to issue bonds of the board or to levy a 8351  
tax to pay for the acquisition of such site and may combine the 8352  
question of doing so with the question specified by reference in 8353  
division (A) of this section or the question specified in division 8354  
(B) of this section. Bonds issued under this division for the 8355  
purpose of acquiring a site are a general obligation of the school 8356  
district and are Chapter 133. securities. 8357

The form of that portion of the ballot to include the 8358  
question of either issuing bonds or levying a tax for site 8359  
acquisition purposes shall be one of the following: 8360

(1) "Shall bonds be issued by the ..... (here insert 8361  
name of the joint vocational school district) joint vocational 8362  
school district to pay costs of acquiring a site for classroom 8363  
facilities under the State of Ohio Joint Vocational School 8364  
Facilities Assistance Program in the principal amount of 8365  
..... (here insert principal amount of the bond issue), to be 8366  
repaid annually over a maximum period of ..... (here insert 8367  
maximum number of years over which the principal of the bonds may 8368  
be paid) years, and an annual levy of property taxes be made 8369  
outside the ten-mill limitation, estimated by the county auditor 8370  
to average over the repayment period of the bond issue ..... 8371  
(here insert number of mills) mills for each one dollar of tax 8372  
valuation, which amount to ..... (here insert rate expressed 8373  
in cents or dollars and cents, such as "thirty-six cents" or 8374  
"\$0.36") for each one hundred dollars of valuation to pay the 8375

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annual debt charges on the bonds and to pay debt charges on any notes issued in anticipation of the bonds?" 8376  
8377

(2) "Shall an additional levy of taxes outside the ten-mill limitation be made for the benefit of the ..... (here insert name of the joint vocational school district) joint vocational school district for the purpose of acquiring a site for classroom facilities in the sum of ..... (here insert annual amount the levy is to produce) estimated by the county auditor to average ..... (here insert number of mills) mills for each one hundred dollars of valuation, which amount to ..... (here insert rate expressed in cents or dollars and cents, such as "thirty-six cents" or "\$0.36") for each one hundred dollars of valuation, for a period of ..... (here insert number of years the millage is to be imposed) years?" 8378  
8379  
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Where it is necessary to combine the question of issuing bonds of the joint vocational school district as described in division (A) of this section with the question of issuing bonds of the school district for acquisition of a site, the question specified in that division to be voted on shall be "For the bond issues" and "Against the bond issues." 8390  
8391  
8392  
8393  
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Where it is necessary to combine the question of issuing bonds of the joint vocational school district as described in division (A) of this section with the question of levying a tax for the acquisition of a site, the question specified in that division to be voted on shall be "For the bond issue and the tax levy" and "Against the bond issue and the tax levy." 8396  
8397  
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8399  
8400  
8401

(D) Where the school district board chooses to combine a question specified in this section with any of the additional questions described in division (C) of section 3318.44 of the Revised Code, the question to be voted on shall be "For the bond issues and the tax levies" and "Against the bond issues and the tax levies." 8402  
8403  
8404  
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8407

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(E) If a majority of those voting upon a proposition prescribed in this section which includes the question of issuing bonds vote in favor of that issuance and if the agreement prescribed in section 3318.08 of the Revised Code has been entered into, the school district board may proceed under Chapter 133. of the Revised Code with the issuance of bonds or bond anticipation notes in accordance with the terms of the agreement.

**Sec. 3318.46.** By rule adopted in accordance with section 111.15 of the Revised Code, the Ohio school facilities commission shall establish a program whereby the board of education of any joint vocational school district may enter into an agreement with the commission under which the board may proceed with the new construction or major repairs of a part of the school district's classroom facilities needs, as determined under sections 3318.40 to 3318.45 of the Revised Code, through the expenditure of local resources prior to the school district's eligibility for state assistance under sections 3318.40 to 3318.45 of the Revised Code. The program shall be structured in a manner similar to the program established under section 3318.36 of the Revised Code. The program shall be operational on July 1, 2004.

**Sec. 3354.16.** (A) When the board of trustees of a community college district has by resolution determined to let by contract the work of improvements pursuant to the official plan of such district, contracts in amounts exceeding a dollar amount set by the board, which dollar amount shall not exceed ~~fifteen~~ fifty thousand dollars, shall be advertised after notices calling for bids have been published once a week for three consecutive weeks, in at least one newspaper of general circulation within the community college district wherein the work is to be done. Subject to section 3354.10 of the Revised Code, the board of trustees of the district may let such contract to the lowest responsive and

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responsible bidder, in accordance with section 9.312 of the Revised Code, who meets the requirements of section 153.54 of the Revised Code. Such contract shall be in writing and shall be accompanied by or shall refer to plans and specifications for the work to be done. Such contract shall be approved by the board of trustees and signed by the president of the board and by the contractor.

(B) On ~~January 1, 1996,~~ and the first day of January of every even-numbered year ~~thereafter,~~ the chancellor of the board of regents shall adjust the ~~fifteen~~ fifty thousand dollar contract limit set forth in division (A) of this section, as adjusted in any previous year pursuant to this division. The chancellor shall adjust the limit according to the average increase or decrease for each of the two years immediately preceding the adjustment as set forth in the United States department of commerce, bureau of the census implicit price deflator for construction, provided that no increase or decrease for any year shall exceed three per cent of the contract limit in existence at the time of the adjustment. Notwithstanding division (A) of this section, the limit adjusted under this division shall be used thereafter in lieu of the limit in division (A) of this section.

(C) Before entering into an improvement pursuant to division (A) of this section, the board of trustees of a community college district shall require separate and distinct proposals to be made for furnishing materials or doing work on the improvement, or both, in the board's discretion, for each separate and distinct branch or class of work entering into the improvement. The board of trustees also may require a single, combined proposal for the entire project for materials or doing work, or both, in the board's discretion, that includes each separate and distinct branch or class of work entering into the improvement. The board of trustees need not solicit separate proposals for a branch or

## As Reported by the House Finance and Appropriations Committee\*

class of work for an improvement if the estimate cost for that 8471  
branch or class of work is less than five thousand dollars. 8472

(D) When more than one branch or class of work is required, 8473  
no contract for the entire job, or for a greater portion thereof 8474  
than is embraced in one such branch or class of work shall be 8475  
awarded, unless the separate bids do not cover all the work and 8476  
materials required or the bids for the whole or for two or more 8477  
kinds of work or materials are lower than the separate bids in the 8478  
aggregate. The board of trustees need not award separate contracts 8479  
for a branch or class of work entering into an improvement if the 8480  
estimated cost for that branch or class of work is less than five 8481  
thousand dollars. 8482

**Sec. 3355.12.** (A) When the managing authority of the 8483  
university branch district has determined to let by contract the 8484  
work of improvements, contracts in amounts exceeding a dollar 8485  
amount set by the managing authority, which dollar amount shall 8486  
not exceed ~~fifteen~~ fifty thousand dollars, shall be advertised 8487  
after notices calling for bids have been published once a week for 8488  
three consecutive weeks, in at least one newspaper of general 8489  
circulation within the university branch district wherein the work 8490  
is to be done. Such managing authority may let such contract to 8491  
the lowest responsive and responsible bidder, in accordance with 8492  
section 9.312 of the Revised Code, who meets the requirements of 8493  
section 153.54 of the Revised Code. Such contract shall be in 8494  
writing and shall be accompanied by or shall refer to plans and 8495  
specifications for the work to be done. Such contract shall be 8496  
approved by the managing authority of the university branch 8497  
district and signed by the ~~chairman~~ chairperson or ~~vice-chairman~~ 8498  
vice-chairperson of the managing authority and by the contractor. 8499

(B) On ~~January 1, 1996,~~ and the first day of January of every 8500  
even-numbered year ~~thereafter~~, the chancellor of the board of 8501



## As Reported by the House Finance and Appropriations Committee\*

regents shall adjust the ~~fifteen~~ fifty thousand dollar contract 8502  
limit set forth in division (A) of this section, as adjusted in 8503  
any previous year pursuant to this division. The chancellor shall 8504  
adjust the limit according to the average increase or decrease for 8505  
each of the two years immediately preceding the adjustment as set 8506  
forth in the United States department of commerce, bureau of the 8507  
census implicit price deflator for construction, provided that no 8508  
increase or decrease for any year shall exceed three per cent of 8509  
the contract limit in existence at the time of the adjustment. 8510  
Notwithstanding division (A) of this section, the limit adjusted 8511  
under this division shall be used thereafter in lieu of the limit 8512  
in division (A) of this section. 8513

(C) Before entering into an improvement pursuant to division 8514  
(A) of this section, the managing authority of the university 8515  
branch district shall require separate and distinct proposals to 8516  
be made for furnishing materials or doing work on the improvement, 8517  
or both, in the board's discretion, for each separate and distinct 8518  
branch or class of work entering into the improvement. The 8519  
managing authority also may require a single, combined proposal 8520  
for the entire project for materials or doing work, or both, in 8521  
the board's discretion, that includes each separate and distinct 8522  
branch or class of work entering into the improvement. The 8523  
managing authority need not solicit separate proposals for a 8524  
branch or class of work for an improvement if the estimate cost 8525  
for that branch or class of work is less than five thousand 8526  
dollars. 8527

(D) When more than one branch or class of work is required, 8528  
no contract for the entire job, or for a greater portion thereof 8529  
than is embraced in one such branch or class of work shall be 8530  
awarded, unless the separate bids do not cover all the work and 8531  
materials required or the bids for the whole or for two or more 8532  
kinds of work or materials are lower than the separate bids in the 8533

## As Reported by the House Finance and Appropriations Committee\*

aggregate. The managing authority need not award separate 8534  
contracts for a branch or class of work entering into an 8535  
improvement if the estimated cost for that branch or class of work 8536  
is less than five thousand dollars. 8537

**Sec. 3357.16.** (A) When the board of trustees of a technical 8538  
college district has by resolution determined to let by contract 8539  
the work of improvements pursuant to the official plan of such 8540  
district, contracts in amounts exceeding a dollar amount set by 8541  
the board, which dollar amount shall not exceed fifteen fifty 8542  
thousand dollars, shall be advertised after notice calling for 8543  
bids has been published once a week for three consecutive weeks, 8544  
in at least one newspaper of general circulation within the 8545  
technical college district where the work is to be done. The board 8546  
of trustees of the technical college district may let such 8547  
contract to the lowest responsive and responsible bidder, in 8548  
accordance with section 9.312 of the Revised Code, who meets the 8549  
requirements of section 153.54 of the Revised Code. Such contract 8550  
shall be in writing and shall be accompanied by or shall refer to 8551  
plans and specifications for the work to be done. Such contract 8552  
shall be approved by the board of trustees and signed by the 8553  
president of the board and by the contractor. 8554

(B) On ~~January 1, 1996, and~~ the first day of January of every 8555  
even-numbered year ~~thereafter~~, the chancellor of the board of 8556  
regents shall adjust the fifteen fifty thousand dollar contract 8557  
limit set forth in division (A) of this section, as adjusted in 8558  
any previous year pursuant to this division. The chancellor shall 8559  
adjust the limit according to the average increase or decrease for 8560  
each of the two years immediately preceding the adjustment as set 8561  
forth in the United States department of commerce, bureau of the 8562  
census implicit price deflator for construction, provided that no 8563  
increase or decrease for any year shall exceed three per cent of 8564  
the contract limit in existence at the time of the adjustment. 8565

**As Reported by the House Finance and Appropriations Committee\***

Notwithstanding division (A) of this section, the limit adjusted 8566  
 under this division shall be used thereafter in lieu of the limit 8567  
 in division (A) of this section. 8568

(C) Before entering into an improvement pursuant to division 8569  
 (A) of this section, the board of trustees of a technical college 8570  
 district shall require separate and distinct proposals to be made 8571  
 for furnishing materials or doing work on the improvement, or 8572  
 both, in the board's discretion, for each separate and distinct 8573  
 branch or class of work entering into the improvement. The board 8574  
 of trustees also may require a single, combined proposal for the 8575  
 entire project for materials or doing work, or both, in the 8576  
 board's discretion, that includes each separate and distinct 8577  
 branch or class of work entering into the improvement. The board 8578  
 of trustees need not solicit separate proposals for a branch or 8579  
 class of work for an improvement if the estimate cost for that 8580  
 branch or class of work is less than five thousand dollars. 8581

(D) When more than one branch or class of work is required, 8582  
 no contract for the entire job, or for a greater portion thereof 8583  
 than is embraced in one such branch or class of work shall be 8584  
 awarded, unless the separate bids do not cover all the work and 8585  
 materials required or the bids for the whole or for two or more 8586  
 kinds of work or materials are lower than the separate bids in the 8587  
 aggregate. The board of trustees need not award separate contracts 8588  
 for a branch or class of work entering into an improvement if the 8589  
 estimated cost for that branch or class of work is less than five 8590  
 thousand dollars. 8591

**Sec. 3383.01.** As used in this chapter: 8592

(A) "Arts" means any of the following: 8593

(1) Visual, musical, dramatic, graphic, design, and other 8594  
 arts, including, but not limited to, architecture, dance, 8595  
 literature, motion pictures, music, painting, photography, 8596

## As Reported by the House Finance and Appropriations Committee\*

sculpture, and theater, and the provision of training or education 8597  
in these arts; 8598

(2) The presentation or making available, in museums or other 8599  
indoor or outdoor facilities, of principles of science and their 8600  
development, use, or application in business, industry, or 8601  
commerce or of the history, heritage, development, presentation, 8602  
and uses of the arts described in division (A)(1) of this section 8603  
and of transportation; 8604

(3) The preservation, presentation, or making available of 8605  
features of archaeological, architectural, environmental, or 8606  
historical interest or significance in a state historical facility 8607  
or a local historical facility. 8608

(B) "Arts organization" means either of the following: 8609

(1) A governmental agency or Ohio nonprofit corporation that 8610  
provides programs or activities in areas directly concerned with 8611  
the arts; 8612

(2) A regional arts and cultural district as defined in 8613  
section 3381.01 of the Revised Code. 8614

(C) "Arts project" means all or any portion of an Ohio arts 8615  
facility for which the general assembly has specifically 8616  
authorized the spending of money, or made an appropriation, 8617  
pursuant to division (D)(3) or (E) of section 3383.07 of the 8618  
Revised Code. 8619

(D) "Cooperative contract" means a contract between the Ohio 8620  
arts and sports facilities commission and an arts organization 8621  
providing the terms and conditions of the cooperative use of an 8622  
Ohio arts facility. 8623

(E) "Costs of operation" means amounts required to manage an 8624  
Ohio arts facility that are incurred following the completion of 8625  
construction of its arts project, provided that both of the 8626  
following apply: 8627

## As Reported by the House Finance and Appropriations Committee\*

- (1) Those amounts either: 8628
- (a) Have been committed to a fund dedicated to that purpose; 8629
- (b) Equal the principal of any endowment fund, the income 8630  
from which is dedicated to that purpose. 8631
- (2) The commission and the arts organization have executed an 8632  
agreement with respect to either of those funds. 8633
- (F) "General building services" means general building 8634  
services for an Ohio arts facility or an Ohio sports facility, 8635  
including, but not limited to, general custodial care, security, 8636  
maintenance, repair, painting, decoration, cleaning, utilities, 8637  
fire safety, grounds and site maintenance and upkeep, and 8638  
plumbing. 8639
- (G) "Governmental agency" means a state agency, a 8640  
state-supported or state-assisted institution of higher education, 8641  
a municipal corporation, county, township, or school district, a 8642  
port authority created under Chapter 4582. of the Revised Code, 8643  
any other political subdivision or special district in this state 8644  
established by or pursuant to law, or any combination of these 8645  
entities; except where otherwise indicated, the United States or 8646  
any department, division, or agency of the United States, or any 8647  
agency, commission, or authority established pursuant to an 8648  
interstate compact or agreement. 8649
- (H) "Local contributions" means the value of an asset 8650  
provided by or on behalf of an arts organization from sources 8651  
other than the state, the value and nature of which shall be 8652  
approved by the Ohio arts and sports facilities commission, in its 8653  
sole discretion. "Local contributions" may include the value of 8654  
the site where an arts project is to be constructed. All "local 8655  
contributions," except a contribution attributable to such a site, 8656  
shall be for the costs of construction of an arts project or the 8657  
costs of operation of an arts facility. 8658

## As Reported by the House Finance and Appropriations Committee\*

(I) "Local historical facility" means a site or facility, 8659  
other than a state historical facility, of archaeological, 8660  
architectural, environmental, or historical interest or 8661  
significance, or a facility, including a storage facility, 8662  
appurtenant to the operations of such a site or facility, that is 8663  
owned by an arts organization, provided the facility meets the 8664  
requirements of division (K)(2)(b) of this section, is managed by 8665  
or pursuant to a contract with the Ohio arts and sports facilities 8666  
commission, and is used for or in connection with the activities 8667  
of the commission, including the presentation or making available 8668  
of arts to the public. 8669

(J) "Manage," "operate," or "management" means the provision 8670  
of, or the exercise of control over the provision of, activities: 8671

(1) Relating to the arts for an Ohio arts facility, including 8672  
as applicable, but not limited to, providing for displays, 8673  
exhibitions, specimens, and models; booking of artists, 8674  
performances, or presentations; scheduling; and hiring or 8675  
contracting for directors, curators, technical and scientific 8676  
staff, ushers, stage managers, and others directly related to the 8677  
arts activities in the facility; but not including general 8678  
building services; 8679

(2) Relating to sports and athletic events for an Ohio sports 8680  
facility, including as applicable, but not limited to, providing 8681  
for booking of athletes, teams, and events; scheduling; and hiring 8682  
or contracting for staff, ushers, managers, and others directly 8683  
related to the sports and athletic events in the facility; but not 8684  
including general building services. 8685

(K) "Ohio arts facility" means any of the following: 8686

(1) The three theaters located in the state office tower at 8687  
77 South High street in Columbus; 8688

(2) Any capital facility in this state to which both of the 8689

## As Reported by the House Finance and Appropriations Committee\*

- following apply: 8690
- (a) The construction of an arts project related to the 8691  
 facility was authorized or funded by the general assembly pursuant 8692  
 to division (D)(3) of section 3383.07 of the Revised Code and 8693  
 proceeds of state bonds are used for costs of the arts project. 8694
- (b) The facility is managed directly by, or is subject to a 8695  
 cooperative or management contract with, the Ohio arts and sports 8696  
 facilities commission, and is used for or in connection with the 8697  
 activities of the commission, including the presentation or making 8698  
 available of arts to the public and the provision of training or 8699  
education in the arts. A cooperative or management contract shall 8700  
 be for a term not less than the time remaining to the date of 8701  
 payment or provision for payment of any state bonds issued to pay 8702  
 the costs of the arts project, as determined by the director of 8703  
 budget and management and certified by the director to the Ohio 8704  
 arts and sports facilities commission and to the Ohio building 8705  
 authority. 8706
- (3) A state historical facility or a local historical 8707  
 facility. 8708
- (L) "State agency" means the state or any of its branches, 8709  
 officers, boards, commissions, authorities, departments, 8710  
 divisions, or other units or agencies. 8711
- (M) "Construction" includes acquisition, including 8712  
 acquisition by lease-purchase, demolition, reconstruction, 8713  
 alteration, renovation, remodeling, enlargement, improvement, site 8714  
 improvements, and related equipping and furnishing. 8715
- (N) "State historical facility" means a site or facility of 8716  
 archaeological, architectural, environmental, or historical 8717  
 interest or significance, or a facility, including a storage 8718  
 facility, appurtenant to the operations of such a site or 8719  
 facility, that is owned by or is located on real property owned by 8720

## As Reported by the House Finance and Appropriations Committee\*

the state or by an arts organization, so long as the real property 8721  
of the arts organization is contiguous to state-owned real 8722  
property that is in the care, custody, and control of an arts 8723  
organization, and that is managed directly by or is subject to a 8724  
cooperative or management contract with the Ohio arts and sports 8725  
facilities commission and is used for or in connection with the 8726  
activities of the commission, including the presentation or making 8727  
available of arts to the public. 8728

(O) "Ohio sports facility" means all or a portion of a 8729  
stadium, arena, or other capital facility in this state, a primary 8730  
purpose of which is to provide a site or venue for the 8731  
presentation to the public of events of one or more major or minor 8732  
league professional athletic or sports teams that are associated 8733  
with the state or with a city or region of the state, which 8734  
facility is owned by or is located on real property owned by the 8735  
state or a governmental agency, and including all parking 8736  
facilities, walkways, and other auxiliary facilities, equipment, 8737  
furnishings, and real and personal property and interests and 8738  
rights therein, that may be appropriate for or used for or in 8739  
connection with the facility or its operation, for capital costs 8740  
of which state funds are spent pursuant to this chapter. A 8741  
facility constructed as an Ohio sports facility may be both an 8742  
Ohio arts facility and an Ohio sports facility. 8743

**Sec. 3383.02.** (A) There is hereby created the Ohio arts and 8744  
sports facilities commission. Notwithstanding any provision to the 8745  
contrary contained in Chapter 152. of the Revised Code, the 8746  
commission shall engage in and provide for the development, 8747  
performance, and presentation or making available of the arts and 8748  
professional sports and athletics to the public in this state, and 8749  
the provision of training or education in the arts, by the 8750  
exercise of its powers under this chapter, including the 8751  
provision, operation, management, and cooperative use of Ohio arts 8752



## As Reported by the House Finance and Appropriations Committee\*

facilities and Ohio sports facilities. The commission is a body 8753  
corporate and politic, an agency of state government and an 8754  
instrumentality of the state, performing essential governmental 8755  
functions of this state. The carrying out of the purposes and the 8756  
exercise by the commission of its powers conferred by this chapter 8757  
are essential public functions and public purposes of the state 8758  
and of state government. The commission may, in its own name, sue 8759  
and be sued, enter into contracts, and perform all the powers and 8760  
duties given to it by this chapter ~~but; however,~~ it does not have 8761  
and shall not exercise the power of eminent domain. 8762

(B) The commission shall consist of ten members, seven of 8763  
whom shall be voting members and three of whom shall be nonvoting 8764  
members. The seven voting members shall be appointed by the 8765  
governor, with the advice and consent of the senate, from 8766  
different geographical regions of the state. In addition, one of 8767  
the voting members shall represent the state architect. Not more 8768  
than four of the members appointed by the governor shall be 8769  
affiliated with the same political party. The nonvoting members 8770  
shall be the staff director of the Ohio arts council, a member of 8771  
the senate appointed by the president of the senate, and a member 8772  
of the house of representatives appointed by the speaker of the 8773  
house. 8774

(C) Of the five initial appointments made by the governor, 8775  
one shall be for a term expiring December 31, 1989, two shall be 8776  
for terms expiring December 31, 1990, and two shall be for terms 8777  
expiring December 31, 1991. Of the initial appointments of the 8778  
sixth and seventh voting members appointed by the governor as a 8779  
result of this amendment, one shall be for a term expiring 8780  
December 31, 2003, and one shall be for a term expiring December 8781  
31, 2004. Thereafter, each such term shall be for three years, 8782  
commencing on the first day of January and ending on the 8783  
thirty-first day of December. Each appointment by the president of 8784

## As Reported by the House Finance and Appropriations Committee\*

the senate and by the speaker of the house of representatives 8785  
shall be for the balance of the then legislative biennium. Each 8786  
member shall hold office from the date of the member's appointment 8787  
until the end of the term for which the member was appointed. Any 8788  
member appointed to fill a vacancy occurring prior to the 8789  
expiration of the term for which the member's predecessor was 8790  
appointed shall hold office for the remainder of such term. Any 8791  
member shall continue in office subsequent to the expiration date 8792  
of the member's term until the member's successor takes office, or 8793  
until a period of sixty days has elapsed, whichever occurs first. 8794

(D) Members of the commission shall serve without 8795  
compensation. 8796

(E) Organizational meetings of the commission shall be held 8797  
at the first meeting of each calendar year. At each organizational 8798  
meeting, the commission shall elect from among its voting members 8799  
a chairperson, a vice-chairperson, and a secretary-treasurer, who 8800  
shall serve until the next annual meeting. The commission shall 8801  
adopt rules pursuant to section 111.15 of the Revised Code for the 8802  
conduct of its internal business and shall keep a journal of its 8803  
proceedings. 8804

(F) Four voting members of the commission constitute a 8805  
quorum, and the affirmative vote of four members is necessary for 8806  
approval of any action taken by the commission. A vacancy in the 8807  
membership of the commission does not impair a quorum from 8808  
exercising all the rights and performing all the duties of the 8809  
commission. Meetings of the commission may be held anywhere in the 8810  
state, and shall be held in compliance with section 121.22 of the 8811  
Revised Code. 8812

(G) All expenses incurred in carrying out this chapter are 8813  
payable solely from money accrued under this chapter or 8814  
appropriated for these purposes by the general assembly, and the 8815  
commission shall incur no liability or obligation beyond such 8816

## As Reported by the House Finance and Appropriations Committee\*

money. 8817

(H) The commission shall file an annual report of its 8818  
activities and finances with the governor, director of budget and 8819  
management, speaker of the house of representatives, president of 8820  
the senate, and chairpersons of the house and senate finance 8821  
committees. 8822

(I) There is hereby established in the state treasury the 8823  
Ohio arts and sports facilities commission administration fund. 8824  
All revenues of the commission shall be credited to that fund and 8825  
to any accounts created in the fund with the commission's 8826  
approval. All expenses of the commission, including reimbursement 8827  
of, or payment to, any other fund or any governmental agency for 8828  
advances made or services rendered to or on behalf of the 8829  
commission, shall be paid from the Ohio arts and sports facilities 8830  
commission administration fund as determined by or pursuant to 8831  
directions of the commission. All investment earnings of the 8832  
administration fund shall be credited to the fund and shall be 8833  
allocated among any accounts created in the fund in the manner 8834  
determined by the commission. 8835

(J) Title to all real property and lesser interests in real 8836  
property acquired by the commission, including leasehold and other 8837  
interests, pursuant to this chapter shall be taken in the name of 8838  
the state and shall be held for the use and benefit of the 8839  
commission. The commission shall not mortgage such real property 8840  
and interests in real property. Title to other property and 8841  
interests in it acquired by the commission pursuant to this 8842  
chapter shall be taken in its name. 8843

**Sec. 3383.03.** The Ohio arts and sports facilities commission 8844  
shall do the following: 8845

(A) From time to time, determine the need for arts projects, 8846  
Ohio arts facilities, and Ohio sports facilities, report to the 8847

## As Reported by the House Finance and Appropriations Committee\*

governor and the general assembly on the need for any additional 8848  
 arts projects, Ohio arts facilities, and Ohio sports facilities. 8849  
 This division does not apply to state historical facilities. 8850

(B) Have jurisdiction, control, and possession of, and 8851  
 supervision over the use and disposition of, all property, rights, 8852  
 licenses, money, contracts, accounts, liens, books, records, and 8853  
 other property rights and interests conveyed, delivered, 8854  
 transferred, or assigned to it; 8855

(C) Use, and provide for the use of, Ohio arts facilities and 8856  
 Ohio sports facilities for the commission's purposes and 8857  
 functions, and conduct reviews necessary to ensure that uses of 8858  
 those facilities are consistent with statewide interests and the 8859  
 commission's purposes, including the presentation or making 8860  
 available of the arts and professional athletics and sports to the 8861  
 public in this state and the provision of training or education in 8862  
the arts; 8863

(D) Hold a meeting, including the organizational meeting 8864  
 required by division (E) of section 3383.02 of the Revised Code, 8865  
 at least quarterly to conduct its business; 8866

(E) Cooperate with any governmental agency or arts 8867  
 organization that provides services in, to, or for an Ohio arts 8868  
 facility, and cooperate with any governmental agency or nonprofit 8869  
 corporation for the provision or operation of any Ohio sports 8870  
 facilities. 8871

**Sec. 3385.01. As used in this chapter:** 8872

(A) "Loan" and "on loan" mean a deposit of property not 8873  
accompanied by a transfer of title to the property. 8874

(B) "Museum" means any institution located in this state that 8875  
is operated by a governmental agency or nonprofit corporation 8876  
primarily for educational, scientific, aesthetic, historic, or 8877

## As Reported by the House Finance and Appropriations Committee\*

preservation purposes and that acquires, owns, cares for, 8878  
exhibits, studies, archives, or catalogs property. "Museum" 8879  
includes, but is not limited to, historical societies, historic 8880  
sites or landmarks, parks, monuments, libraries, arboreta, and 8881  
zoos. 8882

(C) "Property" means any tangible, nonliving object in a 8883  
museum's possession that has intrinsic historic, artistic, 8884  
scientific, educational, or cultural value. 8885

**Sec. 3385.02.** (A) Property on loan to a museum other than 8886  
pursuant to a written agreement shall be considered to be 8887  
abandoned, and title to the property shall vest in the museum, 8888  
free from all claims of the owner and of all persons claiming 8889  
under the owner, if all of the following apply: 8890

(1) The property has been held by the museum within the state 8891  
for at least seven years and, during that time, it remained 8892  
unclaimed. 8893

(2) The museum gave notice of the abandonment of the property 8894  
in accordance with section 3385.03 of the Revised Code. 8895

(3) No written assertion of title to the property was made by 8896  
the owner of the property within ninety days after the date the 8897  
notice was mailed or, if applicable, within ninety days after the 8898  
date of the last published notice. 8899

(B) With respect to property on loan to a museum pursuant to 8900  
a written agreement, the loan shall be considered to be 8901  
terminated, and title to the property shall vest in the museum, 8902  
free from all claims of the owner and of all persons claiming 8903  
under the owner, if all of the following apply: 8904

(1) If the loan was for an indefinite term, the museum has 8905  
held the property for at least seven years. If the loan was for a 8906  
specified term, that term has expired. 8907

## As Reported by the House Finance and Appropriations Committee\*

(2) The museum gave notice of the termination of the loan in accordance with section 3385.03 of the Revised Code. 8908  
8909

(3) No written assertion of title to the property was made by the owner of the property within six months after the date the notice was mailed or, if applicable, within six months after the date of the last published notice. 8910  
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8913

**Sec. 3385.03.** (A) A museum shall send notice of abandonment of property or termination of a loan by certified mail, return receipt requested, to the owner of the property at the owner's last known address as shown by the records of the museum. If the museum has no address on record, or the museum does not receive written proof of receipt of the notice within thirty days after the date the notice was mailed, the museum shall publish notice, at least twice over a sixty-day period, in a newspaper of general circulation in both the county in which the museum is located and the county in which the last known address of the owner, if available, is located. 8914  
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For purposes of this division, "records of the museum" means documents created or held by the museum in its regular course of business. 8925  
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(B) The mailed and published notices shall contain the following: 8928  
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(1) The date of the notice; 8930

(2) A general description of the property; 8931

(3) The name and, if available, the last known address of the owner of the property; 8932  
8933

(4) The approximate date the property was loaned to the museum; 8934  
8935

(5) The name and address of the appropriate museum official 8936

<u>to be contacted regarding the notice;</u>	8937
<u>(6) For published notices, a request that anyone who may know</u>	8938
<u>the whereabouts of the owner of the property provide written</u>	8939
<u>notice to the museum;</u>	8940
<u>(7) For published notices, the publication date of the last</u>	8941
<u>notice.</u>	8942
<u>(C)(1) A notice of abandonment of property shall include a</u>	8943
<u>statement in substantially the following form:</u>	8944
<u>"The (name of museum) hereby asserts title to the following</u>	8945
<u>property: (general description of property). If you claim</u>	8946
<u>ownership or other legal interest in this property, you must</u>	8947
<u>contact (name of museum) in writing, establish ownership of the</u>	8948
<u>property, and make arrangements to collect the property. If you</u>	8949
<u>fail to do so within ninety days, the property will be considered</u>	8950
<u>abandoned and will become property of (name of museum)."</u>	8951
<u>(2) A notice of termination of a loan of property shall</u>	8952
<u>include a statement in substantially the following form:</u>	8953
<u>"The records of (name of museum) indicate that you have</u>	8954
<u>property on loan to it. The (name of museum) hereby terminates the</u>	8955
<u>loan. If you desire to claim the property, you must contact the</u>	8956
<u>(name of museum) in writing, establish ownership of the property,</u>	8957
<u>and make arrangements to collect the property. If you fail to do</u>	8958
<u>so within six months, you will be considered to have waived any</u>	8959
<u>claim you may have had to the property."</u>	8960
<u>(D) For purposes of this section, if a loan of property was</u>	8961
<u>made to a branch of the museum, the museum shall be considered to</u>	8962
<u>be located in the county in which the branch is located.</u>	8963
<u>Otherwise, the museum is considered to be located in the county in</u>	8964
<u>which it has its principal place of business.</u>	8965
<u>Sec. 3385.04. (A) Unless there is a written loan agreement to</u>	8966

## As Reported by the House Finance and Appropriations Committee\*

the contrary, a museum may apply conservation measures to property on loan to the museum without notice to the owner or the owner's permission, if such measures are necessary to protect the property on loan or other property in the custody of the museum or if the property on loan is a hazard to the health and safety of the museum staff or the public, and if either of the following applies: 8967  
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(1) The museum attempts but is unable to notify the owner at the owner's last known address not later than three days before the date the museum intends to apply the conservation measures. 8974  
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(2) The museum notifies the owner not later than three days before the date the museum intends to apply the conservation measures, the owner does not agree to those measures, and the owner does not terminate the loan and retrieve the property within three days after receipt of the notice. 8977  
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(B) If a museum applies conservation measures in accordance with division (A) of this section or with the agreement of the owner, both of the following apply: 8982  
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(1) The museum shall acquire a lien on the property in the amount of the expenses incurred by the museum, unless the agreement provides otherwise. 8985  
8986  
8987

(2) The museum is not liable for injury to or loss of the property, if the museum did both of the following: 8988  
8989

(a) Reasonably believed at the time the conservation measures were taken that the measures were necessary to protect the property on loan or other property in the custody of the museum, or that the property on loan was a hazard to the health and safety of the museum staff or the public; 8990  
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(b) Exercised reasonable care in the choice and application of the conservation measures. 8995  
8996



## As Reported by the House Finance and Appropriations Committee\*

Sec. 3385.05. Upon accepting property on loan, a museum shall 8997  
provide a written summary of the provisions of this chapter to the 8998  
owner of the property. 8999

Sec. 3385.06. The owner of any property on loan to a museum 9000  
shall promptly notify the museum in writing of any change of the 9001  
owner's address or change in ownership of the property. 9002

Sec. 3385.07. Any property that, on or after the effective 9003  
date of this section, is delivered to a museum or left on museum 9004  
property, is not solicited by the museum, is from an unknown 9005  
source, and might reasonably be assumed to have been intended as a 9006  
gift to the museum, shall conclusively be presumed to be a gift to 9007  
the museum, if there is no claim of ownership to the property 9008  
within ninety days after the museum receives or otherwise 9009  
discovers the property. 9010

Sec. 3385.08. The provisions of this chapter may be varied by 9011  
written agreement of the parties. 9012

Sec. 3385.09. (A) Property on loan to a museum shall not 9013  
escheat to the state under any applicable escheat law, but shall 9014  
pass to the museum under the provisions of this chapter. 9015

(B) This chapter does not apply to property interests other 9016  
than those specifically described in this chapter. 9017

Sec. 3385.10. A museum that acquires title to property in 9018  
accordance with this chapter passes good title when transferring 9019  
that property with the intent to pass title. 9020

Sec. 3519.04. Upon receipt of the verified copy of a proposed 9021  
state law or constitutional amendment proposing the levy of any 9022

## As Reported by the House Finance and Appropriations Committee\*

tax or involving a matter ~~which~~ that will necessitate the 9023  
 expenditure of any funds of the state or any political subdivision 9024  
~~thereof of the state~~, the secretary of state shall request of the 9025  
~~tax commissioner office of budget and management~~ an estimate of 9026  
 any annual expenditure of public funds proposed and of the tax 9027  
commissioner the annual yield of any proposed taxes. The office of 9028  
budget and management, on receipt of a request for an estimate of 9029  
the annual expenditure of public funds proposed, shall prepare the 9030  
estimate and file it in the office of the secretary of state. The 9031  
 tax commissioner, on receipt of ~~such a request~~ for an estimate of 9032  
the annual yield of any proposed taxes, shall prepare the estimate 9033  
 and file it in the office of the secretary of state. The ~~secretary~~ 9034  
~~of state shall distribute copies of such estimate with the~~ 9035  
~~pamphlets prescribed in section 3519.19 of the Revised Code~~ office 9036  
of budget and management and the tax commissioner may issue a 9037  
joint estimate if the proposed state law or constitutional 9038  
amendment necessitates both the expenditure of public funds and a 9039  
levy of any tax. 9040

**Sec. 3702.5210.** The ~~Ohio~~ veterans' home operated under 9041  
Chapter 5907. of the Revised Code that is located in Sandusky is 9042  
 not required to obtain a certificate of need to increase bed 9043  
 capacity in its Secrest-Giffin nursing home by not more than 9044  
 twenty-five long-term care beds prior to June 30, 1997. 9045

**Sec. 3702.5211.** Notwithstanding sections 3702.51 to 3702.68 9046  
 of the Revised Code, the ~~Ohio veteran's~~ veterans' home operated 9047  
under Chapter 5907. of the Revised Code that is located in 9048  
Sandusky, including the Secrest nursing home and Giffin care 9049  
 facility, is not required to obtain a certificate of need for the 9050  
 addition of up to fifty-two additional nursing home beds to be 9051  
 licensed under Chapter 3721. of the Revised Code if the additional 9052  
 beds are placed in service prior to June 30, 1999. 9053

## As Reported by the House Finance and Appropriations Committee\*

**Sec. 3702.5213.** Notwithstanding sections 3702.51 to 3702.68 9054  
of the Revised Code, the ~~southern Ohio veterans~~ veterans' home 9055  
operated under Chapter 5907. of the Revised Code that is located 9056  
in Brown county is not required to obtain a certificate of need 9057  
for the addition of up to one hundred sixty-eight additional 9058  
nursing home beds to be licensed under Chapter 3721. of the 9059  
Revised Code if the additional beds are placed in service prior to 9060  
December 31, 2004. 9061

**Sec. 3721.01.** (A) As used in sections 3721.01 to 3721.09 and 9062  
3721.99 of the Revised Code: 9063

(1)(a) "Home" means an institution, residence, or facility 9064  
that provides, for a period of more than twenty-four hours, 9065  
whether for a consideration or not, accommodations to three or 9066  
more unrelated individuals who are dependent upon the services of 9067  
others, including a nursing home, residential care facility, home 9068  
for the aging, and ~~the Ohio a~~ a veterans' home operated under 9069  
Chapter 5907. of the Revised Code. 9070

(b) "Home" also means both of the following: 9071

(i) Any facility that a person, as defined in section 3702.51 9072  
of the Revised Code, proposes for certification as a skilled 9073  
nursing facility or nursing facility under Title XVIII or XIX of 9074  
the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.A. 301, 9075  
as amended, and for which a certificate of need, other than a 9076  
certificate to recategorize hospital beds as described in section 9077  
3702.522 of the Revised Code or division (R)(7)(d) of the version 9078  
of section 3702.51 of the Revised Code in effect immediately prior 9079  
to April 20, 1995, has been granted to the person under sections 9080  
3702.51 to 3702.62 of the Revised Code after August 5, 1989; 9081

(ii) A county home or district home that is or has been 9082  
licensed as a residential care facility. 9083

## As Reported by the House Finance and Appropriations Committee\*

(c) "Home" does not mean any of the following:	9084
(i) Except as provided in division (A)(1)(b) of this section, a public hospital or hospital as defined in section 3701.01 or 5122.01 of the Revised Code;	9085 9086 9087
(ii) A residential facility for mentally ill persons as defined under section 5119.22 of the Revised Code;	9088 9089
(iii) A residential facility as defined in section 5123.19 of the Revised Code;	9090 9091
(iv) A habilitation center as defined in section 5123.041 of the Revised Code;	9092 9093
(v) A community alternative home as defined in section 3724.01 of the Revised Code;	9094 9095
(vi) An adult care facility as defined in section 3722.01 of the Revised Code;	9096 9097
(vii) An alcohol or drug addiction program as defined in section 3793.01 of the Revised Code;	9098 9099
(viii) A facility licensed to provide methadone treatment under section 3793.11 of the Revised Code;	9100 9101
(ix) A facility providing services under contract with the department of mental retardation and developmental disabilities under section 5123.18 of the Revised Code;	9102 9103 9104
(x) A facility operated by a hospice care program licensed under section 3712.04 of the Revised Code that is used exclusively for care of hospice patients;	9105 9106 9107
(xi) A facility, infirmary, or other entity that is operated by a religious order, provides care exclusively to members of religious orders who take vows of celibacy and live by virtue of their vows within the orders as if related, and does not participate in the medicare program established under Title XVIII	9108 9109 9110 9111 9112

## As Reported by the House Finance and Appropriations Committee\*

of the "Social Security Act" or the medical assistance program	9113
established under Chapter 5111. of the Revised Code and Title XIX	9114
of the "Social Security Act," if on January 1, 1994, the facility,	9115
infirmary, or entity was providing care exclusively to members of	9116
the religious order;	9117
(xii) A county home or district home that has never been	9118
licensed as a residential care facility.	9119
(2) "Unrelated individual" means one who is not related to	9120
the owner or operator of a home or to the spouse of the owner or	9121
operator as a parent, grandparent, child, grandchild, brother,	9122
sister, niece, nephew, aunt, uncle, or as the child of an aunt or	9123
uncle.	9124
(3) "Mental impairment" does not mean mental illness as	9125
defined in section 5122.01 of the Revised Code or mental	9126
retardation as defined in section 5123.01 of the Revised Code.	9127
(4) "Skilled nursing care" means procedures that require	9128
technical skills and knowledge beyond those the untrained person	9129
possesses and that are commonly employed in providing for the	9130
physical, mental, and emotional needs of the ill or otherwise	9131
incapacitated. "Skilled nursing care" includes, but is not limited	9132
to, the following:	9133
(a) Irrigations, catheterizations, application of dressings,	9134
and supervision of special diets;	9135
(b) Objective observation of changes in the patient's	9136
condition as a means of analyzing and determining the nursing care	9137
required and the need for further medical diagnosis and treatment;	9138
(c) Special procedures contributing to rehabilitation;	9139
(d) Administration of medication by any method ordered by a	9140
physician, such as hypodermically, rectally, or orally, including	9141
observation of the patient after receipt of the medication;	9142

## As Reported by the House Finance and Appropriations Committee\*

(e) Carrying out other treatments prescribed by the physician	9143
that involve a similar level of complexity and skill in	9144
administration.	9145
(5)(a) "Personal care services" means services including, but	9146
not limited to, the following:	9147
(i) Assisting residents with activities of daily living;	9148
(ii) Assisting residents with self-administration of	9149
medication, in accordance with rules adopted under section 3721.04	9150
of the Revised Code;	9151
(iii) Preparing special diets, other than complex therapeutic	9152
diets, for residents pursuant to the instructions of a physician	9153
or a licensed dietitian, in accordance with rules adopted under	9154
section 3721.04 of the Revised Code.	9155
(b) "Personal care services" does not include "skilled	9156
nursing care" as defined in division (A)(4) of this section. A	9157
facility need not provide more than one of the services listed in	9158
division (A)(5)(a) of this section to be considered to be	9159
providing personal care services.	9160
(6) "Nursing home" means a home used for the reception and	9161
care of individuals who by reason of illness or physical or mental	9162
impairment require skilled nursing care and of individuals who	9163
require personal care services but not skilled nursing care. A	9164
nursing home is licensed to provide personal care services and	9165
skilled nursing care.	9166
(7) "Residential care facility" means a home that provides	9167
either of the following:	9168
(a) Accommodations for seventeen or more unrelated	9169
individuals and supervision and personal care services for three	9170
or more of those individuals who are dependent on the services of	9171
others by reason of age or physical or mental impairment;	9172

## As Reported by the House Finance and Appropriations Committee\*

(b) Accommodations for three or more unrelated individuals, 9173  
supervision and personal care services for at least three of those 9174  
individuals who are dependent on the services of others by reason 9175  
of age or physical or mental impairment, and, to at least one of 9176  
those individuals, any of the skilled nursing care authorized by 9177  
section 3721.011 of the Revised Code. 9178

(8) "Home for the aging" means a home that provides services 9179  
as a residential care facility and a nursing home, except that the 9180  
home provides its services only to individuals who are dependent 9181  
on the services of others by reason of both age and physical or 9182  
mental impairment. 9183

The part or unit of a home for the aging that provides 9184  
services only as a residential care facility is licensed as a 9185  
residential care facility. The part or unit that may provide 9186  
skilled nursing care beyond the extent authorized by section 9187  
3721.011 of the Revised Code is licensed as a nursing home. 9188

(9) "County home" and "district home" mean a county home or 9189  
district home operated under Chapter 5155. of the Revised Code. 9190

(B) The public health council may further classify homes. For 9191  
the purposes of this chapter, any residence, institution, hotel, 9192  
congregate housing project, or similar facility that meets the 9193  
definition of a home under this section is such a home regardless 9194  
of how the facility holds itself out to the public. 9195

(C) For purposes of this chapter, personal care services or 9196  
skilled nursing care shall be considered to be provided by a 9197  
facility if they are provided by a person employed by or 9198  
associated with the facility or by another person pursuant to an 9199  
agreement to which neither the resident who receives the services 9200  
nor the resident's sponsor is a party. 9201

(D) Nothing in division (A)(4) of this section shall be 9202  
construed to permit skilled nursing care to be imposed on an 9203

## As Reported by the House Finance and Appropriations Committee\*

individual who does not require skilled nursing care. 9204

Nothing in division (A)(5) of this section shall be construed 9205  
to permit personal care services to be imposed on an individual 9206  
who is capable of performing the activity in question without 9207  
assistance. 9208

(E) Division (A)(1)(c)(xi) of this section does not prohibit 9209  
a facility, infirmary, or other entity described in that division 9210  
from seeking licensure under sections 3721.01 to 3721.09 of the 9211  
Revised Code or certification under Title XVIII or XIX of the 9212  
"Social Security Act." However, such a facility, infirmary, or 9213  
entity that applies for licensure or certification must meet the 9214  
requirements of those sections or titles and the rules adopted 9215  
under them and obtain a certificate of need from the director of 9216  
health under section 3702.52 of the Revised Code. 9217

(F) Nothing in this chapter, or rules adopted pursuant to it, 9218  
shall be construed as authorizing the supervision, regulation, or 9219  
control of the spiritual care or treatment of residents or 9220  
patients in any home who rely upon treatment by prayer or 9221  
spiritual means in accordance with the creed or tenets of any 9222  
recognized church or religious denomination. 9223

**Sec. 3737.71.** Each insurance company doing business in this 9224  
state shall pay to the state in installments, at the time of 9225  
making the payments required by section 5729.05 of the Revised 9226  
Code, in addition to the taxes required to be paid by it, 9227  
three-fourths of one per cent on the gross premium receipts 9228  
derived from fire insurance and that portion of the premium 9229  
reasonably allocable to insurance against the hazard of fire 9230  
included in other coverages except life and sickness and accident 9231  
insurance, after deducting return premiums paid and considerations 9232  
received for reinsurances as shown by the annual statement of such 9233  
company made pursuant to sections 3929.30, 3931.06, and 5729.02 of 9234



## As Reported by the House Finance and Appropriations Committee\*

the Revised Code. The money received shall be paid into the state treasury to the credit of the state fire marshal's fund, which is hereby created. The fund shall be used for the maintenance and administration of the office of the fire marshal and ~~to defray the costs of operating~~ the Ohio fire academy established by section 3737.33 of the Revised Code. If the director of commerce certifies to the director of budget and management that the cash balance in the state fire marshal's fund is in excess of the amount needed to pay ongoing operating expenses, the director may use the excess amount to acquire by purchase, lease, or otherwise, real property or interests in real property to be used for the benefit of the office of the state fire marshal, or to construct, acquire, enlarge, equip, furnish, or improve the fire marshal's office facilities or the facilities of the Ohio fire academy. The state fire marshal's fund shall be assessed a proportionate share of the administrative costs of the department of commerce in accordance with procedures prescribed by the director of commerce and approved by the director of budget and management. Such assessment shall be paid from the state fire marshal's fund to the division of administration fund.

**Sec. 4117.01.** As used in this chapter:

(A) "Person," in addition to those included in division (C) of section 1.59 of the Revised Code, includes employee organizations, public employees, and public employers.

(B) "Public employer" means the state or any political subdivision of the state located entirely within the state, including, without limitation, any municipal corporation with a population of at least five thousand according to the most recent federal decennial census; county; township with a population of at least five thousand in the unincorporated area of the township according to the most recent federal decennial census; school district; governing authority of a community school established

## As Reported by the House Finance and Appropriations Committee\*

under Chapter 3314. of the Revised Code; state institution of	9267
higher learning; public or special district; state agency,	9268
authority, commission, or board; or other branch of public	9269
employment.	9270
(C) "Public employee" means any person holding a position by	9271
appointment or employment in the service of a public employer,	9272
including any person working pursuant to a contract between a	9273
public employer and a private employer and over whom the national	9274
labor relations board has declined jurisdiction on the basis that	9275
the involved employees are employees of a public employer, except:	9276
(1) Persons holding elective office;	9277
(2) Employees of the general assembly and employees of any	9278
other legislative body of the public employer whose principal	9279
duties are directly related to the legislative functions of the	9280
body;	9281
(3) Employees on the staff of the governor or the chief	9282
executive of the public employer whose principal duties are	9283
directly related to the performance of the executive functions of	9284
the governor or the chief executive;	9285
(4) Persons who are members of the Ohio organized militia,	9286
while training or performing duty under section 5919.29 or 5923.12	9287
of the Revised Code;	9288
(5) Employees of the state employment relations board;	9289
(6) Confidential employees;	9290
(7) Management level employees;	9291
(8) Employees and officers of the courts, assistants to the	9292
attorney general, assistant prosecuting attorneys, and employees	9293
of the clerks of courts who perform a judicial function;	9294
(9) Employees of a public official who act in a fiduciary	9295
capacity, appointed pursuant to section 124.11 of the Revised	9296

## As Reported by the House Finance and Appropriations Committee\*

Code;	9297
(10) Supervisors;	9298
(11) Students whose primary purpose is educational training, including graduate assistants or associates, residents, interns, or other students working as part-time public employees less than fifty per cent of the normal year in the employee's bargaining unit;	9299 9300 9301 9302 9303
(12) Employees of county boards of election;	9304
(13) Seasonal and casual employees as determined by the state employment relations board;	9305 9306
(14) Part-time faculty members of an institution of higher education;	9307 9308
(15) Employees of the state personnel board of review;	9309
(16) Employees of the board of directors of the Ohio low-level radioactive waste facility development authority created in section 3747.05 of the Revised Code;	9310 9311 9312
(17) Participants in a work activity, developmental activity, or alternative work activity under sections 5107.40 to 5107.69 of the Revised Code who perform a service for a public employer that the public employer needs but is not performed by an employee of the public employer if the participant is not engaged in paid employment or subsidized employment pursuant to the activity;	9313 9314 9315 9316 9317 9318 9319
(18) Employees included in the career professional service of the department of transportation under section 5501.20 of the Revised Code;	9320 9321 9322
<u>(19) Employees who must be licensed to practice law in this state to perform their duties as employees.</u>	9323 9324
(D) "Employee organization" means any labor or bona fide	9325

## As Reported by the House Finance and Appropriations Committee\*

organization in which public employees participate and that exists 9326  
for the purpose, in whole or in part, of dealing with public 9327  
employers concerning grievances, labor disputes, wages, hours, 9328  
terms, and other conditions of employment. 9329

(E) "Exclusive representative" means the employee 9330  
organization certified or recognized as an exclusive 9331  
representative under section 4117.05 of the Revised Code. 9332

(F) "Supervisor" means any individual who has authority, in 9333  
the interest of the public employer, to hire, transfer, suspend, 9334  
lay off, recall, promote, discharge, assign, reward, or discipline 9335  
other public employees; to responsibly direct them; to adjust 9336  
their grievances; or to effectively recommend such action, if the 9337  
exercise of that authority is not of a merely routine or clerical 9338  
nature, but requires the use of independent judgment, provided 9339  
that: 9340

(1) Employees of school districts who are department 9341  
chairpersons or consulting teachers shall not be deemed 9342  
supervisors; 9343

(2) With respect to members of a police or fire department, 9344  
no person shall be deemed a supervisor except the chief of the 9345  
department or those individuals who, in the absence of the chief, 9346  
are authorized to exercise the authority and perform the duties of 9347  
the chief of the department. Where prior to June 1, 1982, a public 9348  
employer pursuant to a judicial decision, rendered in litigation 9349  
to which the public employer was a party, has declined to engage 9350  
in collective bargaining with members of a police or fire 9351  
department on the basis that those members are supervisors, those 9352  
members of a police or fire department do not have the rights 9353  
specified in this chapter for the purposes of future collective 9354  
bargaining. The state employment relations board shall decide all 9355  
disputes concerning the application of division (F)(2) of this 9356  
section. 9357

## As Reported by the House Finance and Appropriations Committee\*

(3) With respect to faculty members of a state institution of higher education, heads of departments or divisions are supervisors; however, no other faculty member or group of faculty members is a supervisor solely because the faculty member or group of faculty members participate in decisions with respect to courses, curriculum, personnel, or other matters of academic policy;

(4) No teacher as defined in section 3319.09 of the Revised Code shall be designated as a supervisor or a management level employee unless the teacher is employed under a contract governed by section 3319.01, 3319.011, or 3319.02 of the Revised Code and is assigned to a position for which a license deemed to be for administrators under state board rules is required pursuant to section 3319.22 of the Revised Code.

(G) "To bargain collectively" means to perform the mutual obligation of the public employer, by its representatives, and the representatives of its employees to negotiate in good faith at reasonable times and places with respect to wages, hours, terms, and other conditions of employment and the continuation, modification, or deletion of an existing provision of a collective bargaining agreement, with the intention of reaching an agreement, or to resolve questions arising under the agreement. "To bargain collectively" includes executing a written contract incorporating the terms of any agreement reached. The obligation to bargain collectively does not mean that either party is compelled to agree to a proposal nor does it require the making of a concession.

(H) "Strike" means continuous concerted action in failing to report to duty; willful absence from one's position; or stoppage of work in whole from the full, faithful, and proper performance of the duties of employment, for the purpose of inducing, influencing, or coercing a change in wages, hours, terms, and other conditions of employment. "Strike" does not include a

## As Reported by the House Finance and Appropriations Committee\*

stoppage of work by employees in good faith because of dangerous 9390  
or unhealthful working conditions at the place of employment that 9391  
are abnormal to the place of employment. 9392

(I) "Unauthorized strike" includes, but is not limited to, 9393  
concerted action during the term or extended term of a collective 9394  
bargaining agreement or during the pendency of the settlement 9395  
procedures set forth in section 4117.14 of the Revised Code in 9396  
failing to report to duty; willful absence from one's position; 9397  
stoppage of work; slowdown, or abstinence in whole or in part from 9398  
the full, faithful, and proper performance of the duties of 9399  
employment for the purpose of inducing, influencing, or coercing a 9400  
change in wages, hours, terms, and other conditions of employment. 9401  
"Unauthorized strike" includes any such action, absence, stoppage, 9402  
slowdown, or abstinence when done partially or intermittently, 9403  
whether during or after the expiration of the term or extended 9404  
term of a collective bargaining agreement or during or after the 9405  
pendency of the settlement procedures set forth in section 4117.14 9406  
of the Revised Code. 9407

(J) "Professional employee" means any employee engaged in 9408  
work that is predominantly intellectual, involving the consistent 9409  
exercise of discretion and judgment in its performance and 9410  
requiring knowledge of an advanced type in a field of science or 9411  
learning customarily acquired by a prolonged course in an 9412  
institution of higher learning or a hospital, as distinguished 9413  
from a general academic education or from an apprenticeship; or an 9414  
employee who has completed the courses of specialized intellectual 9415  
instruction and is performing related work under the supervision 9416  
of a professional person to become qualified as a professional 9417  
employee. 9418

(K) "Confidential employee" means any employee who works in 9419  
the personnel offices of a public employer and deals with 9420  
information to be used by the public employer in collective 9421

## As Reported by the House Finance and Appropriations Committee\*

bargaining; or any employee who works in a close continuing 9422  
relationship with public officers or representatives directly 9423  
participating in collective bargaining on behalf of the employer. 9424

(L) "Management level employee" means an individual who 9425  
formulates policy on behalf of the public employer, who 9426  
responsibly directs the implementation of policy, or who may 9427  
reasonably be required on behalf of the public employer to assist 9428  
in the preparation for the conduct of collective negotiations, 9429  
administer collectively negotiated agreements, or have a major 9430  
role in personnel administration. Assistant superintendents, 9431  
principals, and assistant principals whose employment is governed 9432  
by section 3319.02 of the Revised Code are management level 9433  
employees. With respect to members of a faculty of a state 9434  
institution of higher education, no person is a management level 9435  
employee because of the person's involvement in the formulation or 9436  
implementation of academic or institution policy. 9437

(M) "Wages" means hourly rates of pay, salaries, or other 9438  
forms of compensation for services rendered. 9439

(N) "Member of a police department" means a person who is in 9440  
the employ of a police department of a municipal corporation as a 9441  
full-time regular police officer as the result of an appointment 9442  
from a duly established civil service eligibility list or under 9443  
section 737.15 or 737.16 of the Revised Code, a full-time deputy 9444  
sheriff appointed under section 311.04 of the Revised Code, a 9445  
township constable appointed under section 509.01 of the Revised 9446  
Code, or a member of a township police district police department 9447  
appointed under section 505.49 of the Revised Code. 9448

(O) "Members of the state highway patrol" means highway 9449  
patrol troopers and radio operators appointed under section 9450  
5503.01 of the Revised Code. 9451

(P) "Member of a fire department" means a person who is in 9452

## As Reported by the House Finance and Appropriations Committee\*

the employ of a fire department of a municipal corporation or a township as a fire cadet, full-time regular firefighter, or promoted rank as the result of an appointment from a duly established civil service eligibility list or under section 505.38, 709.012, or 737.22 of the Revised Code.

(Q) "Day" means calendar day.

**Sec. 4117.14.** (A) The procedures contained in this section govern the settlement of disputes between an exclusive representative and a public employer concerning the termination or modification of an existing collective bargaining agreement or negotiation of a successor agreement, or the negotiation of an initial collective bargaining agreement.

(B)(1) In those cases where there exists a collective bargaining agreement, any public employer or exclusive representative desiring to terminate, modify, or negotiate a successor collective bargaining agreement shall:

(a) Serve written notice upon the other party of the proposed termination, modification, or successor agreement. The party must serve the notice not less than sixty days prior to the expiration date of the existing agreement or, in the event the existing collective bargaining agreement does not contain an expiration date, not less than sixty days prior to the time it is proposed to make the termination or modifications or to make effective a successor agreement.

(b) Offer to bargain collectively with the other party for the purpose of modifying or terminating any existing agreement or negotiating a successor agreement;

(c) Notify the state employment relations board of the offer by serving upon the board a copy of the written notice to the other party and a copy of the existing collective bargaining



agreement.	9483
(2) In the case of initial negotiations between a public employer and an exclusive representative, where a collective bargaining agreement has not been in effect between the parties, any party may serve notice upon the board and the other party setting forth the names and addresses of the parties and offering to meet, for a period of ninety days, with the other party for the purpose of negotiating a collective bargaining agreement.	9484 9485 9486 9487 9488 9489 9490
If the settlement procedures specified in divisions (B), (C), and (D) of this section govern the parties, where those procedures refer to the expiration of a collective bargaining agreement, it means the expiration of the sixty-day period to negotiate a collective bargaining agreement referred to in this subdivision, or in the case of initial negotiations, it means the ninety day period referred to in this subdivision.	9491 9492 9493 9494 9495 9496 9497
(3) The parties shall continue in full force and effect all the terms and conditions of any existing collective bargaining agreement, without resort to strike or lock-out, for a period of sixty days after the party gives notice or until the expiration date of the collective bargaining agreement, whichever occurs later, or for a period of ninety days where applicable.	9498 9499 9500 9501 9502 9503
(4) Upon receipt of the notice, the parties shall enter into collective bargaining.	9504 9505
(C) In the event the parties are unable to reach an agreement, they may submit, at any time prior to forty-five days before the expiration date of the collective bargaining agreement, the issues in dispute to any mutually agreed upon dispute settlement procedure which supersedes the procedures contained in this section.	9506 9507 9508 9509 9510 9511
(1) The procedures may include:	9512
(a) Conventional arbitration of all unsettled issues;	9513

## As Reported by the House Finance and Appropriations Committee\*

- (b) Arbitration confined to a choice between the last offer of each party to the agreement as a single package; 9514  
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- (c) Arbitration confined to a choice of the last offer of each party to the agreement on each issue submitted; 9516  
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- (d) The procedures described in division (C)(1)(a), (b), or (c) of this section and including among the choices for the arbitrator, the recommendations of the fact finder, if there are recommendations, either as a single package or on each issue submitted; 9518  
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- (e) Settlement by a citizens' conciliation council composed of three residents within the jurisdiction of the public employer. The public employer shall select one member and the exclusive representative shall select one member. The two members selected shall select the third member who shall chair the council. If the two members cannot agree upon a third member within five days after their appointments, the board shall appoint the third member. Once appointed, the council shall make a final settlement of the issues submitted to it pursuant to division (G) of this section. 9523  
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- (f) Any other dispute settlement procedure mutually agreed to by the parties. 9533  
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- (2) If, fifty days before the expiration date of the collective bargaining agreement, the parties are unable to reach an agreement, any party may request the state employment relations board to intervene. The request shall set forth the names and addresses of the parties, the issues involved, and, if applicable, the expiration date of any agreement. 9535  
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- The board shall intervene and investigate the dispute to determine whether the parties have engaged in collective bargaining. 9541  
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- If an impasse exists or forty-five days before the expiration 9544

## As Reported by the House Finance and Appropriations Committee\*

date of the collective bargaining agreement if one exists, the 9545  
board shall appoint a mediator to assist the parties in the 9546  
collective bargaining process. 9547

(3) If the mediator after assisting the parties advises the 9548  
board that the parties have reached an impasse, or not later than 9549  
thirty-one days prior to the expiration date of the agreement, the 9550  
board shall appoint within one day a fact-finding panel of not 9551  
more than three members who have been selected by the parties in 9552  
accordance with rules established by the board, from a list of 9553  
qualified persons maintained by the board. 9554

(a) The fact-finding panel shall, in accordance with rules 9555  
and procedures established by the board that include the 9556  
regulation of costs and expenses of fact-finding, gather facts and 9557  
make recommendations for the resolution of the matter. The board 9558  
shall by its rules require each party to specify in writing the 9559  
unresolved issues and its position on each issue to the 9560  
fact-finding panel. The fact-finding panel shall make final 9561  
recommendations as to all the unresolved issues. 9562

(b) The board may continue mediation, order the parties to 9563  
engage in collective bargaining until the expiration date of the 9564  
agreement, or both. 9565

(4) The following guidelines apply to fact-finding: 9566

(a) The fact-finding panel may establish times and place of 9567  
hearings which shall be, where feasible, in the jurisdiction of 9568  
the state. 9569

(b) The fact-finding panel shall conduct the hearing pursuant 9570  
to rules established by the board. 9571

(c) Upon request of the fact-finding panel, the board shall 9572  
issue subpoenas for hearings conducted by the panel. 9573

(d) The fact-finding panel may administer oaths. 9574

## As Reported by the House Finance and Appropriations Committee\*

(e) The board shall prescribe guidelines for the fact-finding panel to follow in making findings. In making its recommendations, the fact-finding panel shall take into consideration the factors listed in divisions (G)(7)(a) to (f) of this section.

(f) The fact-finding panel may attempt mediation at any time during the fact-finding process. From the time of appointment until the fact-finding panel makes a final recommendation, it shall not discuss the recommendations for settlement of the dispute with parties other than the direct parties to the dispute.

(5) The fact-finding panel, acting by a majority of its members, shall transmit its findings of fact and recommendations on the unresolved issues to the public employer and employee organization involved and to the board no later than fourteen days after the appointment of the fact-finding panel, unless the parties mutually agree to an extension. The state shall pay one-half the cost of the fact-finding panel. The parties each shall pay one-half of the remaining costs.

(6)(a) Not later than seven days after the findings and recommendations are sent, the legislative body, by a three-fifths vote of its total membership, and in the case of the public employee organization, the membership, by a three-fifths vote of the total membership, may reject the recommendations; if neither rejects the recommendations, the recommendations shall be deemed agreed upon as the final resolution of the issues submitted and a collective bargaining agreement shall be executed between the parties, including the fact-finding panel's recommendations, except as otherwise modified by the parties by mutual agreement. If either the legislative body or the public employee organization rejects the recommendations, the board shall publicize the findings of fact and recommendations of the fact-finding panel. The board shall adopt rules governing the procedures and methods

## As Reported by the House Finance and Appropriations Committee\*

for public employees to vote on the recommendations of the 9607  
fact-finding panel. 9608

(b) As used in division (C)(6)(a) of this section, 9609  
"legislative body" means the controlling board when the state or 9610  
any of its agencies, authorities, commissions, boards, or other 9611  
branch of public employment is party to the fact-finding process. 9612

(D) If the parties are unable to reach agreement within seven 9613  
days after the publication of findings and recommendations from 9614  
the fact-finding panel or the collective bargaining agreement, if 9615  
one exists, has expired, then the: 9616

(1) Public employees, who are members of a police or fire 9617  
department, members of the state highway patrol, deputy sheriffs, 9618  
dispatchers employed by a police, fire or sheriff's department or 9619  
the state highway patrol or civilian dispatchers employed by a 9620  
public employer other than a police, fire, or sheriff's department 9621  
to dispatch police, fire, sheriff's department, or emergency 9622  
medical or rescue personnel and units, an exclusive nurse's unit, 9623  
employees of the state school for the deaf or the state school for 9624  
the blind, employees of any public employee retirement system, 9625  
corrections officers, guards at penal or mental institutions, 9626  
special police officers appointed in accordance with sections 9627  
5119.14 and 5123.13 of the Revised Code, psychiatric attendants 9628  
employed at mental health forensic facilities, or youth leaders 9629  
employed at juvenile correctional facilities, shall submit the 9630  
matter to a final offer settlement procedure pursuant to a board 9631  
order issued forthwith to the parties to settle by a conciliator 9632  
selected by the parties. The parties shall request from the board 9633  
a list of five qualified conciliators and the parties shall select 9634  
a single conciliator from the list by alternate striking of names. 9635  
If the parties cannot agree upon a conciliator within five days 9636  
after the board order, the board shall on the sixth day after its 9637  
order appoint a conciliator from a list of qualified persons 9638

## As Reported by the House Finance and Appropriations Committee\*

maintained by the board or shall request a list of qualified  
conciliators from the American arbitration association and appoint  
therefrom.

(2) Public employees other than those listed in division  
(D)(1) of this section have the right to strike under Chapter  
4117. of the Revised Code provided that the employee organization  
representing the employees has given a ten-day prior written  
notice of an intent to strike to the public employer and to the  
board, and further provided that the strike is for full,  
consecutive work days and the beginning date of the strike is at  
least ten work days after the ending date of the most recent prior  
strike involving the same bargaining unit; however, the board, at  
its discretion, may attempt mediation at any time.

(E) Nothing in this section shall be construed to prohibit  
the parties, at any time, from voluntarily agreeing to submit any  
or all of the issues in dispute to any other alternative dispute  
settlement procedure. An agreement or statutory requirement to  
arbitrate or to settle a dispute pursuant to a final offer  
settlement procedure and the award issued in accordance with the  
agreement or statutory requirement is enforceable in the same  
manner as specified in division (B) of section 4117.09 of the  
Revised Code.

(F) Nothing in this section shall be construed to prohibit a  
party from seeking enforcement of a collective bargaining  
agreement or a conciliator's award as specified in division (B) of  
section 4117.09 of the Revised Code.

(G) The following guidelines apply to final offer settlement  
proceedings under division (D)(1) of this section:

(1) The parties shall submit to final offer settlement those  
issues that are subject to collective bargaining as provided by  
section 4117.08 of the Revised Code and upon which the parties

## As Reported by the House Finance and Appropriations Committee\*

have not reached agreement and other matters mutually agreed to by 9670  
the public employer and the exclusive representative; except that 9671  
the conciliator may attempt mediation at any time. 9672

(2) The conciliator shall hold a hearing within thirty days 9673  
of the board's order to submit to a final offer settlement 9674  
procedure, or as soon thereafter as is practicable. 9675

(3) The conciliator shall conduct the hearing pursuant to 9676  
rules developed by the board. The conciliator shall establish the 9677  
hearing time and place, but it shall be, where feasible, within 9678  
the jurisdiction of the state. Not later than five calendar days 9679  
before the hearing, each of the parties shall submit to the 9680  
conciliator, to the opposing party, and to the board, a written 9681  
report summarizing the unresolved issues, the party's final offer 9682  
as to the issues, and the rationale for that position. 9683

(4) Upon the request by the conciliator, the board shall 9684  
issue subpoenas for the hearing. 9685

(5) The conciliator may administer oaths. 9686

(6) The conciliator shall hear testimony from the parties and 9687  
provide for a written record to be made of all statements at the 9688  
hearing. The board shall submit for inclusion in the record and 9689  
for consideration by the conciliator the written report and 9690  
recommendation of the fact-finders. 9691

(7) After hearing, the conciliator shall resolve the dispute 9692  
between the parties by selecting, on an issue-by-issue basis, from 9693  
between each of the party's final settlement offers, taking into 9694  
consideration the following: 9695

(a) Past collectively bargained agreements, if any, between 9696  
the parties; 9697

(b) Comparison of the issues submitted to final offer 9698  
settlement relative to the employees in the bargaining unit 9699

## As Reported by the House Finance and Appropriations Committee\*

involved with those issues related to other public and private	9700
employees doing comparable work, giving consideration to factors	9701
peculiar to the area and classification involved;	9702
(c) The interests and welfare of the public, the ability of	9703
the public employer to finance and administer the issues proposed,	9704
and the effect of the adjustments on the normal standard of public	9705
service;	9706
(d) The lawful authority of the public employer;	9707
(e) The stipulations of the parties;	9708
(f) Such other factors, not confined to those listed in this	9709
section, which are normally or traditionally taken into	9710
consideration in the determination of the issues submitted to	9711
final offer settlement through voluntary collective bargaining,	9712
mediation, fact-finding, or other impasse resolution procedures in	9713
the public service or in private employment.	9714
(8) Final offer settlement awards made under Chapter 4117. of	9715
the Revised Code are subject to Chapter 2711. of the Revised Code.	9716
	9717
(9) If more than one conciliator is used, the determination	9718
must be by majority vote.	9719
(10) The conciliator shall make written findings of fact and	9720
promulgate a written opinion and order upon the issues presented	9721
to the conciliator, and upon the record made before the	9722
conciliator and shall mail or otherwise deliver a true copy	9723
thereof to the parties and the board.	9724
(11) Increases in rates of compensation and other matters	9725
with cost implications awarded by the conciliator may be effective	9726
only at the start of the fiscal year next commencing after the	9727
date of the final offer settlement award; provided that if a new	9728
fiscal year has commenced since the issuance of the board order to	9729



## As Reported by the House Finance and Appropriations Committee\*

submit to a final offer settlement procedure, the awarded 9730  
increases may be retroactive to the commencement of the new fiscal 9731  
year. The parties may, at any time, amend or modify a 9732  
conciliator's award or order by mutual agreement. 9733

(12) The parties shall bear equally the cost of the final 9734  
offer settlement procedure. 9735

(13) Conciliators appointed pursuant to this section shall be 9736  
residents of the state. 9737

(H) All final offer settlement awards and orders of the 9738  
conciliator made pursuant to Chapter 4117. of the Revised Code are 9739  
subject to review by the court of common pleas having jurisdiction 9740  
over the public employer as provided in Chapter 2711. of the 9741  
Revised Code. If the public employer is located in more than one 9742  
court of common pleas district, the court of common pleas in which 9743  
the principal office of the chief executive is located has 9744  
jurisdiction. 9745

(I) The issuance of a final offer settlement award 9746  
constitutes a binding mandate to the public employer and the 9747  
exclusive representative to take whatever actions are necessary to 9748  
implement the award. 9749

**Sec. 4123.01.** As used in this chapter: 9750

(A)(1) "Employee" means: 9751

(a) Every person in the service of the state, or of any 9752  
county, municipal corporation, township, or school district 9753  
therein, including regular members of lawfully constituted police 9754  
and fire departments of municipal corporations and townships, 9755  
whether paid or volunteer, and wherever serving within the state 9756  
or on temporary assignment outside thereof, and executive officers 9757  
of boards of education, under any appointment or contract of hire, 9758  
express or implied, oral or written, including any elected 9759

## As Reported by the House Finance and Appropriations Committee\*

official of the state, or of any county, municipal corporation, or township, or members of boards of education. 9760  
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As used in division (A)(1)(a) of this section, the term "regular members of lawfully constituted police and fire departments" includes the following persons when the person responds to an inherently dangerous situation that calls for an immediate response on the part of the person, regardless of whether the person is within the limits of the jurisdiction of the person's regular employment or voluntary service when responding, on the condition that the person responds to the situation as the person otherwise would if the person were on duty in the person's jurisdiction: 9762  
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(i) Off-duty peace officers. As used in division (A)(1)(a)(i) of this section, "peace officer" means a member of the organized police department of any municipal corporation, including a member of the organized police department of a municipal corporation in an adjoining state serving in Ohio under a contract pursuant to section 737.04 of the Revised Code, member of a police force employed by a metropolitan housing authority under division (D) of section 3735.31 of the Revised Code, member of a police force employed by a regional transit authority under division (Y) of section 306.05 of the Revised Code, state university law enforcement officer appointed under section 3345.04 of the Revised Code, Ohio veterans' home police officer appointed under section 5907.02 of the Revised Code, police constable of any township, police officer of a township or joint township police district, state highway patrol trooper, and member of a qualified nonprofit corporation police department established pursuant to section 1702.80 of the Revised Code. 9772  
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As used in division (A)(1)(a) of this section with respect to off-duty peace officers, "jurisdiction" means the limits of the municipal corporation, township, metropolitan housing authority 9789  
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## As Reported by the House Finance and Appropriations Committee\*

housing project, regional transit authority facilities or areas of 9792  
 a municipal corporation that have been agreed to by a regional 9793  
 transit authority and a municipal corporation located within its 9794  
 territorial jurisdiction, college, university, or Ohio veterans' 9795  
 home operated under Chapter 5907. of the Revised Code in which the 9796  
 peace officer is appointed, employed, or elected. 9797

(ii) Off-duty firefighters, whether paid or volunteer, of a 9798  
 lawfully constituted fire department. As used in division 9799  
 (A)(1)(a) of this section with respect to off-duty firefighters, 9800  
 "jurisdiction" means the limits of the political subdivision, 9801  
 joint ambulance district, fire district, or joint fire district in 9802  
 which the firefighter is appointed or employed. 9803

(iii) Off-duty first responders, emergency medical 9804  
 technicians-basic, emergency medical technicians-intermediate, or 9805  
 emergency medical technicians-paramedic, whether paid or 9806  
 volunteer, of an ambulance service organization or emergency 9807  
 medical service organization pursuant to Chapter 4765. of the 9808  
 Revised Code. As used in division (A)(1)(a) of this section with 9809  
 respect to off-duty first responders and emergency medical 9810  
 technicians, "jurisdiction" means the limits of the political 9811  
 subdivision or joint ambulance district in which the first 9812  
 responder or emergency medical technician is employed or 9813  
 volunteers as a first responder or emergency medical technician. 9814

(b) Every person in the service of any person, firm, or 9815  
 private corporation, including any public service corporation, 9816  
 that (i) employs one or more persons regularly in the same 9817  
 business or in or about the same establishment under any contract 9818  
 of hire, express or implied, oral or written, including aliens and 9819  
 minors, household workers who earn one hundred sixty dollars or 9820  
 more in cash in any calendar quarter from a single household and 9821  
 casual workers who earn one hundred sixty dollars or more in cash 9822  
 in any calendar quarter from a single employer, or (ii) is bound 9823

by any such contract of hire or by any other written contract, to	9824
pay into the state insurance fund the premiums provided by this	9825
chapter.	9826
(c) Every person who performs labor or provides services	9827
pursuant to a construction contract, as defined in section 4123.79	9828
of the Revised Code, if at least ten of the following criteria	9829
apply:	9830
(i) The person is required to comply with instructions from	9831
the other contracting party regarding the manner or method of	9832
performing services;	9833
(ii) The person is required by the other contracting party to	9834
have particular training;	9835
(iii) The person's services are integrated into the regular	9836
functioning of the other contracting party;	9837
(iv) The person is required to perform the work personally;	9838
(v) The person is hired, supervised, or paid by the other	9839
contracting party;	9840
(vi) A continuing relationship exists between the person and	9841
the other contracting party that contemplates continuing or	9842
recurring work even if the work is not full time;	9843
(vii) The person's hours of work are established by the other	9844
contracting party;	9845
(viii) The person is required to devote full time to the	9846
business of the other contracting party;	9847
(ix) The person is required to perform the work on the	9848
premises of the other contracting party;	9849
(x) The person is required to follow the order of work set by	9850
the other contracting party;	9851
(xi) The person is required to make oral or written reports	9852

## As Reported by the House Finance and Appropriations Committee\*

of progress to the other contracting party;	9853
(xii) The person is paid for services on a regular basis such as hourly, weekly, or monthly;	9854
(xiii) The person's expenses are paid for by the other contracting party;	9855
(xiv) The person's tools and materials are furnished by the other contracting party;	9856
(xv) The person is provided with the facilities used to perform services;	9857
(xvi) The person does not realize a profit or suffer a loss as a result of the services provided;	9860
(xvii) The person is not performing services for a number of employers at the same time;	9861
(xviii) The person does not make the same services available to the general public;	9862
(xix) The other contracting party has a right to discharge the person;	9863
(xx) The person has the right to end the relationship with the other contracting party without incurring liability pursuant to an employment contract or agreement.	9864
Every person in the service of any independent contractor or subcontractor who has failed to pay into the state insurance fund the amount of premium determined and fixed by the administrator of workers' compensation for the person's employment or occupation or if a self-insuring employer has failed to pay compensation and benefits directly to the employer's injured and to the dependents of the employer's killed employees as required by section 4123.35 of the Revised Code, shall be considered as the employee of the person who has entered into a contract, whether written or verbal, with such independent contractor unless such employees or their	9865
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## As Reported by the House Finance and Appropriations Committee\*

legal representatives or beneficiaries elect, after injury or	9883
death, to regard such independent contractor as the employer.	9884
(2) "Employee" does not mean:	9885
(a) A duly ordained, commissioned, or licensed minister or	9886
assistant or associate minister of a church in the exercise of	9887
ministry; or	9888
(b) Any officer of a family farm corporation.	9889
Any employer may elect to include as an "employee" within	9890
this chapter, any person excluded from the definition of	9891
"employee" pursuant to division (A)(2) of this section. If an	9892
employer is a partnership, sole proprietorship, or family farm	9893
corporation, such employer may elect to include as an "employee"	9894
within this chapter, any member of such partnership, the owner of	9895
the sole proprietorship, or the officers of the family farm	9896
corporation. In the event of an election, the employer shall serve	9897
upon the bureau of workers' compensation written notice naming the	9898
persons to be covered, include such employee's remuneration for	9899
premium purposes in all future payroll reports, and no person	9900
excluded from the definition of "employee" pursuant to division	9901
(A)(2) of this section, proprietor, or partner shall be deemed an	9902
employee within this division until the employer has served such	9903
notice.	9904
For informational purposes only, the bureau shall prescribe	9905
such language as it considers appropriate, on such of its forms as	9906
it considers appropriate, to advise employers of their right to	9907
elect to include as an "employee" within this chapter a sole	9908
proprietor, any member of a partnership, the officers of a family	9909
farm corporation, or a person excluded from the definition of	9910
"employee" under division (A)(2)(a) of this section, that they	9911
should check any health and disability insurance policy, or other	9912
form of health and disability plan or contract, presently covering	9913

## As Reported by the House Finance and Appropriations Committee\*

them, or the purchase of which they may be considering, to 9914  
determine whether such policy, plan, or contract excludes benefits 9915  
for illness or injury that they might have elected to have covered 9916  
by workers' compensation. 9917

(B) "Employer" means: 9918

(1) The state, including state hospitals, each county, 9919  
municipal corporation, township, school district, and hospital 9920  
owned by a political subdivision or subdivisions other than the 9921  
state; 9922

(2) Every person, firm, and private corporation, including 9923  
any public service corporation, that (a) has in service one or 9924  
more employees regularly in the same business or in or about the 9925  
same establishment under any contract of hire, express or implied, 9926  
oral or written, or (b) is bound by any such contract of hire or 9927  
by any other written contract, to pay into the insurance fund the 9928  
premiums provided by this chapter. 9929

All such employers are subject to this chapter. Any member of 9930  
a firm or association, who regularly performs manual labor in or 9931  
about a mine, factory, or other establishment, including a 9932  
household establishment, shall be considered an employee in 9933  
determining whether such person, firm, or private corporation, or 9934  
public service corporation, has in its service, one or more 9935  
employees and the employer shall report the income derived from 9936  
such labor to the bureau as part of the payroll of such employer, 9937  
and such member shall thereupon be entitled to all the benefits of 9938  
an employee. 9939

(C) "Injury" includes any injury, whether caused by external 9940  
accidental means or accidental in character and result, received 9941  
in the course of, and arising out of, the injured employee's 9942  
employment. "Injury" does not include: 9943

(1) Psychiatric conditions except where the conditions have 9944

## As Reported by the House Finance and Appropriations Committee\*

arisen from an injury or occupational disease;	9945
(2) Injury or disability caused primarily by the natural deterioration of tissue, an organ, or part of the body;	9946
(3) Injury or disability incurred in voluntary participation in an employer-sponsored recreation or fitness activity if the employee signs a waiver of the employee's right to compensation or benefits under this chapter prior to engaging in the recreation or fitness activity.	9948
(D) "Child" includes a posthumous child and a child legally adopted prior to the injury.	9949
(E) "Family farm corporation" means a corporation founded for the purpose of farming agricultural land in which the majority of the voting stock is held by and the majority of the stockholders are persons or the spouse of persons related to each other within the fourth degree of kinship, according to the rules of the civil law, and at least one of the related persons is residing on or actively operating the farm, and none of whose stockholders are a corporation. A family farm corporation does not cease to qualify under this division where, by reason of any devise, bequest, or the operation of the laws of descent or distribution, the ownership of shares of voting stock is transferred to another person, as long as that person is within the degree of kinship stipulated in this division.	9950
(F) "Occupational disease" means a disease contracted in the course of employment, which by its causes and the characteristics of its manifestation or the condition of the employment results in a hazard which distinguishes the employment in character from employment generally, and the employment creates a risk of contracting the disease in greater degree and in a different manner from the public in general.	9951
(G) "Self-insuring employer" means an employer who is granted	9952



## As Reported by the House Finance and Appropriations Committee\*

the privilege of paying compensation and benefits directly under 9976  
 section 4123.35 of the Revised Code, including a board of county 9977  
 commissioners for the sole purpose of constructing a sports 9978  
 facility as defined in section 307.696 of the Revised Code, 9979  
 provided that the electors of the county in which the sports 9980  
 facility is to be built have approved construction of a sports 9981  
 facility by ballot election no later than November 6, 1997. 9982

(H) "Public employer" means an employer as defined in 9983  
 division (B)(1) of this section. 9984

**Sec. 4123.35.** (A) Except as provided in this section, every 9985  
 employer mentioned in division (B)(2) of section 4123.01 of the 9986  
 Revised Code, and every publicly owned utility shall pay 9987  
 semiannually in the months of January and July into the state 9988  
 insurance fund the amount of annual premium the administrator of 9989  
 workers' compensation fixes for the employment or occupation of 9990  
 the employer, the amount of which premium to be paid by each 9991  
 employer to be determined by the classifications, rules, and rates 9992  
 made and published by the administrator. The employer shall pay 9993  
 semiannually a further sum of money into the state insurance fund 9994  
 as may be ascertained to be due from the employer by applying the 9995  
 rules of the administrator, and a receipt or certificate 9996  
 certifying that payment has been made shall be mailed immediately 9997  
 to the employer by the bureau of workers' compensation. The 9998  
 receipt or certificate is prima-facie evidence of the payment of 9999  
 the premium. 10000

The bureau of workers' compensation shall verify with the 10001  
 secretary of state the existence of all corporations and 10002  
 organizations making application for workers' compensation 10003  
 coverage and shall require every such application to include the 10004  
 employer's federal identification number. 10005

An employer as defined in division (B)(2) of section 4123.01 10006

## As Reported by the House Finance and Appropriations Committee\*

of the Revised Code who has contracted with a subcontractor is 10007  
liable for the unpaid premium due from any subcontractor with 10008  
respect to that part of the payroll of the subcontractor that is 10009  
for work performed pursuant to the contract with the employer. 10010

Division (A) of this section providing for the payment of 10011  
premiums semiannually does not apply to any employer who was a 10012  
subscriber to the state insurance fund prior to January 1, 1914, 10013  
or who may first become a subscriber to the fund in any month 10014  
other than January or July. Instead, the semiannual premiums shall 10015  
be paid by those employers from time to time upon the expiration 10016  
of the respective periods for which payments into the fund have 10017  
been made by them. 10018

The administrator shall adopt rules to permit employers to 10019  
make periodic payments of the semiannual premium due under this 10020  
division. The rules shall include provisions for the assessment of 10021  
interest charges, where appropriate, and for the assessment of 10022  
penalties when an employer fails to make timely premium payments. 10023  
An employer who timely pays the amounts due under this division is 10024  
entitled to all of the benefits and protections of this chapter. 10025  
Upon receipt of payment, the bureau immediately shall mail a 10026  
receipt or certificate to the employer certifying that payment has 10027  
been made, which receipt is prima-facie evidence of payment. 10028  
Workers' compensation coverage under this chapter continues 10029  
uninterrupted upon timely receipt of payment under this division. 10030

Every public employer, except public employers that are 10031  
self-insuring employers under this section, shall comply with 10032  
sections 4123.38 to 4123.41, and 4123.48 of the Revised Code in 10033  
regard to the contribution of moneys to the public insurance fund. 10034

(B) Employers who will abide by the rules of the 10035  
administrator and who may be of sufficient financial ability to 10036  
render certain the payment of compensation to injured employees or 10037  
the dependents of killed employees, and the furnishing of medical, 10038

## As Reported by the House Finance and Appropriations Committee\*

surgical, nursing, and hospital attention and services and 10039  
medicines, and funeral expenses, equal to or greater than is 10040  
provided for in sections 4123.52, 4123.55 to 4123.62, and 4123.64 10041  
to 4123.67 of the Revised Code, and who do not desire to insure 10042  
the payment thereof or indemnify themselves against loss sustained 10043  
by the direct payment thereof, upon a finding of such facts by the 10044  
administrator, may be granted the privilege to pay individually 10045  
compensation, and furnish medical, surgical, nursing, and hospital 10046  
services and attention and funeral expenses directly to injured 10047  
employees or the dependents of killed employees, thereby being 10048  
granted status as a self-insuring employer. The administrator may 10049  
charge employers who apply for the status as a self-insuring 10050  
employer a reasonable application fee to cover the bureau's costs 10051  
in connection with processing and making a determination with 10052  
respect to an application. 10053

All employers granted ~~such~~ status as self-insuring employers 10054  
shall demonstrate sufficient financial and administrative ability 10055  
to assure that all obligations under this section are promptly 10056  
met. The administrator shall deny the privilege where the employer 10057  
is unable to demonstrate the employer's ability to promptly meet 10058  
all the obligations imposed on the employer by this section. 10059

(1) The administrator shall consider, but is not limited to, 10061  
the following factors, where applicable, in determining the 10062  
employer's ability to meet all of the obligations imposed on the 10063  
employer by this section: 10064

(a) The employer employs a minimum of five hundred employees 10065  
in this state; 10066

(b) The employer has operated in this state for a minimum of 10067  
two years, provided that an employer who has purchased, acquired, 10068  
or otherwise succeeded to the operation of a business, or any part 10069  
thereof, situated in this state that has operated for at least two 10070

## As Reported by the House Finance and Appropriations Committee\*

years in this state, also shall qualify; 10071

(c) Where the employer previously contributed to the state 10072  
insurance fund or is a successor employer as defined by bureau 10073  
rules, the amount of the buyout, as defined by bureau rules; 10074

(d) The sufficiency of the employer's assets located in this 10075  
state to insure the employer's solvency in paying compensation 10076  
directly; 10077

(e) The financial records, documents, and data, certified by 10078  
a certified public accountant, necessary to provide the employer's 10079  
full financial disclosure. The records, documents, and data 10080  
include, but are not limited to, balance sheets and profit and 10081  
loss history for the current year and previous four years. 10082

(f) The employer's organizational plan for the administration 10083  
of the workers' compensation law; 10084

(g) The employer's proposed plan to inform employees of the 10085  
change from a state fund insurer to a self-insuring employer, the 10086  
procedures the employer will follow as a self-insuring employer, 10087  
and the employees' rights to compensation and benefits; and 10088

(h) The employer has either an account in a financial 10089  
institution in this state, or if the employer maintains an account 10090  
with a financial institution outside this state, ensures that 10091  
workers' compensation checks are drawn from the same account as 10092  
payroll checks or the employer clearly indicates that payment will 10093  
be honored by a financial institution in this state. 10094

The administrator may waive the requirements of divisions 10095  
(B)(1)(a) and (b) of this section and the requirement of division 10096  
(B)(1)(e) of this section that the financial records, documents, 10097  
and data be certified by a certified public accountant. The 10098  
administrator shall adopt rules establishing the criteria that an 10099  
employer shall meet in order for the administrator to waive the 10100  
requirement of division (B)(1)(e) of this section. Such rules may 10101

## As Reported by the House Finance and Appropriations Committee\*

require additional security of that employer pursuant to division 10102  
(E) of section 4123.351 of the Revised Code. 10103

The administrator shall not grant the status of self-insuring 10104  
employer to the state, except that the administrator may grant the 10105  
status of self-insuring employer to a state institution of higher 10106  
education, excluding its hospitals, that meets the requirements of 10107  
division (B)(2) of this section. 10108

(2) When considering the application of a public employer, 10109  
except for a board of county commissioners described in division 10110  
(G) of section 4123.01 of the Revised Code, a board of a county 10111  
hospital, or a publicly owned utility, the administrator shall 10112  
verify that the public employer satisfies all of the following 10113  
requirements as the requirements apply to that public employer: 10114

(a) For the two-year period preceding application under this 10115  
section, the public employer has maintained an unvoted debt 10116  
capacity equal to at least two times the amount of the current 10117  
annual premium established by the administrator under this chapter 10118  
for that public employer for the year immediately preceding the 10119  
year in which the public employer makes application under this 10120  
section. 10121

(b) For each of the two fiscal years preceding application 10122  
under this section, the unreserved and undesignated year-end fund 10123  
balance in the public employer's general fund is equal to at least 10124  
five per cent of the public employer's general fund revenues for 10125  
the fiscal year computed in accordance with generally accepted 10126  
accounting principles. 10127

(c) For the five-year period preceding application under this 10128  
section, the public employer, to the extent applicable, has 10129  
complied fully with the continuing disclosure requirements 10130  
established in rules adopted by the United States securities and 10131  
exchange commission under 17 C.F.R. 240.15c 2-12. 10132

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(d) For the five-year period preceding application under this section, the public employer has not had its local government fund distribution withheld on account of the public employer being indebted or otherwise obligated to the state.

(e) For the five-year period preceding application under this section, the public employer has not been under a fiscal watch or fiscal emergency pursuant to section 118.023, 118.04, or 3316.03 of the Revised Code.

(f) For the public employer's fiscal year preceding application under this section, the public employer has obtained an annual financial audit as required under section 117.10 of the Revised Code, which has been released by the auditor of state within seven months after the end of the public employer's fiscal year.

(g) On the date of application, the public employer holds a debt rating of Aa3 or higher according to Moody's investors service, inc., or a comparable rating by an independent rating agency similar to Moody's investors service, inc.

(h) The public employer agrees to generate an annual accumulating book reserve in its financial statements reflecting an actuarially generated reserve adequate to pay projected claims under this chapter for the applicable period of time, as determined by the administrator.

(i) For a public employer that is a hospital, the public employer shall submit audited financial statements showing the hospital's overall liquidity characteristics, and the administrator shall determine, on an individual basis, whether the public employer satisfies liquidity standards equivalent to the liquidity standards of other public employers.

(j) Any additional criteria that the administrator adopts by rule pursuant to division (E) of this section.

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The administrator shall not approve the application of a public employer, except for a board of county commissioners described in division (G) of section 4123.01 of the Revised Code, a board of a county hospital, or publicly owned utility, who does not satisfy all of the requirements listed in division (B)(2) of this section.

(C) A board of county commissioners described in division (G) of section 4123.01 of the Revised Code, as an employer, that will abide by the rules of the administrator and that may be of sufficient financial ability to render certain the payment of compensation to injured employees or the dependents of killed employees, and the furnishing of medical, surgical, nursing, and hospital attention and services and medicines, and funeral expenses, equal to or greater than is provided for in sections 4123.52, 4123.55 to 4123.62, and 4123.64 to 4123.67 of the Revised Code, and that does not desire to insure the payment thereof or indemnify itself against loss sustained by the direct payment thereof, upon a finding of such facts by the administrator, may be granted the privilege to pay individually compensation, and furnish medical, surgical, nursing, and hospital services and attention and funeral expenses directly to injured employees or the dependents of killed employees, thereby being granted status as a self-insuring employer. The administrator may charge a board of county commissioners described in division (G) of section 4123.01 of the Revised Code that applies for the status as a self-insuring employer a reasonable application fee to cover the bureau's costs in connection with processing and making a determination with respect to an application. All employers granted such status shall demonstrate sufficient financial and administrative ability to assure that all obligations under this section are promptly met. The administrator shall deny the privilege where the employer is unable to demonstrate the

## As Reported by the House Finance and Appropriations Committee\*

employer's ability to promptly meet all the obligations imposed on  
the employer by this section. The administrator shall consider,  
but is not limited to, the following factors, where applicable, in  
determining the employer's ability to meet all of the obligations  
imposed on the board as an employer by this section:

(1) The board as an employer employs a minimum of five  
hundred employees in this state;

(2) The board has operated in this state for a minimum of two  
years;

(3) Where the board previously contributed to the state  
insurance fund or is a successor employer as defined by bureau  
rules, the amount of the buyout, as defined by bureau rules;

(4) The sufficiency of the board's assets located in this  
state to insure the board's solvency in paying compensation  
directly;

(5) The financial records, documents, and data, certified by  
a certified public accountant, necessary to provide the board's  
full financial disclosure. The records, documents, and data  
include, but are not limited to, balance sheets and profit and  
loss history for the current year and previous four years.

(6) The board's organizational plan for the administration of  
the workers' compensation law;

(7) The board's proposed plan to inform employees of the  
proposed self-insurance, the procedures the board will follow as a  
self-insuring employer, and the employees' rights to compensation  
and benefits;

(8) The board has either an account in a financial  
institution in this state, or if the board maintains an account  
with a financial institution outside this state, ensures that  
workers' compensation checks are drawn from the same account as



## As Reported by the House Finance and Appropriations Committee\*

payroll checks or the board clearly indicates that payment will be 10226  
honored by a financial institution in this state; 10227

(9) The board shall provide the administrator a surety bond 10228  
in an amount equal to one hundred twenty-five per cent of the 10229  
projected losses as determined by the administrator. 10230

(D) The administrator shall require a surety bond from all 10231  
self-insuring employers, issued pursuant to section 4123.351 of 10232  
the Revised Code, that is sufficient to compel, or secure to 10233  
injured employees, or to the dependents of employees killed, the 10234  
payment of compensation and expenses, which shall in no event be 10235  
less than that paid or furnished out of the state insurance fund 10236  
in similar cases to injured employees or to dependents of killed 10237  
employees whose employers contribute to the fund, except when an 10238  
employee of the employer, who has suffered the loss of a hand, 10239  
arm, foot, leg, or eye prior to the injury for which compensation 10240  
is to be paid, and thereafter suffers the loss of any other of the 10241  
members as the result of any injury sustained in the course of and 10242  
arising out of the employee's employment, the compensation to be 10243  
paid by the self-insuring employer is limited to the disability 10244  
suffered in the subsequent injury, additional compensation, if 10245  
any, to be paid by the bureau out of the surplus created by 10246  
section 4123.34 of the Revised Code. 10247

(E) In addition to the requirements of this section, the 10248  
administrator shall make and publish rules governing the manner of 10249  
making application and the nature and extent of the proof required 10250  
to justify a finding of fact by the administrator as to granting 10251  
the status of a self-insuring employer, which rules shall be 10252  
general in their application, one of which rules shall provide 10253  
that all self-insuring employers shall pay into the state 10254  
insurance fund such amounts as are required to be credited to the 10255  
surplus fund in division (B) of section 4123.34 of the Revised 10256  
Code. The administrator may adopt rules establishing requirements 10257

## As Reported by the House Finance and Appropriations Committee\*

in addition to the requirements described in division (B)(2) of 10258  
this section that a public employer shall meet in order to qualify 10259  
for self-insuring status. 10260

Employers shall secure directly from the bureau central 10261  
offices application forms upon which the bureau shall stamp a 10262  
designating number. Prior to submission of an application, an 10263  
employer shall make available to the bureau, and the bureau shall 10264  
review, the information described in division (B)(1) of this 10265  
section, and public employers shall make available, and the bureau 10266  
shall review, the information necessary to verify whether the 10267  
public employer meets the requirements listed in division (B)(2) 10268  
of this section. An employer shall file the completed application 10269  
forms with an application fee, which shall cover the costs of 10270  
processing the application, as established by the administrator, 10271  
by rule, with the bureau at least ninety days prior to the 10272  
effective date of the employer's new status as a self-insuring 10273  
employer. The application form is not deemed complete until all 10274  
the required information is attached thereto. The bureau shall 10275  
only accept applications that contain the required information. 10276

(F) The bureau shall review completed applications within a 10277  
reasonable time. If the bureau determines to grant an employer the 10278  
status as a self-insuring employer, the bureau shall issue a 10279  
statement, containing its findings of fact, that is prepared by 10280  
the bureau and signed by the administrator. If the bureau 10281  
determines not to grant the status as a self-insuring employer, 10282  
the bureau shall notify the employer of the determination and 10283  
require the employer to continue to pay its full premium into the 10284  
state insurance fund. The administrator also shall adopt rules 10285  
establishing a minimum level of performance as a criterion for 10286  
granting and maintaining the status as a self-insuring employer 10287  
and fixing time limits beyond which failure of the self-insuring 10288  
employer to provide for the necessary medical examinations and 10289

## As Reported by the House Finance and Appropriations Committee\*

evaluations may not delay a decision on a claim. 10290

(G) The administrator shall adopt rules setting forth 10291  
procedures for auditing the program of self-insuring employers. 10292  
The bureau shall conduct the audit upon a random basis or whenever 10293  
the bureau has grounds for believing that a self-insuring employer 10294  
is not in full compliance with bureau rules or this chapter. 10295

The administrator shall monitor the programs conducted by 10296  
self-insuring employers, to ensure compliance with bureau 10297  
requirements and for that purpose, shall develop and issue to 10298  
self-insuring employers standardized forms for use by the 10299  
self-insuring employer in all aspects of the self-insuring 10300  
employers' direct compensation program and for reporting of 10301  
information to the bureau. 10302

The bureau shall receive and transmit to the self-insuring 10303  
employer all complaints concerning any self-insuring employer. In 10304  
the case of a complaint against a self-insuring employer, the 10305  
administrator shall handle the complaint through the 10306  
self-insurance division of the bureau. The bureau shall maintain a 10307  
file by employer of all complaints received that relate to the 10308  
employer. The bureau shall evaluate each complaint and take 10309  
appropriate action. 10310

The administrator shall adopt as a rule a prohibition against 10311  
any self-insuring employer from harassing, dismissing, or 10312  
otherwise disciplining any employee making a complaint, which rule 10313  
shall provide for a financial penalty to be levied by the 10314  
administrator payable by the offending self-insuring employer. 10315

(H) For the purpose of making determinations as to whether to 10316  
grant status as a self-insuring employer, the administrator may 10317  
subscribe to and pay for a credit reporting service that offers 10318  
financial and other business information about individual 10319  
employers. The costs in connection with the bureau's subscription 10320

## As Reported by the House Finance and Appropriations Committee\*

or individual reports from the service about an applicant may be included in the application fee charged employers under this section.

(I) The administrator, notwithstanding other provisions of this chapter, may permit a self-insuring employer to resume payment of premiums to the state insurance fund with appropriate credit modifications to the employer's basic premium rate as such rate is determined pursuant to section 4123.29 of the Revised Code.

(J) On the first day of July of each year, the administrator shall calculate separately each self-insuring employer's assessments for the safety and hygiene fund, administrative costs pursuant to section 4123.342 of the Revised Code, and for the portion of the surplus fund under division (B) of section 4123.34 of the Revised Code that is not used for handicapped reimbursement, on the basis of the paid compensation attributable to the individual self-insuring employer according to the following calculation:

(1) The total assessment against all self-insuring employers as a class for each fund and for the administrative costs for the year that the assessment is being made, as determined by the administrator, divided by the total amount of paid compensation for the previous calendar year attributable to all amenable self-insuring employers;

(2) Multiply the quotient in division (J)(1) of this section by the total amount of paid compensation for the previous calendar year that is attributable to the individual self-insuring employer for whom the assessment is being determined. Each self-insuring employer shall pay the assessment that results from this calculation, unless the assessment resulting from this calculation falls below a minimum assessment, which minimum assessment the administrator shall determine on the first day of July of each

## As Reported by the House Finance and Appropriations Committee\*

year with the advice and consent of the workers' compensation  
oversight commission, in which event, the self-insuring employer  
shall pay the minimum assessment.

In determining the total amount due for the total assessment  
against all self-insuring employers as a class for each fund and  
the administrative assessment, the administrator shall reduce  
proportionately the total for each fund and assessment by the  
amount of money in the self-insurance assessment fund as of the  
date of the computation of the assessment.

The administrator shall calculate the assessment for the  
portion of the surplus fund under division (B) of section 4123.34  
of the Revised Code that is used for handicapped reimbursement in  
the same manner as set forth in divisions (J)(1) and (2) of this  
section except that the administrator shall calculate the total  
assessment for this portion of the surplus fund only on the basis  
of those self-insuring employers that retain participation in the  
handicapped reimbursement program and the individual self-insuring  
employer's proportion of paid compensation shall be calculated  
only for those self-insuring employers who retain participation in  
the handicapped reimbursement program. The administrator, as the  
administrator determines appropriate, may determine the total  
assessment for the handicapped portion of the surplus fund in  
accordance with sound actuarial principles.

The administrator shall calculate the assessment for the  
portion of the surplus fund under division (B) of section 4123.34  
of the Revised Code that under division (D) of section 4121.66 of  
the Revised Code is used for rehabilitation costs in the same  
manner as set forth in divisions (J)(1) and (2) of this section,  
except that the administrator shall calculate the total assessment  
for this portion of the surplus fund only on the basis of those  
self-insuring employers who have not made the election to make  
payments directly under division (D) of section 4121.66 of the

## As Reported by the House Finance and Appropriations Committee\*

Revised Code and an individual self-insuring employer's proportion 10385  
of paid compensation only for those self-insuring employers who 10386  
have not made that election. 10387

An employer who no longer is a self-insuring employer in this 10388  
state or who no longer is operating in this state, shall continue 10389  
to pay assessments for administrative costs and for the portion of 10390  
the surplus fund under division (B) of section 4123.34 of the 10391  
Revised Code that is not used for handicapped reimbursement, based 10392  
upon paid compensation attributable to claims that occurred while 10393  
the employer was a self-insuring employer within this state. 10394

(K) There is hereby created in the state treasury the 10395  
self-insurance assessment fund. All investment earnings of the 10396  
fund shall be deposited in the fund. The administrator shall use 10397  
the money in the self-insurance assessment fund only for 10398  
administrative costs as specified in section 4123.341 of the 10399  
Revised Code. 10400

(L) Every self-insuring employer shall certify, in affidavit 10401  
form subject to the penalty for perjury, to the bureau the amount 10402  
of the self-insuring employer's paid compensation for the previous 10403  
calendar year. In reporting paid compensation paid for the 10404  
previous year, a self-insuring employer shall exclude from the 10405  
total amount of paid compensation any reimbursement the 10406  
self-insuring employer receives in the previous calendar year from 10407  
the surplus fund pursuant to section 4123.512 of the Revised Code 10408  
for any paid compensation. The self-insuring employer also shall 10409  
exclude from the paid compensation reported any amount recovered 10410  
under section 4123.93 of the Revised Code and any amount that is 10411  
determined not to have been payable to or on behalf of a claimant 10412  
in any final administrative or judicial proceeding. The 10413  
self-insuring employer shall exclude such amounts from the paid 10414  
compensation reported in the reporting period subsequent to the 10415  
date the determination is made. The administrator shall adopt 10416

## As Reported by the House Finance and Appropriations Committee\*

rules, in accordance with Chapter 119. of the Revised Code, 10417  
establishing the date by which self-insuring employers must submit 10418  
such information and the amount of the assessments provided for in 10419  
division (J) of this section for employers who have been granted 10420  
self-insuring status within the last calendar year. 10421

The administrator shall include any assessment that remains 10422  
unpaid for previous assessment periods in the calculation and 10423  
collection of any assessments due under this division or division 10424  
(J) of this section. 10425

(M) As used in this section, "paid compensation" means all 10426  
amounts paid by a self-insuring employer for living maintenance 10427  
benefits, all amounts for compensation paid pursuant to sections 10428  
4121.63, 4121.67, 4123.56, 4123.57, 4123.58, 4123.59, 4123.60, and 10429  
4123.64 of the Revised Code, all amounts paid as wages in lieu of 10430  
such compensation, all amounts paid in lieu of such compensation 10431  
under a nonoccupational accident and sickness program fully funded 10432  
by the self-insuring employer, and all amounts paid by a 10433  
self-insuring employer for a violation of a specific safety 10434  
standard pursuant to Section 35 of Article II, Ohio Constitution 10435  
and section 4121.47 of the Revised Code. 10436

(N) Should any section of this chapter or Chapter 4121. of 10437  
the Revised Code providing for self-insuring employers' 10438  
assessments based upon compensation paid be declared 10439  
unconstitutional by a final decision of any court, then that 10440  
section of the Revised Code declared unconstitutional shall revert 10441  
back to the section in existence prior to November 3, 1989, 10442  
providing for assessments based upon payroll. 10443

(O) The administrator may grant a self-insuring employer the 10444  
privilege to self-insure a construction project entered into by 10445  
the self-insuring employer that is scheduled for completion within 10446  
six years after the date the project begins, and the total cost of 10447  
which is estimated to exceed one hundred million dollars or, for 10448

## As Reported by the House Finance and Appropriations Committee\*

employers described in division (R) of this section, if the 10449  
construction project is estimated to exceed twenty-five million 10450  
dollars. The administrator may waive such cost and time criteria 10451  
and grant a self-insuring employer the privilege to self-insure a 10452  
construction project regardless of the time needed to complete the 10453  
construction project and provided that the cost of the 10454  
construction project is estimated to exceed fifty million dollars. 10455  
A self-insuring employer who desires to self-insure a construction 10456  
project shall submit to the administrator an application listing 10457  
the dates the construction project is scheduled to begin and end, 10458  
the estimated cost of the construction project, the contractors 10459  
and subcontractors whose employees are to be self-insured by the 10460  
self-insuring employer, the provisions of a safety program that is 10461  
specifically designed for the construction project, and a 10462  
statement as to whether a collective bargaining agreement 10463  
governing the rights, duties, and obligations of each of the 10464  
parties to the agreement with respect to the construction project 10465  
exists between the self-insuring employer and a labor 10466  
organization. 10467

A self-insuring employer may apply to self-insure the 10468  
employees of either of the following: 10469

(1) All contractors and subcontractors who perform labor or 10470  
work or provide materials for the construction project; 10471

(2) All contractors and, at the administrator's discretion, a 10472  
substantial number of all the subcontractors who perform labor or 10473  
work or provide materials for the construction project. 10474

Upon approval of the application, the administrator shall 10475  
mail a certificate granting the privilege to self-insure the 10476  
construction project to the self-insuring employer. The 10477  
certificate shall contain the name of the self-insuring employer 10478  
and the name, address, and telephone number of the self-insuring 10479  
employer's representatives who are responsible for administering 10480



## As Reported by the House Finance and Appropriations Committee\*

workers' compensation claims for the construction project. The 10481  
self-insuring employer shall post the certificate in a conspicuous 10482  
place at the site of the construction project. 10483

The administrator shall maintain a record of the contractors 10484  
and subcontractors whose employees are covered under the 10485  
certificate issued to the self-insured employer. A self-insuring 10486  
employer immediately shall notify the administrator when any 10487  
contractor or subcontractor is added or eliminated from inclusion 10488  
under the certificate. 10489

Upon approval of the application, the self-insuring employer 10490  
is responsible for the administration and payment of all claims 10491  
under this chapter and Chapter 4121. of the Revised Code for the 10492  
employees of the contractor and subcontractors covered under the 10493  
certificate who receive injuries or are killed in the course of 10494  
and arising out of employment on the construction project, or who 10495  
contract an occupational disease in the course of employment on 10496  
the construction project. For purposes of this chapter and Chapter 10497  
4121. of the Revised Code, a claim that is administered and paid 10498  
in accordance with this division is considered a claim against the 10499  
self-insuring employer listed in the certificate. A contractor or 10500  
subcontractor included under the certificate shall report to the 10501  
self-insuring employer listed in the certificate, all claims that 10502  
arise under this chapter and Chapter 4121. of the Revised Code in 10503  
connection with the construction project for which the certificate 10504  
is issued. 10505

A self-insuring employer who complies with this division is 10506  
entitled to the protections provided under this chapter and 10507  
Chapter 4121. of the Revised Code with respect to the employees of 10508  
the contractors and subcontractors covered under a certificate 10509  
issued under this division for death or injuries that arise out 10510  
of, or death, injuries, or occupational diseases that arise in the 10511  
course of, those employees' employment on that construction 10512

## As Reported by the House Finance and Appropriations Committee\*

project, as if the employees were employees of the self-insuring 10513  
employer, provided that the self-insuring employer also complies 10514  
with this section. No employee of the contractors and 10515  
subcontractors covered under a certificate issued under this 10516  
division shall be considered the employee of the self-insuring 10517  
employer listed in that certificate for any purposes other than 10518  
this chapter and Chapter 4121. of the Revised Code. Nothing in 10519  
this division gives a self-insuring employer authority to control 10520  
the means, manner, or method of employment of the employees of the 10521  
contractors and subcontractors covered under a certificate issued 10522  
under this division. 10523

The contractors and subcontractors included under a 10524  
certificate issued under this division are entitled to the 10525  
protections provided under this chapter and Chapter 4121. of the 10526  
Revised Code with respect to the contractor's or subcontractor's 10527  
employees who are employed on the construction project which is 10528  
the subject of the certificate, for death or injuries that arise 10529  
out of, or death, injuries, or occupational diseases that arise in 10530  
the course of, those employees' employment on that construction 10531  
project. 10532

The contractors and subcontractors included under a 10533  
certificate issued under this division shall identify in their 10534  
payroll records the employees who are considered the employees of 10535  
the self-insuring employer listed in that certificate for purposes 10536  
of this chapter and Chapter 4121. of the Revised Code, and the 10537  
amount that those employees earned for employment on the 10538  
construction project that is the subject of that certificate. 10539  
Notwithstanding any provision to the contrary under this chapter 10540  
and Chapter 4121. of the Revised Code, the administrator shall 10541  
exclude the payroll that is reported for employees who are 10542  
considered the employees of the self-insuring employer listed in 10543  
that certificate, and that the employees earned for employment on 10544

## As Reported by the House Finance and Appropriations Committee\*

the construction project that is the subject of that certificate, 10545  
when determining those contractors' or subcontractors' premiums or 10546  
assessments required under this chapter and Chapter 4121. of the 10547  
Revised Code. A self-insuring employer issued a certificate under 10548  
this division shall include in the amount of paid compensation it 10549  
reports pursuant to division (L) of this section, the amount of 10550  
paid compensation the self-insuring employer paid pursuant to this 10551  
division for the previous calendar year. 10552

Nothing in this division shall be construed as altering the 10553  
rights of employees under this chapter and Chapter 4121. of the 10554  
Revised Code as those rights existed prior to September 17, 1996. 10555  
Nothing in this division shall be construed as altering the rights 10556  
devolved under sections 2305.31 and 4123.82 of the Revised Code as 10557  
those rights existed prior to September 17, 1996. 10558

As used in this division, "privilege to self-insure a 10559  
construction project" means privilege to pay individually 10560  
compensation, and to furnish medical, surgical, nursing, and 10561  
hospital services and attention and funeral expenses directly to 10562  
injured employees or the dependents of killed employees. 10563

(P) A self-insuring employer whose application is granted 10564  
under division (O) of this section shall designate a safety 10565  
professional to be responsible for the administration and 10566  
enforcement of the safety program that is specifically designed 10567  
for the construction project that is the subject of the 10568  
application. 10569

A self-insuring employer whose application is granted under 10570  
division (O) of this section shall employ an ombudsperson for the 10571  
construction project that is the subject of the application. The 10572  
ombudsperson shall have experience in workers' compensation or the 10573  
construction industry, or both. The ombudsperson shall perform all 10574  
of the following duties: 10575

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(1) Communicate with and provide information to employees who are injured in the course of, or whose injury arises out of employment on the construction project, or who contract an occupational disease in the course of employment on the construction project;

(2) Investigate the status of a claim upon the request of an employee to do so;

(3) Provide information to claimants, third party administrators, employers, and other persons to assist those persons in protecting their rights under this chapter and Chapter 4121. of the Revised Code.

A self-insuring employer whose application is granted under division (O) of this section shall post the name of the safety professional and the ombudsperson and instructions for contacting the safety professional and the ombudsperson in a conspicuous place at the site of the construction project.

(Q) The administrator may consider all of the following when deciding whether to grant a self-insuring employer the privilege to self-insure a construction project as provided under division (O) of this section:

(1) Whether the self-insuring employer has an organizational plan for the administration of the workers' compensation law;

(2) Whether the safety program that is specifically designed for the construction project provides for the safety of employees employed on the construction project, is applicable to all contractors and subcontractors who perform labor or work or provide materials for the construction project, and has as a component, a safety training program that complies with standards adopted pursuant to the "Occupational Safety and Health Act of 1970," 84 Stat. 1590, 29 U.S.C.A. 651, and provides for continuing management and employee involvement;

## As Reported by the House Finance and Appropriations Committee\*

(3) Whether granting the privilege to self-insure the construction project will reduce the costs of the construction project; 10607  
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(4) Whether the self-insuring employer has employed an ombudsperson as required under division (P) of this section; 10610  
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(5) Whether the self-insuring employer has sufficient surety to secure the payment of claims for which the self-insuring employer would be responsible pursuant to the granting of the privilege to self-insure a construction project under division (O) of this section. 10612  
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(R) As used in divisions (O), (P), and (Q), "self-insuring employer" includes the following employers, whether or not they have been granted the status of being a self-insuring employer under division (B) of this section: 10617  
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(1) A state institution of higher education; 10621

(2) A school district; 10622

(3) A county school financing district; 10623

(4) An educational service center; 10624

(5) A community school established under Chapter 3314. of the Revised Code. 10625  
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(S) As used in this section: 10627

(1) "Unvoted debt capacity" means the amount of money that a public employer may borrow without voter approval of a tax levy; 10628  
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(2) "State institution of higher education" means the state universities listed in section 3345.011 of the Revised Code, community colleges created pursuant to Chapter 3354. of the Revised Code, university branches created pursuant to Chapter 3355. of the Revised Code, technical colleges created pursuant to Chapter 3357. of the Revised Code, and state community colleges 10630  
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As Reported by the House Finance and Appropriations Committee\*

created pursuant to Chapter 3358. of the Revised Code.

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**Sec. 4582.03.** (A) A port authority created in accordance with section 4582.02 of the Revised Code shall be governed by a board of directors. Members of a board of directors of a port authority created by the exclusive action of a municipal corporation shall consist of the number of members it considers necessary and shall be appointed by the mayor with the advice and consent of the council. Members of a board of directors of a port authority created by the exclusive action of a township shall consist of such members as it considers necessary and shall be appointed by the township trustees of the township. Members of a board of directors of a port authority created by the exclusive action of a county shall consist of such members as it considers necessary and shall be appointed by the county commissioners of the county. Members of a board of directors of a port authority created by a combination of political subdivisions shall be divided among the political subdivisions in such proportions as the political subdivisions may agree and shall be appointed by the participating political subdivisions in the same manner as this section provides for the appointment of members by a political subdivision creating its own port authority. When a port authority is created by a combination of political subdivisions, the number of directors comprising the board shall be determined by agreement between the political subdivisions, which number from time to time may be changed by amendment of the agreement. The appointing body may at any time remove a director appointed by it for misfeasance, nonfeasance, or malfeasance in office.

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A majority of the directors shall have been qualified electors of, or shall have had their businesses or places of employment in, one or more political subdivisions within the area of the jurisdiction of the port authority, for a period of at least three years next preceding their appointment.

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The directors of any port authority first appointed shall 10668  
serve staggered terms. Thereafter each successor shall serve for a 10669  
term of four years, except that any person appointed to fill a 10670  
vacancy shall be appointed to only the unexpired term and any 10671  
director is eligible for reappointment. 10672

The board of directors by rule may provide for the removal of 10673  
a director who fails to attend three consecutive regular meetings 10674  
of the board. If a director is so removed, a successor shall be 10675  
appointed for the remaining term of the removed director in the 10676  
same manner provided for the original appointment. 10677

The directors shall elect one of their membership as 10678  
chairperson and another as vice-chairperson and shall designate 10679  
their terms of office, and shall appoint a secretary who need not 10680  
be a director. A majority of the board of directors shall 10681  
constitute a quorum, the for purposes of holding a meeting of the 10682  
board. The affirmative vote of which a majority of a quorum shall 10683  
be necessary for any action taken by the port authority unless the 10684  
board of directors determines by rule to require a greater number 10685  
of affirmative votes for particular actions to be taken by the 10686  
port authority. No vacancy in the membership of the board shall 10687  
impair the rights of a quorum to exercise all the rights and 10688  
perform all the duties of the port authority. 10689

Each member of the board of directors of a port authority 10690  
shall be entitled to receive from the port authority such sum of 10691  
money as the board of directors may determine as compensation for 10692  
services as director and reimbursement for reasonable expenses in 10693  
the performance of official duties. 10694

(B) Except for civil actions that arise out of the operation 10695  
of a motor vehicle and civil actions in which the port authority 10696  
is the plaintiff, no director, officer, or employee of a port 10697  
authority shall be liable in any civil action that arises under 10698  
the law of this state for damage or injury caused in the 10699

## As Reported by the House Finance and Appropriations Committee\*

performance of official duties, unless the director's, officer's, 10700  
or employee's actions were manifestly outside the scope of the 10701  
director's, officer's, or employee's employment or official 10702  
responsibilities, or unless the director, officer, or employee 10703  
acted with malicious purpose, in bad faith, or in a wanton or 10704  
reckless manner. 10705

This section does not eliminate, limit, or reduce any 10706  
immunity from civil liability that is conferred upon a director, 10707  
officer, or employee by any other provision of the Revised Code or 10708  
by case law. 10709

(C)(1) A port authority, except as provided in division (B) 10710  
of this section, shall indemnify a director, officer, or employee 10711  
from liability incurred in the performance of official duties by 10712  
paying any judgment in, or amount negotiated in settlement of, any 10713  
civil action arising under federal law, the law of another state, 10714  
or the law of a foreign jurisdiction. The reasonableness of the 10715  
amount of any consent judgment or settlement is subject to the 10716  
review and approval of the board of directors of the port 10717  
authority. The maximum aggregate amount of indemnification paid 10718  
directly from funds to or on behalf of any director, officer, or 10719  
employee pursuant to this division shall be one million dollars 10720  
per occurrence, regardless of the number of persons who suffer 10721  
damage, injury, or death as a result of the occurrence. 10722

(2) A port authority shall not indemnify a director, officer, 10723  
or employee under any of the following circumstances: 10724

(a) To the extent the director, officer, or employee is 10725  
covered by a policy of insurance for civil liability purchased by 10726  
the port authority; 10727

(b) When the director, officer, or employee acts manifestly 10728  
outside the scope of the director's, officer's, or employee's 10729  
employment or official responsibilities, with malicious purpose, 10730



in bad faith, or in a wanton or reckless manner; 10731

(c) For any portion of a judgment that represents punitive or 10732  
exemplary damages; 10733

(d) For any portion of a consent judgment or settlement that 10734  
is unreasonable. 10735

(3) The port authority may purchase a policy or policies of 10736  
insurance on behalf of directors, officers, and employees of the 10737  
port authority from an insurer or insurers licensed to do business 10738  
in this state providing coverage for damages in connection with 10739  
any civil action, demand, or claim against the director, officer, 10740  
or employee by reason of an act or omission by the director, 10741  
officer, or employee occurring in the performance of official 10742  
duties and not coming within the terms of division (C)(2)(b) of 10743  
this section. 10744

(4) This section does not affect any of the following: 10745

(a) Any defense that would otherwise be available in an 10746  
action alleging personal liability of a director, officer, or 10747  
employee; 10748

(b) The operation of section 9.83 of the Revised Code. 10749

**Sec. 4582.20.** A port authority shall be exempt from and shall 10750  
not be required to pay any taxes on property, both real and 10751  
personal, or any combination thereof, belonging to any port 10752  
authority, that is used exclusively for any authorized purpose 10753  
~~provided, this.~~ This exemption shall not apply to any property 10754  
occupied and used during a tax year by a person who is a lessee of 10755  
the property as of the tax lien date for that tax year under a 10756  
written lease with a remaining term longer than one year. The 10757  
immediately preceding sentence shall not apply to real or personal 10758  
property, or any combination thereof, leased to a lessee, which 10759  
property would be exempt from taxes under Chapter 5709. of the 10760

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Revised Code if such property belonged to that lessee. Nothing in 10761  
this section eliminates the lessor's or the lessee's obligation to 10762  
comply with other provisions of the Revised Code to obtain an 10763  
exemption for such property. 10764

**Sec. 4582.27.** (A) A port authority created in accordance with 10765  
section 4582.22 of the Revised Code shall be governed by a board 10766  
of directors. Members of a board of directors of a port authority 10767  
created by the exclusive action of a municipal corporation shall 10768  
consist of the number of members it considers necessary and shall 10769  
be appointed by the mayor with the advice and consent of the 10770  
council. Members of a board of directors of a port authority 10771  
created by the exclusive action of a township shall consist of 10772  
such members as it considers necessary and shall be appointed by 10773  
the township trustees of the township. Members of a board of 10774  
directors of a port authority created by the exclusive action of a 10775  
county shall consist of such members as it considers necessary and 10776  
shall be appointed by the board of county commissioners of the 10777  
county. Members of a board of directors of a port authority 10778  
created by a combination of political subdivisions shall be 10779  
divided among the political subdivisions in such proportions as 10780  
the political subdivisions may agree and shall be appointed by the 10781  
participating political subdivisions in the same manner as this 10782  
section provides for the appointment of members by a political 10783  
subdivision creating its own port authority. If a participating 10784  
political subdivision is not authorized by section 4582.22 of the 10785  
Revised Code to create its own port authority, the political 10786  
subdivision's elected legislative body, if the political 10787  
subdivision has an elected legislative body, or the political 10788  
subdivision's elected official or officials who appoint the 10789  
legislative body of the political subdivision shall appoint the 10790  
members of a board of directors of a port authority that are to be 10791  
appointed by that political subdivision. If the electors of a 10792

## As Reported by the House Finance and Appropriations Committee\*

participating political subdivision do not elect either the 10793  
legislative body of the political subdivision or the official or 10794  
officials who appoint the legislative body of the political 10795  
subdivision, the participating political subdivision may not 10796  
appoint any member of a board of directors of a port authority. 10797  
When a port authority is created by a combination of political 10798  
subdivisions, the number of directors comprising the board shall 10799  
be determined by agreement between the political subdivisions, 10800  
which number may be changed from time to time by amendment of the 10801  
agreement. The appointing body may at any time remove a director 10802  
appointed by it for misfeasance, nonfeasance, or malfeasance in 10803  
office. 10804

A majority of the directors shall have been qualified 10805  
electors of, or shall have had their businesses or places of 10806  
employment in, one or more political subdivisions within the area 10807  
of the jurisdiction of the port authority, for a period of at 10808  
least three years next preceding their appointment. 10809

The directors of any port authority first appointed shall 10810  
serve staggered terms. Thereafter each successor shall serve for a 10811  
term of four years, except that any person appointed to fill a 10812  
vacancy shall be appointed to only the unexpired term and any 10813  
director is eligible for reappointment. 10814

The board of directors by rule may provide for the removal of 10815  
a director who fails to attend three consecutive regular meetings 10816  
of the board. If a director is so removed, a successor shall be 10817  
appointed for the remaining term of the removed director in the 10818  
same manner provided for the original appointment. 10819

The directors shall elect one of their membership as 10820  
chairperson and another as vice-chairperson, and shall designate 10821  
their terms of office, and shall appoint a secretary who need not 10822  
be a director. A majority of the board of directors shall 10823  
constitute a quorum, ~~the~~ for purposes of holding a meeting of the 10824

## As Reported by the House Finance and Appropriations Committee\*

board. The affirmative vote of which a majority of a quorum shall 10825  
be necessary for any action taken by the port authority unless the 10826  
board of directors determines by rule to require a greater number 10827  
of affirmative votes for particular actions to be taken by the 10828  
port authority. No vacancy in the membership of the board shall 10829  
impair the rights of a quorum to exercise all the rights and 10830  
perform all the duties of the port authority. 10831

Each member of the board of directors of a port authority 10832  
shall be entitled to receive from the port authority such sum of 10833  
money as the board of directors may determine as compensation for 10834  
services as director and reimbursement for reasonable expenses in 10835  
the performance of official duties. 10836

(B) Except for civil actions that arise out of the operation 10837  
of a motor vehicle and civil actions in which the port authority 10838  
is the plaintiff, no director, officer, or employee of a port 10839  
authority shall be liable in any civil action that arises under 10840  
the law of this state for damage or injury caused in the 10841  
performance of his duties, unless the director's, officer's, or 10842  
employee's actions were manifestly outside the scope of his 10843  
employment or official responsibilities, or unless the director, 10844  
officer, or employee acted with malicious purpose, in bad faith, 10845  
or in a wanton or reckless manner. 10846

This division does not eliminate, limit, or reduce any 10847  
immunity from civil liability that is conferred upon a director, 10848  
officer, or employee by any other provision of the Revised Code or 10849  
by case law. 10850

(C)(1) A port authority shall, except as provided in division 10851  
(B) of this section, indemnify a director, officer, or employee 10852  
from liability incurred in the performance of his duties by paying 10853  
any judgment in, or amount negotiated in settlement of, any civil 10854  
action arising under federal law, the law of another state, or the 10855  
law of a foreign jurisdiction. The reasonableness of the amount of 10856

## As Reported by the House Finance and Appropriations Committee\*

any consent judgment or settlement is subject to the review and approval of the board of the port authority. The maximum aggregate amount of indemnification paid directly from funds to or on behalf of any director, officer or employee pursuant to this division shall be one million dollars per occurrence, regardless of the number of persons who suffer damage, injury, or death as a result of the occurrence.

(2) A port authority shall not indemnify a director, officer, or employee under any of the following circumstances:

(a) To the extent the director, officer, or employee is covered by a policy of insurance for civil liability purchased by the port authority;

(b) When the director, officer, or employee acts manifestly outside the scope of his employment or official responsibilities, with malicious purpose, in bad faith, or in a wanton or reckless manner;

(c) For any portion of a judgment that represents punitive or exemplary damages;

(d) For any portion of a consent judgment or settlement that is unreasonable.

(3) The port authority may purchase a policy or policies of insurance on behalf of directors, officers, and employees of the port authority from an insurer or insurers licensed to do business in this state providing coverage for damages in connection with any civil action, demand, or claim against the director, officer, or employee by reason of an act or omission by the director, officer, or employee occurring in the performance of his duties and not coming within the terms of division (C)(2)(b) of this section.

(4) This section does not affect either of the following:

## As Reported by the House Finance and Appropriations Committee\*

(a) Any defense that would otherwise be available in an action alleging personal liability of a director, officer, or employee; 10887  
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(b) The operation of section 9.83 of the Revised Code. 10890

**Sec. 4582.30.** (A)(1) Except as otherwise provided in division 10891  
(A)(2) or (3) of this section, the area of jurisdiction of a port 10892  
authority created in accordance with section 4582.22 of the 10893  
Revised Code shall include all of the territory of the political 10894  
subdivision or subdivisions creating it and, if the port authority 10895  
owns or leases a railroad line or airport, the territory on which 10896  
the railroad's line, terminals, and related facilities or the 10897  
airport's runways, terminals, and related facilities are located, 10898  
regardless of whether the territory is located in the political 10899  
subdivision or subdivisions creating the port authority. 10900

(2) A municipal corporation with a population of at least one 10901  
hundred thousand according to the most recent federal decennial 10902  
census may create a port authority within a county that previously 10903  
created an existing port authority, if the municipal corporation 10904  
did not join with the county in creating the port authority or 10905  
thereafter join that port authority. The newly created port 10906  
authority and the previously created and existing port authority 10907  
shall possess concurrent jurisdiction over any territory within 10908  
the jurisdiction of both. 10909

(3) A county may create a port authority the area of 10910  
jurisdiction of which excludes any territory that is located in 10911  
that county and is in the area of jurisdiction of any port 10912  
authority created in accordance with section 4582.02 or 4582.22 of 10913  
the Revised Code that is then existing in the county. 10914

(B)(1) Except as provided in division (B)(2) or (3) of this 10915  
section, a political subdivision that has created a port authority 10916  
or joined an existing port authority shall not be included in any 10917

## As Reported by the House Finance and Appropriations Committee\*

other port authority.	10918
(2) A municipal corporation with a population of less than one hundred thousand according to the most recent federal decennial census that has joined an existing port authority in a county with a population of five hundred thousand or less may create a port authority within the territorial jurisdiction of the municipal corporation.	10919 10920 10921 10922 10923 10924
<u>(3) A municipal corporation and a county jointly may create a new port authority if both of the following apply:</u>	10925 10926
<u>(a) The municipal corporation created a port authority after July 9, 1982, and that port authority operates an airport;</u>	10927 10928
<u>(b) The county joined a port authority after July 9, 1982, and that port authority operated an airport.</u>	10929 10930
<del>Sec. 4582.46. The exercise of the powers granted by sections 4582.22 to 4582.59 of the Revised Code shall be for the benefit of the people of the state, for the improvement of their health, safety, convenience, and welfare, and for the enhancement of their residential, agricultural, recreational, economic, commercial, distribution, research, and industrial opportunities and is a public purpose. As the operation and maintenance of port authority facilities will constitute the performance of essential governmental functions, a</del> <u>A port authority shall be exempt from</u>	10931 10932 10933 10934 10935 10936 10937 10938 10939
<del>and shall</del> not be required to pay any taxes or assessments upon any port authority facility, upon any <u>on</u> property acquired or used by the port authority under sections 4582.22 to 4582.59 of the Revised Code, or upon the income therefrom, nor shall the transfer to or from a port authority of title or possession of any port authority facility, part thereof, or item included or to be included in any such facility, be subject to the taxes levied pursuant to Chapters 5739. and 5741. of the Revised Code, provided, this, both real and personal, or any combination	10940 10941 10942 10943 10944 10945 10946 10947 10948

## As Reported by the House Finance and Appropriations Committee\*

thereof, belonging to any port authority that is used exclusively 10949  
for any authorized purpose. This exemption does shall not apply to 10950  
any property occupied and used during a tax year by a person who 10951  
is a lessee of the property as of the tax lien date for that tax 10952  
year under a written lease with a remaining term longer than one 10953  
year. ~~The bonds issued under this chapter, their transfer, and the~~ 10954  
~~income therefrom, shall at all times be free from taxation within~~ 10955  
~~the state.~~ The immediately preceding sentence shall not apply to 10956  
real or personal property, or any combination thereof, leased to a 10957  
lessee, which property would be exempt from taxes under Chapter 10958  
5709. of the Revised Code if such property belonged to that 10959  
lessee. Nothing in this section eliminates the lessor's or the 10960  
lessee's obligation to comply with other provisions of the Revised 10961  
Code to obtain an exemption for such property. 10962

**Sec. 5709.61.** As used in sections 5709.61 to 5709.69 of the 10963  
Revised Code: 10964

(A) "Enterprise zone" or "zone" means any of the following: 10965

(1) An area with a single continuous boundary designated in 10966  
the manner set forth in section 5709.62 or 5709.63 of the Revised 10967  
Code and certified by the director of development as having a 10968  
population of at least four thousand according to the best and 10969  
most recent data available to the director and having at least two 10970  
of the following characteristics: 10971

(a) It is located in a municipal corporation defined by the 10972  
United States office of management and budget as a central city of 10973  
a metropolitan statistical area; 10974

(b) It is located in a county designated as being in the 10975  
"Appalachian region" under the "Appalachian Regional Development 10976  
Act of 1965," 79 Stat. 5, 40 App. U.S.C.A. 403, as amended; 10977

(c) Its average rate of unemployment, during the most recent 10978  
twelve-month period for which data are available, is equal to at 10979



## As Reported by the House Finance and Appropriations Committee\*

least one hundred twenty-five per cent of the average rate of unemployment for the state of Ohio for the same period; 10980  
10981

(d) There is a prevalence of commercial or industrial structures in the area that are vacant or demolished, or are vacant and the taxes charged thereon are delinquent, and certification of the area as an enterprise zone would likely result in the reduction of the rate of vacant or demolished structures or the rate of tax delinquency in the area; 10982  
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(e) The population of all census tracts in the area, according to the federal census of 1990, decreased by at least ten per cent between the years 1970 and 1990; 10988  
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(f) At least fifty-one per cent of the residents of the area have incomes of less than eighty per cent of the median income of residents of the municipal corporation or municipal corporations in which the area is located, as determined in the same manner specified under section 119(b) of the "Housing and Community Development Act of 1974," 88 Stat. 633, 42 U.S.C. 5318, as amended; 10991  
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(g) The area contains structures previously used for industrial purposes, but currently not so used due to age, obsolescence, deterioration, relocation of the former occupant's operations, or cessation of operations resulting from unfavorable economic conditions either generally or in a specific economic sector; 10998  
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(h) It is located within one or more adjacent city, local, or exempted village school districts, the income-weighted tax capacity of each of which is less than seventy per cent of the average of the income-weighted tax capacity of all city, local, or exempted village school districts in the state according to the most recent data available to the director from the department of taxation. 11004  
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## As Reported by the House Finance and Appropriations Committee\*

The director of development shall adopt rules in accordance with Chapter 119. of the Revised Code establishing conditions constituting the characteristics described in divisions (A)(1)(d), (g), and (h) of this section.

If an area could not be certified as an enterprise zone unless it satisfied division (A)(1)(g) of this section, the legislative authority may enter into agreements in that zone under section 5709.62, 5709.63, or 5709.632 of the Revised Code only if such agreements result in the development of the facilities described in that division, the parcel of land on which such facilities are situated, or adjacent parcels. The director of development annually shall review all agreements in such zones to determine whether the agreements have resulted in such development; if the director determines that the agreements have not resulted in such development, the director immediately shall revoke certification of the zone and notify the legislative authority of such revocation. Any agreements entered into prior to revocation under this paragraph shall continue in effect for the period provided in the agreement.

(2) An area with a single continuous boundary designated in the manner set forth in section 5709.63 of the Revised Code and certified by the director of development as:

(a) Being located within a county that contains a population of three hundred thousand or less;

(b) Having a population of at least one thousand according to the best and most recent data available to the director;

(c) Having at least two of the characteristics described in divisions (A)(1)(b) to (h) of this section.

(3) An area with a single continuous boundary designated in the manner set forth under division (A)(1) of section 5709.632 of the Revised Code and certified by the director of development as

## As Reported by the House Finance and Appropriations Committee\*

having a population of at least four thousand, or under division 11042  
(A)(2) of that section and certified as having a population of at 11043  
least one thousand, according to the best and most recent data 11044  
available to the director. 11045

(B) "Enterprise" means any form of business organization 11046  
including, but not limited to, any partnership, sole 11047  
proprietorship, or corporation, including an S corporation as 11048  
defined in section 1361 of the Internal Revenue Code and any 11049  
corporation that is majority work-owned either directly through 11050  
the ownership of stock or indirectly through participation in an 11051  
employee stock ownership plan. 11052

(C) "Facility" means an enterprise's place of business in a 11053  
zone, including land, buildings, machinery, equipment, and other 11054  
materials, except inventory, used in business. "Facility" includes 11055  
land, buildings, machinery, production and station equipment, 11056  
other equipment, and other materials, except inventory, used in 11057  
business to generate electricity, provided that, for purposes of 11058  
sections 5709.61 to 5709.69 of the Revised Code, the value of the 11059  
property at such a facility shall be reduced by the value, if any, 11060  
that is not apportioned under section 5727.15 of the Revised Code 11061  
to the taxing district in which the facility is physically 11062  
located. In the case of such a facility that is physically located 11063  
in two adjacent taxing districts, the property located in each 11064  
taxing district constitutes a separate facility. 11065

"Facility" does not include any portion of an enterprise's 11066  
place of business used primarily for making retail sales, unless 11067  
the place of business is located in an impacted city as defined in 11068  
section 1728.01 of the Revised Code. 11069

(D) "Vacant facility" means a facility that has been vacant 11070  
for at least ninety days immediately preceding the date on which 11071  
an agreement is entered into under section 5709.62 or 5709.63 of 11072  
the Revised Code. 11073

## As Reported by the House Finance and Appropriations Committee\*

(E) "Expand" means to make expenditures to add land, 11074  
buildings, machinery, equipment, or other materials, except 11075  
inventory, to a facility that equal at least ten per cent of the 11076  
market value of the facility prior to such expenditures, as 11077  
determined for the purposes of local property taxation. 11078

(F) "Renovate" means to make expenditures to alter or repair 11079  
a facility that equal at least fifty per cent of the market value 11080  
of the facility prior to such expenditures, as determined for the 11081  
purposes of local property taxation. 11082

(G) "Occupy" means to make expenditures to alter or repair a 11083  
vacant facility equal to at least twenty per cent of the market 11084  
value of the facility prior to such expenditures, as determined 11085  
for the purposes of local property taxation. 11086

(H) "Project site" means all or any part of a facility that 11087  
is newly constructed, expanded, renovated, or occupied by an 11088  
enterprise. 11089

(I) "Project" means any undertaking by an enterprise to 11090  
establish a facility or to improve a project site by expansion, 11091  
renovation, or occupancy. 11092

(J) "Position" means the position of one full-time employee 11093  
performing a particular set of tasks and duties. 11094

(K) "Full-time employee" means an individual who is employed 11095  
for consideration by an enterprise for at least thirty-five hours 11096  
a week, or who renders any other standard of service generally 11097  
accepted by custom or specified by contract as full-time 11098  
employment. 11099

(L) "New employee" means a full-time employee first employed 11100  
by an enterprise at a facility that is a project site after the 11101  
enterprise enters an agreement under section 5709.62 or 5709.63 of 11102  
the Revised Code. "New employee" does not include an employee if, 11103  
immediately prior to being employed by the enterprise, the 11104

## As Reported by the House Finance and Appropriations Committee\*

employee was employed by an enterprise that is a related member or  
predecessor enterprise of that enterprise. 11105  
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(M) "Unemployed person" means any person who is totally 11107  
unemployed in this state, as that term is defined in division (M) 11108  
of section 4141.01 of the Revised Code, for at least ten 11109  
consecutive weeks immediately preceding that person's employment 11110  
at a facility that is a project site, or who is so unemployed for 11111  
at least twenty-six of the fifty-two weeks immediately preceding 11112  
that person's employment at such a facility. 11113

(N) "JTPA eligible employee" means any individual who is 11114  
eligible for employment or training under the "Job Training 11115  
Partnership Act," 96 Stat. 1324 (1982), 29 U.S.C. 1501, as 11116  
amended. 11117

(O) "First used in business" means that the property referred 11118  
to has not been used in business in this state by the enterprise 11119  
that owns it, or by an enterprise that is a related member or 11120  
predecessor enterprise of such an enterprise, other than as 11121  
inventory, prior to being used in business at a facility as the 11122  
result of a project. 11123

(P) "Training program" means any noncredit training program 11124  
or course of study that is offered by any state college or 11125  
university; university branch district; community college; 11126  
technical college; nonprofit college or university certified under 11127  
section 1713.02 of the Revised Code; school district; joint 11128  
vocational school district; school registered and authorized to 11129  
offer programs under section 3332.05 of the Revised Code; an 11130  
entity administering any federal, state, or local adult education 11131  
and training program; or any enterprise; and that meets all of the 11132  
following requirements: 11133

(1) It is approved by the director of development; 11134

(2) It is established or operated to satisfy the need of a 11135

## As Reported by the House Finance and Appropriations Committee\*

particular industry or enterprise for skilled or semi-skilled	11136
employees;	11137
(3) An individual is required to complete the course or	11138
program before filling a position at a project site.	11139
(Q) "Development" means to engage in the process of clearing	11140
and grading land, making, installing, or constructing water	11141
distribution systems, sewers, sewage collection systems, steam,	11142
gas, and electric lines, roads, curbs, gutters, sidewalks, storm	11143
drainage facilities, and construction of other facilities or	11144
buildings equal to at least fifty per cent of the market value of	11145
the facility prior to the expenditures, as determined for the	11146
purposes of local property taxation.	11147
(R) "Large manufacturing facility" means a single Ohio	11148
facility that employed an average of at least one thousand	11149
individuals during the five calendar years preceding an agreement	11150
authorized under division (C)(3) of section 5709.62 or division	11151
(B)(2) of section 5709.63 of the Revised Code. For purposes of	11152
this division, both of the following apply:	11153
(1) A single Ohio manufacturing facility employed an average	11154
of at least one thousand individuals during the five calendar	11155
years preceding entering into such an agreement if one-fifth of	11156
the sum of the number of employees employed on the highest	11157
employment day during each of the five calendar years equals or	11158
exceeds one thousand.	11159
(2) The highest employment day is the day or days during a	11160
calendar year on which the number of employees employed at a	11161
single Ohio manufacturing facility was greater than on any other	11162
day during the calendar year.	11163
(S) "Business cycle" means the cycle of business activity	11164
usually regarded as passing through alternating stages of	11165
prosperity and depression.	11166

## As Reported by the House Finance and Appropriations Committee\*

(T) "Making retail sales" means the effecting of 11167  
point-of-final-purchase transactions at a facility open to the 11168  
consuming public, wherein one party is obligated to pay the price 11169  
and the other party is obligated to provide a service or to 11170  
transfer title to or possession of the item sold. 11171

(U) "Environmentally contaminated" means that hazardous 11172  
substances exist at a facility under conditions that have caused 11173  
or would cause the facility to be identified as contaminated by 11174  
the state or federal environmental protection agency. These may 11175  
include facilities located at sites identified in the master sites 11176  
list or similar database maintained by the state environmental 11177  
protection agency if the sites have been investigated by the 11178  
agency and found to be contaminated. 11179

(V) "Remediate" means to make expenditures to clean up an 11180  
environmentally contaminated facility so that it is no longer 11181  
environmentally contaminated that equal at least ten per cent of 11182  
the real property market value of the facility prior to such 11183  
expenditures as determined for the purposes of property taxation. 11184

(W) "Related member" has the same meaning as defined in 11185  
section 5733.042 of the Revised Code without regard to division 11186  
(B) of that section, except that it is used with respect to an 11187  
enterprise rather than a taxpayer. 11188

(X) "Predecessor enterprise" means an enterprise from which 11189  
the assets or equity of another enterprise has been transferred, 11190  
which transfer resulted in the full or partial nonrecognition of 11191  
gain or loss, or resulted in a carryover basis, both as determined 11192  
by rule adopted by the tax commissioner. 11193

(Y) "Successor enterprise" means an enterprise to which the 11194  
assets or equity of another enterprise has been transferred, which 11195  
transfer resulted in the full or partial nonrecognition of gain or 11196  
loss, or resulted in a carryover basis, both as determined by rule 11197

## As Reported by the House Finance and Appropriations Committee\*

adopted by the tax commissioner. 11198

**Sec. 5715.20.** (A) Whenever a county board of revision renders 11199  
 a decision on a complaint filed under section 5715.19 of the 11200  
 Revised Code, it shall certify its action by certified mail to the 11201  
 person in whose name the property is listed or sought to be 11202  
 listed, and to the complainant if he the complainant is a person 11203  
~~other than~~ not the person in whose name the property is listed or 11204  
 sought to be listed, ~~and to the tax commissioner.~~ A person's time 11205  
to file an appeal under section 5717.01 of the Revised Code 11206  
commences with the mailing of notice of the decision to that 11207  
person as provided in this section. The tax commissioner's time to 11208  
file an appeal under section 5717.01 of the Revised Code commences 11209  
with the last mailing to a person required to be mailed notice of 11210  
the decision as provided in this division. 11211

(B) The tax commissioner may order the county auditor to send 11212  
to the commissioner the decisions of the board of revision 11213  
rendered on complaints filed under section 5715.19 of the Revised 11214  
Code in the manner and for the time period that the commissioner 11215  
prescribes. Nothing in this division extends the commissioner's 11216  
time to file an appeal under section 5717.01 of the Revised Code. 11217

**Sec. 5717.01.** An appeal from a decision of a county board of 11218  
 revision may be taken to the board of tax appeals within thirty 11219  
 days after notice of the decision of the county board of revision 11220  
 is mailed as provided in division (A) of section 5715.20 of the 11221  
 Revised Code. Such an appeal may be taken by the county auditor, 11222  
 the tax commissioner, or any board, legislative authority, public 11223  
 official, or taxpayer authorized by section 5715.19 of the Revised 11224  
 Code to file complaints against valuations or assessments with the 11225  
 auditor. Such appeal shall be taken by the filing of a notice of 11226  
 appeal, in person or by certified mail, express mail, or 11227  
 authorized delivery service, with the board of tax appeals and 11228



## As Reported by the House Finance and Appropriations Committee\*

with the county board of revision. If notice of appeal is filed by 11229  
certified mail, express mail, or authorized delivery service as 11230  
provided in section 5703.056 of the Revised Code, the date of the 11231  
United States postmark placed on the sender's receipt by the 11232  
postal service or the date of receipt recorded by the authorized 11233  
delivery service shall be treated as the date of filing. Upon 11234  
receipt of such notice of appeal such county board of revision 11235  
shall by certified mail notify all persons thereof who were 11236  
parties to the proceeding before such county board of revision, 11237  
and shall file proof of such notice with the board of tax appeals. 11238  
The county board of revision shall thereupon certify to the board 11239  
of tax appeals a transcript of the record of the proceedings of 11240  
the county board of revision pertaining to the original complaint, 11241  
and all evidence offered in connection therewith. Such appeal may 11242  
be heard by the board of tax appeals at its offices in Columbus or 11243  
in the county where the property is listed for taxation, or the 11244  
board of tax appeals may cause its examiners to conduct such 11245  
hearing and to report to it their findings for affirmation or 11246  
rejection. 11247

The board of tax appeals may order the appeal to be heard on 11248  
the record and the evidence certified to it by the county board of 11249  
revision, or it may order the hearing of additional evidence, and 11250  
it may make such investigation concerning the appeal as it deems 11251  
proper. 11252

**Sec. 5731.21.** (A)(1)(a) Except as provided under division 11253  
(A)(3) of this section, the executor or administrator, or, if no 11254  
executor or administrator has been appointed, another person in 11255  
possession of property the transfer of which is subject to estate 11256  
taxes under section 5731.02 or division (A) of section 5731.19 of 11257  
the Revised Code, shall file an estate tax return, within nine 11258  
months of the date of the decedent's death, in the form prescribed 11259  
by the tax commissioner, in duplicate, with the probate court of 11260

## As Reported by the House Finance and Appropriations Committee\*

the county. The return shall include all property the transfer of 11261  
which is subject to estate taxes, whether that property is 11262  
transferred under the last will and testament of the decedent or 11263  
otherwise. The time for filing the return may be extended by the 11264  
tax commissioner. 11265

(b) The estate tax return described in division (A)(1)(a) of 11266  
this section shall be accompanied by a certificate, in the form 11267  
prescribed by the tax commissioner, that is signed by the 11268  
executor, administrator, or other person required to file the 11269  
return, and that states all of the following: 11270

(i) The fact that the return was filed; 11271

(ii) The date of the filing of the return; 11272

(iii) The fact that the estate taxes under section 5731.02 or 11273  
division (A) of section 5731.19 of the Revised Code, that are 11274  
shown to be due in the return, have been paid in full; 11275

(iv) If applicable, the fact that real property listed in the 11276  
inventory for the decedent's estate is included in the return; 11277

(v) If applicable, the fact that real property not listed in 11278  
the inventory for the decedent's estate, including, but not 11279  
limited to, survivorship tenancy property as described in section 11280  
5302.17 of the Revised Code or transfer on death property as 11281  
described in sections 5302.22 and 5302.23 of the Revised Code, 11282  
also is included in the return. In this regard, the certificate 11283  
additionally shall describe that real property by the same 11284  
description used in the return. 11285

(2) The probate court shall forward one copy of the estate 11286  
tax return described in division (A)(1)(a) of this section to the 11287  
tax commissioner. 11288

(3) A person ~~may, but~~ shall not be required to, file a return 11289  
under division (A) of this section if the decedent was a resident 11290  
of this state and the value of the decedent's gross estate is 11291

## As Reported by the House Finance and Appropriations Committee\*

twenty-five thousand dollars or less in the case of a decedent 11292  
dying on or after July 1, 1968, but before January 1, 2001; two 11293  
hundred thousand dollars or less in the case of a decedent dying 11294  
on or after January 1, 2001, but before January 1, 2002; or three 11295  
hundred thirty-eight thousand three hundred thirty-three dollars 11296  
or less in the case of a decedent dying on or after January 1, 11297  
2002. ~~If a probate court issues an order that grants a summary 11298  
release from administration in connection with a decedent's estate 11299  
under section 2113.031 of the Revised Code, that order eliminates 11300  
the duty of all persons to file an estate tax return and 11301  
certificate under divisions (A)(1)(a) and (b) of this section with 11302  
respect to the estate for which the order was granted. 11303~~ 11304

(4)(a) Upon receipt of the estate tax return described in 11305  
division (A)(1)(a) of this section and the accompanying 11306  
certificate described in division (A)(1)(b) of this section, the 11307  
probate court promptly shall give notice of the return, by a form 11308  
prescribed by the tax commissioner, to the county auditor. The 11309  
auditor then shall make a charge based upon the notice and shall 11310  
certify a duplicate of the charge to the county treasurer. The 11311  
treasurer then shall collect, subject to division (A) of section 11312  
5731.25 of the Revised Code or any other statute extending the 11313  
time for payment of an estate tax, the tax so charged. 11314

(b) Upon receipt of the return and the accompanying 11315  
certificate, the probate court also shall forward the certificate 11316  
to the auditor. When satisfied that the estate taxes under section 11317  
5731.02 or division (A) of section 5731.19 of the Revised Code, 11318  
that are shown to be due in the return, have been paid in full, 11319  
the auditor shall stamp the certificate so forwarded to verify 11320  
that payment. The auditor then shall return the stamped 11321  
certificate to the probate court. 11322

(5)(a) The certificate described in division (A)(1)(b) of 11323

## As Reported by the House Finance and Appropriations Committee\*

this section is a public record subject to inspection and copying 11324  
in accordance with section 149.43 of the Revised Code. It shall be 11325  
kept in the records of the probate court pertaining to the 11326  
decedent's estate and is not subject to the confidentiality 11327  
provisions of section 5731.90 of the Revised Code. 11328

(b) All persons are entitled to rely on the statements 11329  
contained in a certificate as described in division (A)(1)(b) of 11330  
this section if it has been filed in accordance with that 11331  
division, forwarded to a county auditor and stamped in accordance 11332  
with division (A)(4) of this section, and placed in the records of 11333  
the probate court pertaining to the decedent's estate in 11334  
accordance with division (A)(5)(a) of this section. The real 11335  
property referred to in the certificate shall be free of, and may 11336  
be regarded by all persons as being free of, any lien for estate 11337  
taxes under section 5731.02 and division (A) of section 5731.19 of 11338  
the Revised Code. 11339

(B) An estate tax return filed under this section, in the 11340  
form prescribed by the tax commissioner, and showing that no 11341  
estate tax is due shall result in a determination that no estate 11342  
tax is due, if the tax commissioner within three months after the 11343  
receipt of the return by the department of taxation, fails to file 11344  
exceptions to the return in the probate court of the county in 11345  
which the return was filed. A copy of exceptions to a return of 11346  
that nature, when the tax commissioner files them within that 11347  
period, shall be sent by ordinary mail to the person who filed the 11348  
return. The tax commissioner is not bound under this division by a 11349  
determination that no estate tax is due, with respect to property 11350  
not disclosed in the return. 11351

(C) If the executor, administrator, or other person required 11352  
to file an estate tax return fails to file it within nine months 11353  
of the date of the decedent's death, the tax commissioner may 11354  
determine the estate tax in that estate and issue a certificate of 11355

## As Reported by the House Finance and Appropriations Committee\*

determination in the same manner as is provided in division (B) of 11356  
section 5731.27 of the Revised Code. A certificate of 11357  
determination of that nature has the same force and effect as 11358  
though a return had been filed and a certificate of determination 11359  
issued with respect to the return. 11360

**Sec. 5733.021.** (A) Each taxpayer that does not in January 11361  
file the report and make the payment required by section 5733.02 11362  
of the Revised Code shall make and file a declaration of estimated 11363  
tax report for the tax year. 11364

The declaration of estimated tax report shall be filed with 11365  
the tax commissioner on or before the last day of January in such 11366  
form as prescribed by the tax commissioner, and shall reflect an 11367  
estimate of the total amount due under this chapter for the tax 11368  
year. 11369

(B) A taxpayer required to file a declaration of estimated 11370  
tax report shall make remittance of such estimated tax to the tax 11371  
commissioner as follows: 11372

(1) The entire estimated tax at the time of filing the 11373  
declaration of estimated tax report, if such estimated tax is not 11374  
in excess of the minimum tax as provided in section 5733.06 of the 11375  
Revised Code; 11376

(2) If the estimated tax is in excess of the minimum tax: 11377

(a) One-third of the estimated tax at the time of filing the 11378  
declaration of estimated tax report; 11379

(b) Two-thirds of the estimated tax on or before the last day 11380  
of March of the tax year, if the report required by section 11381  
5733.02 of the Revised Code is filed on or before the last day of 11382  
March of the tax year. 11383

(3) If the estimated tax is in excess of the minimum tax, and 11384  
an extension of time for filing the report required by section 11385

## As Reported by the House Finance and Appropriations Committee\*

5733.02 of the Revised Code has been granted pursuant to section 11386  
5733.13 of the Revised Code: 11387

(a) One-third of the estimated tax at the time of filing the 11388  
declaration of estimated tax report; 11389

(b) One-third of the estimated tax on or before the last day 11390  
of March of the tax year; 11391

(c) One-third of the estimated tax on or before the last day 11392  
of May of the tax year. 11393

Remittance of the estimated tax shall be made payable to the 11394  
treasurer of state and shall be made in the form prescribed by the 11395  
tax commissioner, including electronic funds transfer if required 11396  
by section 5733.022 of the Revised Code. 11397

The tax commissioner shall immediately forward to the 11398  
treasurer of state all amounts received under this section, and 11399  
the treasurer of state shall credit all payments of such estimated 11400  
tax as provided in section 5733.12 of the Revised Code. 11401

(C)(1)(a) For any period of delinquency ending prior to the 11402  
first day of June of the tax year+ 11403

~~(a) The , the~~ penalty under division (A)(2) of section 11404  
5733.28 of the Revised Code may ~~only~~ be imposed only on the 11405  
delinquent portion of the estimated tax required to be paid under 11406  
divisions (B)(2)(a) and (b) and (B)(3)(a) and (b) of this section. 11407

~~(b) The interest under section 5733.26 of the Revised Code~~ 11408  
~~shall only be imposed on the delinquent portion of estimated tax~~ 11409  
~~required to be paid under divisions (B)(2)(a), (B)(2)(b),~~ 11410  
~~(B)(3)(a), and (B)(3)(b) of this section.~~ 11411

~~(c)~~ If the taxpayer was not subject to tax for the 11412  
immediately preceding tax year, "estimated tax" for purposes of 11413  
division (C)(1) of this section is ninety per cent of the 11414  
qualifying net tax for the ~~current~~ tax year. If the taxpayer was 11415

## As Reported by the House Finance and Appropriations Committee\*

subject to the tax for the immediately preceding tax year, 11416  
 "estimated tax" for purposes of division (C)(1) of this section is 11417  
 the lesser of one hundred per cent of the qualifying net tax for 11418  
 the immediately preceding tax year or ninety per cent of the 11419  
 qualifying net tax for the ~~current~~ tax year. 11420

(2)(a) For any period of delinquency commencing the first day 11421  
 of June of the tax year and concluding on the extended due date 11422  
 pursuant to section 5733.13 of the Revised Code+ 11423

~~(a) The, the~~ penalty under division (A)(2) of section 5733.28 11424  
 of the Revised Code may ~~only~~ be imposed only on the delinquent 11425  
 portion of the estimated tax required to be paid under division 11426  
 (B)(3)(c) of this section. 11427

~~(b) The interest under section 5733.26 of the Revised Code~~ 11428  
~~shall be imposed on the delinquent portion of the amount in~~ 11429  
~~division (C)(3)(a) of this section for the current tax year.~~ 11430

~~(c)~~ For purposes of division (C)(2) of this section, 11431  
 "estimated tax" is ninety per cent of the qualifying net tax for 11432  
 the ~~current~~ tax year. 11433

(3) If the taxpayer did not file a report under section 11434  
 5733.02 of the Revised Code for the tax year or failed to prepare 11435  
 and file the report in good faith for the tax year, "qualifying 11436  
 net tax" as used in division (C) of this section for that tax year 11437  
 means the amount described in division (C)(3)(a) of this ~~division~~ 11438  
section. Otherwise, "qualifying net tax" as used in division (C) 11439  
 of this section for that tax year means the lesser of the amount 11440  
 described in division (C)(3)(a) or (b) of this section: 11441

(a) The tax imposed by sections 5733.06, 5733.065, and 11442  
 5733.066 of the Revised Code for that tax year reduced by the 11443  
 credits listed in section 5733.98 of the Revised Code. If the 11444  
 credits exceed the total tax, the qualifying net tax is ~~zero~~ the 11445  
minimum tax. 11446

## As Reported by the House Finance and Appropriations Committee\*

(b) The lesser of the tax shown on the report, prepared and filed in good faith, reduced by the credits shown on that report, or the tax shown on an amended report, prepared and filed in good faith, reduced by the credits shown on that amended report. If the credits shown exceed the total tax shown, the qualifying net tax is ~~zero~~ the minimum tax.

**Sec. 5733.26.** (A) Except as provided in section 5733.261 of the Revised Code, if the tax imposed by ~~section sections~~ 5733.06, 5733.065, and 5733.066 of the Revised Code, ~~or any portion of that tax, whether determined by the tax commissioner or the taxpayer for the tax year, reduced by the credits listed in section 5733.98~~ of the Revised Code, is not paid on or before the date prescribed for its payment, interest shall be assessed, collected, and paid, in the same manner as the tax, upon such unpaid amount at the rate per annum prescribed by section 5703.47 of the Revised Code from the date prescribed for its payment until it is paid or until the day an assessment is issued under section 5733.11 of the Revised Code, whichever occurs first. For estimated tax payments due under division (B) of section 5733.021 of the Revised Code, the interest due on the delinquent portion of the estimated tax required to be paid under that section shall be based on the tax owed for the tax year without regard to division (C) of section 5733.021 of the Revised Code.

(B) Interest shall be allowed and paid at the rate per annum prescribed by section 5703.47 of the Revised Code upon amounts refunded with respect to the tax imposed by ~~section sections~~ 5733.06, 5733.065, and 5733.066 of the Revised Code. The interest shall run from whichever of the following dates is the latest until the date the refund is paid: the date of the illegal, erroneous, or excessive payment; the ninetieth day after the final date the annual report under section 5733.02 of the Revised Code was required to be filed; or the ninetieth day after the date that



## As Reported by the House Finance and Appropriations Committee\*

report was filed. 11479

If the overpayment results from the carryback of a net 11480  
capital loss to a previous taxable year, the overpayment is deemed 11481  
not to have been made prior to the filing date, including any 11482  
extension thereof, for the taxable year in which the net capital 11483  
loss arises. 11484

**Sec. 5733.40.** As used in sections 5733.40 and 5733.41 and 11485  
Chapter 5747. of the Revised Code: 11486

(A)(1) "Adjusted qualifying amount" means either of the 11487  
following: 11488

(a) The sum of a qualifying investor's distributive share of 11489  
the income, gain, expense, or loss of a qualifying pass-through 11490  
entity for the qualifying taxable year of the qualifying 11491  
pass-through entity multiplied by the apportionment fraction 11492  
defined in division (B) of this section, subject to section 11493  
5733.401 of the Revised Code and divisions (A)(2) to (7) of this 11494  
section; 11495

(b) The sum of a qualifying beneficiary's share of the 11496  
qualifying net income and qualifying net gain distributed by a 11497  
qualifying trust for the qualifying taxable year of the qualifying 11498  
trust multiplied by the apportionment fraction defined in division 11499  
(B) of this section, subject to section 5733.401 of the Revised 11500  
Code and divisions (A)(2) to (6) of this section. 11501

(2) The sum shall exclude any amount which, pursuant to the 11502  
Constitution of the United States, the Constitution of Ohio, or 11503  
any federal law is not subject to a tax on or measured by net 11504  
income. 11505

(3) The sum shall be increased by all amounts representing 11506  
expenses other than amounts described in division (A)(7) of this 11507  
section that the qualifying entity paid to or incurred with 11508

## As Reported by the House Finance and Appropriations Committee\*

respect to direct or indirect transactions with one or more  
related members, excluding the cost of goods sold calculated in  
accordance with section 263A of the Internal Revenue Code and  
United States department of the treasury regulations issued  
thereunder. Nothing in division (A)(3) of this section shall be  
construed to limit solely to this chapter the application of  
section 263A of the Internal Revenue Code and United States  
department of the treasury regulations issued thereunder.

(4) The sum shall be increased by all recognized losses,  
other than losses from sales of inventory the cost of which is  
calculated in accordance with section 263A of the Internal Revenue  
Code and United States department of the treasury regulations  
issued thereunder, with respect to all direct or indirect  
transactions with one or more related members. Losses from the  
sales of such inventory shall be calculated in accordance with  
section 482 of the Internal Revenue Code and United States  
department of the treasury regulations issued thereunder. Nothing  
in division (A)(4) of this section shall be construed to limit  
solely to this section the application of section 263A and section  
482 of the Internal Revenue Code and United States department of  
the treasury regulations issued thereunder.

(5) The sum shall be increased or decreased by an amount  
equal to the qualifying investor's or qualifying beneficiary's  
distributive or proportionate share of the amount that the  
qualifying entity would be required to add or deduct under  
divisions (A)(20) and (21) of section 5747.01 of the Revised Code  
if the qualifying entity were a taxpayer for the purposes of  
Chapter 5747. of the Revised Code, ~~multiplied by the apportionment  
fraction for the qualifying entity's taxable year for which the  
addition or deduction would be required to be made.~~

(6) The sum shall be computed without regard to section  
5733.051 or division (D) of section 5733.052 of the Revised Code.

## As Reported by the House Finance and Appropriations Committee\*

(7) For the purposes of Chapters 5733. and 5747. of the Revised Code, guaranteed payments or compensation paid to investors by a qualifying entity that is not subject to the tax imposed by section 5733.06 of the Revised Code shall be considered a distributive share of income of the qualifying entity. Division (A)(7) of this section applies only to such payments or such compensation paid to an investor who at any time during the qualifying entity's taxable year holds at least a twenty per cent direct or indirect interest in the profits or capital of the qualifying entity.

(B) "Apportionment fraction" means:

(1) With respect to a qualifying pass-through entity other than a financial institution, the fraction calculated pursuant to division (B)(2) of section 5733.05 of the Revised Code as if the qualifying pass-through entity were a corporation subject to the tax imposed by section 5733.06 of the Revised Code;

(2) With respect to a qualifying pass-through entity that is a financial institution, the fraction calculated pursuant to division (C) of section 5733.056 of the Revised Code as if the qualifying pass-through entity were a financial institution subject to the tax imposed by section 5733.06 of the Revised Code.

(3) With respect to a qualifying trust, the fraction calculated pursuant to division (B)(2) of section 5733.05 of the Revised Code as if the qualifying trust were a corporation subject to the tax imposed by section 5733.06 of the Revised Code, except that the property, payroll, and sales fractions shall be calculated by including in the numerator and denominator of the fractions only the property, payroll, and sales, respectively, directly related to the production of income or gain from acquisition, ownership, use, maintenance, management, or disposition of tangible personal property located in this state at any time during the qualifying trust's qualifying taxable year or

## As Reported by the House Finance and Appropriations Committee\*

of real property located in this state. 11573

(C) "Qualifying beneficiary" means any individual that, 11574  
during the qualifying taxable year of a qualifying trust, is a 11575  
beneficiary of that trust, but does not include an individual who 11576  
is a resident taxpayer for the purposes of Chapter 5747. of the 11577  
Revised Code for the entire qualifying taxable year of the 11578  
qualifying trust. 11579

(D) "Fiscal year" means an accounting period ending on any 11580  
day other than the thirty-first day of December. 11581

(E) "Individual" means a natural person. 11582

(F) "Month" means a calendar month. 11583

(G) "Partnership" has the same meaning as in section 5747.01 11584  
of the Revised Code. 11585

(H) "Investor" means any person that, during any portion of a 11586  
taxable year of a qualifying pass-through entity, is a partner, 11587  
member, shareholder, or investor in that qualifying pass-through 11588  
entity. 11589

(I) Except as otherwise provided in section 5733.402 or 11590  
5747.401 of the Revised Code, "qualifying investor" means any 11591  
investor except those described in divisions (I)(1) to (9) of this 11592  
section. 11593

(1) An investor satisfying one of the descriptions under 11594  
section 501(a) or (c) of the Internal Revenue Code, ~~an electing~~ 11595  
~~small business trust~~, a partnership with equity securities 11596  
registered with the United States securities and exchange 11597  
commission under section 12 of the "Securities Exchange Act of 11598  
1934," as amended, or an investor described in division (F) of 11599  
section 3334.01, or division (A) or (C) of section 5733.09 of the 11600  
Revised Code for the entire qualifying taxable year of the 11601  
qualifying pass-through entity. 11602

## As Reported by the House Finance and Appropriations Committee\*

(2) An investor who is either an individual or an estate and is a resident taxpayer for the purposes of section 5747.01 of the Revised Code for the entire qualifying taxable year of the qualifying pass-through entity.

(3) An investor who is an individual for whom the qualifying pass-through entity makes a good faith and reasonable effort to comply fully and timely with the filing and payment requirements set forth in division (D) of section 5747.08 of the Revised Code and section 5747.09 of the Revised Code with respect to the individual's adjusted qualifying amount for the entire qualifying taxable year of the qualifying pass-through entity.

(4) An investor that is another qualifying pass-through entity having only investors described in division (I)(1), (2), (3), or (6) of this section during the three-year period beginning twelve months prior to the first day of the qualifying taxable year of the qualifying pass-through entity.

(5) An investor that is another pass-through entity having no investors other than individuals and estates during the qualifying taxable year of the qualifying pass-through entity in which it is an investor, and that makes a good faith and reasonable effort to comply fully and timely with the filing and payment requirements set forth in division (D) of section 5747.08 of the Revised Code and section 5747.09 of the Revised Code with respect to investors that are not resident taxpayers of this state for the purposes of Chapter 5747. of the Revised Code for the entire qualifying taxable year of the qualifying pass-through entity in which it is an investor.

(6) An investor that is a financial institution required to calculate the tax in accordance with division (D) of section 5733.06 of the Revised Code on the first day of January of the calendar year immediately following the last day of the financial institution's calendar or fiscal year in which ends the taxpayer's

## As Reported by the House Finance and Appropriations Committee\*

taxable year. 11635

(7) An investor other than an individual that satisfies all 11636  
the following: 11637

(a) The investor submits a written statement to the 11638  
qualifying pass-through entity stating that the investor 11639  
irrevocably agrees that the investor has nexus with this state 11640  
under the Constitution of the United States and is subject to and 11641  
liable for the tax calculated under division (B) of section 11642  
5733.06 of the Revised Code with respect to the investor's 11643  
adjusted qualifying amount for the entire qualifying taxable year 11644  
of the qualifying pass-through entity. The statement is subject to 11645  
the penalties of perjury, shall be retained by the qualifying 11646  
pass-through entity for no fewer than seven years, and shall be 11647  
delivered to the tax commissioner upon request. 11648

(b) The investor makes a good faith and reasonable effort to 11649  
comply timely and fully with all the reporting and payment 11650  
requirements set forth in Chapter 5733. of the Revised Code with 11651  
respect to the investor's adjusted qualifying amount for the 11652  
entire qualifying taxable year of the qualifying pass-through 11653  
entity. 11654

(c) Neither the investor nor the qualifying pass-through 11655  
entity in which it is an investor, before, during, or after the 11656  
qualifying pass-through entity's qualifying taxable year, carries 11657  
out any transaction or transactions with one or more related 11658  
members of the investor or the qualifying pass-through entity 11659  
resulting in a reduction or deferral of tax imposed by Chapter 11660  
5733. of the Revised Code with respect to all or any portion of 11661  
the investor's adjusted qualifying amount for the qualifying 11662  
pass-through entity's taxable year, or that constitute a sham, 11663  
lack economic reality, or are part of a series of transactions the 11664  
form of which constitutes a step transaction or transactions or 11665  
does not reflect the substance of those transactions. 11666

## As Reported by the House Finance and Appropriations Committee\*

(8) Any other investor that the tax commissioner may designate by rule. The tax commissioner may adopt rules including a rule defining "qualifying investor" or "qualifying beneficiary" and governing the imposition of the withholding tax imposed by section 5747.41 of the Revised Code with respect to an individual who is a resident taxpayer for the purposes of Chapter 5747. of the Revised Code for only a portion of the qualifying taxable year of the qualifying entity.

(9) An investor that is a trust or fund the beneficiaries of which, during the qualifying taxable year of the qualifying pass-through entity, are limited to the following:

(a) A person that is or may be the beneficiary of a trust subject to Subchapter D of Chapter 1 of Subtitle A of the Internal Revenue Code.

(b) A person that is or may be the beneficiary of or the recipient of payments from a trust or fund that is a nuclear decommissioning reserve fund, a designated settlement fund, or any other trust or fund established to resolve and satisfy claims that may otherwise be asserted by the beneficiary or a member of the beneficiary's family. Sections 267(c)(4), 468A(e), and 468B(d)(2) of the Internal Revenue Code apply to the determination of whether such a person satisfies division (I)(9) of this section.

(c) A person who is or may be the beneficiary of a trust that, under its governing instrument, is not required to distribute all of its income currently. Division (I)(9)(c) of this section applies only if the trust, prior to the due date for filing the qualifying pass-through entity's return for taxes imposed by section 5733.41 and sections 5747.41 to 5747.453 of the Revised Code, irrevocably agrees in writing that for the taxable year during or for which the trust distributes any of its income to any of its beneficiaries, the trust is a qualifying trust and will pay the estimated tax, and will withhold and pay the withheld

## As Reported by the House Finance and Appropriations Committee\*

tax, as required under sections 5747.40 to 5747.453 of the Revised Code. 11699  
11700

For the purposes of division (I)(9) of this section, a trust or fund shall be considered to have a beneficiary other than persons described under divisions (I)(9)(a) to (c) of this section if a beneficiary would not qualify under those divisions under the doctrines of "economic reality," "sham transaction," "step doctrine," or "substance over form." A trust or fund described in division (I)(9) of this section bears the burden of establishing by a preponderance of the evidence that any transaction giving rise to the tax benefits provided under division (I)(9) of this section does not have as a principal purpose a claim of those tax benefits. Nothing in this section shall be construed to limit solely to this section the application of the doctrines referred to in this paragraph. 11701  
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(J) "Qualifying net gain" means any recognized net gain with respect to the acquisition, ownership, use, maintenance, management, or disposition of tangible personal property located in this state at any time during a trust's qualifying taxable year or real property located in this state. 11714  
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(K) "Qualifying net income" means any recognized income, net of related deductible expenses, other than distributions deductions with respect to the acquisition, ownership, use, maintenance, management, or disposition of tangible personal property located in this state at any time during the trust's qualifying taxable year or real property located in this state. 11719  
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(L) "Qualifying entity" means a qualifying pass-through entity or a qualifying trust. 11725  
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(M) "Qualifying trust" means a trust subject to subchapter J of the Internal Revenue Code that, during any portion of the trust's qualifying taxable year, has income or gain from the 11727  
11728  
11729



## As Reported by the House Finance and Appropriations Committee\*

acquisition, management, ownership, use, or disposition of 11730  
tangible personal property located in this state at any time 11731  
during the trust's qualifying taxable year or real property 11732  
located in this state. "Qualifying trust" does not include a 11733  
person described in section 501(c) of the Internal Revenue Code or 11734  
a person described in division (C) of section 5733.09 of the 11735  
Revised Code. 11736

(N) "Qualifying pass-through entity" means a pass-through 11737  
entity as defined in section 5733.04 of the Revised Code, 11738  
excluding a person described in section 501(c) of the Internal 11739  
Revenue Code, a partnership with equity securities registered with 11740  
the United States securities and exchange commission under section 11741  
12 of the Securities Exchange Act of 1934, as amended, or a person 11742  
described in division (C) of section 5733.09 of the Revised Code. 11743

(O) "Quarter" means the first three months, the second three 11744  
months, the third three months, or the last three months of a 11745  
qualifying entity's qualifying taxable year. 11746

(P) "Related member" has the same meaning as in division 11747  
(A)(6) of section 5733.042 of the Revised Code without regard to 11748  
division (B) of that section. However, for the purposes of 11749  
divisions (A)(3) and (4) of this section only, "related member" 11750  
has the same meaning as in division (A)(6) of section 5733.042 of 11751  
the Revised Code without regard to division (B) of that section, 11752  
but shall be applied by substituting "forty per cent" for "twenty 11753  
per cent" wherever "twenty per cent" appears in division (A) of 11754  
that section. 11755

(Q) "Return" or "report" means the notifications and reports 11756  
required to be filed pursuant to sections 5747.42 to 5747.45 of 11757  
the Revised Code for the purpose of reporting the tax imposed 11758  
under section 5733.41 or 5747.41 of the Revised Code, and included 11759  
declarations of estimated tax when so required. 11760

## As Reported by the House Finance and Appropriations Committee\*

(R) "Qualifying taxable year" means the calendar year or the 11761  
qualifying entity's fiscal year ending during the calendar year, 11762  
or fractional part thereof, for which the adjusted qualifying 11763  
amount is calculated pursuant to sections 5733.40 and 5733.41 or 11764  
sections 5747.40 to 5747.453 of the Revised Code. 11765

(S) "Distributive share" includes the sum of the income, 11766  
gain, expense, or loss of a disregarded entity. 11767

**Sec. 5733.401.** (A) As used in this section: 11768

(1) "Investment pass-through entity" means a pass-through 11769  
entity having for its qualifying taxable year at least ninety per 11770  
cent of its gross income from transaction fees in connection with 11771  
the acquisition, ownership, or disposition of intangible property, 11772  
loan fees, financing fees, consent fees, waiver fees, application 11773  
fees, net management fees, dividend income, interest income, net 11774  
capital gains from the sale or exchange of intangible property, or 11775  
distributive shares of income from pass-through entities; and 11776  
having for its qualifying taxable year at least ninety per cent of 11777  
the net book value of its assets represented by intangible assets. 11778  
Such percentages shall be the quarterly average of those 11779  
percentages as calculated during the pass-through entity's taxable 11780  
year. 11781

(2) "Net management fees" means management fees that a 11782  
pass-through entity earns or receives from all sources, reduced by 11783  
management fees that the pass-through entity incurs or pays to any 11784  
person. 11785

(B) For the purposes of divisions (A) and (C) of this section 11786  
only, an investment in a pass-through entity shall be deemed to be 11787  
an investment in an intangible asset, and sections 5733.057 and 11788  
5747.231 of the Revised Code do not apply for the purposes of 11789  
making the determinations required by division (A) of this section 11790  
or claiming the exclusion provided by division (C) of this 11791

## As Reported by the House Finance and Appropriations Committee\*

<u>section.</u>	11792
(C)(1) Except as otherwise provided in division <del>(D)</del> (C)(2) of	11793
this section, for the purposes of division (A) of section 5733.40	11794
of the Revised Code, an investment pass-through entity shall	11795
exclude from the calculation of the adjusted qualifying amount <del>all</del>	11796
<u>the portion of the investment pass-through entity's net income</u>	11797
<u>attributable to</u> transaction fees in connection with the	11798
acquisition, ownership, or disposition of intangible property;	11799
loan fees; financing fees; consent fees; waiver fees; application	11800
fees; net management fees, <del>but if such fees exceed five per cent</del>	11801
<del>of the entity's net income calculated in accordance with generally</del>	11802
<del>accepted accounting principles, all net management fees shall be</del>	11803
<del>included in the calculation of the adjusted qualifying amount;</del>	11804
dividend income; interest income; net capital gains from the sale	11805
<del>or, exchange, or other disposition</del> of intangible property; and all	11806
types and classifications of income attributable to distributive	11807
shares of income from other pass-through entities. Nothing in this	11808
division shall be construed to provide for an exclusion of any	11809
item from adjusted qualifying amount more than once.	11810
<del>(D) Sections 5733.057 and 5747.231 of the Revised Code do not</del>	11811
<del>apply for the purposes of making the determinations required by</del>	11812
<del>division (A) of this section or claiming the exclusion provided by</del>	11813
<del>division (C) of this section.</del>	11814
<u>(2) Notwithstanding division (C)(1) of this section, the</u>	11815
<u>portion of the investment pass-through entity's net income</u>	11816
<u>attributable to net management fees shall not be excluded from the</u>	11817
<u>calculation of the adjusted qualifying amount if such net</u>	11818
<u>management fees exceed five per cent of the entity's net income</u>	11819
<u>calculated in accordance with generally accepted accounting</u>	11820
<u>principles.</u>	11821
<b>Sec. 5739.031.</b> (A) Upon application, the tax commissioner may	11822

## As Reported by the House Finance and Appropriations Committee\*

issue a direct payment permit that authorizes a consumer to pay 11823  
the sales tax levied by or pursuant to section 5739.02, 5739.021, 11824  
5739.023, or 5739.026 of the Revised Code or the use tax levied by 11825  
or pursuant to section 5741.02, 5741.021, 5741.022, or 5741.023 of 11826  
the Revised Code directly to the state and waives the collection 11827  
of the tax by the vendor or seller if payment directly to the 11828  
state would improve compliance and increase the efficiency of the 11829  
administration of the tax. The commissioner may adopt rules 11830  
establishing the criteria for the issuance of such permits. 11831

(B) Each permit holder, on or before the twenty-third day of 11832  
each month, shall make and file with the treasurer of state a 11833  
return for the preceding month in such form as is prescribed by 11834  
the tax commissioner and shall pay the tax shown on the return to 11835  
be due. The return shall show the sum of the prices of taxable 11836  
merchandise used and taxable services received, the amount of tax 11837  
due from the permit holder, and such other information as the 11838  
commissioner deems necessary. The commissioner, upon written 11839  
request by the permit holder, may extend the time for making and 11840  
filing returns and paying the tax. If the commissioner determines 11841  
that a permit holder's tax liability is not such as to merit 11842  
monthly filing, the commissioner may authorize the permit holder 11843  
to file returns and pay the tax at less frequent intervals. The 11844  
treasurer of state shall show on the return the date it was filed 11845  
and the amount of the payment remitted to the treasurer. 11846  
Thereafter, the treasurer immediately shall transmit all returns 11847  
filed under this section to the tax commissioner. 11848

Any permit holder required to file a return and pay the tax 11849  
under this section whose total payment for any calendar year 11850  
equals or exceeds the amount shown in section 5739.032 of the 11851  
Revised Code shall make each payment required by this section in 11852  
the second ensuing and each succeeding year by electronic funds 11853  
transfer as prescribed by section 5739.032 of the Revised Code, 11854

## As Reported by the House Finance and Appropriations Committee\*

except as otherwise prescribed by that section. 11855

(C) For purposes of reporting and remitting the tax, the 11856  
price of tangible personal property or services purchased by, or 11857  
of tangible personal property produced by, the permit holder shall 11858  
be determined under division (G) of section 5741.01 of the Revised 11859  
Code. ~~Notwithstanding~~ Except as otherwise provided in division (C) 11860  
of section 5739.033 of the Revised Code, the situs of any purchase 11861  
transaction made by the permit holder is the location where the 11862  
tangible personal property or service is received by the permit 11863  
holder. 11864

(D) It shall be the duty of every permit holder required to 11865  
make a return and pay its tax under this section to keep and 11866  
preserve suitable records of purchases together with invoices of 11867  
purchases, bills of lading, asset ledgers, depreciation schedules, 11868  
transfer journals, and such other primary and secondary records 11869  
and documents in such form as the commissioner requires. All such 11870  
records and other documents shall be open during business hours to 11871  
the inspection of the tax commissioner, and shall be preserved for 11872  
a period of four years, unless the commissioner, in writing, has 11873  
authorized their destruction or disposal at an earlier date, or by 11874  
order or by reason of a waiver of the four-year time limitation 11875  
pursuant to section 5739.16 of the Revised Code requires that they 11876  
be kept longer. 11877

(E) A permit granted pursuant to this section shall continue 11878  
to be valid until surrendered by the holder or canceled for cause 11879  
by the tax commissioner. 11880

(F) Persons who hold a direct payment permit that has not 11881  
been canceled shall not be required to issue exemption 11882  
certificates and shall not be required to pay the tax as 11883  
prescribed in sections 5739.03, 5739.033, and 5741.12 of the 11884  
Revised Code. Such persons shall notify vendors and sellers from 11885  
whom purchases of tangible personal property or services are made, 11886

## As Reported by the House Finance and Appropriations Committee\*

of their direct payment permit number and that the tax is being 11887  
paid directly to the state. Upon receipt of such notice, such 11888  
vendor or seller shall be absolved from all duties and liabilities 11889  
imposed by section 5739.03 or 5741.04 of the Revised Code with 11890  
respect to sales of tangible personal property or services to such 11891  
permit holder. 11892

Vendors and sellers who make sales upon which the tax is not 11893  
collected by reason of the provisions of this section shall 11894  
maintain records in such manner that the amount involved and 11895  
identity of the purchaser may be ascertained. The receipts from 11896  
such sales shall not be subject to the tax levied in section 11897  
5739.10 of the Revised Code. 11898

Upon the cancellation or surrender of a direct payment 11899  
permit, the provisions of sections 5739.03, 5741.04 and 5741.12 of 11900  
the Revised Code shall immediately apply to all purchases made 11901  
subsequent to such cancellation or surrender by the person who 11902  
previously held such permit, and such person shall so notify 11903  
vendors and sellers from whom purchases of tangible personal 11904  
property or services are made, in writing, prior to or at the time 11905  
of the first purchase after such cancellation or surrender. Upon 11906  
receipt of such notice, the vendor shall be subject to the 11907  
provisions of sections 5739.03 and 5739.10 of the Revised Code and 11908  
the seller shall be subject to the provisions of section 5741.04 11909  
of the Revised Code, with respect to all sales subsequently made 11910  
to such person. Failure of any such person to notify vendors or 11911  
sellers from whom purchases of tangible personal property or 11912  
services are made of the cancellation or surrender of a direct 11913  
payment permit shall be considered as a refusal to pay the tax by 11914  
the person required to issue such notice. 11915

**Sec. 5747.01.** Except as otherwise expressly provided or 11916  
clearly appearing from the context, any term used in this chapter 11917

## As Reported by the House Finance and Appropriations Committee\*

has the same meaning as when used in a comparable context in the Internal Revenue Code, and all other statutes of the United States relating to federal income taxes.

As used in this chapter:

(A) "Adjusted gross income" or "Ohio adjusted gross income" means federal adjusted gross income, as defined and used in the Internal Revenue Code, adjusted as provided in this section:

(1) Add interest or dividends on obligations or securities of any state or of any political subdivision or authority of any state, other than this state and its subdivisions and authorities.

(2) Add interest or dividends on obligations of any authority, commission, instrumentality, territory, or possession of the United States to the extent that the interest or dividends are exempt from federal income taxes but not from state income taxes.

(3) Deduct interest or dividends on obligations of the United States and its territories and possessions or of any authority, commission, or instrumentality of the United States to the extent that the interest or dividends are included in federal adjusted gross income but exempt from state income taxes under the laws of the United States.

(4) Deduct disability and survivor's benefits to the extent included in federal adjusted gross income.

(5) Deduct benefits under Title II of the Social Security Act and tier 1 railroad retirement benefits to the extent included in federal adjusted gross income under section 86 of the Internal Revenue Code.

(6) In the case of a taxpayer who is a beneficiary of a trust that makes an accumulation distribution as defined in section 665 of the Internal Revenue Code, add, for the beneficiary's taxable years beginning before 2002 or after 2004, the portion, if any, of

## As Reported by the House Finance and Appropriations Committee\*

such distribution that does not exceed the undistributed net  
income of the trust for the three taxable years preceding the  
taxable year in which the distribution is made to the extent that  
the portion was not included in the trust's taxable income for any  
of the trust's taxable years beginning in 2002, 2003, or 2004.  
"Undistributed net income of a trust" means the taxable income of  
the trust increased by (a)(i) the additions to adjusted gross  
income required under division (A) of this section and (ii) the  
personal exemptions allowed to the trust pursuant to section  
642(b) of the Internal Revenue Code, and decreased by (b)(i) the  
deductions to adjusted gross income required under division (A) of  
this section, (ii) the amount of federal income taxes attributable  
to such income, and (iii) the amount of taxable income that has  
been included in the adjusted gross income of a beneficiary by  
reason of a prior accumulation distribution. Any undistributed net  
income included in the adjusted gross income of a beneficiary  
shall reduce the undistributed net income of the trust commencing  
with the earliest years of the accumulation period.

(7) Deduct the amount of wages and salaries, if any, not  
otherwise allowable as a deduction but that would have been  
allowable as a deduction in computing federal adjusted gross  
income for the taxable year, had the targeted jobs credit allowed  
and determined under sections 38, 51, and 52 of the Internal  
Revenue Code not been in effect.

(8) Deduct any interest or interest equivalent on public  
obligations and purchase obligations to the extent that the  
interest or interest equivalent is included in federal adjusted  
gross income.

(9) Add any loss or deduct any gain resulting from the sale,  
exchange, or other disposition of public obligations to the extent  
that the loss has been deducted or the gain has been included in



## As Reported by the House Finance and Appropriations Committee\*

<u>computing</u> federal adjusted gross income.	11981
(10) Deduct or add amounts, as provided under section 5747.70	11982
of the Revised Code, related to contributions to variable college	11983
savings program accounts made or tuition credits purchased	11984
pursuant to Chapter 3334. of the Revised Code.	11985
(11)(a) Deduct, to the extent not otherwise allowable as a	11986
deduction or exclusion in computing federal or Ohio adjusted gross	11987
income for the taxable year, the amount the taxpayer paid during	11988
the taxable year for medical care insurance and qualified	11989
long-term care insurance for the taxpayer, the taxpayer's spouse,	11990
and dependents. No deduction for medical care insurance under	11991
division (A)(11) of this section shall be allowed either to any	11992
taxpayer who is eligible to participate in any subsidized health	11993
plan maintained by any employer of the taxpayer or of the	11994
taxpayer's spouse, or to any taxpayer who is entitled to, or on	11995
application would be entitled to, benefits under part A of Title	11996
XVIII of the "Social Security Act," 49 Stat. 620 (1935), 42 U.S.C.	11997
301, as amended. For the purposes of division (A)(11)(a) of this	11998
section, "subsidized health plan" means a health plan for which	11999
the employer pays any portion of the plan's cost. The deduction	12000
allowed under division (A)(11)(a) of this section shall be the net	12001
of any related premium refunds, related premium reimbursements, or	12002
related insurance premium dividends received during the taxable	12003
year.	12004
(b) Deduct, to the extent not otherwise deducted or excluded	12005
in computing federal or Ohio adjusted gross income during the	12006
taxable year, the amount the taxpayer paid during the taxable	12007
year, not compensated for by any insurance or otherwise, for	12008
medical care of the taxpayer, the taxpayer's spouse, and	12009
dependents, to the extent the expenses exceed seven and one-half	12010
per cent of the taxpayer's federal adjusted gross income.	12011
(c) For purposes of division (A)(11) of this section,	12012

## As Reported by the House Finance and Appropriations Committee\*

"medical care" has the meaning given in section 213 of the Internal Revenue Code, subject to the special rules, limitations, and exclusions set forth therein, and "qualified long-term care" has the same meaning given in section 7702(B)(b) of the Internal Revenue Code.

(12)(a) Deduct any amount included in federal adjusted gross income solely because the amount represents a reimbursement or refund of expenses that in any year the taxpayer had deducted as an itemized deduction pursuant to section 63 of the Internal Revenue Code and applicable United States department of the treasury regulations. The deduction otherwise allowed under division (A)(12)(a) of this section shall be reduced to the extent the reimbursement is attributable to an amount the taxpayer deducted under this section in any taxable year.

(b) Add any amount not otherwise included in Ohio adjusted gross income for any taxable year to the extent that the amount is attributable to the recovery during the taxable year of any amount deducted or excluded in computing federal or Ohio adjusted gross income in any taxable year.

(13) Deduct any portion of the deduction described in section 1341(a)(2) of the Internal Revenue Code, for repaying previously reported income received under a claim of right, that meets both of the following requirements:

(a) It is allowable for repayment of an item that was included in the taxpayer's adjusted gross income for a prior taxable year and did not qualify for a credit under division (A) or (B) of section 5747.05 of the Revised Code for that year;

(b) It does not otherwise reduce the taxpayer's adjusted gross income for the current or any other taxable year.

(14) Deduct an amount equal to the deposits made to, and net investment earnings of, a medical savings account during the

## As Reported by the House Finance and Appropriations Committee\*

taxable year, in accordance with section 3924.66 of the Revised Code. The deduction allowed by division (A)(14) of this section does not apply to medical savings account deposits and earnings otherwise deducted or excluded for the current or any other taxable year from the taxpayer's federal adjusted gross income. 12044  
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(15)(a) Add an amount equal to the funds withdrawn from a medical savings account during the taxable year, and the net investment earnings on those funds, when the funds withdrawn were used for any purpose other than to reimburse an account holder for, or to pay, eligible medical expenses, in accordance with section 3924.66 of the Revised Code; 12049  
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(b) Add the amounts distributed from a medical savings account under division (A)(2) of section 3924.68 of the Revised Code during the taxable year. 12055  
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(16) Add any amount claimed as a credit under section 5747.059 of the Revised Code to the extent that such amount satisfies either of the following: 12058  
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(a) The amount was deducted or excluded from the computation of the taxpayer's federal adjusted gross income as required to be reported for the taxpayer's taxable year under the Internal Revenue Code; 12061  
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(b) The amount resulted in a reduction of the taxpayer's federal adjusted gross income as required to be reported for any of the taxpayer's taxable years under the Internal Revenue Code. 12065  
12066  
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(17) Deduct the amount contributed by the taxpayer to an individual development account program established by a county department of job and family services pursuant to sections 329.11 to 329.14 of the Revised Code for the purpose of matching funds deposited by program participants. On request of the tax commissioner, the taxpayer shall provide any information that, in the tax commissioner's opinion, is necessary to establish the 12068  
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## As Reported by the House Finance and Appropriations Committee\*

amount deducted under division (A)(17) of this section.	12075
(18) Beginning in taxable year 2001, if the taxpayer is	12076
married and files a joint return and the combined federal adjusted	12077
gross income of the taxpayer and the taxpayer's spouse for the	12078
taxable year does not exceed one hundred thousand dollars, or if	12079
the taxpayer is single and has a federal adjusted gross income for	12080
the taxable year not exceeding fifty thousand dollars, deduct	12081
amounts paid during the taxable year for qualified tuition and	12082
fees paid to an eligible institution for the taxpayer, the	12083
taxpayer's spouse, or any dependent of the taxpayer, who is a	12084
resident of this state and is enrolled in or attending a program	12085
that culminates in a degree or diploma at an eligible institution.	12086
The deduction may be claimed only to the extent that qualified	12087
tuition and fees are not otherwise deducted or excluded for any	12088
taxable year from federal or Ohio adjusted gross income. The	12089
deduction may not be claimed for educational expenses for which	12090
the taxpayer claims a credit under section 5747.27 of the Revised	12091
Code.	12092
(19) Add any reimbursement received during the taxable year	12093
of any amount the taxpayer deducted under division (A)(18) of this	12094
section in any previous taxable year to the extent the amount is	12095
not otherwise included in Ohio adjusted gross income.	12096
(20)(a) Add five-sixths of the amount of depreciation expense	12097
allowed by subsection (k) of section 168 of the Internal Revenue	12098
Code, including the taxpayer's proportionate or distributive share	12099
of the amount of depreciation expense allowed by that subsection	12100
to a pass-through entity in which the taxpayer has a direct or	12101
indirect ownership interest. The tax commissioner, under	12102
procedures established by the commissioner, may waive the add-back	12103
related to a pass-through entity if the taxpayer owns, directly or	12104
indirectly, less than five per cent of the pass-through entity.	12105
	12106

## As Reported by the House Finance and Appropriations Committee\*

(b) Nothing in division (A)(20) of this section shall be construed to adjust or modify the adjusted basis of any asset.

(c) To the extent the add-back required under division (A)(20)(a) of this section is attributable to property generating nonbusiness income or loss allocated under section 5747.20 of the Revised Code, the add-back shall be situated to the same location as the nonbusiness income or loss generated by the property for the purpose of determining the credit under division (A) of section 5747.05 of the Revised Code. Otherwise, the add-back shall be apportioned, subject to one or more of the four alternative methods of apportionment enumerated in section 5747.21 of the Revised Code.

(21)(a) If the taxpayer was required to add an amount under division (A)(20)(a) of this section for a taxable year, deduct one-fifth of the amount so added for each of the five succeeding taxable years.

(b) If the amount deducted under division (A)(21)(a) of this section is attributable to an add-back allocated under division (A)(20)(c) of this section, the amount deducted shall be situated to the same location. Otherwise, the add-back shall be apportioned using the apportionment factors for the taxable year in which the deduction is taken, subject to one or more of the four alternative methods of apportionment enumerated in section 5747.21 of the Revised Code.

(B) "Business income" means income, including gain or loss, arising from transactions, activities, and sources in the regular course of a trade or business and includes income, gain, or loss from real property, tangible property, and intangible property if the acquisition, rental, management, and disposition of the property constitute integral parts of the regular course of a trade or business operation. "Business income" includes income, including gain or loss, from a partial or complete liquidation of

## As Reported by the House Finance and Appropriations Committee\*

a business, including, but not limited to, gain or loss from the	12139
sale or other disposition of goodwill.	12140
(C) "Nonbusiness income" means all income other than business	12141
income and may include, but is not limited to, compensation, rents	12142
and royalties from real or tangible personal property, capital	12143
gains, interest, dividends and distributions, patent or copyright	12144
royalties, or lottery winnings, prizes, and awards.	12145
	12146
(D) "Compensation" means any form of remuneration paid to an	12147
employee for personal services.	12148
(E) "Fiduciary" means a guardian, trustee, executor,	12149
administrator, receiver, conservator, or any other person acting	12150
in any fiduciary capacity for any individual, trust, or estate.	12151
(F) "Fiscal year" means an accounting period of twelve months	12152
ending on the last day of any month other than December.	12153
(G) "Individual" means any natural person.	12154
(H) "Internal Revenue Code" means the "Internal Revenue Code	12155
of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended.	12156
(I) "Resident" means <u>any of the following, provided that</u>	12157
<u>division (I)(3) of this section applies only to taxable years of a</u>	12158
<u>trust beginning in 2002, 2003, or 2004:</u>	12159
(1) An individual who is domiciled in this state, subject to	12160
section 5747.24 of the Revised Code;	12161
(2) The estate of a decedent who at the time of death was	12162
domiciled in this state. The domicile tests of section 5747.24 of	12163
the Revised Code and any election under section 5747.25 of the	12164
Revised Code are not controlling for purposes of division (I)(2)	12165
of this section.	12166
(3) <del>Division (I)(3) of this section applies only to taxable</del>	12167
<del>years of a trust beginning in 2002, 2003, or 2004.</del>	12168

## As Reported by the House Finance and Appropriations Committee\*

A trust that, in whole or part, resides in this state. If 12169  
only part of a trust resides in this state, the trust is a 12170  
resident only with respect to that part. For 12171

For the purposes of division (I)(3) of this section, a: 12172

(a) A trust resides in this state for the trust's current 12173  
taxable year to the extent, as described in division (I)(3)(d) of 12174  
this section, that it the trust consists, directly or indirectly, 12175  
in whole or in part, ~~of the net current value, adjusted for any~~ 12176  
~~profits, gains, or losses, of assets or, net of any related~~ 12177  
~~liabilities, that were transferred, or caused to be transferred,~~ 12178  
directly or indirectly, to the trust by any of the following: 12179

~~(a) The will~~ (i) A person, a court, or a governmental entity 12180  
~~or instrumentality on account of the death of a decedent who was~~ 12181  
~~domiciled in this state at the time of the decedent's death, but~~ 12182  
only if the trust is described in division (I)(3)(e)(i) or (ii) of 12183  
this section; 12184

~~(b)(ii)~~ (ii) A person who is was domiciled in this state if the 12185  
~~trust or part of the trust is not irrevocable for the purposes of~~ 12186  
this chapter when the person directly or indirectly transferred 12187  
assets to an irrevocable trust, but only if at least one of the 12188  
trust's qualifying beneficiaries is domiciled in this state for 12189  
the purposes of this chapter during all or some portion of the 12190  
trust's current taxable year; 12191

~~(c)(iii)~~ (iii) A person who was domiciled in this state for the 12192  
purposes of this chapter when the trust document or instrument or 12193  
part of the trust document or instrument became irrevocable, but 12194  
only if, ~~for all or some portion of the current taxable year of~~ 12195  
~~the trust, at least one beneficiary of the trust is a resident of~~ 12196  
the trust's qualifying beneficiaries is a resident domiciled in 12197  
this state for the purposes of this chapter during all or some 12198  
portion of the trust's current taxable year. 12199

## As Reported by the House Finance and Appropriations Committee\*

~~For the purpose of divisions (I)(3)(b) and (c) of this section, the transfer of net assets to a (b) A trust is irrevocable to the extent that the transferor is not considered to be the owner of the net assets of the trust under sections 671 to 678 of the Internal Revenue Code.~~

(c) With respect to a trust other than a charitable lead trust, "qualifying beneficiary" has the same meaning as "potential current beneficiary" as defined in section 1361(e)(2) of the Internal Revenue Code, and with respect to a charitable lead trust "qualifying beneficiary" is any current, future, or contingent beneficiary, but with respect to any trust "qualifying beneficiary" excludes a person or a governmental entity or instrumentality to any of which a contribution would qualify for the charitable deduction under section 170 of the Internal Revenue Code.

(d) For the purposes of division (I)(3)(a) of this section, the extent to which a trust consists directly or indirectly, in whole or in part, of assets, net of any related liabilities, that were transferred directly or indirectly, in whole or part, to the trust by any of the sources enumerated in that division shall be ascertained by multiplying the fair market value of the trust's assets, net of related liabilities, by the qualifying ratio, which shall be computed as follows:

(i) The first time the trust receives assets, the numerator of the qualifying ratio is the fair market value of those assets at that time, net of any related liabilities, from sources enumerated in division (I)(3)(a) of this section. The denominator of the qualifying ratio is the fair market value of all the trust's assets at that time, net of any related liabilities.

(ii) Each subsequent time the trust receives assets, a revised qualifying ratio shall be computed. The numerator of the revised qualifying ratio is the sum of (1) the fair market value



## As Reported by the House Finance and Appropriations Committee\*

of the trust's assets immediately prior to the subsequent 12232  
transfer, net of any related liabilities, multiplied by the 12233  
qualifying ratio last computed without regard to the subsequent 12234  
transfer, and (2) the fair market value of the subsequently 12235  
transferred assets at the time transferred, net of any related 12236  
liabilities, from sources enumerated in division (I)(3)(a) of this 12237  
section. The denominator of the revised qualifying ratio is the 12238  
fair market value of all the trust's assets immediately after the 12239  
subsequent transfer, net of any related liabilities. 12240

(e) For the purposes of division (I)(3)(a)(i) of this 12241  
section: 12242

(i) A trust is described in division (I)(3)(e)(i) of this 12243  
section if the trust is a testamentary trust and the testator of 12244  
that testamentary trust was domiciled in this state at the time of 12245  
the testator's death for purposes of the taxes levied under 12246  
Chapter 5731. of the Revised Code. 12247

(ii) A trust is described in division (I)(3)(e)(ii) of this 12248  
section if the transfer is a qualifying transfer described in any 12249  
of divisions (I)(3)(f)(i) to (vi) of this section, the trust is an 12250  
irrevocable inter vivos trust, and at least one of the trust's 12251  
qualifying beneficiaries is domiciled in this state for purposes 12252  
of this chapter during all or some portion of the trust's current 12253  
taxable year. 12254

(f) For the purposes of division (I)(3)(e)(ii) of this 12255  
section, a "qualifying transfer" is a transfer of assets, net of 12256  
any related liabilities, directly or indirectly to a trust, if the 12257  
transfer is described in any of the following: 12258

(i) The transfer is made to a trust, created by the decedent 12259  
before the decedent's death and while the decedent was domiciled 12260  
in this state for the purposes of this chapter, and, prior to the 12261  
death of the decedent, the trust became irrevocable while the 12262  
decedent was domiciled in this state for the purposes of this 12263

<u>chapter.</u>	12264
<u>(ii) The transfer is made to a trust to which the decedent,</u>	12265
<u>prior to the decedent's death, had directly or indirectly</u>	12266
<u>transferred assets, net of any related liabilities, while the</u>	12267
<u>decedent was domiciled in this state for the purposes of this</u>	12268
<u>chapter, and prior to the death of the decedent the trust became</u>	12269
<u>irrevocable while the decedent was domiciled in this state for the</u>	12270
<u>purposes of this chapter.</u>	12271
<u>(iii) The transfer is made on account of a contractual</u>	12272
<u>relationship existing directly or indirectly between the</u>	12273
<u>transferor and either the decedent or the estate of the decedent</u>	12274
<u>at any time prior to the date of the decedent's death, and the</u>	12275
<u>decedent was domiciled in this state at the time of death for</u>	12276
<u>purposes of the taxes levied under Chapter 5731. of the Revised</u>	12277
<u>Code.</u>	12278
<u>(iv) The transfer is made to a trust on account of a</u>	12279
<u>contractual relationship existing directly or indirectly between</u>	12280
<u>the transferor and another person who at the time of the</u>	12281
<u>decedent's death was domiciled in this state for purposes of this</u>	12282
<u>chapter.</u>	12283
<u>(v) The transfer is made to a trust on account of the will of</u>	12284
<u>a testator.</u>	12285
<u>(vi) The transfer is made to a trust created by or caused to</u>	12286
<u>be created by a court, and the trust was directly or indirectly</u>	12287
<u>created in connection with or as a result of the death of an</u>	12288
<u>individual who, for purposes of the taxes levied under Chapter</u>	12289
<u>5731. of the Revised Code, was domiciled in this state at the time</u>	12290
<u>of the individual's death.</u>	12291
<u>(g) The tax commissioner may adopt rules to ascertain the</u>	12292
<u>part of a trust residing in this state <del>under this division.</del></u>	12293
<u>(J) "Nonresident" means an individual or estate that is not a</u>	12294

## As Reported by the House Finance and Appropriations Committee\*

resident. An individual who is a resident for only part of a	12295
taxable year is a nonresident for the remainder of that taxable	12296
year.	12297
(K) "Pass-through entity" has the same meaning as in section	12298
5733.04 of the Revised Code.	12299
(L) "Return" means the notifications and reports required to	12300
be filed pursuant to this chapter for the purpose of reporting the	12301
tax due and includes declarations of estimated tax when so	12302
required.	12303
(M) "Taxable year" means the calendar year or the taxpayer's	12304
fiscal year ending during the calendar year, or fractional part	12305
thereof, upon which the adjusted gross income is calculated	12306
pursuant to this chapter.	12307
(N) "Taxpayer" means any person subject to the tax imposed by	12308
section 5747.02 of the Revised Code or any pass-through entity	12309
that makes the election under division (D) of section 5747.08 of	12310
the Revised Code.	12311
(O) "Dependents" means dependents as defined in the Internal	12312
Revenue Code and as claimed in the taxpayer's federal income tax	12313
return for the taxable year or which the taxpayer would have been	12314
permitted to claim had the taxpayer filed a federal income tax	12315
return.	12316
(P) "Principal county of employment" means, in the case of a	12317
nonresident, the county within the state in which a taxpayer	12318
performs services for an employer or, if those services are	12319
performed in more than one county, the county in which the major	12320
portion of the services are performed.	12321
(Q) As used in sections 5747.50 to 5747.55 of the Revised	12322
Code:	12323
(1) "Subdivision" means any county, municipal corporation,	12324

## As Reported by the House Finance and Appropriations Committee\*

park district, or township. 12325

(2) "Essential local government purposes" includes all 12326  
functions that any subdivision is required by general law to 12327  
exercise, including like functions that are exercised under a 12328  
charter adopted pursuant to the Ohio Constitution. 12329

(R) "Overpayment" means any amount already paid that exceeds 12330  
the figure determined to be the correct amount of the tax. 12331

(S) "Taxable income" or "Ohio taxable income" applies only to 12332  
estates and trusts, and means federal taxable income, as defined 12333  
and used in the Internal Revenue Code, adjusted as follows: 12334  
12335

(1) Add interest or dividends, net of ordinary, necessary, 12336  
and reasonable expenses not deducted in computing federal taxable 12337  
income, on obligations or securities of any state or of any 12338  
political subdivision or authority of any state, other than this 12339  
state and its subdivisions and authorities, but only to the 12340  
extent that such net amount is not otherwise includible in Ohio 12341  
taxable income and is described in either division (S)(1)(a) or 12342  
(b) of this section: 12343

(a) The net amount is not attributable to the S portion of an 12344  
electing small business trust and has not been distributed to 12345  
beneficiaries for the taxable year; 12346

(b) The net amount is attributable to the S portion of an 12347  
electing small business trust for the taxable year. 12348

(2) Add interest or dividends, net of ordinary, necessary, 12349  
and reasonable expenses not deducted in computing federal taxable 12350  
income, on obligations of any authority, commission, 12351  
instrumentality, territory, or possession of the United States to 12352  
the extent that the interest or dividends are exempt from federal 12353  
income taxes but not from state income taxes, but only to the 12354  
extent that such net amount is not otherwise includible in Ohio 12355

## As Reported by the House Finance and Appropriations Committee\*

<u>taxable income and is described in either division (S)(1)(a) or</u>	12356
<u>(b) of this section;</u>	12357
(3) Add the amount of personal exemption allowed to the	12358
estate pursuant to section 642(b) of the Internal Revenue Code;	12359
(4) Deduct interest or dividends, <u>net of related expenses</u>	12360
<u>deducted in computing federal taxable income,</u> on obligations of	12361
the United States and its territories and possessions or of any	12362
authority, commission, or instrumentality of the United States <u>to</u>	12363
<u>the extent</u> that <u>the interest or dividends</u> are exempt from state	12364
taxes under the laws of the United States, <u>but only to the extent</u>	12365
<u>that such amount is included in federal taxable income and is</u>	12366
<u>described in either division (S)(1)(a) or (b) of this section;</u>	12367
(5) Deduct the amount of wages and salaries, if any, not	12368
otherwise allowable as a deduction but that would have been	12369
allowable as a deduction in computing federal taxable income for	12370
the taxable year, had the targeted jobs credit allowed under	12371
sections 38, 51, and 52 of the Internal Revenue Code not been in	12372
effect, <u>but only to the extent such amount relates either to</u>	12373
<u>income included in federal taxable income for the taxable year or</u>	12374
<u>to income of the S portion of an electing small business trust for</u>	12375
<u>the taxable year;</u>	12376
(6) Deduct any interest or interest equivalent, <u>net of</u>	12377
<u>related expenses deducted in computing federal taxable income,</u> on	12378
public obligations and purchase obligations, <u>but only</u> to the	12379
extent <u>that such net amount relates either to income</u> included in	12380
federal taxable income <u>for the taxable year or to income of the S</u>	12381
<u>portion of an electing small business trust for the taxable year;</u>	12382
(7) Add any loss or deduct any gain resulting from sale,	12383
exchange, or other disposition of public obligations to the extent	12384
<u>that such loss has been deducted or such gain has been</u> included in	12385
<u>computing either</u> federal taxable income <u>or income of the S portion</u>	12386
<u>of an electing small business trust for the taxable year;</u>	12387

## As Reported by the House Finance and Appropriations Committee\*

(8) Except in the case of the final return of an estate, add 12388  
any amount deducted by the taxpayer on both its Ohio estate tax 12389  
return pursuant to section 5731.14 of the Revised Code, and on its 12390  
federal income tax return in determining ~~either federal adjusted~~ 12391  
~~gross income or~~ federal taxable income; 12392

(9)(a) Deduct any amount included in federal taxable income 12393  
solely because the amount represents a reimbursement or refund of 12394  
expenses that in a previous year the decedent had deducted as an 12395  
itemized deduction pursuant to section 63 of the Internal Revenue 12396  
Code and applicable treasury regulations. The deduction otherwise 12397  
allowed under division (S)(9)(a) of this section shall be reduced 12398  
to the extent the reimbursement is attributable to an amount the 12399  
taxpayer or decedent deducted under this section in any taxable 12400  
year. 12401

(b) Add any amount not otherwise included in Ohio taxable 12402  
income for any taxable year to the extent that the amount is 12403  
attributable to the recovery during the taxable year of any amount 12404  
deducted or excluded in computing federal or Ohio taxable income 12405  
in any taxable year, but only to the extent such amount has not 12406  
been distributed to beneficiaries for the taxable year. 12407

(10) Deduct any portion of the deduction described in section 12408  
1341(a)(2) of the Internal Revenue Code, for repaying previously 12409  
reported income received under a claim of right, that meets both 12410  
of the following requirements: 12411

(a) It is allowable for repayment of an item that was 12412  
included in the taxpayer's taxable income or the decedent's 12413  
adjusted gross income for a prior taxable year and did not qualify 12414  
for a credit under division (A) or (B) of section 5747.05 of the 12415  
Revised Code for that year. 12416

(b) It does not otherwise reduce the taxpayer's taxable 12417  
income or the decedent's adjusted gross income for the current or 12418

## As Reported by the House Finance and Appropriations Committee\*

any other taxable year.	12419
(11) Add any amount claimed as a credit under section 5747.059 of the Revised Code to the extent that the amount satisfies either of the following:	12420 12421 12422
(a) The amount was deducted or excluded from the computation of the taxpayer's federal taxable income as required to be reported for the taxpayer's taxable year under the Internal Revenue Code;	12423 12424 12425 12426
(b) The amount resulted in a reduction in the taxpayer's federal taxable income as required to be reported for any of the taxpayer's taxable years under the Internal Revenue Code.	12427 12428 12429
(12) Deduct any amount, <u>net of related expenses deducted in computing federal taxable income</u> , that a trust is required to report as farm income on its federal income tax return, but only if the assets of the trust include at least ten acres of land satisfying the definition of "land devoted exclusively to agricultural use" under section 5713.30 of the Revised Code, regardless of whether the land is valued for tax purposes as such land under sections 5713.30 to 5713.38 of the Revised Code. <u>If the trust is a pass-through entity investor, section 5747.231 of the Revised Code applies in ascertaining if the trust is eligible to claim the deduction provided by division (S)(12) of this section in connection with the pass-through entity's farm income.</u>	12430 12431 12432 12433 12434 12435 12436 12437 12438 12439 12440 12441
<u>Except for farm income attributable to the S portion of an electing small business trust, the deduction provided by division (S)(12) of this section is allowed only to the extent that the trust has not distributed such farm income.</u> Division (S)(12) of this section applies only to taxable years of a trust beginning in 2002, 2003, or 2004.	12442 12443 12444 12445 12446 12447
(13) Add the net amount of income described in section 641(c) of the Internal Revenue Code to the extent that amount is not	12448 12449

## As Reported by the House Finance and Appropriations Committee\*

included in federal taxable income.	12450
(14) Add or deduct the amount the taxpayer would be required to add or deduct under division (A)(20) or (21) of this section if the taxpayer's <u>Ohio</u> taxable income were computed in the same manner as an individual's <u>Ohio</u> adjusted gross income is computed under this section. In the case of a trust, division (S)(14) of this section applies only to any of the trust's taxable years beginning in 2002, 2003, or 2004.	12451 12452 12453 12454 12455 12456 12457
(T) "School district income" and "school district income tax" have the same meanings as in section 5748.01 of the Revised Code.	12458 12459 12460
(U) As used in divisions (A)(8), (A)(9), (S)(6), and (S)(7) of this section, "public obligations," "purchase obligations," and "interest or interest equivalent" have the same meanings as in section 5709.76 of the Revised Code.	12461 12462 12463 12464
(V) "Limited liability company" means any limited liability company formed under Chapter 1705. of the Revised Code or under the laws of any other state.	12465 12466 12467
(W) "Pass-through entity investor" means any person who, during any portion of a taxable year of a pass-through entity, is a partner, member, shareholder, or <u>equity</u> investor in that pass-through entity.	12468 12469 12470 12471
(X) "Banking day" has the same meaning as in section 1304.01 of the Revised Code.	12472 12473
(Y) "Month" means a calendar month.	12474
(Z) "Quarter" means the first three months, the second three months, the third three months, or the last three months of the taxpayer's taxable year.	12475 12476 12477
(AA)(1) "Eligible institution" means a state university or state institution of higher education as defined in section	12478 12479



## As Reported by the House Finance and Appropriations Committee\*

3345.011 of the Revised Code, or a private, nonprofit college,	12480
university, or other post-secondary institution located in this	12481
state that possesses a certificate of authorization issued by the	12482
Ohio board of regents pursuant to Chapter 1713. of the Revised	12483
Code or a certificate of registration issued by the state board of	12484
proprietary school registration under Chapter 3332. of the Revised	12485
Code.	12486
(2) "Qualified tuition and fees" means tuition and fees	12487
imposed by an eligible institution as a condition of enrollment or	12488
attendance, not exceeding two thousand five hundred dollars in	12489
each of the individual's first two years of post-secondary	12490
education. If the individual is a part-time student, "qualified	12491
tuition and fees" includes tuition and fees paid for the academic	12492
equivalent of the first two years of post-secondary education	12493
during a maximum of five taxable years, not exceeding a total of	12494
five thousand dollars. "Qualified tuition and fees" does not	12495
include:	12496
(a) Expenses for any course or activity involving sports,	12497
games, or hobbies unless the course or activity is part of the	12498
individual's degree or diploma program;	12499
(b) The cost of books, room and board, student activity fees,	12500
athletic fees, insurance expenses, or other expenses unrelated to	12501
the individual's academic course of instruction;	12502
(c) Tuition, fees, or other expenses paid or reimbursed	12503
through an employer, scholarship, grant in aid, or other	12504
educational benefit program.	12505
(BB)(1) "Modified business income" means the business income	12506
included in a trust's <u>Ohio</u> taxable income after such taxable	12507
income is first reduced by the qualifying <u>trust</u> amount, if any.	12508
(2) "Qualifying <u>trust</u> amount" of a trust means capital gains	12509
and losses from the sale, exchange, or other disposition of equity	12510

## As Reported by the House Finance and Appropriations Committee\*

or ownership ~~interest~~ interests in, or debt obligations of, a 12511  
 qualifying investee to the extent included in the trust's Ohio 12512  
 taxable income, but only if the ~~location of the physical assets~~ 12513  
following requirements are satisfied: 12514

(a) The book value of the qualifying investee investee's 12515  
physical assets in this state and everywhere, as of the last day 12516  
of the qualifying investee's fiscal or calendar year ending 12517  
immediately prior to the date on which the trust recognizes the 12518  
gain or loss, is available to the trust. 12519

(b) The requirements of section 5747.011 of the Revised Code 12520  
are satisfied for the trust's taxable year in which the trust 12521  
recognizes the gain or loss. 12522

Any gain or loss that is not a qualifying trust amount is 12523  
modified business income, qualifying investment income, or 12524  
modified nonbusiness income, as the case may be. 12525

(3) "Modified nonbusiness income" means a trust's Ohio 12526  
 taxable income other than modified business income ~~and~~, other than 12527  
 the qualifying trust amount, and other than qualifying investment 12528  
income, as defined in section 5747.012 of the Revised Code, to the 12529  
extent such qualifying investment income is not otherwise part of 12530  
modified business income. 12531

(4) "Modified Ohio taxable income" applies only to trusts, 12532  
 and means the sum of the following amounts described in divisions 12533  
(BB)(4)(a) to (c) of this section: 12534

(a) ~~Modified business income multiplied by the~~ The fraction, 12535  
 calculated under division (B)(2) of section 5733.05, and applying 12536  
 section 5733.057 of the Revised Code, as if the trust were a 12537  
 corporation subject to the tax imposed by section 5733.06 of the 12538  
 Revised Code~~r~~, multiplied by the sum of the following amounts: 12539

(i) The trust's modified business income; 12540

(ii) The trust's qualifying investment income, as defined in 12541

## As Reported by the House Finance and Appropriations Committee\*

section 5747.012 of the Revised Code, but only to the extent the 12542  
qualifying investment income does not otherwise constitute 12543  
modified business income and does not otherwise constitute a 12544  
qualifying trust amount. 12545

(b) The qualifying trust amount multiplied by the ratio a 12546  
fraction, the numerator of which is the sum of the book value of 12547  
the qualifying investee's physical assets in this state of the 12548  
qualifying investee to on the last day of the qualifying 12549  
investee's fiscal or calendar year ending immediately prior to the 12550  
day on which the trust recognizes the qualifying trust amount, and 12551  
the denominator of which is the sum of the book value of the 12552  
qualifying investee's total physical assets everywhere of the 12553  
qualifying investee on the last day of the qualifying investee's 12554  
fiscal or calendar year ending immediately prior to the day on 12555  
which the trust recognizes the qualifying trust amount. If, for a 12556  
taxable year, the trust recognizes a qualifying trust amount with 12557  
respect to more than one qualifying investee, the amount described 12558  
in division (BB)(4)(b) of this section shall equal the sum of the 12559  
products so computed for each such qualifying investee. 12560

(c) Modified nonbusiness income to the extent produced by 12561  
assets held by a trust or portion of a trust that is a resident 12562  
for the purposes of this chapter (i) With respect to a trust or 12563  
portion of a trust that is a resident as ascertained in accordance 12564  
with division (I)(3)(d) of this section, its modified nonbusiness 12565  
income. 12566

(ii) With respect to a trust or portion of a trust that is 12567  
not a resident as ascertained in accordance with division 12568  
(I)(3)(d) of this section, the amount of its modified nonbusiness 12569  
income satisfying the descriptions in divisions (B)(2) to (5) of 12570  
section 5747.20 of the Revised Code. 12571

If the allocation and apportionment of a trust's income under 12572  
divisions (BB)(4)(a) and (c) of this section do not fairly 12573

## As Reported by the House Finance and Appropriations Committee\*

represent the modified Ohio taxable income of the trust in this 12574  
state, the alternative methods described in division (C) of 12575  
section 5747.21 of the Revised Code may be applied in the manner 12576  
and to the same extent provided in that section. 12577

(5) ~~"Qualifying~~ (a) Except as set forth in division 12578  
(BB)(5)(b) of this section, "qualifying investee" means a person 12579  
in which a trust has an equity or ownership interest, or a person 12580  
or unit of government the debt obligations of either of which are 12581  
owned by a trust. For the purposes of division (BB)(2)(a) of this 12582  
section and for the purpose of computing the fraction described in 12583  
division (BB)(4)(b) of this section, all of the following apply: 12584

(i) If the qualifying investee is a member of a qualifying 12585  
controlled group on the last day of the qualifying investee's 12586  
fiscal or calendar year ending immediately prior to the date on 12587  
which the trust recognizes the gain or loss, then "qualifying 12588  
investee" includes all persons in the qualifying controlled group 12589  
on such last day. 12590

(ii) If the qualifying investee, or if the qualifying 12591  
investee and any members of the qualifying controlled group of 12592  
which the qualifying investee is a member on the last day of the 12593  
qualifying investee's fiscal or calendar year ending immediately 12594  
prior to the date on which the trust recognizes the gain or loss, 12595  
separately or cumulatively own, directly or indirectly, on the 12596  
last day of the qualifying investee's fiscal or calendar year 12597  
ending immediately prior to the date on which the trust recognizes 12598  
the qualifying trust amount, more than fifty per cent of the 12599  
equity of a pass-through entity, then the qualifying investee and 12600  
the other members are deemed to own the proportionate share of the 12601  
pass-through entity's physical assets which the pass-through 12602  
entity directly or indirectly owns on the last day of the 12603  
pass-through entity's calendar or fiscal year ending within or 12604  
with the last day of the qualifying investee's fiscal or calendar 12605

## As Reported by the House Finance and Appropriations Committee\*

year ending immediately prior to the date on which the trust 12606  
recognizes the qualifying trust amount. 12607

(iii) For the purposes of division (BB)(5)(a)(iii) of this 12608  
section, "upper level pass-through entity" means a pass-through 12609  
entity directly or indirectly owning any equity of another 12610  
pass-through entity, and "lower level pass-through entity" means 12611  
that other pass-through entity. 12612

An upper level pass-through entity, whether or not it is also 12613  
a qualifying investee, is deemed to own, on the last day of the 12614  
upper level pass-through entity's calendar or fiscal year, the 12615  
proportionate share of the lower level pass-through entity's 12616  
physical assets that the lower level pass-through entity directly 12617  
or indirectly owns on the last day of the lower level pass-through 12618  
entity's calendar or fiscal year ending within or with the last 12619  
day of the upper level pass-through entity's fiscal or calendar 12620  
year. If the upper level pass-through entity directly and 12621  
indirectly owns less than fifty per cent of the equity of the 12622  
lower level pass-through entity on each day of the upper level 12623  
pass-through entity's calendar or fiscal year in which or with 12624  
which ends the calendar or fiscal year of the lower level 12625  
pass-through entity and if, based upon clear and convincing 12626  
evidence, complete information about the location and cost of the 12627  
physical assets of the lower pass-through entity is not available 12628  
to the upper level pass-through entity, then solely for purposes 12629  
of ascertaining if a gain or loss constitutes a qualifying trust 12630  
amount, the upper level pass-through entity shall be deemed as 12631  
owning no equity of the lower level pass-through entity for each 12632  
day during the upper level pass-through entity's calendar or 12633  
fiscal year in which or with which ends the lower level 12634  
pass-through entity's calendar or fiscal year. Nothing in division 12635  
(BB)(5)(a)(iii) of this section shall be construed to provide for 12636  
any deduction or exclusion in computing any trust's Ohio taxable 12637

<u>income.</u>	12638
<u>(b) With respect to a trust that is not a resident for the taxable year and with respect to a part of a trust that is not a resident for the taxable year, "qualifying investee" for that taxable year does not include a C corporation if both of the following apply:</u>	12639
	12640
	12641
	12642
	12643
<u>(i) During the taxable year the trust or part of the trust recognizes a gain or loss from the sale, exchange, or other disposition of equity or ownership interests in, or debt obligations of, the C corporation.</u>	12644
	12645
	12646
	12647
<u>(ii) Such gain or loss constitutes nonbusiness income.</u>	12648
<u>(6) "Available" means information is such that a person is able to learn of the information by the due date plus extensions, if any, for filing the return for the taxable year in which the trust recognizes the gain or loss.</u>	12649
	12650
	12651
	12652
<u>(CC) "Qualifying controlled group" has the same meaning as in section 5733.04 of the Revised Code.</u>	12653
	12654
<u>(DD) "Related member" has the same meaning as in section 5733.042 of the Revised Code.</u>	12655
	12656
<del>(CC)</del> (EE) Any term used in this chapter that is not otherwise defined in this section and that is not used in a comparable context in the Internal Revenue Code and other statutes of the United States relating to federal income taxes has the same meaning as in section 5733.40 of the Revised Code.	12657
	12658
	12659
	12660
	12661
<b><u>Sec. 5747.011. (A) As used in this section:</u></b>	12662
<u>(1) "Qualifying closely-held C corporation" means a person classified for federal income tax purposes as an association taxed as a corporation and that has more than fifty per cent of the value of its outstanding stock or equity owned, directly or</u>	12663
	12664
	12665
	12666

## As Reported by the House Finance and Appropriations Committee\*

indirectly, by or for not more than five qualifying persons. For 12667  
the purposes of this division, the ownership of stock shall be 12668  
determined under the rules set forth in section 544 of the 12669  
Internal Revenue Code. 12670

(2) "Qualifying person" means an individual; an organization 12671  
described in section 401(a), 501(c)(17), or 509(a) of the Internal 12672  
Revenue Code; or a portion of a trust permanently set aside or to 12673  
be used exclusively for the purposes described in section 642(c) 12674  
of the Internal Revenue Code or a corresponding provision of a 12675  
prior federal income tax law. 12676

(3) "Qualifying limited liability company" means a limited 12677  
liability company that is not classified for federal income tax 12678  
purposes as an association taxed as a corporation. 12679

(4) "Ownership interest" means the equity or ownership 12680  
interest in, or debt obligation of, a "qualifying investee" as 12681  
defined in section 5747.01 of the Revised Code. 12682

(5) "Qualifying individual beneficiary" has the same meaning 12683  
as qualifying beneficiary as used in division (I)(3)(c) of section 12684  
5747.01 of the Revised Code, but is limited to individuals. 12685

12686

(6) "Family" of an individual means only the individual's 12687  
spouse; the individual's ancestors, limited to the individual's 12688  
parents, grandparents, and great grandparents; the siblings of 12689  
such ancestors, whether by the whole or half blood or by legal 12690  
adoption; the lineal descendants of such ancestors and siblings; 12691  
persons legally adopted by such ancestors or by such siblings; and 12692  
the spouses of such ancestors, siblings, legally adopted persons, 12693  
and lineal descendants. 12694

(B) The requirements of this division apply for purposes of 12695  
division (BB)(2)(b) of section 5747.01 of the Revised Code and for 12696  
the purposes of division (D) of section 5747.012 of the Revised 12697

## As Reported by the House Finance and Appropriations Committee\*

Code. Gain or loss included in a trust's Ohio taxable income is 12698  
not a qualifying trust amount unless the trust's ownership 12699  
interest in the qualifying investee is at least five per cent of 12700  
the total outstanding ownership interests in such qualifying 12701  
investee at any time during the ten-year period ending on the last 12702  
day of the trust's taxable year in which the sale, exchange, or 12703  
other disposition occurs. Nothing in this section negates the 12704  
requirements in division (BB)(2) of section 5747.01 of the Revised 12705  
Code. 12706

For the purpose of ascertaining whether the trust's ownership 12707  
interest in a qualifying investee is at least five per cent of the 12708  
total outstanding ownership interests in such qualifying investee, 12709  
the following apply: 12710

(1) On each day, an ownership interest owned, directly or 12711  
indirectly, by or for a qualifying closely-held C corporation, an 12712  
S corporation, a partnership other than a publicly traded 12713  
partnership, a qualifying limited liability company, an estate, or 12714  
a trust that is irrevocable as defined in division (I)(3)(b) of 12715  
section 5747.01 of the Revised Code is considered as being owned 12716  
proportionately on the same day by the equity investors of such 12717  
qualifying closely-held C corporation, S corporation, partnership, 12718  
or qualifying limited liability company, or by the beneficiaries 12719  
of such estate or trust, as the case may be. For the purposes of 12720  
division (B)(1) of this section, a beneficiary's proportionate 12721  
share of an ownership interest held by a trust shall be 12722  
ascertained in accordance with section 544(a)(1) of the Internal 12723  
Revenue Code. 12724

(2) On each day, a trust, hereinafter referred to as the 12725  
first trust, is considered as owning any ownership interest owned, 12726  
directly or indirectly, by or for another trust, hereinafter 12727  
referred to as the second trust, if on the same day the second 12728  
trust has at least one individual trustee who is either (a) a 12729



## As Reported by the House Finance and Appropriations Committee\*

<u>trustee of the first trust, or (b) a member of a family that</u>	12730
<u>includes at least one of the trustees of the first trust.</u>	12731
<u>(3) On each day, a trust, hereinafter referred to as the</u>	12732
<u>first trust, is considered as owning any ownership interest owned,</u>	12733
<u>directly or indirectly, by or for another trust, hereinafter</u>	12734
<u>referred to as the second trust, if on the same day the second</u>	12735
<u>trust has at least one qualifying individual beneficiary who is</u>	12736
<u>either (a) a qualifying individual beneficiary of the first trust</u>	12737
<u>or (b) a member of a family which includes a qualifying individual</u>	12738
<u>beneficiary of the first trust.</u>	12739
<u>(4) An ownership interest constructively owned by a person by</u>	12740
<u>reason of the application of division (B)(1) of this section</u>	12741
<u>shall, for the purpose of applying divisions (B)(1) to (3) of this</u>	12742
<u>section, be treated as actually owned by that person.</u>	12743
<u>(5) An ownership interest constructively owned by a trust by</u>	12744
<u>reason of the application of division (B)(2) or (3) of this</u>	12745
<u>section shall not be treated as actually owned by that trust for</u>	12746
<u>purposes of applying divisions (B)(1) to (3) of this section.</u>	12747
<u>(6) If an ownership interest may be considered as owned by a</u>	12748
<u>trust under division (B)(1) or (2) of this section, the ownership</u>	12749
<u>interest shall be considered owned by that trust under division</u>	12750
<u>(B)(2) of this section.</u>	12751
<u>(7) If an ownership interest may be considered as owned by a</u>	12752
<u>trust under division (B)(1) or (3) of this section, the ownership</u>	12753
<u>interest shall be considered owned by that trust under division</u>	12754
<u>(B)(3) of this section.</u>	12755
<b><u>Sec. 5747.012.</u></b> <u>This section applies for the purposes of</u>	12756
<u>divisions (BB)(3) and (BB)(4)(a)(ii) of section 5747.01 of the</u>	12757
<u>Revised Code.</u>	12758
<u>(A) As used in this section:</u>	12759

## As Reported by the House Finance and Appropriations Committee\*

(1)(a) Except as set forth in division (A)(1)(b) of this section, "qualifying investment income" means the portion of a qualifying investment pass-through entity's net income attributable to transaction fees in connection with the acquisition, ownership, or disposition of intangible property; loan fees; financing fees; consent fees; waiver fees; application fees; net management fees; dividend income; interest income; net capital gains from the sale or exchange or other disposition of intangible property; and all types and classifications of income attributable to distributive shares of income from other pass-through entities. 12760  
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(b)(i) Notwithstanding division (A)(1)(a) of this section, "qualifying investment income" does not include any part of the qualifying investment pass-through entity's net capital gain which, after the application of section 5747.231 of the Revised Code with respect to a trust, would also constitute a qualifying trust amount. 12771  
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(ii) Notwithstanding division (A)(1)(a) of this section, "qualifying investment income" does not include any part of the qualifying investment pass-through entity's net income attributable to the portion of a distributive share of income directly or indirectly from another pass-through entity to the extent such portion constitutes the other pass-through entity's net capital gain which, after the application of section 5747.231 of the Revised Code with respect to a trust, would also constitute a qualifying trust amount. 12777  
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(2) "Qualifying investment pass-through entity" means an investment pass-through entity, as defined in section 5733.401 of the Revised Code, subject to the following qualifications: 12786  
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(a) "Forty per cent" shall be substituted for "ninety per cent" wherever "ninety per cent" appears in section 5733.401 of the Revised Code. 12789  
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## As Reported by the House Finance and Appropriations Committee\*

- (b) The pass-through entity must have been formed or organized prior to June 5, 2002. 12792  
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- (c) The qualifying section 5747.012 trust or related persons to the qualifying section 5747.012 trust must directly or indirectly own at least five per cent of the equity of the investment pass-through entity each day of the entity's fiscal or calendar year ending within or with the last day of the qualifying section 5747.012 trust's taxable year; 12794  
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- (d) During the investment pass-through entity's calendar or fiscal year ending within or with the last day of the qualifying section 5747.012 trust's taxable year, related persons of or to the qualifying section 5747.012 trust must, on each day of the investment pass-through entity's year, own directly, or own through equity investments in other pass-through entities, more than sixty per cent of the equity of the investment pass-through entity. 12800  
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- (B) "Qualifying section 5747.012 trust" means a trust satisfying one of the following: 12808  
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- (1) The trust was created prior to, and was irrevocable on, June 5, 2002; or 12810  
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- (2) If the trust was created after June 4, 2002, or if the trust became irrevocable after June 4, 2002, then at least eighty per cent of the assets transferred to the trust must have been previously owned by related persons to the trust or by a trust created prior to June 5, 2002, under which the creator did not retain the power to change beneficiaries, amend the trust, or revoke the trust. For purposes of division (B)(2) of this section, the power to substitute property of equal value shall not be considered to be a power to change beneficiaries, amend the trust, or revoke the trust. 12812  
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- (C) For the purposes of this section, "related persons" means 12822

## As Reported by the House Finance and Appropriations Committee\*

the family of a qualifying individual beneficiary, as defined in 12823  
division (A)(5) of section 5747.011 of the Revised Code. For the 12824  
purposes of this division, "family" has the same meaning as in 12825  
division (A)(6) of section 5747.011 of the Revised Code. 12826

12827  
(D) For the purposes of applying divisions (A)(2)(c), 12828  
(A)(2)(d), and (B)(2) of this section, the related persons or the 12829  
qualifying section 5747.012 trust, as the case may be, shall be 12830  
deemed to own the equity of the investment pass-through entity 12831  
after the application of division (B) of section 5747.011 of the 12832  
Revised Code. 12833

(E) "Irrevocable" has the same meaning as in division 12834  
(I)(3)(b) of section 5747.01 of the Revised Code. 12835

(F) Nothing in this section requires any item of income, 12836  
gain, or loss not satisfying the definition of qualifying 12837  
investment income to be treated as modified nonbusiness income. 12838  
Any item of income, gain, or loss that is not qualifying 12839  
investment income is modified business income, modified 12840  
nonbusiness income, or a qualifying trust amount, as the case may 12841  
be. 12842

**Sec. 5747.02.** (A) For the purpose of providing revenue for 12843  
the support of schools and local government functions, to provide 12844  
relief to property taxpayers, to provide revenue for the general 12845  
revenue fund, and to meet the expenses of administering the tax 12846  
levied by this chapter, there is hereby levied on every 12847  
individual, trust, and estate residing in or earning or receiving 12848  
income in this state, on every individual, trust, and estate 12849  
earning or receiving lottery winnings, prizes, or awards pursuant 12850  
to Chapter 3770. of the Revised Code, and on every individual, 12851  
trust, and estate otherwise having nexus with or in this state 12852  
under the Constitution of the United States, an annual tax 12853

As Reported by the House Finance and Appropriations Committee\*

measured in the case of individuals by <u>Ohio</u> adjusted gross income		12854
less an exemption for the taxpayer, the taxpayer's spouse, and		12855
each dependent as provided in section 5747.025 of the Revised		12856
Code; measured in the case of trusts by modified <u>Ohio</u> taxable		12857
income under division (D) of this section; and measured in the		12858
case of estates by <u>Ohio</u> taxable income. The tax imposed by this		12859
section on the balance thus obtained is hereby levied as follows:		12860
<u>OHIO ADJUSTED GROSS INCOME LESS</u>		12861
EXEMPTIONS (INDIVIDUALS)		
OR		12862
MODIFIED <u>OHIO</u>		12863
TAXABLE INCOME (TRUSTS)		12864
OR		12865
<u>OHIO TAXABLE INCOME (ESTATES)</u>	TAX	12866
\$5,000 or less	.743%	12867
More than \$5,000 but not more	\$37.15 plus 1.486% of the amount	12868
than \$10,000	in excess of \$5,000	
More than \$10,000 but not more	\$111.45 plus 2.972% of the	12869
than \$15,000	amount in excess of \$10,000	
More than \$15,000 but not more	\$260.05 plus 3.715% of the	12870
than \$20,000	amount in excess of \$15,000	
More than \$20,000 but not more	\$445.80 plus 4.457% of the	12871
than \$40,000	amount in excess of \$20,000	
More than \$40,000 but not more	\$1,337.20 plus 5.201% of the	12872
than \$80,000	amount in excess of \$40,000	
More than \$80,000 but not more	\$3,417.60 plus 5.943% of the	12873
than \$100,000	amount in excess of \$80,000	
More than \$100,000 but not more	\$4,606.20 plus 6.9% of the	12874
than \$200,000	amount in excess of \$100,000	
More than \$200,000	\$11,506.20 plus 7.5% of the	12875
	amount in excess of \$200,000	
In July of each year, beginning in 2005, the tax commissioner		12876
shall adjust the income amounts prescribed in this division by		12877

## As Reported by the House Finance and Appropriations Committee\*

multiplying the percentage increase in the gross domestic product 12878  
 deflator computed that year under section 5747.025 of the Revised 12879  
 Code by each of the income amounts resulting from the adjustment 12880  
 under this division in the preceding year, adding the resulting 12881  
 product to the corresponding income amount resulting from the 12882  
 adjustment in the preceding year, and rounding the resulting sum 12883  
 to the nearest multiple of fifty dollars. The tax commissioner 12884  
 also shall recompute each of the tax dollar amounts to the extent 12885  
 necessary to reflect the adjustment of the income amounts. The 12886  
 rates of taxation shall not be adjusted. 12887

The adjusted amounts apply to taxable years beginning in the 12888  
 calendar year in which the adjustments are made. The tax 12889  
 commissioner shall not make such adjustments in any year in which 12890  
 the amount resulting from the adjustment would be less than the 12891  
 amount resulting from the adjustment in the preceding year. 12892

(B) If the director of budget and management makes a 12893  
 certification to the tax commissioner under division (B) of 12894  
 section 131.44 of the Revised Code, the amount of tax as 12895  
 determined under division (A) of this section shall be reduced by 12896  
 the percentage prescribed in that certification for taxable years 12897  
 beginning in the calendar year in which that certification is 12898  
 made. 12899

(C) The levy of this tax on income does not prevent a 12900  
 municipal corporation, a joint economic development zone created 12901  
 under section 715.691, or a joint economic development district 12902  
 created under section 715.70 or 715.71 or sections 715.72 to 12903  
 715.81 of the Revised Code from levying a tax on income. 12904

(D) ~~Division (D) of this section~~ This division applies only 12905  
 to taxable years of a trust beginning in 2002, 2003, or 2004. 12906

(1) The tax imposed by this section on a trust shall be 12907  
 computed by multiplying the Ohio modified taxable income of the 12908

## As Reported by the House Finance and Appropriations Committee\*

trust by the rates prescribed by division (A) of this section. 12909

(2) A credit is allowed against the tax computed under 12910  
division (D) of this section equal to the lesser of (1) the tax 12911  
paid to another state or the District of Columbia on the trust's 12912  
modified nonbusiness income ~~of a trust, other than the portion of~~ 12913  
the trust's nonbusiness income that is qualifying investment 12914  
income as defined in section 5747.012 of the Revised Code, or (2) 12915  
the effective tax rate, based on modified Ohio taxable income, 12916  
multiplied by the trust's modified nonbusiness income ~~of the trust~~ 12917  
other than the portion of trust's nonbusiness income that is 12918  
qualifying investment income. The credit applies before any other 12919  
applicable credits. The 12920

(3) The credits enumerated in divisions (A)(1) to (13) of 12921  
section 5747.98 of the Revised Code do not apply to a trust 12922  
subject to this division. Any credits enumerated in other 12923  
divisions of section 5747.98 of the Revised Code apply to a trust 12924  
subject to this division. To the extent that the trust distributes 12925  
income for the taxable year for which a credit is available to the 12926  
trust, the credit shall be shared by the trust and its 12927  
beneficiaries. The tax commissioner and the trust shall be guided 12928  
by applicable regulations of the United States treasury regarding 12929  
the sharing of credits. 12930

(E) For the purposes of this section, "trust" means any trust 12931  
described in Subchapter J of Chapter 1 of the Internal Revenue 12932  
Code, excluding ~~a trust~~ trusts that are not irrevocable as defined 12933  
in division (I)(3)(b) of section 5747.01 of the Revised Code and 12934  
that have no modified Ohio taxable income for the taxable year, 12935  
charitable remainder trusts, qualified funeral trusts, endowment 12936  
and perpetual care trusts, qualified settlement trusts and funds, 12937  
designated settlement trusts and funds, and trusts exempted from 12938  
taxation under section 501(e)(3)(a) of the Internal Revenue Code. 12939  
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## As Reported by the House Finance and Appropriations Committee\*

Sec. 5747.231. As used in this section, "adjusted qualifying amount" has the same meaning as in section 5733.40 of the Revised Code. 12941  
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This section does not apply to division (BB)(5)(a)(ii) of section 5747.01 of the Revised Code. 12944  
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Except as set forth in this section and except as otherwise provided in divisions (A) and (B) of section 5733.401 of the Revised Code, in making all apportionment, allocation, income, gain, loss, deduction, tax, and credit computations under this chapter, each person shall include in that person's items of business income, nonbusiness income, adjusted qualifying amounts, allocable income or loss, apportionable income or loss, property, compensation, and sales, the person's entire distributive share or proportionate share of the items of business income, nonbusiness income, adjusted qualifying amounts, allocable income or loss, apportionable income or loss, property, compensation, and sales of any pass-through entity in which the person has a direct or indirect ownership interest at any time during the person's taxable year. A pass-through entity's direct or indirect distributive share or proportionate share of any other pass-through entity's items of business income, nonbusiness income, adjusted qualifying amounts, allocable income or loss, apportionable income or loss, property, compensation, and sales shall be included for the purposes of computing the person's distributive share or proportionate share of the pass-through entity's items of business income, nonbusiness income, adjusted qualifying amounts, allocable income or loss, apportionable income or loss, property, compensation, and sales under this section. Those items shall be in the same form as was recognized by the pass-through entity. 12946  
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**Sec. 5902.02.** The duties of the director of the governor's 12971



## As Reported by the House Finance and Appropriations Committee\*

office of veterans affairs shall include the following:	12972
(A) Furnishing the veterans service commissions of all	12973
counties of the state copies of the state laws, rules, and	12974
legislation relating to the operation of the commissions and their	12975
offices;	12976
(B) Upon application, assisting the general public in	12977
obtaining records of vital statistics pertaining to veterans or	12978
their dependents;	12979
(C) Adopting rules pursuant to Chapter 119. of the Revised	12980
Code pertaining to minimum qualifications for hiring, certifying,	12981
and accrediting county veterans service officers and pertaining to	12982
their required duties;	12983
(D) Adopting rules pursuant to Chapter 119. of the Revised	12984
Code for the education, training, certification, and duties of	12985
veterans service commissioners;	12986
(E) Developing and monitoring programs and agreements	12987
enhancing employment and training for veterans in single or	12988
multiple county areas;	12989
(F) Developing and monitoring programs and agreements to	12990
enable county veterans service commissions to address	12991
homelessness, indigency, and other veteran-related issues	12992
individually or jointly;	12993
(G) Developing and monitoring programs and agreements to	12994
enable state agencies, individually or jointly, that provide	12995
services to veterans, including the <del>Ohio</del> veterans' <u>home homes</u>	12996
<u>operated under Chapter 5907. of the Revised Code</u> and the director	12997
of job and family services, to address homelessness, indigency,	12998
employment, and other veteran-related issues;	12999
(H) Establishing and providing statistical reporting formats	13000
and procedures for county veterans service commissions;	13001

## As Reported by the House Finance and Appropriations Committee\*

(I) Publishing annually, promulgating change notices for, and distributing a listing of county veterans service officers, county veterans service commissioners, state directors of veterans affairs, and national and state service officers of accredited veterans organizations and their state headquarters. The listing shall include the expiration dates of commission members' terms of office and the organizations they represent; the names, addresses, and telephone numbers of county veterans service officers and state directors of veterans affairs; and the addresses and telephone numbers of the Ohio offices and headquarters of state and national veterans service organizations.

(J) Publishing, by the first day of April of each odd-numbered year, a directory of the laws of this state dealing with veterans, as enacted through the conclusion of the previous session of the general assembly, and distributing the publication to each county veterans service office and the state headquarters of each congressionally chartered veterans organization in the state;

(K) Establishing a veterans advisory committee to advise and assist the governor's office of veterans affairs in its duties. Members shall include a state representative of congressionally chartered veterans organizations referred to in section 5901.02 of the Revised Code, a representative of any other congressionally chartered state veterans organization that has at least one veterans service commissioner in the state, three representatives of the Ohio state association of county veterans service commissioners, who shall have a combined vote of one, three representatives of the state association of county veterans service officers, who shall have a combined vote of one, one representative of the county commissioners association of Ohio, who shall be a county commissioner not from the same county as any of the other county representatives, and a representative of the

## As Reported by the House Finance and Appropriations Committee\*

office of the attorney general. The governor's office of veterans  
 affairs shall submit to the advisory committee proposed rules for  
 the committee's operation. The committee may review and revise  
 these proposed rules prior to submitting them to the joint  
 committee on agency rule review.

(L) Adopting, with the advice and assistance of the veterans  
 advisory committee, policy and procedural guidelines that the  
 veterans service commissions shall adhere to in the development  
 and implementation of rules, policies, procedures, and guidelines  
 for the administration of Chapter 5901. of the Revised Code. The  
 governor's office of veterans affairs shall adopt no guidelines or  
 rules regulating the purposes, scope, duration, or amounts of  
 financial assistance provided to applicants pursuant to sections  
 5901.01 to 5901.15 of the Revised Code. The director of the  
 governor's office of veterans affairs may obtain opinions from the  
 office of the attorney general regarding rules, policies,  
 procedures, and guidelines of the veterans service commissions and  
 may enforce compliance with Chapter 5901. of the Revised Code.

(M) Receiving copies of form DD214 filed in accordance with  
 the director's guidelines adopted under division (L) of this  
 section from members of veterans service commissions appointed  
 under section 5901.02 and from county veterans service officers  
 employed under section 5901.07 of the Revised Code;

(N) Taking any other actions required by this chapter.

**Sec. 5902.05.** For the purpose of assisting veterans, the  
 director of the governor's office of veterans affairs or ~~his~~ the  
~~director's~~ representative shall visit ~~the Ohio~~ each veterans' home  
~~at Sandusky operated under Chapter 5907. of the Revised Code~~ and  
 the national military home at Dayton at least once every three  
 months, and may visit other veterans facilities as necessary. At  
 the discretion of the governor, the director of the governor's

## As Reported by the House Finance and Appropriations Committee\*

office of veterans affairs or ~~his~~ the director's representative 13065  
 shall visit the several governmental departments at Washington, 13066  
 D.C., or elsewhere, as may be necessary. 13067

**Sec. 5907.01.** (A) As used in this chapter: 13068

(1) "Nursing home" means a nursing home within a veterans' 13069  
home. 13070

(2) "Veterans' home" means a veterans' home operated by the 13071  
Ohio veterans' home agency. 13072

(B) There shall be an institution named the "Ohio veterans' 13073  
home," which is hereby established the Ohio veterans' home agency 13074  
that shall be a home maintain and operate veterans' and nursing 13075  
homes for honorably discharged soldiers, sailors, and marines 13076  
veterans. 13077

**Sec. 5907.02.** The board of trustees of the Ohio veterans' 13078  
 home agency, that which is hereby created, shall consist of seven 13079  
 members who shall govern the agency and have charge and custody of 13080  
 the ~~home at Sandusky~~ agency's facilities. The members shall be the 13081  
 director of administrative services or that director's designee, 13082  
 the director of aging or that director's designee, and five 13083  
 members who shall be appointed by the governor with the advice and 13084  
 consent of the senate. All the members of the board appointed by 13085  
 the governor shall be veterans of wars in which the United States 13086  
 has participated, and not more than three of the members shall be 13087  
 of the same political party. The trustees shall serve without 13088  
 compensation, but they shall be allowed their actual expenses 13089  
 incurred in the discharge of their duties. Each year, the governor 13090  
 shall appoint one trustee. The term of office for each member of 13091  
 the board shall be for five years, commencing on the first day of 13092  
 July and ending on the thirtieth day of June. Each member shall 13093  
 hold office from the date of that member's appointment until the 13094

## As Reported by the House Finance and Appropriations Committee\*

end of the term for which the member was appointed. Any member 13095  
 appointed to fill a vacancy occurring prior to the expiration of 13096  
 the term for which that member's predecessor was appointed shall 13097  
 hold office for the remainder of that term. Any member shall 13098  
 continue in office subsequent to the expiration date of that 13099  
 member's term until the member's successor takes office, or until 13100  
 a period of sixty days has elapsed, whichever occurs first. The 13101  
 board shall govern, conduct, and care for ~~the home~~ veterans' 13102  
homes, the property of the ~~home~~ homes, and the veterans residing 13103  
 in the ~~home~~ home. 13104

Four members of the board constitute a quorum, but any three 13105  
 may approve the payment of current expenses, salaries, and open 13106  
 contracts previously entered into by the board. 13107

All supplies for the ~~home~~ agency shall be purchased as 13108  
 provided in sections 125.04 to 125.15 of the Revised Code. 13109

The board shall appoint a superintendent ~~for~~ of the Ohio 13110  
veterans' home agency upon any terms that are proper, and the 13111  
 superintendent, with the advice and consent of the board, shall 13112  
 employ aides, assistants, and employees, and perform other duties 13113  
 that may be assigned to the superintendent by the board or become 13114  
 necessary in the carrying out of the superintendent's duties. The 13115  
 superintendent shall be responsible directly to the board. 13116

Subject to section 5907.021 of the Revised Code, the 13117  
 superintendent ~~shall~~ may appoint one or more employees at each 13118  
veterans' home as ~~Ohio~~ veterans' home police officers authorized 13119  
 to act on the grounds of ~~the~~ that home, ~~at the discretion of the~~ 13120  
~~superintendent~~. The superintendent shall provide to those 13121  
 employees a copy of the rules that apply to their appointment. The 13122  
 rules shall specify whether or not the police officers may carry a 13123  
 firearm. 13124

Subject to section 5907.021 of the Revised Code, the 13125  
 superintendent shall appoint a chief of police ~~for~~ of the Ohio 13126

## As Reported by the House Finance and Appropriations Committee\*

veterans' home agency, determine the number of officers and other 13127  
 personnel required by ~~the~~ each veterans' home, and establish 13128  
 salary schedules and other conditions of employment for ~~Ohio~~ 13129  
 veterans' ~~home~~ homes police officers. The chief of police shall 13130  
 serve at the pleasure of the superintendent and shall appoint 13131  
 officers and other personnel as the ~~home~~ veterans' homes may 13132  
 require, subject to the rules and limits that the superintendent 13133  
 establishes regarding qualifications, salary ranges, and the 13134  
 number of personnel. The superintendent, with the approval of the 13135  
 board, may purchase or otherwise acquire any police apparatus, 13136  
 equipment, or materials, including a police communication system 13137  
 and vehicles, that ~~Ohio~~ the veterans' ~~home~~ homes police officers 13138  
 may require. The superintendent may send one or more of the 13139  
 officers or employees nominated by the police chief to a school of 13140  
 instruction designed to provide additional training or skills 13141  
 related to their work assignment at ~~the~~ their veterans' home. The 13142  
 superintendent may send those officers or employees to the Ohio 13143  
 peace officer training academy that the superintendent considers 13144  
 appropriate. 13145

The board shall make an annual report to the governor as to 13146  
 all expenditures and as to the management of the Ohio veterans' 13147  
 home agency. 13148

**Sec. 5907.021.** (A) As used in this section, "felony" has the 13149  
 same meaning as in section 109.511 of the Revised Code. 13150

(B)(1) The superintendent of the Ohio veterans' home agency 13151  
 shall not appoint a person as a chief of police of the agency or 13152  
 an employee as ~~an~~ a Ohio veterans' home police officer on a 13153  
 permanent basis, on a temporary basis, for a probationary term, or 13154  
 on other than a permanent basis if the person or employee 13155  
 previously has been convicted of or has pleaded guilty to a 13156  
 felony. 13157

## As Reported by the House Finance and Appropriations Committee\*

(2)(a) The superintendent of the ~~Ohio veterans' home~~ shall 13158  
 terminate the employment of a chief of police or the employment as 13159  
~~an Ohio~~ a veterans' home police officer of an employee appointed 13160  
 as ~~an Ohio~~ a veterans' home police officer if that chief of police 13161  
 or employee does either of the following: 13162

(i) Pleads guilty to a felony; 13163

(ii) Pleads guilty to a misdemeanor pursuant to a negotiated 13164  
 plea agreement as provided in division (D) of section 2929.29 of 13165  
 the Revised Code in which the chief of police or employee agrees 13166  
 to surrender the certificate awarded to that chief of police or 13167  
 employee under section 109.77 of the Revised Code. 13168

(b) The superintendent shall suspend from employment a chief 13169  
 of police or from employment as ~~an Ohio~~ a veterans' home police 13170  
 officer an employee appointed as ~~an Ohio~~ a veterans' home police 13171  
 officer if that chief of police or employee is convicted, after 13172  
 trial, of a felony. If the chief of police or the employee files 13173  
 an appeal from that conviction and the conviction is upheld by the 13174  
 highest court to which the appeal is taken or if the chief of 13175  
 police or the employee does not file a timely appeal, the 13176  
 superintendent shall terminate the employment of that chief of 13177  
 police or that employee as ~~an Ohio~~ a veterans' home police 13178  
 officer. If the chief of police or the employee files an appeal 13179  
 that results in that chief of police's or that employee's 13180  
 acquittal of the felony or conviction of a misdemeanor, or in the 13181  
 dismissal of the felony charge against that chief of police or 13182  
 that employee, the superintendent shall reinstate that chief of 13183  
 police or that employee as ~~an Ohio~~ a veterans' home police 13184  
 officer. A chief of police or an employee who is reinstated as ~~an~~ 13185  
~~Ohio~~ a veterans' home police officer under division (B)(2)(b) of 13186  
 this section shall not receive any back pay unless the conviction 13187  
 of that chief of police or that employee of the felony was 13188  
 reversed on appeal, or the felony charge was dismissed, because 13189

## As Reported by the House Finance and Appropriations Committee\*

the court found insufficient evidence to convict the chief of police or the employee of the felony. 13190  
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(3) Division (B) of this section does not apply regarding an offense that was committed prior to January 1, 1997. 13192  
13193

(4) The suspension from employment, or the termination of the employment, of a chief of police or ~~an Ohio~~ a veterans' home police officer under division (B)(2) of this section shall be in accordance with Chapter 119. of the Revised Code. 13194  
13195  
13196  
13197

**Sec. 5907.022.** The board of trustees of the Ohio veterans' home agency may do either of the following to expand nursing home care and domiciliary services to veterans at sites other than the Ohio veterans' ~~home and the Robert T. Secrest~~ homes and nursing ~~home~~ homes: 13198  
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13200  
13201  
13202

(A) Enter into contracts or agreements, including agreements for the acceptance of grants, to construct, lease, purchase, or otherwise acquire real property or facilities to establish a network of facilities; 13203  
13204  
13205  
13206

(B) Enter into contracts with private providers. 13207

**Sec. 5907.023.** Neither the Ohio veterans' home agency established by section 5907.01 of the Revised Code nor the board of trustees of the Ohio veterans' home agency created by section 5907.02 of the Revised Code is subject to sections 101.82 to 101.87 of the Revised Code. 13208  
13209  
13210  
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13212

**Sec. 5907.03.** The management and control of ~~the Ohio~~ veterans' ~~home~~ homes shall be subject to such inspection and supervision as the congress of the United States may require as a condition of making appropriations for ~~its~~ their maintenance. A person appointed or designated by congress may make such inspection and exercise such supervision, and, if so required by 13213  
13214  
13215  
13216  
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13218



## As Reported by the House Finance and Appropriations Committee\*

congress, ~~he~~ the person may have and exercise the privileges of a 13219  
 member of the board of trustees of the Ohio veterans' home agency. 13220

**Sec. 5907.04.** All members of the armed forces, who served in 13221  
 the regular or volunteer forces of the United States or the Ohio 13222  
 national guard or members of the naval militia during the war with 13223  
 Spain, the Philippine insurrection, the China relief expedition, 13224  
 the Indian war, the Mexican expedition, World War I, World War II, 13225  
 or during the period beginning June 25, 1950 and ending July 19, 13226  
 1953, ~~said period being~~ known as the Korean conflict, or during 13227  
 the period beginning August 5, 1964, and ending July 1, 1973, ~~said~~ 13228  
~~period being~~ known as the Vietnam conflict, or any person who is 13229  
 awarded either the armed forces expeditionary medal established by 13230  
 presidential executive order 10977 dated December 4, 1961, or the 13231  
 Vietnam service medal established by presidential executive order 13232  
 11231 dated July 8, 1965, who have been honorably discharged or 13233  
 separated under honorable conditions therefrom, or any discharged 13234  
 members of the Polish and Czechoslovakian armed forces who served 13235  
 in armed conflict with an enemy of the United States in World War 13236  
 I or World War II who have been citizens of the United States for 13237  
 at least ten years, provided that the above-mentioned persons have 13238  
 been citizens of ~~Ohio~~ this state for five consecutive years or 13239  
 more at the date of making application for admission, are disabled 13240  
 by disease, wounds, or otherwise, and are by reason of such 13241  
 disability incapable of earning their living, and all members of 13242  
 the Ohio national guard or naval militia who have lost an arm or 13243  
 leg, or their sight, or become permanently disabled from any 13244  
 cause, while in the line and discharge of duty, and are not able 13245  
 to support themselves, may be admitted to ~~the Ohio~~ a veterans' 13246  
 home under such rules as ~~its~~ the board of trustees of the Ohio 13247  
veterans' home agency adopts. 13248

The superintendent of the Ohio veterans' home agency shall 13249  
 promptly and diligently pursue the establishment of the 13250

## As Reported by the House Finance and Appropriations Committee\*

eligibility for medical assistance under Chapter 5111. of the 13251  
 Revised Code of all persons admitted to ~~the~~ a veterans' home and 13252  
 all residents of ~~the~~ a home who appear to qualify and shall 13253  
 promptly and diligently pursue and maintain the certification of 13254  
~~the~~ each home's compliance with federal laws and regulations 13255  
 governing participation in the medical assistance program to 13256  
 include as large as possible a part of the home's bed capacity. 13257

~~The Ohio veterans' home~~ Veterans' homes may reserve a bed 13258  
 during the temporary absence of a resident or patient from the 13259  
 home, including ~~The Robert T. Secrest~~ a nursing home within it, 13260  
 under conditions prescribed by the board of trustees ~~of the Ohio~~ 13261  
~~veterans' home~~, to include hospitalization for an acute condition, 13262  
 visits with relatives and friends, and participation in 13263  
 therapeutic programs outside the ~~facility~~ home. ~~The~~ A home shall 13264  
 not reserve a bed for more than thirty days, except that absences 13265  
 for more than thirty days due to hospitalization may be 13266  
 authorized. 13267

**Sec. 5907.05.** In the admission to ~~the Ohio~~ a veterans' home 13268  
 of honorably discharged ~~soldiers, sailors, and marines~~ veterans 13269  
 who have served the United States government, preference shall be 13270  
 given to those who served in Ohio military organizations. 13271

**Sec. 5907.06.** An insane person shall not be admitted to ~~the~~ 13272  
~~Ohio~~ a veterans' home. In case ~~such an insane~~ such an insane person, through 13273  
 misrepresentation as to ~~his~~ the person's condition, is sent to ~~the~~ 13274  
a home, ~~he~~ the person shall be returned to, and the expense 13275  
~~thereof of the return~~ shall be borne by, the county from which ~~he~~ 13276  
the person came. 13277

**Sec. 5907.07.** When a veteran is entitled to admission into 13278  
~~the Ohio~~ a veterans' home, the ~~chairman~~ chairperson of the 13279  
 veterans service commission of the county in which ~~such~~ the 13280

As Reported by the House Finance and Appropriations Committee\*

veteran resides, upon application, may furnish ~~him~~ the veteran 13281  
 transportation to the home by the most direct route from ~~his~~ the 13282  
veteran's residence. ~~Such~~ The transportation shall be paid from 13283  
the veterans service commission fund of the county. 13284

**Sec. 5907.08.** When a resident of ~~the Ohio~~ a veterans' home 13285  
 becomes insane, the ~~commandant~~ superintendent of the Ohio 13286  
veterans' home agency shall file with the probate judge of the 13287  
 county in which the home is located substantially the following 13288  
 affidavit: 13289

"The State of Ohio, ..... county, ss. ...., 13290  
~~commandant~~ superintendent of the Ohio veterans' home agency, being 13291  
 duly sworn, says that the ~~commandant~~ superintendent believes that 13292  
 ....., a resident of the veterans' home located in 13293  
..... county, is insane; that, in consequence of the 13294  
 resident's insanity, the resident's being at large is dangerous to 13295  
 the community, and that the resident was received into the home 13296  
 from ..... county, on the ..... day of ....., ..... 13297  
 .....~~A.B.~~"

**Sec. 5907.09.** When the affidavit referred to in section 13299  
 5907.08 of the Revised Code is filed, the probate judge shall 13300  
 forthwith determine the sanity of ~~such~~ the resident, ~~and, as far,~~ 13301  
Insofar as applicable, the laws governing in cases of admission to 13302  
 a state hospital for the insane shall apply. The probate judge 13303  
 shall have the same authority, and may receive and order paid the 13304  
 same fees and costs, as the probate judge would have in the county 13305  
 in which ~~such~~ the veteran was a resident at the time of entering 13306  
 the ~~Ohio~~ veterans' home. 13307

**Sec. 5907.10.** (A) The Ohio veterans' home agency shall 13308  
 maintain and operate a nursing home as part of each veterans' home 13309  
 for the benefit of ~~soldiers, sailors, and marines~~ honorably 13310

## As Reported by the House Finance and Appropriations Committee\*

discharged veterans admitted to ~~the institution~~ a veterans' home 13311  
 under this chapter, ~~a nursing home to be known as "The Robert T.~~ 13312  
~~Secrest Nursing Home."~~ The Robert T. Secrest nursing home ~~is~~ homes 13313  
are subject to sections 3721.01 to 3721.09 and 3721.99 of the 13314  
 Revised Code. 13315

(B) The nursing home within the veterans' home located in 13316  
Sandusky shall be known as "The Robert T. Secrest Nursing Home." 13317

**Sec. 5907.11.** (A) The superintendent of the Ohio veterans' 13318  
 home agency, with the approval of the board of trustees of the 13319  
 home agency, may establish a local fund for each veterans' home to 13320  
 be used for the entertainment and welfare of the residents of the 13321  
 home. ~~The~~ Each fund shall be designated as the residents' benefit 13322  
 fund and shall be operated for the exclusive benefit of the 13323  
 residents of the associated home. ~~The~~ Each fund shall receive all 13324  
 revenue from the sale of commissary items at the associated home 13325  
 and shall receive all moneys received as donations by the 13326  
associated home from any source. 13327

(B) The residents' benefit ~~fund~~ funds also may be used to 13328  
 receive and disburse any donations made for events sponsored by 13329  
 the Ohio veterans hall of fame. 13330

(C) The superintendent, subject to the approval of the board 13331  
 of trustees, shall establish rules for the operation of the 13332  
 residents' benefit ~~fund~~ funds. 13333

**Sec. 5907.12.** The board of trustees of the Ohio veterans' 13334  
 home agency may utilize the services of volunteers to assist in 13335  
 attending to and caring for residents, assisting in resident 13336  
 activities, caring for ~~the home's~~ veterans' homes' buildings and 13337  
 grounds, and participating in any other services that accomplish 13338  
 any of the board's purposes. All volunteer programs are subject to 13339  
 the board's approval. The board may recruit, train, and supervise 13340

## As Reported by the House Finance and Appropriations Committee\*

the services of community volunteers or volunteer groups for 13341  
volunteer programs. The board may designate volunteers as state 13342  
employees for the purpose of motor vehicle accident liability 13343  
insurance under section 9.83 of the Revised Code and for the 13344  
purpose of indemnification from liability incurred in the 13345  
performance of their duties under section 9.87 of the Revised 13346  
Code. 13347

**Sec. 5907.13.** Residents of ~~the Ohio~~ veterans' ~~home~~ homes may 13348  
be assessed a fee to pay a portion of the expenses of their 13349  
support, dependent upon their ability to pay. Subject to 13350  
controlling board approval, the board of trustees of the Ohio 13351  
veterans' home agency shall adopt rules for determining a 13352  
resident's ability to pay. Each resident shall furnish the board 13353  
of trustees statements of income, assets, debts, and expenses that 13354  
the board requires. 13355

All fees contributed by the residents under this section 13356  
shall be deposited into an interest-bearing account in a public 13357  
depository in accordance with section 135.18 of the Revised Code. 13358  
All of these fees shall be paid to the treasurer of state within 13359  
thirty days after the end of the month of receipt, together with 13360  
all interest credited to the account to date. The treasurer of 13361  
state shall credit eighty per cent of these fees and of this 13362  
interest to the Ohio veterans' ~~home~~ homes operating fund and 13363  
twenty per cent of these fees and of this interest to the Ohio 13364  
veterans' ~~home~~ homes fund. 13365

The fee for each resident shall be based upon the level of 13366  
care provided to the resident by the resident's home. The board of 13367  
trustees shall determine authorized levels of care for residents. 13368  
The assessment for each resident shall not exceed the difference 13369  
between the total per diem amount collected by the state for 13370  
maintenance from all sources on the resident's behalf and the 13371  
average annual per diem cost for the resident's maintenance, 13372

## As Reported by the House Finance and Appropriations Committee\*

computed in accordance with veterans administration regulations. 13373  
13374

**Sec. 5907.131.** There is hereby created in the state treasury 13375  
the Ohio veterans' ~~home~~ homes operating fund, in which shall be 13376  
placed the fee and interest revenue credited to it under section 13377  
5907.13 of the Revised Code. The fund shall be used for paying the 13378  
operating costs of ~~the Ohio~~ veterans' ~~home~~ homes. 13379

**Sec. 5907.14.** There is hereby created in the state treasury 13380  
the Ohio veterans' ~~home~~ homes fund, to which shall be credited the 13381  
fee and interest revenue specified in section 5907.13 of the 13382  
Revised Code. The fund shall be used only for the following 13383  
purposes: 13384

(A) Paying the cost of capital facilities or equipment 13385  
purchases for ~~the Ohio~~ veterans' ~~home~~ homes; 13386

(B) Participation in capital facilities for ~~the Ohio~~ 13387  
veterans' ~~home~~ homes with the federal government, municipal 13388  
corporations, counties, or other governmental agencies. 13389

**Sec. 5907.141.** (A) All money received from the United States 13390  
department of veterans affairs in per diem grants for care that 13391  
~~the Ohio~~ veterans' ~~home~~ provides homes provide shall be deposited 13392  
in the state treasury to the credit of the Ohio veterans' ~~home~~ 13393  
homes federal grant fund, which is hereby created. Money credited 13394  
to the fund shall be used only for the operating costs of ~~the Ohio~~ 13395  
veterans' ~~home~~ homes. 13396

(B) Any resident of ~~the Ohio~~ a veterans' home whom the United 13397  
States department of veterans affairs determines to have excess 13398  
income or assets, therefore rendering the home ineligible to 13399  
collect per diem grant reimbursement for days of care provided to 13400  
that resident, ~~is~~ may be required to pay, in addition to the fees 13401

## As Reported by the House Finance and Appropriations Committee\*

assessed under section 5907.13 of the Revised Code, an amount 13402  
 equal to the rate of per diem grant that the department denied for 13403  
 that particular resident. Any amount that the resident pays under 13404  
 this division shall be collected and distributed in the same 13405  
 manner as the fees assessed under section 5907.13 of the Revised 13406  
 Code. 13407

**Sec. 5907.15.** There is hereby created in the state treasury 13408  
 the Ohio veterans' ~~home~~ homes rental, service, and medicare 13409  
 reimbursement fund. Revenue generated from temporary use 13410  
 agreements of ~~the~~ a veterans' home, from the sale of meals at ~~the~~ 13411  
a home's dining halls, from rental, lease, or sharing agreements 13412  
 for the use of facilities, supplies, equipment, utilities, or 13413  
 services provided by ~~the~~ a home, and from medicare reimbursements 13414  
 shall be credited to the fund. The fund shall be used only for 13415  
 maintenance costs of the ~~home~~ homes and for the purchase of 13416  
 medications, medical supplies, and medical equipment by the ~~home~~ 13417  
homes. 13418

**Sec. 6103.02.** (A) For the purpose of preserving and promoting 13419  
 the public health and welfare, a board of county commissioners may 13420  
 acquire, construct, maintain, and operate any public water supply 13421  
 facilities within its county for one or more sewer districts and 13422  
 may provide for their protection and prevent their pollution and 13423  
 unnecessary waste. The board may negotiate and enter into a 13424  
 contract with any public agency or any person for the management, 13425  
 maintenance, operation, and repair of the facilities on behalf of 13426  
 the county, upon the terms and conditions as may be agreed upon 13427  
 with the agency or person and as may be determined by the board to 13428  
 be in the interests of the county. By contract with any public 13429  
 agency or any person operating public water supply facilities 13430  
 within or without its county, the board also may provide a supply 13431  
 of water to a sewer district from the facilities of the public 13432

## As Reported by the House Finance and Appropriations Committee\*

agency or person. 13433

(B) The county sanitary engineer or sanitary engineering 13434  
department, in addition to other assigned duties, shall assist the 13435  
board in the performance of its duties under this chapter and 13436  
shall be charged with other duties and services in relation to the 13437  
board's duties as the board prescribes. 13438

(C) The board may adopt, publish, administer, and enforce 13439  
rules for the construction, maintenance, protection, and use of 13440  
county-owned or county-operated public water supply facilities 13441  
outside municipal corporations and of public water supply 13442  
facilities within municipal corporations that are owned or 13443  
operated by the county or that are supplied with water from water 13444  
supply facilities owned or operated by the county, including, but 13445  
not limited to, rules for the establishment and use of any 13446  
connections, the termination in accordance with reasonable 13447  
procedures of water service for nonpayment of county water rates 13448  
and charges, and the establishment and use of security deposits to 13449  
the extent considered necessary to ensure the payment of county 13450  
water rates and charges. The rules shall not be inconsistent with 13451  
the laws of the state or any applicable rules of the director of 13452  
environmental protection. 13453

(D) No public water supply facilities shall be constructed in 13454  
any county outside municipal corporations by any person, except 13455  
for the purpose of supplying water to those municipal 13456  
corporations, until the plans and specifications for the 13457  
facilities have been approved by the board. Construction shall be 13458  
done under the supervision of the county sanitary engineer. Any 13459  
person constructing public water supply facilities shall pay to 13460  
the county all expenses incurred by the board in connection with 13461  
the construction. 13462

(E) The county sanitary engineer or the county sanitary 13463



## As Reported by the House Finance and Appropriations Committee\*

engineer's authorized assistants or agents, when properly  
identified in writing or otherwise and after written notice is  
delivered to the owner at least five days in advance or mailed at  
least five days in advance by first class or certified mail to the  
owner's tax mailing address, may enter upon any public or private  
property for the purpose of making, and may make, surveys or  
inspections necessary for the design or evaluation of county  
public water supply facilities. This entry is not a trespass and  
is not to be considered an entry in connection with any  
appropriation of property proceedings under sections 163.01 to  
163.22 of the Revised Code that may be pending. No person or  
public agency shall forbid the county sanitary engineer or the  
county sanitary engineer's authorized assistants or agents to  
enter, or interfere with their entry, upon the property for the  
purpose of making the surveys or inspections. If actual damage is  
done to property by the making of the surveys or inspections, the  
board shall pay the reasonable value of the damage to the property  
owner, and the cost shall be included in the cost of the  
facilities and may be included in any special assessments levied  
and collected to pay that cost.

(F) The board shall fix reasonable rates, including penalties  
for late payments, for water supplied to public agencies and  
persons when the source of supply or the facilities for its  
distribution are owned or operated by the county and may change  
the rates from time to time as it considers advisable. When the  
source of the water supply to be used by the county is owned by  
another public agency or person, the schedule of rates to be  
charged by the public agency or person shall be approved by the  
board at the time it enters into a contract for the use of water  
from the public agency or person. When the distribution facilities  
are owned by the county, the board also may fix reasonable charges  
to be collected for the privilege of connecting to the

## As Reported by the House Finance and Appropriations Committee\*

distribution facilities and may require that, prior to the  
connection, the charges be paid in full or, if determined by the  
board to be equitable in a resolution relating to the payment of  
the charges, may require their payment in installments, as  
considered adequate by the board, at the times, in the amounts,  
and with the security, carrying charges, and penalties as may be  
determined by the board in that resolution to be fair and  
appropriate. No public agency or person shall be permitted to  
connect to those facilities until the charges have been paid in  
full or provision for their payment in installments has been made.  
If the connection charges are to be paid in installments, the  
board shall certify, to the county auditor, information sufficient  
to identify each parcel of property served by a connection and,  
with respect to each parcel, the total of the charges to be paid  
in installments, the amount of each installment, and the total  
number of installments to be paid. The county auditor shall record  
and maintain the information so supplied in the waterworks record  
provided for in section 6103.16 of the Revised Code until the  
connection charges are paid in full. The board may include amounts  
attributable to connection charges being paid in installments in  
its billings of rates and other charges for water supplied. In  
addition, the board may consider payments made to a school  
district under section 6103.25 of the Revised Code when the board  
establishes rates and other charges for water supplied.

(G) When any rates or charges are not paid when due, the  
board may do any or all of the following:

(1) Certify the unpaid rates or charges, together with any  
penalties, to the county auditor. The county auditor shall place  
the certified amount upon the real property tax list and duplicate  
against the property served by the connection. The certified  
amount shall be a lien on the property from the date placed on the

## As Reported by the House Finance and Appropriations Committee\*

real property tax list and duplicate and shall be collected in the same manner as taxes, except that, notwithstanding section 323.15 of the Revised Code, a county treasurer shall accept a payment in that amount when separately tendered as payment for the full amount of the unpaid rates or charges and associated penalties. The lien shall be released immediately upon payment in full of the certified amount.

(2) Collect the unpaid rates or charges, together with any penalties, by actions at law in the name of the county from an owner, tenant, or other person or public agency that is liable for the payment of the rates or charges;

(3) Terminate, in accordance with established rules, the water service to the particular property unless and until the unpaid rates or charges, together with any penalties, are paid in full;

(4) Apply, to the extent required, any security deposit made in accordance with established rules to the payment of the unpaid rates and charges, together with any penalties, for water service to the particular property.

All moneys collected as rates, charges, or penalties fixed or established in accordance with division (F) of this section for water supply purposes in or for any sewer district shall be paid to the county treasurer and kept in a separate and distinct water fund established by the board to the credit of the district.

Each board that fixes water rates or charges may render estimated bills periodically, provided that at least quarterly it shall schedule an actual reading of each customer's meter so as to render a bill for the actual amount shown by the meter reading to be due, with credit for prior payments of any estimated bills submitted for any part of the billing period, except that estimated bills may be rendered if a customer's meter is not

As Reported by the House Finance and Appropriations Committee\*

accessible for a timely reading or if the circumstances preclude a 13559  
scheduled reading. Each board also shall establish procedures 13560  
providing a fair and reasonable opportunity for the resolution of 13561  
billing disputes. 13562

When property to which water service is provided is about to 13563  
be sold, any party to the sale or an agent of a party may request 13564  
the board to have the meter at that property read and to render, 13565  
within ten days following the date on which the request is made, a 13566  
final bill for all outstanding rates and charges for water 13567  
service. The request shall be made at least fourteen days prior to 13568  
the transfer of the title of the property. 13569

At any time prior to a certification under division (G)(1) of 13570  
this section, the board shall accept any partial payment of unpaid 13571  
water rates or charges in the amount of ten dollars or more. 13572

Except as otherwise provided in any proceedings authorizing 13573  
or providing for the security for and payment of any public 13574  
obligations, or in any indenture or trust or other agreement 13575  
securing public obligations, moneys in the water fund shall be 13576  
applied first to the payment of the cost of the management, 13577  
maintenance, and operation of the water supply facilities of, or 13578  
used or operated for, the sewer district, which cost may include 13579  
the county's share of management, maintenance, and operation costs 13580  
under cooperative contracts for the acquisition, construction, or 13581  
use of water supply facilities and, in accordance with a cost 13582  
allocation plan adopted under division (H) of this section, 13583  
payment of all allowable direct and indirect costs of the 13584  
district, the county sanitary engineer or sanitary engineering 13585  
department, or a federal or state grant program, incurred for the 13586  
purposes of this chapter, and shall be applied second to the 13587  
payment of debt charges payable on any outstanding public 13588  
obligations issued or incurred for the acquisition or construction 13589  
of water supply facilities for or serving the district, or for the 13590

## As Reported by the House Finance and Appropriations Committee\*

funding of a bond retirement or other fund established for the  
 payment of or security for the obligations. Any surplus remaining  
 may be applied to the acquisition or construction of those  
 facilities or for the payment of contributions to be made, or  
 costs incurred, for the acquisition or construction of those  
 facilities under cooperative contracts. Moneys in the water fund  
 shall not be expended other than for the use and benefit of the  
 district.

(H) A board of county commissioners may adopt a cost  
 allocation plan that identifies, accumulates, and distributes  
 allowable direct and indirect costs that may be paid from the  
 water fund of the sewer district created pursuant to division (G)  
 of this section, and that prescribes methods for allocating those  
 costs. The plan shall authorize payment from the fund of only  
 those costs incurred by the district, the county sanitary engineer  
 or sanitary engineering department, or a federal or state grant  
 program, and those costs incurred by the general and other funds  
 of the county for a common or joint purpose, that are necessary  
 and reasonable for the proper and efficient administration of the  
 district under this chapter. The plan shall not authorize payment  
 from the fund of any general government expense required to carry  
 out the overall governmental responsibilities of a county. The  
 plan shall conform to United States office of management and  
 budget Circular A-87, "Cost Principles for State, Local, and  
 Indian Tribal Governments," published ~~15~~ May 17, 1995.

**Sec. 6103.25.** Whenever, in the opinion of the board of county  
 commissioners, it is necessary to acquire real estate or any  
 interest in real estate for the acquisition, construction,  
 maintenance, or operation of any water supply facilities  
 authorized by this chapter, or to acquire the right to acquire,  
 construct, maintain, and operate those facilities in and upon any

## As Reported by the House Finance and Appropriations Committee\*

property within or outside of a county sewer district, it may 13623  
 purchase the real estate, interest in real estate, or right by 13624  
 negotiation. If the board and the owner of the real estate, 13625  
 interest in real estate, or right are unable to agree upon its 13626  
 purchase and sale, or the amount of damages to be awarded for it, 13627  
 the board may appropriate the real estate, interest, or right in 13628  
 accordance with sections 163.01 to 163.22 of the Revised Code, 13629  
 except that the board, in the exercise of the powers granted by 13630  
 this section or any other section of this chapter, may not 13631  
 appropriate real estate or personal property owned by a municipal 13632  
 corporation. 13633

If the board purchases or appropriates real estate, an 13634  
interest in real estate, or a right pursuant to this section and 13635  
the real estate, interest in real estate, or right was subject to 13636  
real or personal property taxes prior to the purchase or 13637  
appropriation, the board may make payments to a school district of 13638  
all or a portion of the amount of the taxes that otherwise would 13639  
have been received by the district if the purchase or 13640  
appropriation had not occurred. The payments shall be authorized 13641  
by a resolution adopted by the board. 13642

As used in this section, "school district" means a "city 13643  
school district" as defined in section 3311.02 of the Revised 13644  
Code, a "local school district" as defined in section 3311.03 of 13645  
the Revised Code, an "exempted village school district" as defined 13646  
in section 3311.04 of the Revised Code, and a "joint vocational 13647  
school district" as defined in section 3311.18 of the Revised 13648  
Code. 13649

**Section 1.02.** That existing sections 102.02, 109.71, 109.77, 13650  
 122.171, 123.024, 123.10, 124.381, 124.82, 133.20, 145.01, 13651  
 145.012, 145.33, 151.01, 151.40, 152.09, 152.10, 166.01, 166.02, 13652  
 166.03, 166.04, 166.05, 166.06, 166.07, 166.08, 166.11, 183.021, 13653

## As Reported by the House Finance and Appropriations Committee\*

183.19, 183.30, 307.23, 715.02, 1565.351, 1565.04, 1565.15, 13654  
 1711.11, 1711.53, 2113.031, 2901.01, 2921.51, 2935.01, 2935.03, 13655  
 2935.031, 3318.01, 3318.011, 3318.03, 3318.031, 3318.032, 13656  
 3318.033, 3318.042, 3318.08, 3318.084, 3318.086, 3318.10, 3318.12, 13657  
 3318.15, 3318.19, 3318.25, 3318.26, 3318.311, 3318.36, 3354.16, 13658  
 3355.12, 3357.16, 3383.01, 3383.02, 3383.03, 3519.04, 3702.5210, 13659  
 3702.5211, 3702.5213, 3721.01, 3737.71, 4117.01, 4117.14, 4123.01, 13660  
 4123.35, 4582.03, 4582.20, 4582.27, 4582.30, 4582.46, 5709.61, 13661  
 5715.20, 5717.01, 5731.21, 5733.021, 5733.26, 5733.40, 5733.401, 13662  
 5739.031, 5747.01, 5747.02, 5902.02, 5902.05, 5907.01, 5907.02, 13663  
 5907.021, 5907.022, 5907.03, 5907.04, 5907.05, 5907.06, 5907.07, 13664  
 5907.08, 5907.09, 5907.10, 5907.11, 5907.12, 5907.13, 5907.131, 13665  
 5907.14, 5907.141, 5907.15, 6103.02, and 6103.25 and section 13666  
 5747.231 of the Revised Code are hereby repealed. 13667

**Section 1.03.** Sections 183.20, 183.21, 183.22, 183.23, 13668  
 183.24, and 183.25 of the Revised Code are hereby repealed, 13669  
 effective July 1, 2003. 13670

**Section 1.04.** That the version of section 2935.03 of the 13671  
 Revised Code that is scheduled to take effect January 1, 2004, be 13672  
 amended to read as follows: 13673

**Sec. 2935.03.** (A)(1) A sheriff, deputy sheriff, marshal, 13674  
 deputy marshal, municipal police officer, township constable, 13675  
 police officer of a township or joint township police district, 13676  
 member of a police force employed by a metropolitan housing 13677  
 authority under division (D) of section 3735.31 of the Revised 13678  
 Code, member of a police force employed by a regional transit 13679  
 authority under division (Y) of section 306.35 of the Revised 13680  
 Code, state university law enforcement officer appointed under 13681  
 section 3345.04 of the Revised Code, Ohio veterans' home police 13682  
 officer appointed under section 5907.02 of the Revised Code, or 13683

## As Reported by the House Finance and Appropriations Committee\*

special police officer employed by a port authority under section 13684  
 4582.04 or 4582.28 of the Revised Code shall arrest and detain, 13685  
 until a warrant can be obtained, a person found violating, within 13686  
 the limits of the political subdivision, metropolitan housing 13687  
 authority housing project, regional transit authority facilities 13688  
 or areas of a municipal corporation that have been agreed to by a 13689  
 regional transit authority and a municipal corporation located 13690  
 within its territorial jurisdiction, college, university, ~~Ohio~~ 13691  
 veterans' home operated under Chapter 5907. of the Revised Code, 13692  
 or port authority in which the peace officer is appointed, 13693  
 employed, or elected, a law of this state, an ordinance of a 13694  
 municipal corporation, or a resolution of a township. 13695

(2) A peace officer of the department of natural resources or 13696  
 an individual designated to perform law enforcement duties under 13697  
 section 511.232, 1545.13, or 6101.75 of the Revised Code shall 13698  
 arrest and detain, until a warrant can be obtained, a person found 13699  
 violating, within the limits of the peace officer's or 13700  
 individual's territorial jurisdiction, a law of this state. 13701

(3) The house sergeant at arms if the house sergeant at arms 13702  
 has arrest authority pursuant to division (E)(1) of section 13703  
 101.311 of the Revised Code and an assistant house sergeant at 13704  
 arms shall arrest and detain, until a warrant can be obtained, a 13705  
 person found violating, within the limits of the sergeant at 13706  
 arms's or assistant sergeant at arms's territorial jurisdiction 13707  
 specified in division (D)(1)(a) of section 101.311 of the Revised 13708  
 Code or while providing security pursuant to division (D)(1)(f) of 13709  
 section 101.311 of the Revised Code, a law of this state, an 13710  
 ordinance of a municipal corporation, or a resolution of a 13711  
 township. 13712

(B)(1) When there is reasonable ground to believe that an 13713  
 offense of violence, the offense of criminal child enticement as 13714  
 defined in section 2905.05 of the Revised Code, the offense of 13715



## As Reported by the House Finance and Appropriations Committee\*

public indecency as defined in section 2907.09 of the Revised Code, the offense of domestic violence as defined in section 2919.25 of the Revised Code, the offense of violating a protection order as defined in section 2919.27 of the Revised Code, the offense of menacing by stalking as defined in section 2903.211 of the Revised Code, the offense of aggravated trespass as defined in section 2911.211 of the Revised Code, a theft offense as defined in section 2913.01 of the Revised Code, or a felony drug abuse offense as defined in section 2925.01 of the Revised Code, has been committed within the limits of the political subdivision, metropolitan housing authority housing project, regional transit authority facilities or those areas of a municipal corporation that have been agreed to by a regional transit authority and a municipal corporation located within its territorial jurisdiction, college, university, ~~Ohio~~ veterans' home operated under Chapter 5907. of the Revised Code, or port authority in which the peace officer is appointed, employed, or elected or within the limits of the territorial jurisdiction of the peace officer, a peace officer described in division (A) of this section may arrest and detain until a warrant can be obtained any person who the peace officer has reasonable cause to believe is guilty of the violation.

(2) For purposes of division (B)(1) of this section, the execution of any of the following constitutes reasonable ground to believe that the offense alleged in the statement was committed and reasonable cause to believe that the person alleged in the statement to have committed the offense is guilty of the violation:

(a) A written statement by a person alleging that an alleged offender has committed the offense of menacing by stalking or aggravated trespass;

(b) A written statement by the administrator of the interstate compact on mental health appointed under section

## As Reported by the House Finance and Appropriations Committee\*

5119.51 of the Revised Code alleging that a person who had been hospitalized, institutionalized, or confined in any facility under an order made pursuant to or under authority of section 2945.37, 2945.371, 2945.38, 2945.39, 2945.40, 2945.401, or 2945.402 of the Revised Code has escaped from the facility, from confinement in a vehicle for transportation to or from the facility, or from supervision by an employee of the facility that is incidental to hospitalization, institutionalization, or confinement in the facility and that occurs outside of the facility, in violation of section 2921.34 of the Revised Code;

(c) A written statement by the administrator of any facility in which a person has been hospitalized, institutionalized, or confined under an order made pursuant to or under authority of section 2945.37, 2945.371, 2945.38, 2945.39, 2945.40, 2945.401, or 2945.402 of the Revised Code alleging that the person has escaped from the facility, from confinement in a vehicle for transportation to or from the facility, or from supervision by an employee of the facility that is incidental to hospitalization, institutionalization, or confinement in the facility and that occurs outside of the facility, in violation of section 2921.34 of the Revised Code.

(3)(a) For purposes of division (B)(1) of this section, a peace officer described in division (A) of this section has reasonable grounds to believe that the offense of domestic violence or the offense of violating a protection order has been committed and reasonable cause to believe that a particular person is guilty of committing the offense if any of the following occurs:

(i) A person executes a written statement alleging that the person in question has committed the offense of domestic violence or the offense of violating a protection order against the person who executes the statement or against a child of the person who

## As Reported by the House Finance and Appropriations Committee\*

executes the statement. 13780

(ii) No written statement of the type described in division 13781  
(B)(3)(a)(i) of this section is executed, but the peace officer, 13782  
based upon the peace officer's own knowledge and observation of 13783  
the facts and circumstances of the alleged incident of the offense 13784  
of domestic violence or the alleged incident of the offense of 13785  
violating a protection order or based upon any other information, 13786  
including, but not limited to, any reasonably trustworthy 13787  
information given to the peace officer by the alleged victim of 13788  
the alleged incident of the offense or any witness of the alleged 13789  
incident of the offense, concludes that there are reasonable 13790  
grounds to believe that the offense of domestic violence or the 13791  
offense of violating a protection order has been committed and 13792  
reasonable cause to believe that the person in question is guilty 13793  
of committing the offense. 13794

(iii) No written statement of the type described in division 13795  
(B)(3)(a)(i) of this section is executed, but the peace officer 13796  
witnessed the person in question commit the offense of domestic 13797  
violence or the offense of violating a protection order. 13798

(b) If pursuant to division (B)(3)(a) of this section a peace 13799  
officer has reasonable grounds to believe that the offense of 13800  
domestic violence or the offense of violating a protection order 13801  
has been committed and reasonable cause to believe that a 13802  
particular person is guilty of committing the offense, it is the 13803  
preferred course of action in this state that the officer arrest 13804  
and detain that person pursuant to division (B)(1) of this section 13805  
until a warrant can be obtained. 13806

If pursuant to division (B)(3)(a) of this section a peace 13807  
officer has reasonable grounds to believe that the offense of 13808  
domestic violence or the offense of violating a protection order 13809  
has been committed and reasonable cause to believe that family or 13810  
household members have committed the offense against each other, 13811

## As Reported by the House Finance and Appropriations Committee\*

it is the preferred course of action in this state that the officer, pursuant to division (B)(1) of this section, arrest and detain until a warrant can be obtained the family or household member who committed the offense and whom the officer has reasonable cause to believe is the primary physical aggressor. There is no preferred course of action in this state regarding any other family or household member who committed the offense and whom the officer does not have reasonable cause to believe is the primary physical aggressor, but, pursuant to division (B)(1) of this section, the peace officer may arrest and detain until a warrant can be obtained any other family or household member who committed the offense and whom the officer does not have reasonable cause to believe is the primary physical aggressor.

(c) If a peace officer described in division (A) of this section does not arrest and detain a person whom the officer has reasonable cause to believe committed the offense of domestic violence or the offense of violating a protection order when it is the preferred course of action in this state pursuant to division (B)(3)(b) of this section that the officer arrest that person, the officer shall articulate in the written report of the incident required by section 2935.032 of the Revised Code a clear statement of the officer's reasons for not arresting and detaining that person until a warrant can be obtained.

(d) In determining for purposes of division (B)(3)(b) of this section which family or household member is the primary physical aggressor in a situation in which family or household members have committed the offense of domestic violence or the offense of violating a protection order against each other, a peace officer described in division (A) of this section, in addition to any other relevant circumstances, should consider all of the following:

(i) Any history of domestic violence or of any other violent

## As Reported by the House Finance and Appropriations Committee\*

acts by either person involved in the alleged offense that the officer reasonably can ascertain; 13844  
13845

(ii) If violence is alleged, whether the alleged violence was caused by a person acting in self-defense; 13846  
13847

(iii) Each person's fear of physical harm, if any, resulting from the other person's threatened use of force against any person or resulting from the other person's use or history of the use of force against any person, and the reasonableness of that fear; 13848  
13849  
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(iv) The comparative severity of any injuries suffered by the persons involved in the alleged offense. 13852  
13853

(e)(i) A peace officer described in division (A) of this section shall not require, as a prerequisite to arresting or charging a person who has committed the offense of domestic violence or the offense of violating a protection order, that the victim of the offense specifically consent to the filing of charges against the person who has committed the offense or sign a complaint against the person who has committed the offense. 13854  
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(ii) If a person is arrested for or charged with committing the offense of domestic violence or the offense of violating a protection order and if the victim of the offense does not cooperate with the involved law enforcement or prosecuting authorities in the prosecution of the offense or, subsequent to the arrest or the filing of the charges, informs the involved law enforcement or prosecuting authorities that the victim does not wish the prosecution of the offense to continue or wishes to drop charges against the alleged offender relative to the offense, the involved prosecuting authorities, in determining whether to continue with the prosecution of the offense or whether to dismiss charges against the alleged offender relative to the offense and notwithstanding the victim's failure to cooperate or the victim's wishes, shall consider all facts and circumstances that are 13861  
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## As Reported by the House Finance and Appropriations Committee\*

relevant to the offense, including, but not limited to, the 13875  
statements and observations of the peace officers who responded to 13876  
the incident that resulted in the arrest or filing of the charges 13877  
and of all witnesses to that incident. 13878

(f) In determining pursuant to divisions (B)(3)(a) to (g) of 13879  
this section whether to arrest a person pursuant to division 13880  
(B)(1) of this section, a peace officer described in division (A) 13881  
of this section shall not consider as a factor any possible 13882  
shortage of cell space at the detention facility to which the 13883  
person will be taken subsequent to the person's arrest or any 13884  
possibility that the person's arrest might cause, contribute to, 13885  
or exacerbate overcrowding at that detention facility or at any 13886  
other detention facility. 13887

(g) If a peace officer described in division (A) of this 13888  
section intends pursuant to divisions (B)(3)(a) to (g) of this 13889  
section to arrest a person pursuant to division (B)(1) of this 13890  
section and if the officer is unable to do so because the person 13891  
is not present, the officer promptly shall seek a warrant for the 13892  
arrest of the person. 13893

(h) If a peace officer described in division (A) of this 13894  
section responds to a report of an alleged incident of the offense 13895  
of domestic violence or an alleged incident of the offense of 13896  
violating a protection order and if the circumstances of the 13897  
incident involved the use or threatened use of a deadly weapon or 13898  
any person involved in the incident brandished a deadly weapon 13899  
during or in relation to the incident, the deadly weapon that was 13900  
used, threatened to be used, or brandished constitutes contraband, 13901  
and, to the extent possible, the officer shall seize the deadly 13902  
weapon as contraband pursuant to section 2933.43 of the Revised 13903  
Code. Upon the seizure of a deadly weapon pursuant to division 13904  
(B)(3)(h) of this section, section 2933.43 of the Revised Code 13905  
shall apply regarding the treatment and disposition of the deadly 13906

## As Reported by the House Finance and Appropriations Committee\*

weapon. For purposes of that section, the "underlying criminal offense" that was the basis of the seizure of a deadly weapon under division (B)(3)(h) of this section and to which the deadly weapon had a relationship is any of the following that is applicable:

(i) The alleged incident of the offense of domestic violence or the alleged incident of the offense of violating a protection order to which the officer who seized the deadly weapon responded;

(ii) Any offense that arose out of the same facts and circumstances as the report of the alleged incident of the offense of domestic violence or the alleged incident of the offense of violating a protection order to which the officer who seized the deadly weapon responded.

(4) If, in the circumstances described in divisions (B)(3)(a) to (g) of this section, a peace officer described in division (A) of this section arrests and detains a person pursuant to division (B)(1) of this section, or if, pursuant to division (B)(3)(h) of this section, a peace officer described in division (A) of this section seizes a deadly weapon, the officer, to the extent described in and in accordance with section 9.86 or 2744.03 of the Revised Code, is immune in any civil action for damages for injury, death, or loss to person or property that arises from or is related to the arrest and detention or the seizure.

(C) When there is reasonable ground to believe that a violation of division (A)(1), (2), or (3) of section 4506.15 or a violation of section 4511.19 of the Revised Code has been committed by a person operating a motor vehicle subject to regulation by the public utilities commission of Ohio under Title XLIX of the Revised Code, a peace officer with authority to enforce that provision of law may stop or detain the person whom the officer has reasonable cause to believe was operating the motor vehicle in violation of the division or section and, after

## As Reported by the House Finance and Appropriations Committee\*

investigating the circumstances surrounding the operation of the	13939
vehicle, may arrest and detain the person.	13940
(D) If a sheriff, deputy sheriff, marshal, deputy marshal,	13941
municipal police officer, member of a police force employed by a	13942
metropolitan housing authority under division (D) of section	13943
3735.31 of the Revised Code, member of a police force employed by	13944
a regional transit authority under division (Y) of section 306.35	13945
of the Revised Code, special police officer employed by a port	13946
authority under section 4582.04 or 4582.28 of the Revised Code,	13947
township constable, police officer of a township or joint township	13948
police district, state university law enforcement officer	13949
appointed under section 3345.04 of the Revised Code, peace officer	13950
of the department of natural resources, individual designated to	13951
perform law enforcement duties under section 511.232, 1545.13, or	13952
6101.75 of the Revised Code, the house sergeant at arms if the	13953
house sergeant at arms has arrest authority pursuant to division	13954
(E)(1) of section 101.311 of the Revised Code, or an assistant	13955
house sergeant at arms is authorized by division (A) or (B) of	13956
this section to arrest and detain, within the limits of the	13957
political subdivision, metropolitan housing authority housing	13958
project, regional transit authority facilities or those areas of a	13959
municipal corporation that have been agreed to by a regional	13960
transit authority and a municipal corporation located within its	13961
territorial jurisdiction, port authority, college, or university	13962
in which the officer is appointed, employed, or elected or within	13963
the limits of the territorial jurisdiction of the peace officer, a	13964
person until a warrant can be obtained, the peace officer, outside	13965
the limits of that territory, may pursue, arrest, and detain that	13966
person until a warrant can be obtained if all of the following	13967
apply:	13968
(1) The pursuit takes place without unreasonable delay after	13969
the offense is committed;	13970



## As Reported by the House Finance and Appropriations Committee\*

(2) The pursuit is initiated within the limits of the political subdivision, metropolitan housing authority housing project, regional transit authority facilities or those areas of a municipal corporation that have been agreed to by a regional transit authority and a municipal corporation located within its territorial jurisdiction, port authority, college, or university in which the peace officer is appointed, employed, or elected or within the limits of the territorial jurisdiction of the peace officer;

(3) The offense involved is a felony, a misdemeanor of the first degree or a substantially equivalent municipal ordinance, a misdemeanor of the second degree or a substantially equivalent municipal ordinance, or any offense for which points are chargeable pursuant to section 4510.036 of the Revised Code.

(E) In addition to the authority granted under division (A) or (B) of this section:

(1) A sheriff or deputy sheriff may arrest and detain, until a warrant can be obtained, any person found violating section 4503.11, 4503.21, or 4549.01, sections 4549.08 to 4549.12, section 4549.62, or Chapter 4511. or 4513. of the Revised Code on the portion of any street or highway that is located immediately adjacent to the boundaries of the county in which the sheriff or deputy sheriff is elected or appointed.

(2) A member of the police force of a township police district created under section 505.48 of the Revised Code, a member of the police force of a joint township police district created under section 505.481 of the Revised Code, or a township constable appointed in accordance with section 509.01 of the Revised Code, who has received a certificate from the Ohio peace officer training commission under section 109.75 of the Revised Code, may arrest and detain, until a warrant can be obtained, any person found violating any section or chapter of the Revised Code

## As Reported by the House Finance and Appropriations Committee\*

listed in division (E)(1) of this section, other than sections 14003  
4513.33 and 4513.34 of the Revised Code, on the portion of any 14004  
street or highway that is located immediately adjacent to the 14005  
boundaries of the township police district or joint township 14006  
police district, in the case of a member of a township police 14007  
district or joint township police district police force, or the 14008  
unincorporated territory of the township, in the case of a 14009  
township constable. However, if the population of the township 14010  
that created the township police district served by the member's 14011  
police force, or the townships that created the joint township 14012  
police district served by the member's police force, or the 14013  
township that is served by the township constable, is sixty 14014  
thousand or less, the member of the township police district or 14015  
joint police district police force or the township constable may 14016  
not make an arrest under division (E)(2) of this section on a 14017  
state highway that is included as part of the interstate system. 14018

(3) A police officer or village marshal appointed, elected, 14019  
or employed by a municipal corporation may arrest and detain, 14020  
until a warrant can be obtained, any person found violating any 14021  
section or chapter of the Revised Code listed in division (E)(1) 14022  
of this section on the portion of any street or highway that is 14023  
located immediately adjacent to the boundaries of the municipal 14024  
corporation in which the police officer or village marshal is 14025  
appointed, elected, or employed. 14026

(4) A peace officer of the department of natural resources or 14027  
an individual designated to perform law enforcement duties under 14028  
section 511.232, 1545.13, or 6101.75 of the Revised Code may 14029  
arrest and detain, until a warrant can be obtained, any person 14030  
found violating any section or chapter of the Revised Code listed 14031  
in division (E)(1) of this section, other than sections 4513.33 14032  
and 4513.34 of the Revised Code, on the portion of any street or 14033  
highway that is located immediately adjacent to the boundaries of 14034

## As Reported by the House Finance and Appropriations Committee\*

the lands and waters that constitute the territorial jurisdiction 14035  
of the peace officer. 14036

(F)(1) A department of mental health special police officer 14037  
or a department of mental retardation and developmental 14038  
disabilities special police officer may arrest without a warrant 14039  
and detain until a warrant can be obtained any person found 14040  
committing on the premises of any institution under the 14041  
jurisdiction of the particular department a misdemeanor under a 14042  
law of the state. 14043

A department of mental health special police officer or a 14044  
department of mental retardation and developmental disabilities 14045  
special police officer may arrest without a warrant and detain 14046  
until a warrant can be obtained any person who has been 14047  
hospitalized, institutionalized, or confined in an institution 14048  
under the jurisdiction of the particular department pursuant to or 14049  
under authority of section 2945.37, 2945.371, 2945.38, 2945.39, 14050  
2945.40, 2945.401, or 2945.402 of the Revised Code and who is 14051  
found committing on the premises of any institution under the 14052  
jurisdiction of the particular department a violation of section 14053  
2921.34 of the Revised Code that involves an escape from the 14054  
premises of the institution. 14055

(2)(a) If a department of mental health special police 14056  
officer or a department of mental retardation and developmental 14057  
disabilities special police officer finds any person who has been 14058  
hospitalized, institutionalized, or confined in an institution 14059  
under the jurisdiction of the particular department pursuant to or 14060  
under authority of section 2945.37, 2945.371, 2945.38, 2945.39, 14061  
2945.40, 2945.401, or 2945.402 of the Revised Code committing a 14062  
violation of section 2921.34 of the Revised Code that involves an 14063  
escape from the premises of the institution, or if there is 14064  
reasonable ground to believe that a violation of section 2921.34 14065  
of the Revised Code has been committed that involves an escape 14066

## As Reported by the House Finance and Appropriations Committee\*

from the premises of an institution under the jurisdiction of the department of mental health or the department of mental retardation and developmental disabilities and if a department of mental health special police officer or a department of mental retardation and developmental disabilities special police officer has reasonable cause to believe that a particular person who has been hospitalized, institutionalized, or confined in the institution pursuant to or under authority of section 2945.37, 2945.371, 2945.38, 2945.39, 2945.40, 2945.401, or 2945.402 of the Revised Code is guilty of the violation, the special police officer, outside of the premises of the institution, may pursue, arrest, and detain that person for that violation of section 2921.34 of the Revised Code, until a warrant can be obtained, if both of the following apply:

(i) The pursuit takes place without unreasonable delay after the offense is committed;

(ii) The pursuit is initiated within the premises of the institution from which the violation of section 2921.34 of the Revised Code occurred.

(b) For purposes of division (F)(2)(a) of this section, the execution of a written statement by the administrator of the institution in which a person had been hospitalized, institutionalized, or confined pursuant to or under authority of section 2945.37, 2945.371, 2945.38, 2945.39, 2945.40, 2945.401, or 2945.402 of the Revised Code alleging that the person has escaped from the premises of the institution in violation of section 2921.34 of the Revised Code constitutes reasonable ground to believe that the violation was committed and reasonable cause to believe that the person alleged in the statement to have committed the offense is guilty of the violation.

(G) As used in this section:

## As Reported by the House Finance and Appropriations Committee\*

- (1) A "department of mental health special police officer" 14098  
means a special police officer of the department of mental health 14099  
designated under section 5119.14 of the Revised Code who is 14100  
certified by the Ohio peace officer training commission under 14101  
section 109.77 of the Revised Code as having successfully 14102  
completed an approved peace officer basic training program. 14103
- (2) A "department of mental retardation and developmental 14104  
disabilities special police officer" means a special police 14105  
officer of the department of mental retardation and developmental 14106  
disabilities designated under section 5123.13 of the Revised Code 14107  
who is certified by the Ohio peace officer training council under 14108  
section 109.77 of the Revised Code as having successfully 14109  
completed an approved peace officer basic training program. 14110
- (3) "Deadly weapon" has the same meaning as in section 14111  
2923.11 of the Revised Code. 14112
- (4) "Family or household member" has the same meaning as in 14113  
section 2919.25 of the Revised Code. 14114
- (5) "Street" or "highway" has the same meaning as in section 14115  
4511.01 of the Revised Code. 14116
- (6) "Interstate system" has the same meaning as in section 14117  
5516.01 of the Revised Code. 14118
- (7) "Peace officer of the department of natural resources" 14119  
means an employee of the department of natural resources who is a 14120  
natural resources law enforcement staff officer designated 14121  
pursuant to section 1501.013, a forest officer designated pursuant 14122  
to section 1503.29, a preserve officer designated pursuant to 14123  
section 1517.10, a wildlife officer designated pursuant to section 14124  
1531.13, a park officer designated pursuant to section 1541.10, or 14125  
a state watercraft officer designated pursuant to section 1547.521 14126  
of the Revised Code. 14127

## As Reported by the House Finance and Appropriations Committee\*

**Section 1.05.** That the existing version of section 2935.03 of the Revised Code that is scheduled to take effect January 1, 2004, is hereby repealed.

**Section 1.06.** Sections 1.04 and 1.05 of this act shall take effect January 1, 2004.

**Section 1.07.** That the versions of sections 5739.026 and 5739.033 of the Revised Code that are scheduled to take effect July 1, 2003, be amended to read as follows:

**Sec. 5739.026.** (A) A board of county commissioners may levy a tax of one-fourth or one-half of one per cent on every retail sale in the county, except sales of watercraft and outboard motors required to be titled pursuant to Chapter 1548. of the Revised Code and sales of motor vehicles, and may increase an existing rate of one-fourth of one per cent to one-half of one per cent, to pay the expenses of administering the tax and, except as provided in division (A)(6) of this section, for any one or more of the following purposes provided that the aggregate levy for all such purposes does not exceed one-half of one per cent:

(1) To provide additional revenues for the payment of bonds or notes issued in anticipation of bonds issued by a convention facilities authority established by the board of county commissioners under Chapter 351. of the Revised Code and to provide additional operating revenues for the convention facilities authority;

(2) To provide additional revenues for a transit authority operating in the county;

(3) To provide additional revenue for the county's general fund;

## As Reported by the House Finance and Appropriations Committee\*

(4) To provide additional revenue for permanent improvements within the county to be distributed by the community improvements board in accordance with section 307.283 and to pay principal, interest, and premium on bonds issued under section 307.284 of the Revised Code;

(5) To provide additional revenue for the acquisition, construction, equipping, or repair of any specific permanent improvement or any class or group of permanent improvements, which improvement or class or group of improvements shall be enumerated in the resolution required by division (D) of this section, and to pay principal, interest, premium, and other costs associated with the issuance of bonds or notes in anticipation of bonds issued pursuant to Chapter 133. of the Revised Code for the acquisition, construction, equipping, or repair of the specific permanent improvement or class or group of permanent improvements;

(6) To provide revenue for the implementation and operation of a 9-1-1 system in the county. If the tax is levied or the rate increased exclusively for such purpose, the tax shall not be levied or the rate increased for more than five years. At the end of the last year the tax is levied or the rate increased, any balance remaining in the special fund established for such purpose shall remain in that fund and be used exclusively for such purpose until the fund is completely expended, and, notwithstanding section 5705.16 of the Revised Code, the board of county commissioners shall not petition for the transfer of money from such special fund, and the tax commissioner shall not approve such a petition.

If the tax is levied or the rate increased for such purpose for more than five years, the board of county commissioners also shall levy the tax or increase the rate of the tax for one or more of the purposes described in divisions (A)(1) to (5) of this section and shall prescribe the method for allocating the revenues

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from the tax each year in the manner required by division (C) of this section.	14188 14189
(7) To provide additional revenue for the operation or maintenance of a detention facility, as that term is defined under division (F) of section 2921.01 of the Revised Code;	14190 14191 14192
(8) To provide revenue to finance the construction or renovation of a sports facility, but only if the tax is levied for that purpose in the manner prescribed by section 5739.028 of the Revised Code.	14193 14194 14195 14196
As used in division (A)(8) of this section:	14197
(a) "Sports facility" means a facility intended to house major league professional athletic teams.	14198 14199
(b) "Constructing" or "construction" includes providing fixtures, furnishings, and equipment.	14200 14201
(9) To provide additional revenue for the acquisition of agricultural easements, as defined in section 5301.67 of the Revised Code; to pay principal, interest, and premium on bonds issued under section 133.60 of the Revised Code; and for the supervision and enforcement of agricultural easements held by the county.	14202 14203 14204 14205 14206 14207
Pursuant to section 755.171 of the Revised Code, a board of county commissioners may pledge and contribute revenue from a tax levied for the purpose of division (A)(5) of this section to the payment of debt charges on bonds issued under section 755.17 of the Revised Code.	14208 14209 14210 14211 14212
The rate of tax shall be a multiple of one-fourth of one per cent, unless a portion of the rate of an existing tax levied under section 5739.023 of the Revised Code has been reduced, and the rate of tax levied under this section has been increased, pursuant to section 5739.028 of the Revised Code, in which case the	14213 14214 14215 14216 14217



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aggregate of the rates of tax levied under this section and 14218  
section 5739.023 of the Revised Code shall be a multiple of 14219  
one-fourth of one per cent. The tax shall be levied and the rate 14220  
increased pursuant to a resolution adopted by a majority of the 14221  
members of the board. 14222

Prior to the adoption of any resolution to levy the tax or to 14223  
increase the rate of tax exclusively for the purpose set forth in 14224  
division (A)(3) of this section, the board of county commissioners 14225  
shall conduct two public hearings on the resolution, the second 14226  
hearing to be no fewer than three nor more than ten days after the 14227  
first. Notice of the date, time, and place of the hearings shall 14228  
be given by publication in a newspaper of general circulation in 14229  
the county once a week on the same day of the week for two 14230  
consecutive weeks, the second publication being no fewer than ten 14231  
nor more than thirty days prior to the first hearing. Except as 14232  
provided in division (E) of this section, the resolution shall 14233  
become effective on the first day of a calendar quarter following 14234  
the expiration of sixty days from the date of its adoption, 14235  
subject to a referendum as provided in sections 305.31 to 305.41 14236  
of the Revised Code. If the resolution is adopted as an emergency 14237  
measure necessary for the immediate preservation of the public 14238  
peace, health, or safety, it must receive an affirmative vote of 14239  
all of the members of the board of county commissioners and shall 14240  
state the reasons for the necessity. 14241

If the tax is for more than one of the purposes set forth in 14242  
divisions (A)(1) to (7) and (9) of this section or is exclusively 14243  
for one of the purposes set forth in division (A)(1), (2), (4), 14244  
(5), (6), (7), or (9) of this section, the resolution shall not go 14245  
into effect unless it is approved by a majority of the electors 14246  
voting on the question of the tax. 14247

(B) The board of county commissioners shall adopt a 14248  
resolution under section 351.02 of the Revised Code creating the 14249

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convention facilities authority, or under section 307.283 of the Revised Code creating the community improvements board, before adopting a resolution levying a tax for the purpose of a convention facilities authority under division (A)(1) of this section or for the purpose of a community improvements board under division (A)(4) of this section.

(C)(1) If the tax is to be used for more than one of the purposes set forth in divisions (A)(1) to (7) and (9) of this section, the board of county commissioners shall establish the method that will be used to determine the amount or proportion of the tax revenue received by the county during each year that will be distributed for each of those purposes, including, if applicable, provisions governing the reallocation of a convention facilities authority's allocation if the authority is dissolved while the tax is in effect. The allocation method may provide that different proportions or amounts of the tax shall be distributed among the purposes in different years, but it shall clearly describe the method that will be used for each year. Except as otherwise provided in division (C)(2) of this section, the allocation method established by the board is not subject to amendment during the life of the tax.

(2) Subsequent to holding a public hearing on the proposed amendment, the board of county commissioners may amend the allocation method established under division (C)(1) of this section for any year, if the amendment is approved by the governing board of each entity whose allocation for the year would be reduced by the proposed amendment. In the case of a tax that is levied for a continuing period of time, the board may not so amend the allocation method for any year before the sixth year that the tax is in effect.

(a) If the additional revenues provided to the convention facilities authority are pledged by the authority for the payment

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of convention facilities authority revenue bonds for as long as 14282  
such bonds are outstanding, no reduction of the authority's 14283  
allocation of the tax shall be made for any year except to the 14284  
extent that the reduced authority allocation, when combined with 14285  
the authority's other revenues pledged for that purpose, is 14286  
sufficient to meet the debt service requirements for that year on 14287  
such bonds. 14288

(b) If the additional revenues provided to the county are 14289  
pledged by the county for the payment of bonds or notes described 14290  
in division (A)(4) or (5) of this section, for as long as such 14291  
bonds or notes are outstanding, no reduction of the county's or 14292  
the community improvements board's allocation of the tax shall be 14293  
made for any year, except to the extent that the reduced county or 14294  
community improvements board allocation is sufficient to meet the 14295  
debt service requirements for that year on such bonds or notes. 14296

(c) If the additional revenues provided to the transit 14297  
authority are pledged by the authority for the payment of revenue 14298  
bonds issued under section 306.37 of the Revised Code, for as long 14299  
as such bonds are outstanding, no reduction of the authority's 14300  
allocation of tax shall be made for any year, except to the extent 14301  
that the authority's reduced allocation, when combined with the 14302  
authority's other revenues pledged for that purpose, is sufficient 14303  
to meet the debt service requirements for that year on such bonds. 14304

(d) If the additional revenues provided to the county are 14305  
pledged by the county for the payment of bonds or notes issued 14306  
under section 133.60 of the Revised Code, for so long as the bonds 14307  
or notes are outstanding, no reduction of the county's allocation 14308  
of the tax shall be made for any year, except to the extent that 14309  
the reduced county allocation is sufficient to meet the debt 14310  
service requirements for that year on the bonds or notes. 14311

(D)(1) The resolution levying the tax or increasing the rate 14312  
of tax shall state the rate of the tax or the rate of the 14313

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increase; the purpose or purposes for which it is to be levied; 14314  
the number of years for which it is to be levied or that it is for 14315  
a continuing period of time; the allocation method required by 14316  
division (C) of this section; and if required to be submitted to 14317  
the electors of the county under division (A) of this section, the 14318  
date of the election at which the proposal shall be submitted to 14319  
the electors of the county, which shall be not less than 14320  
seventy-five days after the certification of a copy of the 14321  
resolution to the board of elections and, if the tax is to be 14322  
levied exclusively for the purpose set forth in division (A)(3) of 14323  
this section, shall not occur in February or August of any year. 14324  
Upon certification of the resolution to the board of elections, 14325  
the board of county commissioners shall notify the tax 14326  
commissioner in writing of the levy question to be submitted to 14327  
the electors. If approved by a majority of the electors, the tax 14328  
shall become effective on the first day of a calendar quarter next 14329  
following the sixtieth day following the certification of the 14330  
results of the election to the board of county commissioners and 14331  
the tax commissioner by the board of elections, except as provided 14332  
in division (E) of this section. 14333

(2)(a) A resolution specifying that the tax is to be used 14334  
exclusively for the purpose set forth in division (A)(3) of this 14335  
section that is not adopted as an emergency measure may direct the 14336  
board of elections to submit the question of levying the tax or 14337  
increasing the rate of the tax to the electors of the county at a 14338  
special election held on the date specified by the board of county 14339  
commissioners in the resolution, provided that the election occurs 14340  
not less than seventy-five days after the resolution is certified 14341  
to the board of elections and the election is not held in February 14342  
or August of any year. Upon certification of the resolution to the 14343  
board of elections, the board of county commissioners shall notify 14344  
the tax commissioner in writing of the levy question to be 14345

## As Reported by the House Finance and Appropriations Committee\*

submitted to the electors. No resolution adopted under division 14346  
(D)(2)(a) of this section shall go into effect unless approved by 14347  
a majority of those voting upon it and, except as provided in 14348  
division (E) of this section, not until the first day of a 14349  
calendar quarter following the expiration of sixty days from the 14350  
date of the notice to the tax commissioner by the board of 14351  
elections of the affirmative vote. 14352

(b) A resolution specifying that the tax is to be used 14353  
exclusively for the purpose set forth in division (A)(3) of this 14354  
section that is adopted as an emergency measure shall become 14355  
effective as provided in division (A) of this section, but may 14356  
direct the board of elections to submit the question of repealing 14357  
the tax or increase in the rate of the tax to the electors of the 14358  
county at the next general election in the county occurring not 14359  
less than seventy-five days after the resolution is certified to 14360  
the board of elections. Upon certification of the resolution to 14361  
the board of elections, the board of county commissioners shall 14362  
notify the tax commissioner in writing of the levy question to be 14363  
submitted to the electors. The ballot question shall be the same 14364  
as that prescribed in section 5739.022 of the Revised Code. The 14365  
board of elections shall notify the board of county commissioners 14366  
and the tax commissioner of the result of the election immediately 14367  
after the result has been declared. If a majority of the qualified 14368  
electors voting on the question of repealing the tax or increase 14369  
in the rate of the tax vote for repeal of the tax or repeal of the 14370  
increase, the board of county commissioners, on the first day of a 14371  
calendar quarter following the expiration of sixty days after the 14372  
date it received notice of the result of the election, shall, in 14373  
the case of a repeal of the tax, cease to levy the tax, or, in the 14374  
case of a repeal of an increase in the rate of the tax, cease to 14375  
levy the increased rate and levy the tax at the rate at which it 14376  
was imposed immediately prior to the increase in rate. 14377

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14378

(c) A board of county commissioners, by resolution, may 14379  
reduce the rate of a tax levied exclusively for the purpose set 14380  
forth in division (A)(3) of this section to a lower rate 14381  
authorized by this section. Any such reduction shall be made 14382  
effective on the first day of the calendar quarter specified in 14383  
the resolution, but not sooner than the first day of the month 14384  
next following the sixtieth day after the resolution is certified 14385  
to the tax commissioner. 14386

(E) If a vendor that is registered with the central 14387  
electronic registration system provided for in section 5740.05 of 14388  
the Revised Code makes a sale in this state by printed catalog and 14389  
the consumer computed the tax on the sale based on local rates 14390  
published in the catalog, any tax levied or rate changed under 14391  
this section shall not apply to such a sale until the first day of 14392  
a calendar quarter following the expiration of one hundred twenty 14393  
days from the date of notice by the tax commissioner to the 14394  
vendor, or to the vendor's certified service provider, if the 14395  
vendor has selected one. 14396

~~A board of county commissioners may by resolution reduce the~~ 14397  
~~rate of a tax levied under division (A)(3) of this section to a~~ 14398  
~~lower rate authorized by this section. Any such reduction shall be~~ 14399  
~~made effective on the first day of the month specified in the~~ 14400  
~~resolution but not sooner than the first day of the month next~~ 14401  
~~following the thirtieth day after certification of the resolution~~ 14402  
~~to the tax commissioner.~~ 14403

(F) The tax levied pursuant to this section shall be in 14404  
addition to the tax levied by section 5739.02 of the Revised Code 14405  
and any tax levied pursuant to section 5739.021 or 5739.023 of the 14406  
Revised Code. 14407

A county that levies a tax pursuant to this section shall 14408  
levy a tax at the same rate pursuant to section 5741.023 of the 14409

Revised Code. 14410

The additional tax levied by the county shall be collected 14411  
pursuant to section 5739.025 of the Revised Code. 14412

Any tax levied pursuant to this section is subject to the 14413  
exemptions provided in section 5739.02 of the Revised Code and in 14414  
addition shall not be applicable to sales not within the taxing 14415  
power of a county under the Constitution of the United States or 14416  
the Ohio Constitution. 14417

**Sec. 5739.033.** The amount of tax due pursuant to sections 14418  
5739.02, 5739.021, 5739.023, and 5739.026 of the Revised Code is 14419  
the sum of the taxes imposed pursuant to those sections at the 14420  
situs of the sale as determined under this section or, if 14421  
applicable, under division (C) of section 5739.031 of the Revised 14422  
Code. 14423

(A) Except for sales of titled motor vehicles, titled 14424  
watercraft, or titled outboard motors as provided in section 14425  
5741.05 of the Revised Code, or as otherwise provided in this 14426  
section, and section 5739.034 of the Revised Code, the situs of 14427  
all sales is the vendor's place of business. 14428

(1) If the consumer or the consumer's donee receives tangible 14429  
personal property or a service at a place of business of the 14430  
vendor, the situs of the sale is ~~conclusively determined to be~~ 14431  
that place of business. 14432

(2) When the tangible personal property or service is not 14433  
received at a vendor's place of business, the situs of the sale is 14434  
~~conclusively determined to be consummated at~~ the location where 14435  
the consumer or a donee designated by the consumer receives the 14436  
tangible personal property or service, including the location 14437  
indicated by instructions for delivery to the consumer or the 14438  
consumer's donee, known to the vendor. 14439

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(3) If divisions (A)(1) and (2) of this section do not apply, 14440  
the situs of the sale is ~~conclusively determined to be consummated~~ 14441  
~~at~~ the location indicated by an address for the consumer that is 14442  
available from the business records of the vendor that are 14443  
maintained in the ordinary course of the vendor's business when 14444  
use of that address does not constitute bad faith. 14445

(4) If divisions (A)(1), (2), and (3) of this section do not 14446  
apply, the situs of the sale is ~~conclusively determined to be~~ 14447  
~~consummated at~~ the location indicated by an address for the 14448  
consumer obtained during the consummation of the sale, including 14449  
the address associated with the consumer's payment instrument, if 14450  
no other address is available, when use of that address does not 14451  
constitute bad faith. 14452

(5) If divisions (A)(1), (2), (3), and (4) of this section do 14453  
not apply, including in the circumstance where the vendor is 14454  
without sufficient information to apply any of those divisions, 14455  
the situs of the sale is ~~conclusively determined to be consummated~~ 14456  
~~at~~ the address from which tangible personal property was shipped, 14457  
or from which the service was provided, disregarding any location 14458  
that merely provided the electronic transfer of the property sold 14459  
or service provided. 14460

(6) As used in division (A) of this section, "receive" means 14461  
taking possession of tangible personal property or making first 14462  
use of a service. "Receive" does not include possession by a 14463  
shipping company on behalf of a consumer. 14464

(B)(1) Notwithstanding divisions (A)(1) to (5) of this 14465  
section, a manufacturer or other consumer that is not a holder of 14466  
a direct payment permit granted under section 5739.031 of the 14467  
Revised Code, that purchases tangible personal property or a 14468  
service for use in business, and that knows at the time of 14469  
purchase that the property or service will be concurrently 14470  
available for use in more than one taxing jurisdiction shall 14471



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deliver to the vendor in conjunction with its purchase a multiple 14472  
 points of use exemption form prescribed by the tax commissioner 14473  
 disclosing this fact. On receipt of the multiple points of use 14474  
 exemption form, the vendor is relieved of its obligation to 14475  
 collect, pay, or remit the tax due, and the consumer must collect, 14476  
 pay, or remit the tax directly to the state. 14477

(2) A consumer that delivers such form to a vendor may use 14478  
 any reasonable, consistent, and uniform method of apportioning the 14479  
 tax due on the tangible personal property or service that is 14480  
 supported by the consumer's business records as they existed at 14481  
 the time of the sale. 14482

(3) The multiple points of use exemption form shall remain in 14483  
 effect for all future sales by the vendor to the consumer until it 14484  
 is revoked in writing by the consumer, except as to the consumer's 14485  
 specific apportionment of a subsequent sale under division (B) of 14486  
 this section and the facts existing at the time of the sale. 14487

(C) A person who holds a direct payment permit issued under 14488  
 section 5739.031 of the Revised Code is not required to deliver a 14489  
 multiple points of use exemption form to a vendor. But such permit 14490  
 holder shall comply with division (B)(2) of this section in 14491  
 apportioning the tax due on tangible personal property or a 14492  
 service that will be concurrently available for use in more than 14493  
 one taxing jurisdiction. 14494  
 one taxing jurisdiction. 14495

(D) Except as provided in division (F) ~~or F~~ of this section: 14496

(1) If the vendor provides a service specified in division 14497  
 (B)(3)(f) or (i) of section 5739.01 of the Revised Code, the situs 14498  
 of the sale is the location of the telephone number or account as 14499  
 reflected in the records of the vendor. 14500

(2) In the case of a telecommunications service, if the 14501  
 telephone number or account is located outside this state, the 14502

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situs of the sale is the location in this state from which the	14503
service originated.	14504
(E) If the vendor provides lodging to transient guests as	14505
specified in division (B)(2) of section 5739.01 of the Revised	14506
Code, the situs of the sale is the location where the lodging is	14507
located.	14508
(F) Except as otherwise provided in this division, if the	14509
vendor sells a prepaid authorization number or a prepaid telephone	14510
calling card, the situs of the sale is the vendor's place of	14511
business and shall be taxed at the time of sale. If the vendor	14512
sells a prepaid authorization number or prepaid telephone calling	14513
card through a telephone call, electronic commerce, or any other	14514
form of remote commerce, the situs of the sale is the consumer's	14515
shipping address, or, if there is no item shipped, at the	14516
consumer's billing address.	14517
<b>Section 1.08.</b> That the existing versions of sections 5739.026	14518
and 5739.033 of the Revised Code that are scheduled to take effect	14519
July 1, 2003, are hereby repealed.	14520
<b>Section 1.09.</b> Sections 1.07 and 1.08 of this act take effect	14521
July 1, 2003.	14522
<b>Section 2.01.</b> The items set forth in this section are hereby	14523
appropriated out of any moneys in the state treasury to the credit	14524
of the Public School Building Fund (Fund 021), that are not	14525
otherwise appropriated.	14526
	Appropriations
SFC SCHOOL FACILITIES COMMISSION	14527
CAP-622 Public School Buildings	\$ 30,000,000 14528
Total School Facilities Commission	\$ 30,000,000 14529
TOTAL Public School Building Fund	\$ 30,000,000 14530

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**Section 2.02.** PUBLIC SCHOOL BUILDING FUND 14532

The Controlling Board, when requested to do so by the 14533  
 Executive Director of the Ohio School Facilities Commission, may 14534  
 increase appropriations in the Public School Building Fund (Fund 14535  
 021), based on revenues received by the fund, including cash 14536  
 transfers and interest that may accrue to the fund. 14537

**Section 3.01.** The items set forth in this section are hereby 14538  
 appropriated out of any moneys in the state treasury to the credit 14539  
 of the Highway Safety Fund (Fund 036), that are not otherwise 14540  
 appropriated. 14541

Appropriations

DHS DEPARTMENT OF PUBLIC SAFETY 14542

CAP-045	Platform Scales Improvements	\$	200,000	14543
CAP-059	Patrol Post ADA Compliance	\$	250,000	14544
CAP-077	Van Wert Patrol Post	\$	1,700,000	14545
	Total Department of Public Safety	\$	2,150,000	14546
	TOTAL Highway Safety Fund	\$	2,150,000	14547

**Section 4.01.** All items set forth in this section are hereby 14549  
 appropriated out of any moneys in the state treasury to the credit 14550  
 of the Waterways Safety Fund (Fund 086), that are not otherwise 14551  
 appropriated. 14552

Appropriations

DNR DEPARTMENT OF NATURAL RESOURCES 14553

CAP-324	Cooperative Funding for Boating Facilities	\$	7,600,000	14554
CAP-390	State Park Maintenance Facility Development - Middle Bass Island	\$	1,821,093	14555
	Total Department of Natural Resources	\$	9,421,093	14556
	TOTAL Waterways Safety Fund	\$	9,421,093	14557

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**Section 5.01.** All items set forth in this section are hereby 14559  
 appropriated out of any moneys in the state treasury to the credit 14560  
 of the Special Administrative Fund (Fund 4A9) that are not 14561  
 otherwise appropriated. 14562

Appropriations

JFS DEPARTMENT OF JOB AND FAMILY SERVICES 14563  
 CAP-702 Central Office Building Renovations \$ 16,000,000 14564  
 Total Department of Job and Family Services \$ 16,000,000 14565  
 TOTAL Special Administrative Fund \$ 16,000,000 14566

CENTRAL OFFICE BUILDING RENOVATIONS SPENDING AND REPAYMENT 14567  
 PLAN 14568

Funds appropriated in the foregoing appropriation item 14569  
 CAP-702, Central Office Building Renovations, are to be released 14570  
 for expenditure only after approval of the Unemployment 14571  
 Compensation Advisory Council created under section 4141.08 of the 14572  
 Revised Code. The amount to be released shall be based on a 14573  
 spending plan, which may include a repayment schedule, approved by 14574  
 the Council. Once approval is received, the Director of Job and 14575  
 Family Services shall request the Director of Budget and 14576  
 Management or the Controlling Board to release the appropriation. 14577

**Section 6.01.** The items set forth in this section are hereby 14578  
 appropriated out of any moneys in the state treasury to the credit 14579  
 of the State Fire Marshal Fund (Fund 546), that are not otherwise 14580  
 appropriated. 14581

Appropriations

COM DEPARTMENT OF COMMERCE 14582  
 CAP-013 Land Acquisition \$ 1,500,000 14583  
 CAP-014 Office and Dorm Addition \$ 1,800,000 14584  
 Total Department of Commerce \$ 3,300,000 14585  
 TOTAL State Fire Marshal Fund \$ 3,300,000 14586

As Reported by the House Finance and Appropriations Committee\*

Section 7.01. The items set forth in this section are hereby 14588  
 appropriated out of any moneys in the state treasury to the credit 14589  
 of the Veterans' Home Improvement Fund (Fund 604) that are not 14590  
 otherwise appropriated. 14591

			Appropriations	
OVH OHIO VETERANS' HOME AGENCY				14592
CAP-766	Secrest Motor Coordinators	\$ 33,000		14593
CAP-769	Water and Air Balance	\$ 190,000		14594
CAP-770	Secrest Nursing Home Case Goods	\$ 200,000		14595
CAP-771	Elevator Giffin	\$ 190,000		14596
CAP-772	Demolish Cline and Cameron Cottages	\$ 45,000		14597
CAP-773	Emergency Generator	\$ 26,500		14598
CAP-774	Fire Alarm Security System	\$ 595,000		14599
Total Ohio Veterans' Home Agency			\$ 1,279,500	14600
TOTAL Veterans' Home Improvement Fund			\$ 1,279,500	14601

Section 8.01. All items set forth in this section are hereby 14603  
 appropriated out of any moneys in the state treasury to the credit 14604  
 of the Clean Ohio Revitalization Fund (Fund 003) that are not 14605  
 otherwise appropriated. 14606

			Appropriations	
DEV DEPARTMENT OF DEVELOPMENT				14607
CAP-001	Clean Ohio Revitalization	\$ 40,000,000		14608
CAP-002	Clean Ohio Assistance	\$ 10,000,000		14609
Total Department of Development			\$ 50,000,000	14610
TOTAL Clean Ohio Revitalization Fund			\$ 50,000,000	14611

Section 8.02. The Treasurer of State is hereby authorized to 14613  
 issue and sell, in accordance with Section 2o of Article VIII, 14614  
 Ohio Constitution, and pursuant to sections 151.01 and 151.40 of 14615  
 the Revised Code, original obligations in an aggregate principal 14616  
 amount not to exceed \$50,000,000, in addition to the original 14617

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issuance of obligations heretofore authorized by prior acts of the 14618  
 General Assembly. These authorized obligations shall be issued, 14619  
 subject to applicable constitutional and statutory limitations, as 14620  
 needed to ensure sufficient moneys to the credit of the Clean Ohio 14621  
 Revitalization Fund (Fund 003) to pay costs of revitalization 14622  
 projects as referred to in sections 151.01 and 151.40 of the 14623  
 Revised Code. 14624

**Section 9.01.** All items set forth in this section are hereby 14625  
 appropriated out of any money in the state treasury to the credit 14626  
 of the Sports Facilities Building Fund (Fund 024) that are not 14627  
 otherwise appropriated. 14628

			Appropriations	
AFC OHIO ARTS AND SPORTS FACILITIES COMMISSION				14629
CAP-025	Reds Hall of Fame	\$ 10,000,000		14630
CAP-073	Marina District/Ice Arena Development	\$ 4,000,000		14631
CAP-838	Great Lakes Baseball Stadium	\$ 500,000		14632
Total Ohio Arts and Sports Facilities				14633
Commission			\$ 14,500,000	14634
TOTAL Sports Facilities Building Fund			\$ 14,500,000	14635

REDS HALL OF FAME 14636

The foregoing appropriation item CAP-025, Reds Hall of Fame, 14637  
 shall be included within the \$81 million not-to-exceed amount 14638  
 established in Am. H.B. 748 of the 121st General Assembly for 14639  
 appropriation item CAP-025. In accordance with Chapter 3383. of 14640  
 the Revised Code, state funds shall be used for up to fifteen per 14641  
 cent of the initial estimated cost of construction of the Hall of 14642  
 Fame, as determined by the Ohio Arts and Sports Facilities 14643  
 Commission. Any remaining funds shall be used for other 14644  
 preapproved components of the improvements project that meet the 14645  
 requirements of Chapter 3383. of the Revised Code, as determined 14646  
 by the Arts and Sports Facilities Commission. 14647

As Reported by the House Finance and Appropriations Committee\*

**Section 9.02.** The Ohio Building Authority is hereby 14648  
 authorized to issue and sell, in accordance with the provisions of 14649  
 Section 2i of Article VIII, Ohio Constitution, and Chapter 152. 14650  
 and other applicable sections of the Revised Code, original 14651  
 obligations in an aggregate principal amount not to exceed 14652  
 \$5,000,000, in addition to the original issuance of obligations 14653  
 heretofore authorized by prior acts of the General Assembly. The 14654  
 authorized obligations shall be issued, subject to applicable 14655  
 constitutional and statutory limitations, to pay the costs of 14656  
 capital facilities, as defined in division (J) of section 3383.01 14657  
 of the Revised Code (Ohio sports facilities). 14658

**Section 10.01.** All items set forth in this section are hereby 14659  
 appropriated out of any moneys in the state treasury to the credit 14660  
 of the Highway Safety Building Fund (Fund 025) that are not 14661  
 otherwise appropriated. 14662

		Appropriations	
DHS DEPARTMENT OF PUBLIC SAFETY			14663
CAP-048	Statewide Communications System	\$ 3,259,329	14664
Total Department of Public Safety		\$ 3,259,329	14665
TOTAL Highway Safety Building Fund		\$ 3,259,329	14666

**Section 10.02.** The Ohio Building Authority is hereby 14668  
 authorized to issue and sell, in accordance with Section 2i of 14669  
 Article VIII, Ohio Constitution, and Chapter 152. and other 14670  
 applicable sections of the Revised Code, original obligations in 14671  
 an aggregate principal amount not to exceed \$1,000,000, in 14672  
 addition to the original issuance of obligations heretofore 14673  
 authorized by prior acts of the General Assembly. The authorized 14674  
 obligations shall be issued, subject to applicable constitutional 14675  
 and statutory limitations, to pay the costs associated with 14676  
 previously authorized capital facilities and the capital 14677

As Reported by the House Finance and Appropriations Committee\*

facilities referred to in Section 10.01 of this act for the 14678  
 Department of Public Safety. 14679

Notwithstanding any provision of law to the contrary, at any 14680  
 time prior to the sale of obligations authorized in this section, 14681  
 the Director of Budget and Management, with the written 14682  
 concurrence of the Director of Public Safety, may transfer cash 14683  
 temporarily from the Highway Safety Fund (Fund 036) to the Highway 14684  
 Safety Building Fund (Fund 025), where such cash may be used to 14685  
 fund the projects appropriated in Section 10.01 of this act. At 14686  
 such time as the obligations authorized in this section are sold, 14687  
 the Director of Budget and Management shall transfer from the 14688  
 Highway Safety Building Fund to the Highway Safety Fund any 14689  
 amounts originally transferred to the Highway Safety Building Fund 14690  
 under this section. 14691

**Section 11.01.** All items set forth in Sections 11.02 to 11.14 14692  
 of this act are hereby appropriated out of any moneys in the state 14693  
 treasury to the credit of the Administrative Building Fund (Fund 14694  
 026) that are not otherwise appropriated. 14695

Appropriations

<b>Section 11.02. ADJ ADJUTANT GENERAL</b>			14696
CAP-036	Roof Replacement - Various	\$ 197,587	14697
CAP-039	Camp Perry Facility Improvements	\$ 500,000	14698
CAP-044	Replace Windows/Doors - Various	\$ 306,260	14699
CAP-045	Plumbing Renovations - Various	\$ 291,441	14700
CAP-046	Paving Renovations - Various	\$ 238,886	14701
CAP-050	HVAC Systems - Various	\$ 51,020	14702
CAP-056	Masonry Repairs/Renovations - Various	\$ 164,656	14703
CAP-060	Facility Protection Measures	\$ 599,550	14704
CAP-061	Repair/Renovate Waste Water System	\$ 200,000	14705
CAP-062	Construct Coshocton Armory	\$ 950,600	14706



As Reported by the House Finance and Appropriations Committee\*

CAP-063	Rickenbacker Air and Industrial Park Runway	\$ 2,500,000	14707
CAP-064	Bowling Green Armory Construction	\$ 1,000,000	14708
Total Adjutant General		\$ 7,000,000	14709

Appropriations

**Section 11.03.** DAS DEPARTMENT OF ADMINISTRATIVE SERVICES 14711

CAP-773	Governor's Residence Renovations	\$ 265,400	14712
CAP-809	Hazardous Substance Abatement	\$ 250,000	14713
CAP-811	Health/EPA Laboratory Facilities	\$ 16,834,591	14714
CAP-813	Heer Building Renovation	\$ 1,500,000	14715
CAP-826	Surface Road Building Renovations	\$ 1,250,000	14716
CAP-827	Statewide Communications System	\$ 14,854,591	14717
CAP-835	Energy Conservation Projects	\$ 1,550,000	14718
CAP-852	North High St Government Complex	\$ 1,100,000	14719
CAP-856	Governor's Residence Security System	\$ 155,800	14720
CAP-859	eSecure Ohio	\$ 2,500,000	14721
CAP-864	eGovernment Infrastructure	\$ 1,047,400	14722
CAP-865	DAS Building Security	\$ 78,100	14723
CAP-867	Lausche Building Connector	\$ 1,000,000	14724
Total Department of Administrative Services		\$ 42,385,882	14725

MARCS STEERING COMMITTEE AND STATEWIDE COMMUNICATIONS SYSTEM 14726

There is hereby continued a Multi-Agency Radio Communications 14727  
 System (MARCS) Steering Committee consisting of the Directors of 14728  
 Administrative Services, Public Safety, Natural Resources, 14729  
 Transportation, Rehabilitation and Correction, and Budget and 14730  
 Management or their designees. The Director of Administrative 14731  
 Services or the director's designee shall chair the committee. The 14732  
 committee shall provide assistance to the Director of 14733  
 Administrative Services for effective and efficient implementation 14734  
 of the MARCS system as well as develop policies for the ongoing 14735  
 management of the system. Upon dates prescribed by the Directors 14736  
 of Administrative Services and Budget and Management, the MARCS 14737  
 Steering Committee shall report to the directors as to the 14738

## As Reported by the House Finance and Appropriations Committee\*

progress of MARCS implementation and the development of policies 14739  
related to the system. 14740

The foregoing appropriation item CAP-827, Statewide 14741  
Communications System, shall be used to purchase or construct the 14742  
components of the Multi-Agency Radio Communications System (MARCS) 14743  
that are not specific to any one agency. The equipment may 14744  
include, but is not limited to, multi-agency equipment at the 14745  
Emergency Operations Center/Joint Dispatch Facility, computer and 14746  
telecommunication equipment used for the functioning and 14747  
integration of the system, communications towers, tower sites, and 14748  
tower equipment, and linkages among towers and between towers and 14749  
the State of Ohio Network for Integrated Communication (SONIC) 14750  
system. The Director of Administrative Services shall, with the 14751  
concurrence of the MARCS Steering Committee, determine the 14752  
specific use of funds. 14753

Spending from this appropriation item shall not be subject to 14754  
the requirements of Chapters 123. and 153. of the Revised Code. 14755

## ENERGY CONSERVATION PROJECTS 14756

The foregoing appropriation item CAP-835, Energy Conservation 14757  
Projects, shall be used to perform energy conservation 14758  
renovations, including the United States Environmental Protection 14759  
Agency's Greenlights Program, in state-owned facilities. Prior to 14760  
the release of funds for renovation, state agencies shall have 14761  
performed a comprehensive energy audit for each project. The 14762  
Department of Administrative Services shall review and approve 14763  
proposals from state agencies to use these funds for energy 14764  
conservation. 14765

Public school districts and state-supported and 14766  
state-assisted institutions of higher education are not eligible 14767  
for funding from this item. 14768

## As Reported by the House Finance and Appropriations Committee\*

<b>Section 11.04. AGR DEPARTMENT OF AGRICULTURE</b>			14769
CAP-043	Building and Grounds Renovation	\$ 400,000	14770
CAP-048	Alkaline Hydrolysis Equipment & Addition	\$ 1,635,536	14771
Total Department of Agriculture			\$ 2,035,536 14772

## Appropriations

<b>Section 11.05. CSR CAPITOL SQUARE REVIEW AND ADVISORY BOARD</b>			14774
			14775
CAP-014	Statehouse Grounds Repair/Improvement	\$ 500,000	14776
Total Capitol Square Review and Advisory Board			\$ 500,000 14777

## Appropriations

<b>Section 11.06. EXP EXPOSITIONS COMMISSION</b>			14779
CAP-037	Electrical Upgrades	\$ 2,600,000	14780
CAP-056	Building Renovations	\$ 1,000,000	14781
CAP-063	Facilities Improvements and Modernization	\$ 700,000	14782
CAP-069	Restroom Renovations	\$ 500,000	14783
CAP-072	Emergency Renovations and Equipment	\$ 700,000	14784
Replacement			
Total Expositions Commission			\$ 5,500,000 14785

## Appropriations

<b>Section 11.07. DOH DEPARTMENT OF HEALTH</b>			14787
CAP-003	Building Renovation & Telecommunications	\$ 800,000	14788
Total Department of Health			\$ 800,000 14789

## Appropriations

<b>Section 11.08. DNR DEPARTMENT OF NATURAL RESOURCES</b>			14791
CAP-744	Multi-Agency Radio Communications	\$ 8,450,955	14792
Equipment - MARCS			
Total Department of Natural Resources			\$ 8,450,955 14793

## Appropriations

## As Reported by the House Finance and Appropriations Committee\*

<b>Section 11.09. DHS DEPARTMENT OF PUBLIC SAFETY</b>			14795
CAP-054	Multi-Agency Radio Communications System	\$ 690,000	14796
	- MARCS		
CAP-078	Upgrade/Replacement of State EOC Equip/System	\$ 810,000	14797
Total Department of Public Safety			\$ 1,500,000 14798

## Appropriations

<b>Section 11.10. JSC JUDICIARY/SUPREME COURT</b>			14800
CAP-001	Ohio Courts Building Renovations	\$ 5,476,000	14801
Total Judiciary/Supreme Court			\$ 5,476,000 14802

EXEMPT FROM PER CENT FOR ARTS PROGRAM 14803

The foregoing appropriation item CAP-001, Ohio Courts Building Renovations, shall be exempt from section 3379.10 of the Revised Code, the Per Cent for Arts Program. 14804  
14805  
14806

## Appropriations

<b>Section 11.11. OSB SCHOOL FOR THE BLIND</b>			14807
CAP-745	Roof Improvements on the School and Cottages	\$ 885,000	14808
CAP-772	Boiler Replacement	\$ 510,000	14809
CAP-773	School Residential Hot Water	\$ 605,000	14810
Total School for the Blind			\$ 2,000,000 14811

## Appropriations

<b>Section 11.12. OSD SCHOOL FOR THE DEAF</b>			14813
CAP-767	Roof Renovations	\$ 1,015,521	14814
CAP-774	Student Health Services Electrical Upgrade	\$ 111,000	14815
CAP-775	Staff Building Heat & Electric Upgrades	\$ 631,433	14816
CAP-776	Dormitory Renovations	\$ 320,000	14817
Total School for the Deaf			\$ 2,077,954 14818

## As Reported by the House Finance and Appropriations Committee\*

<b>Section 11.13.</b>	SOS SECRETARY OF STATE		14820
CAP-002	Voting Machines	\$ 5,800,000	14821
Total	Secretary of State	\$ 5,800,000	14822
	VOTING MACHINES		14823
	The foregoing appropriation item CAP-002, Voting Machines,		14824
	shall be used to purchase upgraded voting equipment. Appropriation		14825
	item CAP-002, Voting Machines, shall match federal funds provided		14826
	through the Help America Vote Act of 2002.		14827
<b>Section 11.14.</b>	OVH OHIO VETERANS' HOME AGENCY		14828
CAP-775	Emergency Generator	\$ 600,000	14829
Total	Ohio Veterans' Home Agency	\$ 600,000	14830
TOTAL	Administrative Building Fund	\$ 84,126,327	14831
<b>Section 11.15.</b>	The Ohio Building Authority is hereby		14833
	authorized to issue and sell, in accordance with Section 2i of		14834
	Article VIII, Ohio Constitution, and Chapter 152. and other		14835
	applicable sections of the Revised Code, original obligations in		14836
	an aggregate principal amount not to exceed \$68,000,000, in		14837
	addition to the original issuance of obligations heretofore		14838
	authorized by prior acts of the General Assembly. The authorized		14839
	obligations shall be issued, subject to applicable constitutional		14840
	and statutory limitations, to pay costs associated with previously		14841
	authorized capital facilities and the capital facilities referred		14842
	to in Sections 11.02 to 11.14 of this act.		14843
<b>Section 12.01.</b>	All items set forth in this section are hereby		14844
	appropriated out of any moneys in the state treasury to the credit		14845
	of the Adult Correctional Building Fund (Fund 027) that are not		14846
	otherwise appropriated.		14847
	Appropriations		
	DRC DEPARTMENT OF REHABILITATION AND CORRECTION		14848

As Reported by the House Finance and Appropriations Committee\*

	STATEWIDE AND CENTRAL OFFICE PROJECTS		14849
CAP-008	Powerhouse/Utility Improvements	\$ 1,486,925	14850
CAP-009	Water System/Plant Improvements	\$ 6,857,016	14851
CAP-017	Security Improvements - Statewide	\$ 1,597,875	14852
CAP-111	General Building Renovations	\$ 11,448,991	14853
CAP-141	Multi-Agency Radio Communications System Equipment	\$ 2,600,000	14854
CAP-187	Mandown Alert Communication System - Statewide	\$ 5,200,000	14855
CAP-240	State Match for Federal Prison Construction Funds	\$ 1,218,881	14856
	Total Statewide and Central Office Projects	\$ 30,409,688	14857
	PICKAWAY CORRECTIONAL INSTITUTION		14858
CAP-312	Waste Water Treatment Plant	\$ 7,583,125	14859
	Total Pickaway Correctional Institution	\$ 7,583,125	14860
	SOUTHERN OHIO CORRECTIONAL FACILITY		14861
CAP-230	Waste Water Treatment Plant	\$ 2,007,187	14862
	Total Southern Ohio Correctional Facility	\$ 2,007,187	14863
	TOTAL Department of Rehabilitation and Correction	\$ 40,000,000	14864 14865
	TOTAL ADULT CORRECTIONAL BUILDING FUND	\$ 40,000,000	14866

**Section 12.02.** The Ohio Building Authority is hereby 14868  
 authorized to issue and sell, in accordance with Section 2i of 14869  
 Article VIII, Ohio Constitution, and Chapter 152. and section 14870  
 307.021 of the Revised Code, original obligations in an aggregate 14871  
 principal amount not to exceed \$25,000,000 in addition to the 14872  
 original issuance of obligations heretofore authorized by prior 14873  
 acts of the General Assembly. The authorized obligations shall be 14874  
 issued subject to applicable constitutional and statutory 14875  
 limitations, to pay costs associated with previously authorized 14876  
 capital facilities and the capital facilities referred to in 14877  
 Section 12.01 of this act for the Department of Rehabilitation and 14878

As Reported by the House Finance and Appropriations Committee\*

Correction. 14879

**Section 13.01.** All items set forth in this section are hereby 14880  
 appropriated out of any moneys in the state treasury to the credit 14881  
 of the Juvenile Correctional Building Fund (Fund 028) that are not 14882  
 otherwise appropriated. 14883

Appropriations

DYS DEPARTMENT OF YOUTH SERVICES 14884

CAP-801	Fire Suppression/Safety/Security	\$	1,635,000	14885
CAP-803	General Institutional Renovations	\$	3,055,500	14886
CAP-836	ADA Life/Safety & Other Renovations - Riverview	\$	1,000,000	14887
CAP-837	Sanitary Safety & Other Renovations - Indian River	\$	4,309,500	14888
Total Department of Youth Services		\$	10,000,000	14889
TOTAL Juvenile Correctional Building Fund		\$	10,000,000	14890

**Section 13.02.** The Ohio Building Authority is hereby 14892  
 authorized to issue and sell, in accordance with Section 2i of 14893  
 Article VIII, Ohio Constitution, and Chapter 152. and other 14894  
 applicable sections of the Revised Code, original obligations in 14895  
 an aggregate principal amount not to exceed \$5,000,000 in addition 14896  
 to the original issuance of obligations heretofore authorized by 14897  
 prior acts of the General Assembly. The authorized obligations 14898  
 shall be issued, subject to applicable constitutional and 14899  
 statutory limitations, to pay the costs associated with previously 14900  
 authorized capital facilities and the capital facilities referred 14901  
 to in Section 13.01 of this act for the Department of Youth 14902  
 Services. 14903

**Section 14.01.** All items set forth in this section are hereby 14904  
 appropriated out of any moneys in the state treasury to the credit 14905  
 of the Transportation Building Fund (Fund 029) that are not 14906

As Reported by the House Finance and Appropriations Committee\*

otherwise appropriated.			14907
		Appropriations	
	DOT DEPARTMENT OF TRANSPORTATION		14908
CAP-001	Transportation Buildings Capital	\$ 50,000	14909
	Improvements		
Total Department of Transportation		\$ 50,000	14910
TOTAL Transportation Building Fund		\$ 50,000	14911
 <b>Section 14.02.</b> The amount of authorization to issue and sell			14913
obligations granted to the Ohio Building Authority by prior acts			14914
of the General Assembly pursuant to Section 2i of Article VIII,			14915
Ohio Constitution, and Chapter 152. of the Revised Code to pay			14916
costs of capital facilities or improvements for the Department of			14917
Transportation Building is reduced from \$210,000,000 to			14918
\$155,800,000.			14919
 <b>Section 15.01.</b> All items set forth in this section are hereby			14920
appropriated out of any moneys in the state treasury to the credit			14921
of the Arts Facilities Building Fund (Fund 030) that are not			14922
otherwise appropriated.			14923
		Appropriations	
	AFC ARTS AND SPORTS FACILITIES COMMISSION		14924
CAP-010	Sandusky State Theatre Improvements	\$ 1,000,000	14925
CAP-013	Stambaugh Hall Improvements	\$ 200,000	14926
CAP-033	Woodward Opera House Renovation	\$ 250,000	14927
CAP-037	Canton Palace Theatre Renovations	\$ 1,000,000	14928
CAP-038	Center Exhibit Replacement	\$ 750,000	14929
CAP-041	Cleveland Playhouse	\$ 500,000	14930
CAP-042	Statewide Site Exhibit Renovation and	\$ 625,000	14931
	Construction		
CAP-043	Statewide Site Repairs	\$ 454,000	14932
CAP-044	National Underground Railroad Freedom	\$ 4,000,000	14933
	Center		



## As Reported by the House Finance and Appropriations Committee\*

CAP-046	Cincinnati Museum Center Improvements	\$	1,600,000	14934
CAP-052	Akron Art Museum	\$	1,500,000	14935
CAP-053	Powers Auditorium Improvements	\$	200,000	14936
CAP-056	Ohio Agricultural and Industrial Heritage Center	\$	1,000,000	14937
CAP-057	Comprehensive Master Plan	\$	180,000	14938
CAP-058	Visitor Orientation Center	\$	673,000	14939
CAP-064	Bramley Historic House	\$	75,000	14940
CAP-065	Beck Center for the Cultural Arts	\$	100,000	14941
CAP-066	Delaware County Cultural Arts Center	\$	40,000	14942
CAP-067	Myers Historic Inn	\$	50,000	14943
CAP-068	Perry County Historical Society	\$	100,000	14944
CAP-069	Cleveland Institute of Art	\$	750,000	14945
CAP-071	Cleveland Institute of Music	\$	750,000	14946
CAP-072	West Side Arts Consortium	\$	250,000	14947
CAP-074	Stan Hywet Hall & Gardens	\$	250,000	14948
CAP-075	McKinley Museum Improvements	\$	125,000	14949
CAP-076	Spring Hill Historic Home	\$	125,000	14950
CAP-077	Western Reserve Ballet Improvements	\$	100,000	14951
CAP-078	Midland Theatre	\$	175,000	14952
CAP-079	Lorain Palace Civic Theatre	\$	200,000	14953
CAP-080	Great Lakes Historical Society	\$	150,000	14954
CAP-734	Hayes Presidential Center - Museum and Home Improvements	\$	75,000	14955
CAP-745	Emergency Repairs	\$	750,000	14956
CAP-781	Archives and Library Automation	\$	300,000	14957
CAP-784	Center Rehabilitation	\$	741,000	14958
CAP-791	Harrison Tomb	\$	149,500	14959
CAP-806	Grant Boyhood Home Improvements	\$	68,333	14960
CAP-810	Toledo Museum of Art Improvements	\$	2,000,000	14961
CAP-811	National First Ladies Library	\$	500,000	14962
CAP-812	Dayton Performing Arts Center	\$	10,000,000	14963
CAP-813	Cleveland Botanical Gardens	\$	2,500,000	14964

## As Reported by the House Finance and Appropriations Committee\*

CAP-820	Historical Center/Ohio Village Buildings Renovations	\$	502,000	14965
CAP-821	Lorain County Historical Society	\$	300,000	14966
CAP-822	Madison County Historic Schoolhouse	\$	40,000	14967
CAP-823	Marion Palace Theatre	\$	825,000	14968
CAP-824	McConnelssville Opera House	\$	75,000	14969
CAP-825	Secrest Auditorium	\$	75,000	14970
CAP-826	Renaissance Theatre	\$	50,000	14971
CAP-827	Trumpet in the Land	\$	100,000	14972
CAP-828	Becky Thatcher Showboat	\$	30,000	14973
CAP-829	Mid-Ohio Valley Players	\$	50,000	14974
CAP-830	The Anchorage	\$	50,000	14975
CAP-831	Wayne County Historical Society	\$	300,000	14976
CAP-832	Williams County Historical Society	\$	200,000	14977
CAP-833	Promont House Museum	\$	200,000	14978
CAP-834	Galion Historic Big Four Depot Restoration	\$	50,000	14979
CAP-835	Jamestown Opera House	\$	100,000	14980
CAP-836	Fairfield Outdoor Theatre	\$	100,000	14981
CAP-837	Lake County Historical Society	\$	250,000	14982
CAP-839	Hancock Historical Society	\$	75,000	14983
CAP-840	RiverSouth Development	\$	10,000,000	14984
CAP-841	Ft. Piqua Hotel	\$	200,000	14985
CAP-842	Johnny Appleseed Heritage Center	\$	500,000	14986
	Total Arts Facilities Commission	\$	48,327,833	14987
	TOTAL Arts Facilities Building Fund	\$	48,327,833	14988

**Section 15.02.** The Ohio Building Authority is hereby 14990  
authorized to issue and sell, in accordance with Section 2i of 14991  
Article VIII, Ohio Constitution, and Chapter 152. and other 14992  
applicable sections of the Revised Code, original obligations in 14993  
an aggregate principal amount not to exceed \$38,000,000 in 14994  
addition to the original issuance of obligations heretofore 14995

As Reported by the House Finance and Appropriations Committee\*

authorized by prior acts of the General Assembly. The authorized 14996  
 obligations shall be issued, subject to applicable constitutional 14997  
 and statutory limitations, to pay costs of capital facilities as 14998  
 defined in division (A)(5) of section 152.09 of the Revised Code, 14999  
 including construction as defined in division (H) of section 15000  
 3383.01 of the Revised Code, of the Ohio arts facilities 15001  
 designated in Section 15.01 of this act. 15002

**Section 16.01.** All items set forth in this section are hereby 15003  
 appropriated out of any moneys in the state treasury to the credit 15004  
 of the Ohio Parks and Natural Resources Fund (Fund 031) that are 15005  
 not otherwise appropriated. 15006

Appropriations

DNR DEPARTMENT OF NATURAL RESOURCES 15007

STATEWIDE AND LOCAL PROJECTS 15008

CAP-748	Local Parks Projects - Statewide	\$	3,343,905	15009
CAP-753	Project Planning	\$	908,516	15010
CAP-881	Dam Rehabilitation	\$	9,611,484	15011
CAP-931	Wastewater/Water Systems Upgrades	\$	2,855,620	15012
Total Statewide and Local Projects		\$	16,719,525	15013
Total Department of Natural Resources		\$	16,719,525	15014
TOTAL Ohio Parks and Natural Resources Fund		\$	16,719,525	15015

**Section 16.02.** The Ohio Public Facilities Commission, upon 15017  
 the request of the Director of Natural Resources, is hereby 15018  
 authorized to issue and sell, in accordance with Section 21 of 15019  
 Article VIII, Ohio Constitution, and Chapter 151. and particularly 15020  
 sections 151.01 and 151.05 of the Revised Code, original 15021  
 obligations in an aggregate principal amount not to exceed 15022  
 \$15,000,000 in addition to the original issuance of obligations 15023  
 heretofore authorized by prior acts of the General Assembly. These 15024  
 authorized obligations shall be issued, subject to applicable 15025  
 constitutional and statutory limitations, as needed to provide 15026

As Reported by the House Finance and Appropriations Committee\*

sufficient moneys to the credit of the Ohio Parks and Natural Resources Fund (Fund 031) to pay costs of capital facilities as defined in sections 151.01 and 151.05 of the Revised Code.

**Section 16.03.** For the projects appropriated in Section 16.01 of this act, the Department of Natural Resources shall periodically prepare and submit to the Director of Budget and Management the estimated design, planning, and engineering costs of capital-related work to be done by the Department of Natural Resources for each project. Based on the estimates, the Director of Budget and Management may release appropriations from the foregoing appropriation item CAP-753, Project Planning, to pay for design, planning, and engineering costs incurred by the Department of Natural Resources for such projects. Upon release of the appropriations by the Director of Budget and Management, the Department of Natural Resources shall pay for these expenses from the Capital Expenses Fund (Fund 4S9), and be reimbursed by Fund 031 using an intrastate voucher.

**Section 17.01.** All items set forth in this section are hereby appropriated out of any moneys in the state treasury to the credit of the School Building Program Assistance Fund (Fund 032) that are not otherwise appropriated.

	Appropriations	
SFC SCHOOL FACILITIES COMMISSION		15048
CAP-770 School Building Program Assistance	\$ 284,200,000	15049
Total School Facilities Commission	\$ 284,200,000	15050
TOTAL School Building Program Assistance Fund	\$ 284,200,000	15051

SCHOOL BUILDING PROGRAM ASSISTANCE 15052

The foregoing appropriation item CAP-770, School Building Program Assistance, shall be used by the School Facilities Commission to provide funding to school districts that receive

As Reported by the House Finance and Appropriations Committee\*

conditional approval from the Commission pursuant to Chapter 3318. 15056  
of the Revised Code. 15057

**Section 17.02.** The Ohio Public Facilities Commission is 15058  
hereby authorized to issue and sell, in accordance with Section 2n 15059  
of Article VIII, Ohio Constitution, and Chapter 151. and 15060  
particularly sections 151.01 and 151.03 of the Revised Code, 15061  
original obligations in an aggregate principal amount not to 15062  
exceed \$265,000,000, in addition to the original issuance of 15063  
obligations heretofore authorized by prior acts of the General 15064  
Assembly. The authorized obligations shall be issued, subject to 15065  
applicable constitutional and statutory limitations, to pay the 15066  
costs to the state of constructing classroom facilities pursuant 15067  
to sections 3318.01 to 3318.35 of the Revised Code. 15068

**Section 18.01.** All items set forth in Sections 18.02 to 18.05 15069  
are hereby appropriated out of any moneys in the state treasury to 15070  
the credit of the Mental Health Facilities Improvement Fund (Fund 15071  
033) that are not otherwise appropriated. 15072

**Section 18.02.** ADA DEPARTMENT OF ALCOHOL AND DRUG 15073  
ADDICTION SERVICES 15074  
CAP-002 Community Assistance Projects \$ 266,512 15075  
Total Department of Alcohol and Drug Addiction 15076  
Services \$ 266,512 15077

COMMUNITY ASSISTANCE PROJECTS 15078

Of the foregoing appropriation item CAP-002, Community 15079  
Assistance Projects, \$266,512 shall be used for the Oak House 15080  
Women's Residential Treatment Facility. 15081

Appropriations

**Section 18.03.** DMH DEPARTMENT OF MENTAL HEALTH 15082

As Reported by the House Finance and Appropriations Committee\*

CAP-479	Community Assistance Projects	\$	3,912,500	15083
CAP-906	Campus Consolidation/Automation	\$	12,040,000	15084
CAP-978	Infrastructure Improvements	\$	3,460,000	15085
Total	Department of Mental Health	\$	19,412,500	15086

COMMUNITY ASSISTANCE PROJECTS 15087

Of the foregoing appropriation item CAP-479, Community Assistance Projects, \$500,000 shall be used for the Achievement Centers for Children in Cuyahoga County. 15088  
15089  
15090

**Section 18.04.** DMR DEPARTMENT OF MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES 15091  
15092

Appropriations

STATEWIDE AND CENTRAL OFFICE PROJECTS 15093

CAP-480	Community Assistance Projects	\$	9,441,000	15094
CAP-955	Statewide Development Centers	\$	3,959,000	15095
Total	Statewide and Central Office Projects	\$	13,400,000	15096
TOTAL	Department of Mental Retardation and Developmental Disabilities	\$	13,400,000	15097 15098
TOTAL	MENTAL HEALTH FACILITIES IMPROVEMENT FUND	\$	33,079,012	15099

COMMUNITY ASSISTANCE PROJECTS 15100

The foregoing appropriation item CAP-480, Community Assistance Projects, may be used to provide community assistance funds for the development, purchase, construction, or renovation of facilities for day programs or residential programs that provide services to persons eligible for services from the Department of Mental Retardation and Developmental Disabilities or county boards of mental retardation and developmental disabilities. Any funds provided to nonprofit agencies for the construction or renovation of facilities for persons eligible for services from the Department of Mental Retardation and Developmental Disabilities and county boards of mental retardation and developmental disabilities shall be governed by the prevailing 15101  
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15112

## As Reported by the House Finance and Appropriations Committee\*

wage provisions in section 176.05 of the Revised Code.	15113
Of the foregoing appropriation item CAP-480, Community	15114
Assistance Projects, \$150,000 shall be used for the Fostoria Area	15115
Community Childhood and Family Center; \$250,000 shall be used for	15116
the Berea Children's Home; and \$1,000,000 shall be used for the	15117
Bellefaire Jewish Children's Bureau.	15118
<b>Section 18.05.</b> The foregoing appropriations for the	15119
Department of Alcohol and Drug Addiction Services, CAP-002,	15120
Community Assistance Projects; Department of Mental Health,	15121
CAP-479, Community Assistance Projects; and Department of Mental	15122
Retardation and Developmental Disabilities, CAP-480, Community	15123
Assistance Projects, may be used on facilities constructed or to	15124
be constructed pursuant to Chapter 340., 3793., 5119., 5123., or	15125
5126. of the Revised Code or the authority granted by section	15126
154.20 of the Revised Code and the rules issued pursuant to those	15127
chapters and shall be distributed by the Department of Alcohol and	15128
Drug Addiction Services, the Department of Mental Health, and the	15129
Department of Mental Retardation and Developmental Disabilities,	15130
all subject to Controlling Board approval.	15131
<b>Section 18.06.</b> (A) No capital improvement appropriations made	15132
in Sections 18.01 to 18.05 of this act shall be released for	15133
planning or for improvement, renovation, or construction or	15134
acquisition of capital facilities if a governmental agency, as	15135
defined in section 154.01 of the Revised Code, does not own the	15136
real property that constitutes the capital facilities or on which	15137
the capital facilities are or will be located. This restriction	15138
shall not apply in any of the following circumstances:	15139
(1) The governmental agency has a long-term (at least fifteen	15140
years) lease of, or other interest (such as an easement) in, the	15141
real property.	15142

## As Reported by the House Finance and Appropriations Committee\*

(2) In the case of an appropriation for capital facilities 15143  
that, because of their unique nature or location, will be owned or 15144  
be part of facilities owned by a separate nonprofit organization 15145  
and made available to the governmental agency for its use or 15146  
operated by the nonprofit organization under contract with the 15147  
governmental agency, the nonprofit organization either owns or has 15148  
a long-term (at least fifteen years) lease of the real property or 15149  
other capital facility to be improved, renovated, constructed, or 15150  
acquired and has entered into a joint or cooperative use 15151  
agreement, approved by the Department of Mental Health, Department 15152  
of Mental Retardation and Developmental Disabilities, or 15153  
Department of Alcohol and Drug Addiction Services, whichever is 15154  
applicable, with the governmental agency for that agency's use of 15155  
and right to use the capital facilities to be financed and, if 15156  
applicable, improved, the value of such use or right to use being, 15157  
as determined by the parties, reasonably related to the amount of 15158  
the appropriation. 15159

(B) In the case of capital facilities referred to in division 15160  
(A)(2) of this section, the joint or cooperative use agreement 15161  
shall include, as a minimum, provisions that: 15162

(1) Specify the extent and nature of that joint or 15163  
cooperative use, extending for not fewer than fifteen years, with 15164  
the value of such use or right to use to be, as determined by the 15165  
parties and approved by the approving department, reasonably 15166  
related to the amount of the appropriation; 15167

(2) Provide for pro rata reimbursement to the state should 15168  
the arrangement for joint or cooperative use by a governmental 15169  
agency be terminated; 15170

(3) Provide that procedures to be followed during the capital 15171  
improvement process will comply with appropriate applicable state 15172  
laws and rules, including provisions of this act. 15173



As Reported by the House Finance and Appropriations Committee\*

**Section 18.07.** The Treasurer of State is hereby authorized to 15174  
 issue and sell in accordance with Section 2i of Article VIII, Ohio 15175  
 Constitution, and Chapter 154. of the Revised Code, particularly 15176  
 section 154.20 of the Revised Code, original obligations in an 15177  
 aggregate principal amount not to exceed \$34,000,000 in addition 15178  
 to the original issuance of obligations heretofore authorized by 15179  
 prior acts of the General Assembly. The authorized obligations 15180  
 shall be issued, subject to applicable constitutional and 15181  
 statutory limitations, to pay costs of capital facilities as 15182  
 defined in section 154.01 of the Revised Code for mental hygiene 15183  
 and retardation. 15184

**Section 19.01.** All items set forth in Sections 19.02 to 19.48 15185  
 are hereby appropriated out of any moneys in the state treasury to 15186  
 the credit of the Higher Education Improvement Fund (Fund 034) 15187  
 that are not otherwise appropriated. 15188

Appropriations

**Section 19.02.** OEB OHIO EDUCATIONAL TELECOMMUNICATIONS 15189  
 NETWORK COMMISSION 15190  
 15191  
 CAP-001 Educational TV and Radio Equipment \$ 1,000,626 15192  
 Total Ohio Educational Telecommunications 15193  
 Network Commission \$ 1,000,626 15194

EDUCATIONAL TELEVISION AND RADIO EQUIPMENT 15195

The foregoing appropriation item CAP-001, Educational 15196  
 Television and Radio Equipment, shall be used for the purpose of 15197  
 acquiring video file server technology for the Ohio Educational 15198  
 Telecommunications Network Commission's operations center. 15199

Appropriations

**Section 19.03.** BOARD OF REGENTS AND STATE INSTITUTIONS OF 15200

As Reported by the House Finance and Appropriations Committee\*

HIGHER EDUCATION			15201
	BOR BOARD OF REGENTS		15202
CAP-025	Instructional and Data Processing Equipment	\$ 33,000,000	15203
CAP-029	Ohio Library and Information Network	\$ 8,190,000	15204
CAP-030	Ohio Supercomputer Center Expansion	\$ 8,500,000	15205
CAP-032	Research Facility Action and Investment Funds	\$ 19,000,000	15206
CAP-060	Technology Initiatives	\$ 3,650,000	15207
CAP-062	Non-Credit Job Training Facilities Grants	\$ 5,985,000	15208
CAP-064	Eminent Scholars Capital Grants	\$ 2,000,000	15209
CAP-068	Third Frontier	\$ 50,000,000	15210
CAP-070	Dark Fiber	\$ 5,000,000	15211
CAP-071	Center for Translational & Applied Genomics	\$ 500,000	15212
CAP-072	Cleveland Clinic Heart Center Infrastructure Project	\$ 1,000,000	15213
Total Board of Regents		\$ 136,825,000	15214

**Section 19.04. RESEARCH FACILITY ACTION AND INVESTMENT FUNDS** 15216

The foregoing appropriation item CAP-032, Research Facility  
 Action and Investment Funds, shall be used for a program of grants 15217  
 to be administered by the Board of Regents to provide timely 15218  
 availability of capital facilities for research programs and 15219  
 research-oriented instructional programs at or involving 15220  
 state-supported and state-assisted institutions of higher 15221  
 education. 15222  
 15223

The Board of Regents shall adopt rules under Chapter 119. of 15224  
 the Revised Code relative to the application for and approval of 15225  
 projects funded from appropriation item CAP-032, Research Facility 15226  
 Action and Investment Funds. The rules shall be reviewed and 15227  
 approved by the Legislative Committee on Education Oversight. The 15228  
 Board of Regents shall inform the President of the Senate and the 15229

**As Reported by the House Finance and Appropriations Committee\***

Speaker of the House of Representatives of each project 15230  
 application for funding received. Each project receiving a 15231  
 commitment for funding by the Board of Regents under the rules 15232  
 shall be reported to the President of the Senate and the Speaker 15233  
 of the House of Representatives. 15234

**Section 19.05. TECHNOLOGY INITIATIVES** 15235

The foregoing appropriation CAP-060, Technology Initiatives, 15236  
 shall be used by the Board of Regents to support collaborative 15237  
 initiatives to improve the quality and efficiency of instruction, 15238  
 services, and program offerings at Ohio's state-assisted colleges 15239  
 and universities. 15240

**Section 19.06. EMINENT SCHOLARS CAPITAL GRANTS** 15241

The foregoing appropriation item CAP-064, Eminent Scholars 15242  
 Capital Grants, shall be used by the Ohio Board of Regents to make 15243  
 grants to state colleges and universities and nonprofit Ohio 15244  
 institutions of higher education holding certificates of 15245  
 authorization issued under section 1713.02 of the Revised Code 15246  
 that receive endowment grants from appropriation item 235-451, 15247  
 Eminent Scholars. The capital grants shall be used to acquire, 15248  
 renovate, rehabilitate, or construct facilities and purchase 15249  
 equipment to be used by an Eminent Scholar in the conduct of 15250  
 research, and shall require a 50 per cent match from recipient 15251  
 campuses. 15252

The Board of Regents shall convene an Eminent Scholars 15253  
 Advisory Panel, which shall make recommendations for the 15254  
 administration of the Eminent Scholars program, including the 15255  
 award of capital grants. The panel's recommendations for capital 15256  
 awards from appropriation item CAP-064, Eminent Scholars Capital 15257  
 Grants, shall require the approval of the Board of Regents. 15258

## As Reported by the House Finance and Appropriations Committee\*

**Section 19.07.** THIRD FRONTIER PROJECT 15259

The foregoing appropriation item CAP-068, Third Frontier Project, shall be used to acquire, renovate, or construct facilities and purchase equipment for research programs technology development, product development, and commercialization programs at or involving state-supported and state-assisted institutions of higher education. The funds shall be used to make grants awarded on a competitive basis, and shall be administered by the Third Frontier Commission. Expenditure of these funds shall comply with Section 2n of Article VIII, Ohio Constitution, and sections 151.01 and 151.04 of the Revised Code for the period beginning July 1, 2002, and ending June 30, 2004.

The Third Frontier Commission shall develop guidelines relative to the application for and selection of projects funded from appropriation item CAP-068, Third Frontier Project. The commission may develop these guidelines in consultation with other interested parties. The Board of Regents and all state-assisted and state-supported institutions of higher education shall take all actions necessary to implement grants awarded by the Third Frontier Commission.

The foregoing appropriation item CAP-068, Third Frontier Project, for which an appropriation is made from the Higher Education Improvement Fund (Fund 034), is determined to consist of capital improvements and capital facilities for state-supported and state-assisted institutions of higher education, and is designated for the capital facilities to which proceeds of obligations in the Higher Education Improvement Fund (Fund 034) are to be applied.

**Section 19.08.** REIMBURSEMENT FOR PROJECT COSTS 15287

Appropriations made in Sections 19.08 to 19.48 of this act 15288

As Reported by the House Finance and Appropriations Committee\*

for purposes of costs of capital facilities for the interim 15289  
 financing of which the particular institution has previously 15290  
 issued its own obligations anticipating the possibility of future 15291  
 state appropriations to pay all or a portion of such costs, as 15292  
 contemplated in division (B) of section 3345.12 of the Revised 15293  
 Code, shall be paid directly to the institution or the paying 15294  
 agent for those outstanding obligations in the full principal 15295  
 amount of those obligations then to be paid from the anticipated 15296  
 appropriation, and shall be timely applied to the retirement of a 15297  
 like principal amount of the institutional obligations. 15298

Appropriations made in Sections 19.09 to 19.48 of this act 15299  
 for purposes of costs of capital facilities, all or a portion of 15300  
 which costs the particular institution has paid from the 15301  
 institution's moneys that were temporarily available and which 15302  
 payments were reasonably expected to be reimbursed from the 15303  
 proceeds of obligations issued by the state, shall be directly 15304  
 paid to the institution in the full amounts of those payments, and 15305  
 shall be timely applied to the reimbursement of those temporarily 15306  
 available moneys. 15307

Appropriations

**Section 19.09. UAK UNIVERSITY OF AKRON** 15308

CAP-008	Basic Renovations	\$	4,335,026	15309
CAP-049	Basic Renovations - Wayne	\$	144,004	15310
CAP-054	Auburn West Tower Rehab Ph1	\$	3,950,000	15311
CAP-080	Medina Learning Center	\$	750,000	15312
CAP-098	Guzzetta Hall Addition	\$	7,784,808	15313
CAP-099	D-Wing Expansion	\$	243,750	15314
CAP-100	Classroom/Office Addition (Design)	\$	120,120	15315
CAP-101	National Polymer Processing Center	\$	1,000,000	15316
Total University of Akron		\$	18,327,708	15317

Appropriations

## As Reported by the House Finance and Appropriations Committee\*

<b>Section 19.10. BGU BOWLING GREEN STATE UNIVERSITY</b>			15319
CAP-009	Basic Renovations	\$ 3,975,578	15320
CAP-060	Basic Renovations - Firelands	\$ 219,586	15321
CAP-109	Cedar Point Community Center Ph3 - Firelands	\$ 862,684	15322
CAP-112	Biology Laboratory Building Ph1	\$ 1,174,982	15323
CAP-119	Admissions Visitor Center	\$ 3,000,000	15324
CAP-120	Theater (Performing Arts) Complex	\$ 8,750,000	15325
CAP-121	University Hall Rehabilitation Ph1	\$ 1,174,981	15326
CAP-122	Convocation Center	\$ 50,000	15327
Total Bowling Green State University			\$ 19,207,811 15328

## Appropriations

<b>Section 19.11. CSU CENTRAL STATE UNIVERSITY</b>			15330
CAP-022	Basic Renovations	\$ 932,692	15331
CAP-084	Academic Facility - Phase I	\$ 7,114,345	15332
Total Central State University			\$ 8,047,037 15333

## Appropriations

<b>Section 19.12. UCN UNIVERSITY OF CINCINNATI</b>			15335
CAP-009	Basic Renovations	\$ 8,370,968	15336
CAP-018	Basic Renovations - Clermont	\$ 227,093	15337
CAP-054	Raymond Walters Renovations	\$ 361,987	15338
CAP-174	Classroom/Teaching Laboratory Renovations	\$ 7,270,000	15339
CAP-176	Network Expansion	\$ 1,820,000	15340
CAP-177	Critical Building Component Renovations	\$ 4,800,000	15341
CAP-205	Medical Science Building	\$ 7,000,000	15342
CAP-206	One Stop Services Center	\$ 4,783,000	15343
CAP-207	Central Campus Infrastructure	\$ 186,941	15344
CAP-208	Security System Upgrade	\$ 260,000	15345
CAP-209	Library Renovations	\$ 800,000	15346
CAP-211	Cincinnati Symphony Facility Improvements	\$ 500,000	15347
CAP-224	Van Wormer Administrative Building	\$ 1,125,750	15348

## As Reported by the House Finance and Appropriations Committee\*

	Rehabilitation		
CAP-262	Central Campus Renovations	\$	579,000 15349
CAP-263	Swift Rehabilitation	\$	1,260,000 15350
CAP-264	McMicken Window Replacement	\$	1,000,000 15351
CAP-265	Rieveschl/Crosley Rehab/Expansion	\$	490,000 15352
CAP-266	Muntz Rehabilitation Ph2	\$	1,443,210 15353
CAP-267	Muntz Classroom/Office Upgrades	\$	16,297 15354
CAP-269	Raymond Walters Veterinary College	\$	400,000 15355
	Total University of Cincinnati	\$	42,694,246 15356

## Appropriations

	<b>Section 19.13. CLS CLEVELAND STATE UNIVERSITY</b>		15358
CAP-023	Basic Renovations	\$	4,928,093 15359
CAP-109	Main Classroom Lecture Hall Renovation Ph4	\$	1,100,000 15360
CAP-125	College of Education Building	\$	8,786,384 15361
CAP-128	Property Acquisition	\$	2,000,000 15362
CAP-142	Rhodes Tower Library Roof Replacement	\$	1,170,372 15363
CAP-143	Cleveland Food Bank	\$	500,000 15364
CAP-144	Rhodes Tower Plaza Renovations Ph2	\$	1,300,000 15365
CAP-145	Cleveland Manufacturers Technology Complex	\$	500,000 15366
	Total Cleveland State University	\$	20,284,849 15367

## Appropriations

	<b>Section 19.14. KSU KENT STATE UNIVERSITY</b>		15369
CAP-022	Basic Renovations	\$	4,185,475 15370
CAP-105	Basic Renovations - East Liverpool	\$	171,174 15371
CAP-106	Basic Renovations - Geauga	\$	57,769 15372
CAP-107	Basic Renovations - Salem	\$	120,703 15373
CAP-108	Basic Renovations - Stark	\$	397,489 15374
CAP-110	Basic Renovations - Ashtabula	\$	204,939 15375
CAP-111	Basic Renovations - Trumbull	\$	377,709 15376

## As Reported by the House Finance and Appropriations Committee\*

CAP-112	Basic Renovations - Tuscarawas	\$	201,082	15377
CAP-142	Music Center Improvements	\$	2,500,000	15378
CAP-207	Kent Hall Planning and Addition	\$	11,220,000	15379
CAP-212	Technology Building Addition	\$	832,593	15380
CAP-234	Terrace Drive Heating Plant Rehab Ph1	\$	2,274,122	15381
CAP-235	Rehabilitation of Franklin Hall - Planning	\$	1,815,000	15382
CAP-236	East Campus Utilities Tunnel	\$	1,750,000	15383
CAP-237	Classroom Building Interior Renovation	\$	1,015,746	15384
CAP-238	Roof Replacement, Classroom Building	\$	288,939	15385
CAP-239	Classroom Building Roof, Coping, Fascia Restoration	\$	581,919	15386
CAP-240	Roadway/Parking Lot Improvements Ph1	\$	250,000	15387
CAP-241	Main Hall Selective Interior Renovation Ph1	\$	146,547	15388
CAP-242	Workforce Development Building	\$	1,156,076	15389
CAP-243	Classroom Building Interior Renovation	\$	804,594	15390
CAP-244	Fine Arts Building Addition	\$	1,300,000	15391
Total Kent State University		\$	31,651,876	15392

## Appropriations

<b>Section 19.15. MUN MIAMI UNIVERSITY</b>				15394
CAP-018	Basic Renovations	\$	3,937,819	15395
CAP-066	Basic Renovations - Hamilton	\$	403,506	15396
CAP-069	Basic Renovations - Middletown	\$	400,104	15397
CAP-089	N. Campus High Voltage Feeder Improvements	\$	350,000	15398
CAP-096	McGuffey Hall Rehab Ph3	\$	9,000,000	15399
CAP-099	King Library Ground & 3rd Fl Rehab	\$	3,000,000	15400
CAP-113	Academic/Administrative Renovation Projects - Hamilton	\$	496,422	15401
CAP-114	Chilled Water Loop - Middletown	\$	350,000	15402
CAP-115	Academic/Admin Renovation Projects -	\$	688,506	15403



## As Reported by the House Finance and Appropriations Committee\*

	Middletown			
CAP-127	Campus Steam Loop Connections	\$	350,000	15404
CAP-131	Miami University Learning Center -	\$	1,000,000	15405
	Middletown			
CAP-142	Engineering & Applied Science Facility (Planning)	\$	500,000	15406
CAP-143	Warfield Hall Rehab	\$	250,000	15407
CAP-145	Campus Chilled Water Efficiency Upgrade	\$	339,109	15408
CAP-146	Information Technology Systems Upgrade	\$	811,969	15409
CAP-147	Central Campus Water & Sewer Improvements	\$	350,000	15410
CAP-149	Parrish Auditorium Rehab	\$	700,000	15411
CAP-150	Student & Community Center	\$	400,000	15412
	Total Miami University	\$	23,327,435	15413

## Appropriations

	<b>Section 19.16. OSU OHIO STATE UNIVERSITY</b>			15415
CAP-074	Basic Renovations	\$	19,402,364	15416
CAP-149	Basic Renovations - Regional Campuses	\$	1,519,898	15417
CAP-255	Supplemental Renovations - OARDC	\$	1,760,278	15418
CAP-427	Morrill Hall Renovation - 1st Floor Rehab	\$	730,742	15419
CAP-486	Larkins Hall Addition and Rehab	\$	20,023,667	15420
CAP-487	Robinson Laboratory Replacement	\$	20,000,000	15421
CAP-531	Animal/Plant Bio L-3 Isolation Fac, Ph1	\$	2,000,000	15422
CAP-534	Main Library Rehabilitation/Expansion	\$	4,200,000	15423
CAP-535	Psychology Building	\$	15,000,000	15424
CAP-618	Laboratory Animal Facilities	\$	6,700,000	15425
CAP-619	Fry Hall Building Addition	\$	3,600,000	15426
CAP-620	School of Music (Planning)	\$	250,000	15427
CAP-621	J. Gilbert Reese Center	\$	3,358,924	15428
CAP-622	Western Branch HQ's and Machinery Building	\$	850,000	15429
CAP-623	Piketon Training and Development Center	\$	900,000	15430
CAP-624	Muck Crops Branch Office/Shop Building	\$	825,000	15431

As Reported by the House Finance and Appropriations Committee\*

	Replacement			
CAP-625	Hazardous Waste Handling/Storage Building	\$	1,103,062	15432
CAP-626	Agricultural/Engineering Building	\$	200,000	15433
	Renovation and Addition			
CAP-628	Wood County Center for Agriculture	\$	1,000,000	15434
CAP-629	Community Heritage Art Gallery - Lima	\$	100,000	15435
	Total Ohio State University	\$	103,523,934	15436

Appropriations

	<b>Section 19.17. OHU OHIO UNIVERSITY</b>			15438
CAP-020	Basic Renovations	\$	4,906,331	15439
CAP-095	Basic Renovations - Eastern	\$	192,413	15440
CAP-098	Basic Renovations - Lancaster	\$	255,635	15441
CAP-099	Basic Renovations - Zanesville	\$	243,268	15442
CAP-113	Basic Renovations - Chillicothe	\$	227,923	15443
CAP-114	Basic Renovations - Ironton	\$	131,128	15444
CAP-115	Bennett Hall Interior Renovation Ph2	\$	828,166	15445
CAP-155	Brasee Hall Interior Renovations	\$	1,043,079	15446
CAP-164	Southeast Library Warehouse	\$	235,885	15447
CAP-169	Elevator Completion	\$	70,000	15448
CAP-172	Elson Hall Renovation Ph3	\$	1,075,726	15449
CAP-212	Exterior Site Improvement	\$	248,065	15450
CAP-213	Daycare Center	\$	447,950	15451
CAP-214	Science/Fine Arts Renovation Ph2	\$	725,213	15452
CAP-215	Land - Use Plan for Future Development	\$	30,000	15453
CAP-216	Proctorville Planning and Site	\$	141,474	15454

	Improvements			
	Total Ohio University	\$	10,802,256	15455

Appropriations

	<b>Section 19.18. SSC SHAWNEE STATE UNIVERSITY</b>			15457
CAP-004	Basic Renovations	\$	936,147	15458
CAP-044	Land Acquisition	\$	123,223	15459

## As Reported by the House Finance and Appropriations Committee\*

CAP-045	Health Sciences Rehabilitation Ph2	\$	965,000	15460
CAP-047	Natatorium Rehabilitation	\$	450,000	15461
CAP-048	Facilities Building Renovation	\$	242,120	15462
Total Shawnee State University		\$	2,716,490	15463

## Appropriations

**Section 19.19.** UTO UNIVERSITY OF TOLEDO 15465

CAP-010	Basic Renovations	\$	4,599,389	15466
CAP-105	Gillham Hall Rehabilitation	\$	9,382,871	15467
CAP-115	Palmer Hall - 3rd Fl Classroom Renovation	\$	2,200,000	15468
CAP-116	Bowman-Oddy - N Wing Reno	\$	5,207,000	15469
Total University of Toledo		\$	21,389,260	15470

## Appropriations

**Section 19.20.** WSU WRIGHT STATE UNIVERSITY 15472

CAP-015	Basic Renovations	\$	3,205,721	15473
CAP-064	Basic Renovations - Lake	\$	107,667	15474
CAP-093	Information Technology Center	\$	451	15475
CAP-103	Millett Hall Rehabilitation	\$	2,417,500	15476
CAP-110	Student Union Marketplace	\$	1,000,000	15477
CAP-115	Russ Engineering Expansion	\$	2,631,000	15478
CAP-116	Rike Hall Renovation (Planning)	\$	200,000	15479
CAP-117	Electrical Infrastructure Ph1	\$	2,100,000	15480
CAP-118	Campus Master Plan Phase V-a	\$	1,430,828	15481
CAP-119	Science Lab Renovations (Planning)	\$	500,000	15482
CAP-120	Lake Campus University Center	\$	587,200	15483
Total Wright State University		\$	14,180,367	15484

## Appropriations

**Section 19.21.** YSU YOUNGSTOWN STATE UNIVERSITY 15486

CAP-014	Basic Renovations	\$	2,823,822	15487
CAP-108	Technology Upgrades	\$	2,134,014	15488
CAP-113	Campus Development	\$	850,000	15489

As Reported by the House Finance and Appropriations Committee\*

CAP-114	Steam Distribution & Central Utility Plant Upgrades	\$	775,000	15490
CAP-121	Administrative Technology Computer Systems Improvements	\$	1,500,000	15491
CAP-123	Campus-wide Electrical Upgrades	\$	1,000,000	15492
CAP-124	Classroom Updates	\$	800,000	15493
CAP-125	Campus-wide Building Systems Upgrades	\$	400,000	15494
CAP-126	Technology Upgrades	\$	2,134,014	15495
CAP-127	Recreation and Wellness Center	\$	1,000,000	15496
CAP-128	Technology Incubator for Market-Ready Applications	\$	1,000,000	15497
Total Youngstown State University		\$	12,282,836	15498

Appropriations

**Section 19.22. MCO MEDICAL COLLEGE OF OHIO** 15500

CAP-010	Basic Renovations	\$	1,487,065	15501
CAP-066	Core Research Facility	\$	2,386,440	15502
CAP-076	Supplemental Renovations	\$	880,000	15503
CAP-077	Academic/Classroom Improvements	\$	400,000	15504
CAP-078	Clinical Academic Renovation	\$	700,000	15505
Total Medical College of Ohio		\$	5,853,505	15506

Appropriations

**Section 19.23. NEM NORTHEASTERN OHIO UNIVERSITIES COLLEGE OF** 15508

MEDICINE				15509
CAP-018	Basic Renovations	\$	479,162	15510
CAP-022	Cooperative Regional Library Depository - NE	\$	452,200	15511
CAP-045	Renovation of Olson and Meshel Halls	\$	1,341,849	15512
Total Northeastern Ohio Universities College of Medicine		\$	2,273,211	15514

Appropriations

## As Reported by the House Finance and Appropriations Committee\*

<b>Section 19.24. CTC CINCINNATI STATE COMMUNITY COLLEGE</b>			15516
CAP-013	Basic Renovations	\$ 833,126	15517
CAP-030	Student Life/Education Building	\$ 3,700,000	15518
CAP-033	One Stop Shop Renovation	\$ 547,860	15519
CAP-034	Rekeying of Main Campus	\$ 365,160	15520
CAP-035	Install Kiosks	\$ 150,450	15521
Total Cincinnati State Community College			\$ 5,596,596 15522

## Appropriations

<b>Section 19.25. CLT CLARK STATE COMMUNITY COLLEGE</b>			15524
CAP-006	Basic Renovations	\$ 468,266	15525
CAP-039	Champaign Health & Education Center	\$ 100,000	15526
CAP-040	Clark Health & Education Center	\$ 50,000	15527
Total Clark State Community College			\$ 618,266 15528

## Appropriations

<b>Section 19.26. CTI COLUMBUS STATE COMMUNITY COLLEGE</b>			15530
CAP-006	Basic Renovations	\$ 1,172,318	15531
CAP-040	Academic Building D	\$ 17,585,528	15532
CAP-043	Building E - Planning	\$ 1,022,862	15533
Total Columbus State Community College			\$ 19,780,708 15534

## Appropriations

<b>Section 19.27. CCC CUYAHOGA COMMUNITY COLLEGE</b>			15536
CAP-031	Basic Renovations	\$ 2,650,707	15537
CAP-079	Cleveland Art Museum Improvements	\$ 5,000,000	15538
CAP-084	East I Renovations, Ph2 (Eastern)	\$ 4,339,089	15539
CAP-085	Building A Expansion Module (Western)	\$ 4,157,148	15540
CAP-087	Center for Nursing & Health Careers	\$ 1,400,000	15541
CAP-088	Corporate College	\$ 500,000	15542
Total Cuyahoga Community College			\$ 18,046,944 15543

## Appropriations

## As Reported by the House Finance and Appropriations Committee\*

<b>Section 19.28. ESC EDISON STATE COMMUNITY COLLEGE</b>			15545		
CAP-006	Basic Renovations	\$	295,110	15546	
Total Edison State Community College			\$	295,110	15547

## Appropriations

<b>Section 19.29. JTC JEFFERSON COMMUNITY COLLEGE</b>			15549		
CAP-022	Basic Renovations	\$	242,523	15550	
CAP-041	Campus Master Plan	\$	189,442	15551	
Total Jefferson Community College			\$	431,965	15552

## Appropriations

<b>Section 19.30. LCC LAKELAND COMMUNITY COLLEGE</b>			15554		
CAP-006	Basic Renovations	\$	972,671	15555	
CAP-037	C Building East End Project	\$	985,000	15556	
CAP-038	HVAC Upgrades/Rehabilitation	\$	1,000,000	15557	
CAP-039	Main Gym Floor Renov	\$	150,000	15558	
CAP-040	Roadway and Drainage Improvements	\$	632,756	15559	
CAP-043	Mooreland Educational Center Rehab	\$	115,000	15560	
Total Lakeland Community College			\$	3,855,427	15561

## Appropriations

<b>Section 19.31. LOR LORAIN COMMUNITY COLLEGE</b>			15563		
CAP-005	Basic Renovations	\$	1,132,268	15564	
Total Lorain Community College			\$	1,132,268	15565

## Appropriations

<b>Section 19.32. NTC NORTHWEST STATE COMMUNITY COLLEGE</b>			15567		
CAP-003	Basic Renovations	\$	268,822	15568	
CAP-021	Services Facility	\$	200,000	15569	
Total Northwest State Community College			\$	468,822	15570

## Appropriations

<b>Section 19.33. OTC OWENS COMMUNITY COLLEGE</b>			15572
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## As Reported by the House Finance and Appropriations Committee\*

CAP-019	Basic Renovations	\$	1,385,769	15573
CAP-037	Education Center	\$	8,746,360	15574
CAP-038	Fire and Police Training Center	\$	1,145,610	15575
Total Owens Community College		\$	11,277,739	15576

## Appropriations

<b>Section 19.34. RGC RIO GRANDE COMMUNITY COLLEGE</b>				15578
CAP-005	Basic Renovations	\$	371,653	15579
Total Rio Grande Community College		\$	371,653	15580

## Appropriations

<b>Section 19.35. SCC SINCLAIR COMMUNITY COLLEGE</b>				15582
CAP-007	Basic Renovations	\$	2,231,992	15583
Total Sinclair Community College		\$	2,231,992	15584

## Appropriations

<b>Section 19.36. SOC SOUTHERN STATE COMMUNITY COLLEGE</b>				15586
CAP-010	Basic Renovations	\$	293,585	15587
CAP-025	Multi-Purpose Facility	\$	1,000,000	15588
Total Southern State Community College		\$	1,293,585	15589

## Appropriations

<b>Section 19.37. TTC TERRA STATE COMMUNITY COLLEGE</b>				15591
CAP-009	Basic Renovations	\$	315,419	15592
Total Terra State Community College		\$	315,419	15593

## Appropriations

<b>Section 19.38. WTC WASHINGTON STATE COMMUNITY COLLEGE</b>				15595
CAP-006	Basic Renovations	\$	262,586	15596
Total Washington State Community College		\$	262,586	15597

## Appropriations

<b>Section 19.39. BTC BELMONT TECHNICAL COLLEGE</b>				15599
CAP-008	Basic Renovations	\$	214,638	15600

## As Reported by the House Finance and Appropriations Committee\*

Total Belmont Technical College	\$	214,638	15601
			Appropriations
<b>Section 19.40.</b> COT CENTRAL OHIO TECHNICAL COLLEGE			15603
CAP-003 Basic Renovations	\$	210,616	15604
CAP-011 J. Gilbert Reese Center	\$	2,209,867	15605
Total Central Ohio Technical College	\$	2,420,483	15606
			Appropriations
<b>Section 19.41.</b> HTC HOCKING TECHNICAL COLLEGE			15608
CAP-019 Basic Renovations	\$	487,064	15609
CAP-034 Student Center - Ph III	\$	2,192,550	15610
CAP-040 Lake Snowden	\$	1,446,150	15611
Total Hocking Technical College	\$	4,125,764	15612
			Appropriations
<b>Section 19.42.</b> LTC LIMA TECHNICAL COLLEGE			15614
CAP-004 Basic Renovations	\$	316,757	15615
CAP-015 Information Technology Building	\$	3,767,610	15616
Total Lima Technical College	\$	4,084,367	15617
			Appropriations
<b>Section 19.43.</b> MTC MARION TECHNICAL COLLEGE			15619
CAP-004 Basic Renovations	\$	116,271	15620
CAP-012 Technical Education Center Rehab	\$	257,501	15621
Total Marion Technical College	\$	373,772	15622
			Appropriations
<b>Section 19.44.</b> MAT MUSKINGUM AREA TECHNICAL COLLEGE			15624
CAP-007 Basic Renovations	\$	239,685	15625
CAP-020 Atwood Lake Resort & Conference Center Facility Improvements	\$	250,000	15626
CAP-021 Lighting/HVAC Replacement	\$	843,606	15627



As Reported by the House Finance and Appropriations Committee\*

Total Muskingum Area Technical College	\$	1,333,291	15628
			Appropriations
<b>Section 19.45. NCC NORTH CENTRAL TECHNICAL COLLEGE</b>			15630
CAP-003 Basic Renovations	\$	352,422	15631
Total North Central Technical College	\$	352,422	15632
			Appropriations
<b>Section 19.46. STC STARK TECHNICAL COLLEGE</b>			15634
CAP-004 Basic Renovations	\$	477,277	15635
CAP-032 Automotive Tech Building Addition	\$	1,719,554	15636
Total Stark Technical College	\$	2,196,831	15637
Total Board of Regents and			15638
State Institutions of Higher Education	\$	554,468,469	15639
TOTAL Higher Education Improvement Fund	\$	554,469,095	15640
<b>Section 19.47. DEBT SERVICE FORMULA ALLOCATION</b>			15642
Based on the foregoing appropriations in Sections 19.09 to			15643
19.46 of this act, from Fund 034, Higher Education Improvement			15644
Fund, the following higher education institutions shall be			15645
responsible for the specified amounts as part of the debt service			15646
component of the instructional subsidy beginning in fiscal year			15647
2004:			15648
INSTITUTION		AMOUNT	15649
University of Akron	\$	11,734,808	15650
University of Akron - Wayne	\$	363,870	15651
Bowling Green State University	\$	14,099,963	15652
Bowling Green State University - Firelands	\$	862,684	15653
Central State University	\$	2,614,345	15654
University of Cincinnati	\$	31,374,691	15655
University of Cincinnati - Walters	\$	1,459,507	15656
Cleveland State University	\$	14,356,756	15657
Kent State University	\$	17,059,122	15658

## As Reported by the House Finance and Appropriations Committee\*

Kent State University - Ashtabula	\$832,593	15659
Kent State University - East Liverpool	\$804,594	15660
Kent State University - Geauga	\$288,939	15661
Kent State University - Salem	\$581,919	15662
Kent State University - Stark	\$1,696,547	15663
Kent State University - Trumbull	\$1,156,076	15664
Kent State University - Tuscarawas	\$1,015,746	15665
Miami University	\$14,951,078	15666
Miami University - Hamilton	\$1,196,422	15667
Miami University - Middletown	\$1,438,506	15668
Ohio State University	\$69,773,667	15669
Ohio State University - Marion	\$730,742	15670
Ohio State University - Newark	\$3,358,924	15671
Ohio State University - OARDC	\$5,878,062	15672
Ohio University - Eastern	\$755,213	15673
Ohio University - Chillicothe	\$1,076,231	15674
Ohio University - Ironton	\$589,424	15675
Ohio University - Lancaster	\$1,113,079	15676
Ohio University - Zanesville	\$1,075,726	15677
Shawnee State University	\$1,780,343	15678
University of Toledo	\$16,789,871	15679
Wright State University	\$10,279,328	15680
Wright State University - Lake	\$587,200	15681
Youngstown State University	\$8,459,014	15682
Medical College of Ohio	\$4,366,440	15683
Northeastern Ohio Universities College of Medicine	\$1,341,849	15684
Cincinnati State Community College	\$1,063,470	15685
Columbus State Community College	\$4,108,390	15686
Cuyahoga Community College	\$9,896,237	15687
Jefferson Community College	\$189,442	15688
Lakeland Community College	\$2,882,756	15689
Owens Community College	\$4,715,560	15690
Central Ohio Technical College	\$2,209,867	15691

As Reported by the House Finance and Appropriations Committee\*

Hocking Technical College	\$3,638,700	15692
Lima Technical College	\$3,767,610	15693
Marion Technical College	\$257,501	15694
Muskingum Area Technical College	\$843,606	15695
Stark Technical College	\$1,719,554	15696

Institutions not listed above shall not have a debt service obligation as a result of these appropriations. 15697  
15698

Within sixty days after the effective date of this section, any institution of higher education may notify the Board of Regents of its intention not to proceed with any project appropriated in this act. Upon receiving such notification, the Board of Regents may release the institution from its debt service obligation for the specific project. 15699  
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**Section 19.48.** For all of the foregoing appropriation items from the Higher Education Improvement Fund (Fund 034) that require local funds to be contributed by any state-supported or state-assisted institution of higher education, the Ohio Board of Regents shall not recommend that any funds be released until the recipient institution demonstrates to the Board of Regents and the Office of Budget and Management that the local funds contribution requirement has been secured or satisfied. The local funds shall be in addition to the foregoing appropriations. 15705  
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**Section 19.49.** The Ohio Public Facilities Commission is hereby authorized to issue and sell, in accordance with Section 2n of Article VIII, Ohio Constitution, Chapter 151. and particularly sections 151.01 and 151.04 of the Revised Code, original obligations in an aggregate principal amount not to exceed \$536,690,000, in addition to the original issuance of obligations heretofore authorized by prior acts of the General Assembly. The authorized obligations shall be issued, subject to applicable constitutional and statutory limitations, to pay costs of capital 15714  
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## As Reported by the House Finance and Appropriations Committee\*

facilities as defined in sections 151.01 and 151.04 of the Revised 15723  
Code for state-supported and state-assisted institutions of higher 15724  
education. 15725

**Section 19.50.** None of the foregoing capital improvements 15727  
appropriations for state-supported or state-assisted institutions 15728  
of higher education shall be expended until the particular 15729  
appropriation has been recommended for release by the Ohio Board 15730  
of Regents and released by the Director of Budget and Management 15731  
or the Controlling Board. Either the institution concerned, or the 15732  
Ohio Board of Regents with the concurrence of the institution 15733  
concerned, may initiate the request to the Director of Budget and 15734  
Management or the Controlling Board for the release of the 15735  
particular appropriations. 15736

**Section 19.51.** No capital improvement appropriations made in 15737  
Sections 19.02 to 19.48 of this act shall be released for planning 15738  
or for improvement, renovation, construction, or acquisition of 15739  
capital facilities if the institution of higher education or the 15740  
state does not own the real property on which the capital 15741  
facilities are or will be located. This restriction does not apply 15742  
in any of the following circumstances: 15743

(1) The institution has a long-term (at least fifteen years) 15744  
lease of, or other interest (such as an easement) in, the real 15745  
property. 15746

(2) The Ohio Board of Regents certifies to the Controlling 15747  
Board that undue delay will occur if planning does not proceed 15748  
while the property or property interest acquisition process 15749  
continues. In this case, funds may be released upon approval of 15750  
the Controlling Board to pay for planning through the development 15751  
of schematic drawings only. 15752

## As Reported by the House Finance and Appropriations Committee\*

(3) In the case of an appropriation for capital facilities 15753  
 that, because of their unique nature or location, will be owned or 15754  
 will be part of facilities owned by a separate nonprofit 15755  
 organization or public body and will be made available to the 15756  
 institution of higher education for its use, the nonprofit 15757  
 organization or public body either owns or has a long-term (at 15758  
 least fifteen years) lease of the real property or other capital 15759  
 facility to be improved, renovated, constructed, or acquired and 15760  
 has entered into a joint or cooperative use agreement with the 15761  
 institution of higher education that meets the requirements of 15762  
 division (C) of this section. 15763

(B) Any foregoing appropriations which require cooperation 15764  
 between a technical college and a branch campus of a university 15765  
 may be released by the Controlling Board upon recommendation by 15766  
 the Ohio Board of Regents that the facilities proposed by the 15767  
 institutions are: 15768

(1) The result of a joint planning effort by the university 15769  
 and the technical college, satisfactory to the Ohio Board of 15770  
 Regents; 15771

(2) Facilities that will meet the needs of the region in 15772  
 terms of technical and general education, taking into 15773  
 consideration the totality of facilities which will be available 15774  
 after the completion of these projects; 15775

(3) Planned to permit maximum joint use by the university and 15776  
 technical college of the totality of facilities which will be 15777  
 available upon their completion; and 15778

(4) To be located on or adjacent to the branch campus of the 15779  
 university. 15780

(C) The Ohio Board of Regents shall adopt rules regarding the 15781  
 release of moneys from all the foregoing appropriations for 15782  
 capital facilities for all state-supported or state-assisted 15783

## As Reported by the House Finance and Appropriations Committee\*

institutions of higher education. In the case of capital 15784  
facilities referred to in division (A)(3) of this section, the 15785  
joint or cooperative use agreements shall include, as a minimum, 15786  
provisions that: 15787

(1) Specify the extent and nature of that joint or 15788  
cooperative use, extending for not fewer than fifteen years, with 15789  
the value of such use or right to use to be, as to be determined 15790  
by the parties and approved by the Board of Regents, reasonably 15791  
related to the amount of the appropriations; 15792

(2) Provide for pro rata reimbursement to the state should 15793  
the arrangement for joint or cooperative use be terminated; 15794

(3) Provide that procedures to be followed during the capital 15795  
improvement process will comply with appropriate applicable state 15796  
laws and rules, including provisions of this act; and 15797  
15798

(4) Provide for payment or reimbursement to the institution 15799  
of its administrative costs incurred as a result of the facilities 15800  
project, not to exceed 1.5 per cent of the appropriated amount. 15801

(D) Upon the recommendation of the Ohio Board of Regents, the 15802  
Controlling Board may approve the transfer of appropriations for 15803  
projects requiring cooperation between institutions from one 15804  
institution to another institution with the approval of both 15805  
institutions. 15806

(E) Notwithstanding section 127.14 of the Revised Code, the 15807  
Controlling Board, upon the recommendation of the Ohio Board of 15808  
Regents, may transfer amounts appropriated to the Ohio Board of 15809  
Regents to accounts of state-supported or state-assisted 15810  
institutions created for that same purpose. 15811

**Section 19.52.** The requirements of Chapters 123. and 153. of 15812  
the Revised Code, with respect to the powers and duties of the 15813

## As Reported by the House Finance and Appropriations Committee\*

Director of Administrative Services, and the requirements of 15814  
 section 127.16 of the Revised Code, with respect to the 15815  
 Controlling Board, shall not apply to projects of community 15816  
 college districts, which include Cuyahoga Community College, 15817  
 Jefferson Community College, Lakeland Community College, Lorain 15818  
 County Community College, Rio Grande Community College, and 15819  
 Sinclair Community College; and technical college districts which 15820  
 include Belmont Technical College, Central Ohio Technical College, 15821  
 Hocking Technical College, Lima Technical College, Marion 15822  
 Technical College, Muskingum Area Technical College, North Central 15823  
 Technical College, and Stark Technical College. 15824

**Section 19.53.** Those institutions locally administering 15825  
 capital improvement projects pursuant to section 3345.50 of the 15826  
 Revised Code may: 15827

(A) Establish charges for recovering costs directly related 15828  
 to project administration as defined by the Director of 15829  
 Administrative Services. The Department of Administrative Services 15830  
 shall review and approve these administrative charges when such 15831  
 charges are in excess of 1.5 per cent of the total construction 15832  
 budget. 15833

(B) Seek reimbursement from state capital appropriations to 15834  
 the institution for the in-house design services performed by the 15835  
 institution for such capital projects. Acceptable charges shall be 15836  
 limited to design document preparation work that is done by the 15837  
 institution. These reimbursable design costs shall be shown as 15838  
 "A/E fees" within the project's budget that is submitted to the 15839  
 Controlling Board or the Director of Budget and Management as part 15840  
 of a request for release of funds. The reimbursement for in-house 15841  
 design shall not exceed seven per cent of the estimated 15842  
 construction cost. 15843

As Reported by the House Finance and Appropriations Committee\*

Section 20.01. All items set forth in this section are hereby 15844  
 appropriated out of any moneys in the state treasury to the credit 15845  
 of the Parks and Recreation Improvement Fund (Fund 035) that are 15846  
 not otherwise appropriated. 15847

			Appropriations	
DNR DEPARTMENT OF NATURAL RESOURCES				15848
CAP-012	Land Acquisition	\$ 6,800,000		15849
CAP-017	Indian Lake State Park	\$ 125,000		15850
CAP-044	Ohio Zoo Consortium	\$ 1,000,000		15851
CAP-045	Mary Jane Thurston State Park - Marina & Dock Renovation	\$ 300,000		15852
CAP-331	Park Boating Facilities	\$ 1,829,520		15853
CAP-390	State Park Maintenance/Facility Development - Middle Bass Island	\$ 2,000,000		15854
CAP-718	Grand Lake St Mary's State Park	\$ 250,000		15855
CAP-727	Riverfront Improvements	\$ 450,000		15856
CAP-748	Local Parks Projects	\$ 4,220,000		15857
CAP-787	Scioto Riverfront Improvements	\$ 3,000,000		15858
CAP-876	Statewide Trails Program	\$ 430,000		15859
CAP-928	Statewide Accessibility Improvements	\$ 250,000		15860
CAP-931	Statewide Wastewater/Water Systems Upgrade	\$ 2,000,000		15861
Total Department of Natural Resources			\$ 22,654,520	15862
TOTAL Parks and Recreation Improvement Fund			\$ 22,654,520	15863

RIVERFRONT IMPROVEMENTS 15864

Of the foregoing appropriation item CAP-727, Riverfront 15865  
 Improvements, \$100,000 shall be used for the Spencerville Canal 15866  
 Improvements and \$350,000 shall be used for the Rush Creek and 15867  
 Upper Hocking Project. 15868

SCIOTO RIVERFRONT IMPROVEMENTS 15869

Of the foregoing appropriation item CAP-787, Scioto 15870



## As Reported by the House Finance and Appropriations Committee\*

Riverfront Improvements, \$1,000,000 shall be used for the Spring	15871
and Long Park and \$2,000,000 shall be used for the Riverfront	15872
Park.	15873
STATEWIDE TRAILS PROGRAMS	15874
Of the foregoing appropriation item CAP-876, Statewide Trails	15875
Programs, \$50,000 shall be used for the Strongsville Trail	15876
Project; \$30,000 shall be used for Fairfield Heritage Trails;	15877
\$250,000 shall be used for the Ohio to Erie Bike Trail; and	15878
\$100,000 shall be used for the Upper Sandusky Bike Path.	15879
FEDERAL REIMBURSEMENT	15880
All reimbursements received from the federal government for	15881
any expenditures made pursuant to this section shall be deposited	15882
in the state treasury to the credit of the Parks and Recreation	15883
Improvement Fund (Fund 035).	15884
LOCAL PARKS PROJECTS	15885
Of the foregoing appropriation item CAP-748, Local Parks	15886
Projects, \$1,500,000 shall be used for Cleveland Lakefront Park	15887
Improvements; \$500,000 shall be used for Colerain Township Park	15888
Improvements; \$250,000 shall be used for the Cuyahoga Falls	15889
Riverfront Mall Festival Site; \$50,000 shall be used for Smith	15890
Field Park Improvements; \$650,000 shall be used for Belmont County	15891
Park Improvements; \$50,000 shall be used for St. Clairsville Park	15892
Improvements; \$50,000 shall be used for Mt. Orab Park	15893
Improvements; \$50,000 shall be used for Sardinia Park	15894
Improvements; \$50,000 shall be used for Liberty Township	15895
Playground; \$100,000 shall be used for Gallipolis City Park	15896
Improvements; \$100,000 shall be used for Lake County Perry	15897
Township Park Improvements; \$10,000 shall be used for Russells	15898
Point Park Improvements; \$40,000 shall be used for Zanesville Park	15899
Improvements; \$30,000 shall be used for New Lexington Park	15900
Improvements; \$50,000 shall be used for Somerset Park	15901

As Reported by the House Finance and Appropriations Committee\*

Improvements; \$20,000 shall be used for Junction City Park 15902  
 Improvements; \$50,000 shall be used for Shelly Park Improvements; 15903  
 \$50,000 shall be used for the Mt. Gilead Headwaters Shelter; 15904  
 \$25,000 shall be used for the Richland County Korean War Memorial; 15905  
 \$350,000 shall be used for Pine Hills Lakes; \$200,000 shall be 15906  
 used for the Goll Woods Nature Preserve; \$15,000 shall be used for 15907  
 Ryan Park Improvements; \$15,000 shall be used for Circleville Park 15908  
 Improvements; \$15,000 shall be used for Corning Downtown Park 15909  
 Improvements. 15910

**Section 20.02.** The Treasurer of State is hereby authorized to 15911  
 issue and sell, in accordance with Section 2i of Article VIII, 15912  
 Ohio Constitution, and Chapter 154. of the Revised Code, 15913  
 particularly section 154.22 of the Revised Code, original 15914  
 obligations in an aggregate principal amount not to exceed 15915  
 \$22,000,000, in addition to the original issuance of obligations 15916  
 heretofore authorized by prior acts of the General Assembly. The 15917  
 authorized obligations shall be issued, subject to applicable 15918  
 constitutional and statutory limitations, to pay the costs of 15919  
 capital facilities as defined in section 154.01 of the Revised 15920  
 Code. 15921

**Section 20.03.** (A) No capital improvement appropriations made 15922  
 in Section 20.01 of this act shall be released for planning or for 15923  
 improvement, renovation, or construction or acquisition of capital 15924  
 facilities if a governmental agency, as defined in section 154.01 15925  
 of the Revised Code, does not own the real property that 15926  
 constitutes the capital facilities or on which the capital 15927  
 facilities are or will be located. This restriction does not apply 15928  
 in any of the following circumstances: 15929

(1) The governmental agency has a long-term (at least fifteen 15930  
 years) lease of, or other interest (such as an easement) in, the 15931  
 real property; 15932

## As Reported by the House Finance and Appropriations Committee\*

(2) In the case of an appropriation for capital facilities 15933  
 for parks and recreation that, because of their unique nature or 15934  
 location, will be owned or be part of facilities owned by a 15935  
 separate nonprofit organization and made available to the 15936  
 governmental agency for its use or operated by the nonprofit 15937  
 organization under contract with the governmental agency, the 15938  
 nonprofit organization either owns or has a long-term (at least 15939  
 fifteen years) lease of the real property or other capital 15940  
 facility to be improved, renovated, constructed, or acquired and 15941  
 has entered into a joint or cooperative use agreement, approved by 15942  
 the Department of Natural Resources, with the governmental agency 15943  
 for that agency's use of and right to use the capital facilities 15944  
 to be financed and, if applicable, improved, the value of such use 15945  
 or right to use being, as determined by the parties, reasonably 15946  
 related to the amount of the appropriation. 15947

(B) In the case of capital facilities referred to in division 15948  
 (A)(2) of this section, the joint or cooperative use agreement 15949  
 shall include, as a minimum, provisions that: 15950

(1) Specify the extent and nature of that joint or 15951  
 cooperative use, extending for not fewer than fifteen years, with 15952  
 the value of such use or right to use to be, as determined by the 15953  
 parties and approved by the approving department, reasonably 15954  
 related to the amount of the appropriation; 15955

(2) Provide for pro rata reimbursement to the state should 15956  
 the arrangement for joint or cooperative use by a governmental 15957  
 agency be terminated; and 15958

(3) Provide that procedures to be followed during the capital 15959  
 improvement process will comply with appropriate applicable state 15960  
 laws and rules, including provisions of this act. 15961

**Section 21.01.** All items set forth in this section are hereby 15962  
 appropriated out of any moneys in the state treasury to the credit 15963

As Reported by the House Finance and Appropriations Committee\*

of the Clean Ohio Conservation Fund (Fund 056) that are not 15964  
otherwise appropriated. 15965

Appropriations

PWC PUBLIC WORKS COMMISSION		15966
CAP-152 Clean Ohio Conservation	\$ 37,500,000	15967
Total Public Works Commission	\$ 37,500,000	15968
TOTAL Clean Ohio Conservation Fund	\$ 37,500,000	15969

The foregoing appropriation item CAP-152, Clean Ohio 15970  
 Conservation, shall be used in accordance with sections 164.20 to 15971  
 164.27 of the Revised Code. If the Public Works Commission 15972  
 receives refunds due to project overpayments that are discovered 15973  
 during the post-project audit, the Director of the Public Works 15974  
 Commission may certify to the Director of Budget and Management 15975  
 that refunds have been received. If the Director of Budget and 15976  
 Management determines that project refunds are available to 15977  
 support additional appropriations, such amounts are hereby 15978  
 appropriated. 15979

**Section 21.02.** The Ohio Public Facilities Commission is 15980  
 hereby authorized to issue and sell, in accordance with Section 2o 15981  
 of Article VIII, Ohio Constitution, and sections 151.01 and 151.09 15982  
 of the Revised Code, original obligations in an aggregate 15983  
 principal amount not to exceed \$50,000,000, in addition to the 15984  
 original issuance of obligations heretofore authorized by prior 15985  
 acts of the General Assembly. These authorized obligations shall 15986  
 be issued, subject to applicable constitutional and statutory 15987  
 limitations, as needed to ensure sufficient moneys to the credit 15988  
 of the Clean Ohio Conservation Fund (Fund 056), the Clean Ohio 15989  
 Agricultural Easement Fund (Fund 057), and the Clean Ohio Trail 15990  
 Fund (Fund 061) to pay costs of conservation projects as defined 15991  
 in sections 151.01 and 151.09 of the Revised Code. 15992

As Reported by the House Finance and Appropriations Committee\*

Section 21.03. All items set forth in this section are hereby 15993  
 appropriated out of any moneys in the state treasury to the credit 15994  
 of the Clean Ohio Agricultural Easement Fund (Fund 057) that are 15995  
 not otherwise appropriated. 15996

		Appropriations	
AGR DEPARTMENT OF AGRICULTURE			15997
CAP-047	Clean Ohio Agricultural Easement	\$ 6,250,000	15998
Total Department of Agriculture		\$ 6,250,000	15999
TOTAL Clean Ohio Agricultural Easement Fund		\$ 6,250,000	16000

Section 21.04. All items set forth in this section are hereby 16002  
 appropriated out of any moneys in the state treasury to the credit 16003  
 of the Clean Ohio Trail Fund (Fund 061), that are not otherwise 16004  
 appropriated. 16005

		Appropriations	
DNR DEPARTMENT OF NATURAL RESOURCES			16006
CAP-014	Clean Ohio Trail	\$ 6,250,000	16007
Total Department of Natural Resources		\$ 6,250,000	16008
TOTAL Clean Ohio Trail Fund		\$ 6,250,000	16009

Section 22.01. CERTIFICATION OF RENTAL PAYMENTS 16011

Each request for release of appropriations for any and all 16012  
 capital improvements and capital facilities for which 16013  
 appropriations are made in this act from the proceeds of 16014  
 obligations in the Sports Facilities Building Fund (Fund 024), the 16015  
 Administrative Building Fund (Fund 026), the Adult Correctional 16016  
 Building Fund (Fund 027), the Juvenile Correctional Building Fund 16017  
 (Fund 028), the Arts Facilities Building Fund (Fund 030), the 16018  
 Natural Resources Projects Fund (Fund 031), the School Building 16019  
 Program Assistance Fund (Fund 032), the Mental Health Facilities 16020  
 Improvement Fund (Fund 033), the Higher Education Improvement Fund 16021  
 (Fund 034), and the Parks and Recreation Improvements Fund (Fund 16022

## As Reported by the House Finance and Appropriations Committee\*

035) shall have the certification of the Director of Budget and Management that sufficient General Revenue Fund moneys are appropriated for and will be available for rental payments to the Ohio Public Facilities Commission, the Treasurer of State, and the Ohio Building Authority in the then-current fiscal biennium relating to obligations or portions of obligations issued or to be issued in that fiscal biennium to fund, in the then-current fiscal biennium, anticipated expenditures from these funds associated with the request.

**Section 22.02. HIGHWAY SAFETY FUND CERTIFICATION OF RENTAL PAYMENTS**

No money shall be encumbered for any capital improvements and capital facilities for which appropriations are made in excess of the cash balances from the proceeds of obligations in the Highway Safety Building Fund (Fund 025) unless the Director of Budget and Management certifies that sufficient Highway Safety Fund moneys are appropriated and available for rental payments to the Ohio Building Authority for debt service payments by the state in the then-current fiscal biennium relating to obligations or portions of obligations issued or to be issued in that fiscal biennium to fund, in the then-current fiscal biennium, anticipated expenditures from these funds associated with related encumbrances.

**Section 23.01. CERTIFICATION OF AVAILABILITY OF MONEYS**

No moneys that require release may be expended from any appropriation contained in this act without certification of the Director of Budget and Management that there are sufficient moneys in the state treasury in the fund from which the appropriation is made. Such certification shall be based on estimates of revenue, receipts, and expenses. Nothing herein shall be construed as a

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limitation on the authority of the Director of Budget and	16053
Management under section 126.07 of the Revised Code.	16054
<b>Section 23.02. LIMITATIONS ON CAPITAL APPROPRIATIONS</b>	16055
The appropriations made in this act excluding those made to	16056
the State Capital Improvement Fund (Fund 038) and the State	16057
Capital Improvements Revolving Loan Fund (Fund 040) for buildings	16058
or structures, including remodeling and renovations, are limited	16059
to:	16060
(A) Acquisition of real property or interest in real	16061
property;	16062
(B) Buildings and structures, which includes construction,	16063
demolition, lighting and lighting fixtures, and all necessary	16064
utilities, heating and ventilating, plumbing, sprinkling, and	16065
sewer systems, when such systems are authorized or necessary;	16066
(C) Architectural, engineering, and professional services	16067
expenses directly related to the projects;	16068
(D) Machinery that is a part of buildings and structures at	16069
the time of initial acquisition or construction;	16070
(E) Acquisition, development, and deployment of new computer	16071
systems, including the redevelopment or integration of existing	16072
and new computer systems, but excluding regular or ongoing	16073
maintenance or support agreements;	16074
(F) Equipment that meets all the following criteria:	16075
(1) The equipment is essential in bringing the facility up to	16076
its intended use.	16077
(2) The unit cost of the equipment, and not the individual	16078
parts of a unit, is approximately \$100 or more.	16079
(3) The equipment has a useful life of five years or more.	16080

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(4) The equipment is necessary for the functioning of the 16081  
particular facility or project. 16082

No equipment shall be paid for from these appropriations that 16083  
is not an integral part of or directly related to the basic 16084  
purpose or function of a facility or project for which moneys are 16085  
appropriated. This does not apply to line items for equipment. 16086

**Section 23.03. CONTINGENCY RESERVE REQUIREMENT** 16087

Any request for release of capital appropriations by the 16088  
Director of Budget and Management or the Controlling Board of 16089  
capital appropriations for projects, the contracts for which are 16090  
awarded by the Department of Administrative Services, shall 16091  
contain a contingency reserve, the amount of which shall be 16092  
determined by the Department of Administrative Services, for 16093  
payment of unanticipated project expenses. Any amount deducted 16094  
from the encumbrance for a contractor's contract as an assessment 16095  
for liquidated damages shall be added to the encumbrance for the 16096  
contingency reserve. Contingency reserve funds shall be used to 16097  
pay costs resulting from unanticipated job conditions, to comply 16098  
with rulings regarding building and other codes, to pay costs 16099  
related to errors or omissions in contract documents, to pay costs 16100  
associated with changes in the scope of work, and to pay the cost 16101  
of settlements and judgments related to the project. 16102

Any funds remaining upon completion of a project may, upon 16103  
approval of the Controlling Board, be released for the use of the 16104  
institution to which the appropriation was made for other capital 16105  
facilities projects. 16106

**Section 23.04. AGENCY ADMINISTRATION OF CAPITAL FACILITIES** 16107  
**PROJECTS** 16108

Notwithstanding sections 123.01 and 123.15 of the Revised 16109  
Code, the Director of Administrative Services may authorize the 16110



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Departments of Mental Health, Mental Retardation and Developmental  
 Disabilities, Alcohol and Drug Addiction Services, Agriculture,  
 Job and Family Services, Rehabilitation and Correction, Youth  
 Services, Public Safety and Transportation, the Ohio Veterans'  
 Home, and the Rehabilitation Services Commission to administer any  
 capital facilities projects the estimated cost of which, including  
 design fees, construction, equipment, and contingency amounts, is  
 less than \$1,500,000. Requests for authorization to administer  
 capital facilities projects shall be made in writing to the  
 Director of Administrative Services by the applicable state agency  
 within sixty days after the effective date of the act in which the  
 General Assembly initially makes an appropriation for the project.  
 Upon the release of funds for such projects by the Controlling  
 Board or the Director of Budget and Management, the agency may  
 administer the capital project or projects for which agency  
 administration has been authorized without the supervision,  
 control, or approval of the Director of Administrative Services.

The state agency authorized by the Director of Administrative  
 Services to administer capital facilities projects pursuant to  
 this section shall comply with the applicable procedures and  
 guidelines established in Chapter 153. of the Revised Code.

**Section 23.05. SATISFACTION OF JUDGMENTS AND SETTLEMENTS**  
 AGAINST THE STATE

Except as otherwise provided in this section, an  
 appropriation in this act or any other act may be used for the  
 purpose of satisfying judgments, settlements, or administrative  
 awards ordered or approved by the Court of Claims or by any other  
 court of competent jurisdiction in connection with civil actions  
 against the state. This authorization does not apply to  
 appropriations to be applied to or used for payment of guarantees  
 by or on behalf of the state, or for payments under lease

**As Reported by the House Finance and Appropriations Committee\***

agreements relating to or debt service on bonds, notes, or other obligations of the state. Notwithstanding any other section of law to the contrary, this authorization includes appropriations from funds into which proceeds or direct obligations of the state are deposited only to the extent that the judgment, settlement, or administrative award is for or represents capital costs for which the appropriation may otherwise be used and is consistent with the purpose for which any related obligations were issued or entered into. Nothing contained in this section is intended to subject the state to suit in any forum in which it is not otherwise subject to suit, and it is not intended to waive or compromise any defense or right available to the state in any suit against it.

**Section 23.06. CAPITAL RELEASES BY THE DIRECTOR OF BUDGET AND MANAGEMENT**

Notwithstanding section 126.14 of the Revised Code, appropriations for appropriation items CAP-002, Local Jails, and CAP-003, Community-Based Correctional Facilities, appropriated from the Adult Correctional Building Fund (Fund 027) to the Department of Rehabilitation and Correction shall be released upon the written approval of the Director of Budget and Management. The appropriations from the Public School Building Fund (Fund 021) and the School Building Program Assistance Fund (Fund 032) to the School Facilities Commission, from the Transportation Building Fund (Fund 029) to the Department of Transportation, from the Clean Ohio Conservation Fund (Fund 056), the State Capital Improvement Fund (Fund 038), and the State Capital Improvements Revolving Loan Fund (Fund 040) to the Public Works Commission, shall be released upon presentation of a request to release the funds, by the agency to which the appropriation has been made, to the Director of Budget and Management.

**Section 23.07. PREVAILING WAGE REQUIREMENT**

## As Reported by the House Finance and Appropriations Committee\*

Except as provided in section 4115.04 of the Revised Code, no moneys appropriated or reappropriated by the 124th General Assembly shall be used for the construction of public improvements, as defined in section 4115.03 of the Revised Code, unless the mechanics, laborers, or workers engaged therein are paid the prevailing rate of wages as prescribed in section 4115.04 of the Revised Code. Nothing in this section shall affect the wages and salaries established for state employees under the provisions of Chapter 124. of the Revised Code, or collective bargaining agreements entered into by the state pursuant to Chapter 4117. of the Revised Code, while engaged on force account work, nor shall this section interfere with the use of inmate and patient labor by the state.

**Section 23.08. CAPITAL FACILITIES LEASES**

Capital facilities for which appropriations are made from the Sports Facilities Building Fund (Fund 024), Administrative Building Fund (Fund 026), the Adult Correctional Building Fund (Fund 027), the Juvenile Correctional Building Fund (Fund 028), and the Arts Facilities Building Fund (Fund 030) may be leased by the Ohio Building Authority to the Departments of Youth Services, Administrative Services, Rehabilitation and Correction, or the Arts and Sports Facilities Commission. Other agreements may be made by the Ohio Building Authority and those departments with respect to the use or purchase of such capital facilities. Subject to the approval of the director of the department or the commission, the Ohio Building Authority may lease such capital facilities to, and make other agreements with respect to their use or purchase with, any governmental agency or nonprofit corporation having authority under law to own, lease, or operate such capital facilities. The department or the commission may sublease such capital facilities to, and make other agreements with respect to their use or purchase with, any such governmental agency or

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nonprofit corporation, which may include provisions for 16205  
transmittal of receipts of that agency or nonprofit corporation of 16206  
any charges for the use of such facilities, all upon such terms 16207  
and conditions as the parties may agree upon and any other 16208  
provision of law affecting the leasing, acquisition, or 16209  
disposition of capital facilities by such parties. 16210

**Section 23.09. APPROVAL OF EXPENDITURES BY THE DIRECTOR OF** 16211  
**BUDGET AND MANAGEMENT** 16212

The Director of Budget and Management shall review the 16213  
initial release of moneys for projects from the funds into which 16214  
proceeds of direct obligations of the state are deposited, and 16215  
authorize the expenditure or encumbrance of moneys from those 16216  
funds only after determining to the director's satisfaction that 16217  
either of the following apply: 16218

(A) The application of such moneys to the particular project 16219  
will not negatively affect any exemption or exclusion from federal 16220  
income tax of the interest or interest equivalent on obligations, 16221  
issued to provide moneys to the particular fund. 16222

(B) Moneys for the project will come from the proceeds of 16223  
obligations, the interest on which is not so excluded or exempt 16224  
and which have been authorized as "taxable obligations" by the 16225  
issuing authority. 16226

The director shall report any nonrelease of moneys pursuant 16227  
to this section to the Governor, the presiding officer of each 16228  
house of the General Assembly, and the agency for the use of which 16229  
the project is intended. 16230

**Section 23.10. SCHOOL FACILITIES ENCUMBRANCES AND** 16231  
**REAPPROPRIATION** 16232

At the request of the Executive Director of the Ohio School 16233

## As Reported by the House Finance and Appropriations Committee\*

Facilities Commission, the Director of Budget and Management may 16234  
cancel encumbrances for school district projects from a previous 16235  
biennium if the district has not raised its local share of project 16236  
costs within one year of receiving Controlling Board approval in 16237  
accordance with section 3318.05 of the Revised Code. The Executive 16238  
Director of the Ohio School Facilities Commission shall certify 16239  
the amounts of these canceled encumbrances to the Director of 16240  
Budget and Management on a quarterly basis. The amounts of the 16241  
canceled encumbrances are hereby appropriated. 16242

**Section 23.11. CERTIFICATE OF NEED REQUIREMENT** 16243

No appropriation for a health care facility authorized under 16244  
this act may be released until the requirements of sections 16245  
3702.51 to 3702.68 of the Revised Code have been met. 16246

**Section 23.12. DISTRIBUTION OF PROCEEDS FROM ASBESTOS  
ABATEMENT LITIGATION** 16247  
16248

All proceeds received by the state as a result of litigation, 16249  
judgments, settlements, or claims, filed by or on behalf of any 16250  
state agency as defined by section 1.60 of the Revised Code or 16251  
state-supported or state-assisted institution of higher education, 16252  
for damages or costs resulting from the use, removal, or hazard 16253  
abatement of asbestos materials shall be deposited in the Asbestos 16254  
Abatement Distribution Fund (Fund 674). All funds deposited into 16255  
the Asbestos Abatement Distribution Fund are hereby appropriated 16256  
to the Attorney General. To the extent practicable, the proceeds 16257  
placed in the Asbestos Abatement Distribution Fund shall be 16258  
divided among the state agencies and state-supported or 16259  
state-assisted institutions of higher education in accordance with 16260  
the general provisions of the litigation regarding the percentage 16261  
of recovery. Distribution of the proceeds to each state agency or 16262  
state-supported or state-assisted institution of higher education 16263

## As Reported by the House Finance and Appropriations Committee\*

shall be made in accordance with the Asbestos Abatement 16264  
 Distribution Plan to be developed by the Attorney General, the 16265  
 General Services Division within the Department of Administrative 16266  
 Services, and the Office of Budget and Management. 16267

In those circumstances where asbestos litigation proceeds are 16268  
 for reimbursement of expenditures made with funds outside the 16269  
 state treasury or damages to buildings not constructed with state 16270  
 appropriations, direct payments shall be made to the affected 16271  
 institutions of higher education. Any proceeds received for 16272  
 reimbursement of expenditures made with funds within the state 16273  
 treasury or damages to buildings occupied by state agencies shall 16274  
 be distributed to the affected agencies with an intrastate 16275  
 transfer voucher to the funds identified in the Asbestos Abatement 16276  
 Distribution Plan. 16277

Such proceeds shall be used for additional asbestos abatement 16278  
 or encapsulation projects, or for other capital improvements, 16279  
 except that proceeds distributed to the General Revenue Fund and 16280  
 other funds that are not bond improvement funds may be used for 16281  
 any purpose. The Controlling Board may, for bond improvement 16282  
 funds, create appropriation items or increase appropriation 16283  
 authority in existing appropriation items equaling the amount of 16284  
 such proceeds. Such amounts approved by the Controlling Board are 16285  
 hereby appropriated. Such proceeds deposited in bond improvement 16286  
 funds shall not be expended until released by the Controlling 16287  
 Board, which shall require certification by the Director of Budget 16288  
 and Management that such proceeds are sufficient and available to 16289  
 fund the additional anticipated expenditures. 16290

**Section 24.01.** OBLIGATIONS ISSUED UNDER ORC CHAPTER 151. 16291

The capital improvements for which appropriations are made in 16292  
 this act from the Ohio Parks and Natural Resources Fund (Fund 16293  
 031), the School Building Program Assistance Fund (Fund 032), the 16294

**As Reported by the House Finance and Appropriations Committee\***

Higher Education Improvement Fund (Fund 034), the Clean Ohio  
 Conservation Fund (Fund 056), the Clean Ohio Agricultural Easement  
 Fund (Fund 057), and the Clean Ohio Trail Fund (Fund 061) are  
 determined to be capital improvements and capital facilities for  
 natural resources, a statewide system of common schools,  
 state-supported and state-assisted institutions of higher  
 education, and conservation purposes (under the Clean Ohio  
 program) and are designated as capital facilities to which  
 proceeds of obligations issued under Chapter 151. of the Revised  
 Code are to be applied.

**Section 24.02. OBLIGATIONS ISSUED UNDER ORC CHAPTER 152.**

The capital improvements for which appropriations are made in  
 this act from the Sports Facilities Building Fund (Fund 024), the  
 Highway Safety Building Fund (Fund 025), the Administrative  
 Building Fund (Fund 026), the Adult Correctional Building Fund  
 (Fund 027), the Juvenile Correctional Building Fund (Fund 028),  
 the Transportation Building Fund (Fund 029), and the Arts  
 Facilities Building Fund (Fund 030) are determined to be capital  
 improvements and capital facilities for housing state agencies and  
 branches of state government and their functions and are  
 designated as capital facilities to which proceeds of obligations  
 issued under Chapter 152. of the Revised Code are to be applied.

The owners or holders of obligations issued under Chapter  
 152. of the Revised Code have no right to have excises or taxes  
 levied by the General Assembly for the payment of interest or  
 principal thereon.

**Section 24.03. OBLIGATIONS ISSUED UNDER ORC CHAPTER 154.**

The capital improvements for which appropriations are made in  
 this act from the Mental Health Facilities Improvement Fund (Fund  
 033) and the Parks and Recreation Improvement Fund (Fund 035) are

As Reported by the House Finance and Appropriations Committee\*

determined to be capital improvements and capital facilities for 16325  
 mental hygiene and retardation and parks and recreation and are 16326  
 designated as capital facilities to which proceeds of obligations 16327  
 issued under Chapter 154. of the Revised Code are to be applied. 16328

The owners or holders of obligations issued under Chapter 16329  
 154. of the Revised Code have no right to have excises or taxes 16330  
 levied by the General Assembly for the payment of principal or 16331  
 interest thereon. 16332

**Section 25.01. TRANSFER OF OPEN ENCUMBRANCES** 16333

Upon the request of the agency to which a capital project 16334  
 appropriation item is appropriated, the Director of Budget and 16335  
 Management may transfer open encumbrance amounts between separate 16336  
 encumbrances for the project appropriation item to the extent that 16337  
 any reductions in encumbrances are agreed to by the contracting 16338  
 vendor and the agency. 16339

**Section 26.01. LITIGATION PROCEEDS TO THE ADMINISTRATIVE** 16340  
**BUILDING FUND** 16341

Any proceeds received by the State of Ohio as the result of 16342  
 litigation or a settlement agreement related to any liability for 16343  
 the planning, design, engineering, construction, or construction 16344  
 management of such facilities operated by the Department of 16345  
 Administrative Services shall be deposited into the Administrative 16346  
 Building Fund (Fund 026). 16347

**Section 27.01. COAL RESEARCH AND DEVELOPMENT BONDS** 16348

The Ohio Public Facilities Commission, upon the request of 16349  
 the Director of the Ohio Coal Development Office with the advice 16350  
 of the Technical Advisory Committee created in section 1551.35 of 16351  
 the Revised Code and the approval of the Director of Development, 16352  
 is hereby authorized to issue and sell, in accordance with Section 16353



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15 of Article VIII, Ohio Constitution, and Chapter 151., and 16354  
 particularly sections 151.01 and 151.07 and other applicable 16355  
 sections of the Revised Code, bonds or other obligations of the 16356  
 State of Ohio heretofore authorized by prior acts of the General 16357  
 Assembly. The obligations shall be issued, subject to applicable 16358  
 constitutional and statutory limitations, to provide sufficient 16359  
 moneys to the credit of the Coal Research and Development Fund 16360  
 created in section 1555.15 of the Revised Code to pay costs 16361  
 charged to such fund when due as estimated by the Director of the 16362  
 Ohio Coal Development Office. 16363

**Section 28.01.** OHIO ADMINISTRATIVE KNOWLEDGE SYSTEM PROJECT 16364

The Ohio administrative knowledge system (OAKS) will be an 16365  
 enterprise resource planning system that will replace the state's 16366  
 central services infrastructure systems, including the central 16367  
 accounting system, the human resources/payroll system, the capital 16368  
 improvements projects tracking system, the fixed assets management 16369  
 system, and the procurement system. The Department of 16370  
 Administrative Services, in conjunction with the Office of Budget 16371  
 and Management, may acquire the system, including, but not limited 16372  
 to, the enterprise resource planning software and installation and 16373  
 implementation thereof pursuant to Chapter 125. of the Revised 16374  
 Code. Any lease-purchase arrangement utilized under Chapter 125. 16375  
 of the Revised Code shall provide at the end of the lease period 16376  
 that OAKS shall become the property of the state without cost. 16377

**Section 29.01.** Sections 2.01 to 27.01 of this act shall 16378  
 remain in full force and effect commencing on July 1, 2002, and 16379  
 terminating on June 30, 2004, for the purpose of drawing money 16380  
 from the state treasury in payment of liabilities lawfully 16381  
 incurred hereunder, and on June 30, 2004, and not before, the 16382  
 moneys hereby appropriated shall lapse into the funds from which 16383  
 they are severally appropriated. Because if, under Ohio 16384

As Reported by the House Finance and Appropriations Committee\*

Constitution, Article II, Section 1c, Sections 2.01 to 27.01 of 16385  
 this act do not take effect until after July 1, 2002, Sections 16386  
 2.01 to 27.01 of this act shall be and remain in full force and 16387  
 effect commencing on that later effective date. 16388

**Section 30.01.** That Section 9 of Am. Sub. S.B. 242 of the 16389  
 124th General Assembly be amended to read as follows: 16390

**Sec. 9.** BOR BOARD OF REGENTS 16391

Tobacco Master Settlement Agreement Fund Group 16392

M87 235-405 Biomedical Research \$ 25,500,000 \$ ~~25,500,000~~ 16393  
 and Technology  
 Transfer Commission

0 16394

TOTAL TSF Tobacco Master 16395

Settlement Agreement Fund 16396

Group \$ 25,500,000 \$ ~~25,500,000~~ 16397

0 16398

TOTAL ALL BUDGET FUND GROUPS \$ 25,500,000 \$ ~~25,500,000~~ 16399

0 16400

**Section 30.02.** That existing Section 9 of Am. Sub. S.B. 242 16402  
 of the 124th General Assembly is hereby repealed. 16403

**Section 30.03.** All items in this section are hereby 16404  
 appropriated as designated out of any moneys in the state treasury 16405  
 to the credit of the designated fund. For all appropriations made 16406  
 in this act, those in the first column are for fiscal year 2003 16407  
 and those in the second column are for fiscal year 2004. 16408

Appropriations

DEV DEPARTMENT OF DEVELOPMENT 16409

Tobacco Master Settlement Agreement Fund Group 16410

As Reported by the House Finance and Appropriations Committee\*

M87 195-435 Biomedical Research	\$	0	\$	25,500,000	16411
and Technology					
Transfer Trust Fund					
TOTAL TSF Tobacco Master Settlement	\$	0	\$	25,500,000	16412
Agreement Fund Group					
TOTAL ALL BUDGET FUND GROUPS	\$	0	\$	25,500,000	16413

BIOMEDICAL RESEARCH AND TECHNOLOGY TRANSFER TRUST FUND 16414

On July 1, 2003, or the earliest date thereafter permitted by law, the Biomedical Research and Technology Transfer Trust Fund (Fund M87) shall be transferred from the Board of Regents to the Department of Development. At the request of the Board of Regents, the Director of Budget and Management may cancel encumbrances in the fund from Board of Regents appropriation item 235-405, Biomedical Research and Technology Transfer Commission, and reestablish such encumbrances or parts of encumbrances in fiscal year 2004 for the same purpose and to the same vendor in Department of Development appropriation item 195-435, Biomedical Research and Technology Transfer Trust Fund. The Director of Budget and Management shall reduce the appropriation balances in fiscal year 2003 by the amount of the encumbrances canceled in the Fund. As determined by the Director of Budget and Management, the appropriation authority necessary to reestablish such encumbrances or parts of encumbrances in fiscal year 2004 for the Department of Development is hereby appropriated.

The foregoing appropriation item 195-435, Biomedical Research and Technology Transfer Trust Fund, shall be used by the Department of Development to support the duties and responsibilities of the Third Frontier Commission that are related to biomedical research and technology as required under sections 184.01 and 184.02 of the Revised Code and in harmony with the intention of the General Assembly for the use of tobacco master settlement payments for biomedical research and technology.

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**Section 30.04.** On July 1, 2003, the Biomedical Research and Technology Transfer Commission is abolished and all of its functions are transferred to the Third Frontier Commission. The Third Frontier Commission is thereupon and thereafter successor to, assumes the obligations of, and otherwise constitutes the continuation of the Biomedical Research and Technology Transfer Commission.

Any business commenced but not completed by the Biomedical Research and Technology Transfer Commission on July 1, 2003, shall be completed by the Third Frontier Commission in the same manner, and with the same effect, as if completed by the Biomedical Research and Technology Transfer Commission. No validation, cure, right, privilege, remedy, obligation, or liability is lost or impaired by reason of the transfer of functions required by this section but shall be administered by the Third Frontier Commission. All of the Biomedical Research and Technology Transfer Commission's rules, orders, and determinations continue in effect as rules, orders, and determinations of the Third Frontier Commission until modified or rescinded by the Third Frontier Commission. If necessary to ensure the integrity of the numbering of the Administrative Code, the Director of the Legislative Service Commission shall renumber the Biomedical Research and Technology Transfer Commission's rules as appropriate to reflect their transfer to the Third Frontier Commission.

All employees of the Biomedical Research and Technology Transfer Commission are transferred to the Third Frontier Commission.

Wherever the Biomedical Research and Technology Transfer Commission is referred to in any law, contract, or other document relating to the transferred functions, the reference shall be deemed to refer to the Third Frontier Commission.

## As Reported by the House Finance and Appropriations Committee\*

No action or proceeding pending on July 1, 2003, is affected 16471  
by the transfer. Such actions and proceedings shall be prosecuted 16472  
or defended in the name of the Third Frontier Commission. The 16473  
Third Frontier Commission shall be substituted as a party upon 16474  
application to the court or other appropriate tribunal. 16475

**Section 30.05.** Sections 30.01 to 30.05 of this act are not 16476  
subject to the referendum. Therefore, under Ohio Constitution, 16477  
Article II, Section 1d and section 1.471 of the Revised Code, the 16478  
sections go into immediate effect when this act becomes law. 16479

**Section 31.01.** Section 25 of Am. Sub. S.B. 261 of the 124th 16480  
General Assembly is hereby repealed. 16481

**Section 32.01.** Notwithstanding the requirement under division 16482  
(B) of section 5709.40 of the Revised Code for an ordinance to 16483  
designate specific public improvements made, to be made, or in the 16484  
process of being made by the municipal corporation that directly 16485  
benefit one or more parcels identified in the ordinance, not later 16486  
than June 30, 2003, the legislative authority of an impacted city, 16487  
as defined in section 1728.01 of the Revised Code, may include a 16488  
determination in an ordinance adopted under section 5709.40 of the 16489  
Revised Code that satisfactory provision has been made for the 16490  
public improvement needs of the parcels identified in the 16491  
ordinance and may specify other public improvements made, to be 16492  
made, or in the process of being made in the city that do not 16493  
directly benefit the parcel identified in the ordinance but are in 16494  
support of urban redevelopment within the meaning of section 16495  
5709.41 of the Revised Code. 16496

**Section 32.02.** Section 32.01 of this act is hereby repealed 16497  
on July 1, 2003. 16498

## As Reported by the House Finance and Appropriations Committee\*

**Section 33.01.** (A) The Governor is hereby authorized to 16499  
execute a deed in the name of the state conveying to a purchaser 16500  
and the purchaser's successors and assigns or heirs and assigns, 16501  
all of the state's right, title, and interest in the following 16502  
described real estate: 16503

Situated in the City of Cincinnati, County of Hamilton, and 16504  
State of Ohio, to-wit: 16505

Beginning at the Southeast corner of Lafayette Avenue and 16506  
Middleton Avenue, Clifton and running thence Southwardly along the 16507  
East line of Middleton Avenue, Two Hundred and Sixty-eight and 16508  
Fifty-three hundredths (268.53) feet to a point in said East line 16509  
of Middleton Avenue; thence Eastwardly at right angles to 16510  
Middleton Avenue Two Hundred and One and Ninety-seven Hundredths 16511  
(201.97) feet to a point in the East line of the property conveyed 16512  
to Thomas Sherlock, Sr. by Horace B. Chaflin and wife by deed duly 16513  
recorded in Deed Book No. 417, Page 192; thence Northwardly along 16514  
the East line of said property conveyed by said Horace B. Chaflin 16515  
and wife to Thomas Sherlock, Sr. Three Hundred and Fifty-two and 16516  
Thirty Hundredths (352.30) feet to the South line of Lafayette 16517  
Avenue, said point being the Northeast corner of said property 16518  
conveyed by Horace B. Chaflin and wife to Thomas Sherlock, Sr.; 16519  
thence Westwardly Two Hundred and Seventeen and Forty-seven 16520  
Hundredths (217.47) feet along the South line of Lafayette Avenue 16521  
to the place of beginning, said premises being a part of Lot No. 16522  
Five (5) on the plat of Subdivision of the Clifton Farm, made by 16523  
the Lafayette Bank of Cincinnati. 16524

(B) The Board of Trustees of the University of Cincinnati 16525  
shall have the real estate described in division (A) of this 16526  
section appraised by two disinterested persons. 16527

(C) Consideration for the real estate described in division 16528  
(A) of this section shall be a purchase price acceptable to the 16529

## As Reported by the House Finance and Appropriations Committee\*

Board of Trustees of the University of Cincinnati.	16530
(D) The purchaser shall pay the costs of the conveyance of the real estate described in division (A) of this section.	16531 16532
(E) Upon the purchaser's payment of the purchase price for the real estate described in division (A) of this section and the request of the Board of Trustees of the University of Cincinnati, the Auditor of State, with the assistance of the Attorney General, shall prepare a deed to the real estate. The deed shall state the consideration. The deed shall be executed by the Governor in the name of the state, countersigned by the Secretary of State, sealed with the Great Seal of the State, presented in the Office of the Auditor of State for recording, and delivered to the purchaser. The purchaser shall present the deed for recording in the Office of the Hamilton County Recorder.	16533 16534 16535 16536 16537 16538 16539 16540 16541 16542 16543
(F) The net proceeds of the sale of the real estate described in division (A) of this section shall be deposited in the University of Cincinnati Endowment Fund (William Gray Endowment Fund).	16544 16545 16546 16547
(G) This section expires one year after its effective date.	16548
<b>Section 33.02.</b> (A) The Governor is hereby authorized to execute a deed in the name of the state conveying to the East Liverpool Young Men's Christian Association and its successors and assigns all of the state's right, title, and interest in the following described real estate:	16549 16550 16551 16552 16553
Situated in the City of East Liverpool, County of Columbiana and State of Ohio and known as being 75% of permanent parcel number 3750128.	16554 16555 16556
Being .86 acres, more or less, but subject to all legal highways.	16557 16558
(B) Consideration for the conveyance of the real estate	16559

## As Reported by the House Finance and Appropriations Committee\*

described in division (A) of this section is the conveyance from  
the East Liverpool Young Men's Christian Association to the state  
and its successors and assigns of the following described real  
estate or other real estate that is of similar value and size, is  
contiguous to the East Liverpool campus of the Kent State  
University, and is acceptable to the Kent State University:

Situated in the City of East Liverpool, County of Columbiana  
and State of Ohio and known as being permanent parcel numbers  
3750196, 3706020, and 3709497.

Being .86 acres, more or less, but subject to all legal  
highways.

(C) The state shall pay the costs of the conveyances  
described in divisions (A) and (B) of this section.

(D) The real estate described or referred to in division (B)  
of this section that is conveyed to the state shall be for the use  
and benefit of the Kent State University.

(E) Upon the conveyance to the state of the real estate  
described or referred to in division (B) of this section, the  
Auditor of State, with the assistance of the Attorney General,  
shall prepare a deed to the real estate described in division (A)  
of this section. The deed shall state the consideration. The deed  
shall be executed by the Governor in the name of the state,  
countersigned by the Secretary of State, sealed with the Great  
Seal of the State, presented in the Office of the Auditor of State  
for recording, and delivered to the East Liverpool Young Men's  
Christian Association. The East Liverpool Young Men's Christian  
Association shall present the deed for recording in the Office of  
the Columbiana County Recorder.

(E) This section expires one year after its effective date.

**Section 33.03.** (A) The payment schedule set forth in division



As Reported by the House Finance and Appropriations Committee\*

(B) of Section 9 of Am. Sub. S.B. 164 of the 124th General Assembly, for conveyance of the real estate described in division (A) of that section, shall be modified in accordance with this section. 16590  
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Whereas payments totaling \$195,000 have been made by the Hamilton County Alcohol and Drug Addiction Services Board (the "grantee") as of June 30, 2002, the amount remaining to be paid, \$405,000, shall be paid by the grantee as follows: 16594  
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16596  
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STATE FISCAL	PAYMENT	
YEAR OF PAYMENT	AMOUNT	
FY 2003	\$40,500	16600
FY 2004	\$40,500	16601
FY 2005	\$40,500	16602
FY 2006	\$40,500	16603
FY 2007	\$40,500	16604
FY 2008	\$40,500	16605
FY 2009	\$40,500	16606
FY 2010	\$40,500	16607
FY 2011	\$40,500	16608
FY 2012	\$40,500	16609

(B) The Offer to Purchase executed by the state and the grantee with respect to the real estate shall be amended to reflect the payment schedule set forth in division (A) of this section. 16610  
16611  
16612  
16613

**Section 34.01.** (A)(1) Except as otherwise provided in division (A)(2) of this section, the amendment or enactment by this act of sections 5733.401, 5747.01, 5747.011, 5747.012, 5747.02, or 5747.231 of the Revised Code apply to taxable years ending on or after the effective date of this section. 16614  
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(2) For taxable years beginning in 2002 and ending before the effective date of this section, each trust shall be rebuttably 16619  
16620

## As Reported by the House Finance and Appropriations Committee\*

presumed to have made an election to apply such amendments or  
 enactments to the trust's taxable year beginning in 2002. Each  
 trust can rebut this presumption by notifying the Tax Commissioner  
 in writing, before June 1, 2003, that the trust is not making the  
 presumed election. A trust so notifying the Tax Commissioner may  
 not thereafter make an election to apply such amendments and  
 enactments in this act to the trust's taxable year beginning in  
 2002. The presumed election becomes an irrevocable election for  
 each trust that, before June 1, 2003, does not notify the tax  
 commissioner in writing that the trust is not making the presumed  
 election.

(B) This section is not subject to the referendum. Therefore,  
 under Ohio Constitution, Article II, Section 1d and section 1.471  
 of the Revised Code, this section goes into immediate effect when  
 this act becomes law.

**Section 35.01.** Sections 1711.11, 1711.53, 2113.031, 4117.01,  
 4117.14, 5731.21, 5733.021, 5733.26, 5733.40, 5733.401, 5747.01,  
 and 5747.02 of the Revised Code, as amended by this act; section  
 5747.231 of the Revised Code, as repealed and reenacted by this  
 act; and sections 5747.011 and 5747.012 of the Revised Code, as  
 enacted by this act, are not subject to the referendum. Therefore,  
 under Ohio Constitution, Article II, Section 1d and section 1.471  
 of the Revised Code, sections 1711.11, 1711.53, 2113.031, 4117.01,  
 4117.14, 5731.21, 5733.021, 5733.26, 5733.40, 5733.401, 5747.01,  
 and 5747.02 of the Revised Code, as amended by this act; section  
 5747.231 of the Revised Code, as repealed and reenacted by this  
 act; and sections 5747.011 and 5747.012 of the Revised Code, as  
 enacted by this act, go into immediate effect when this act  
 becomes law.

**Section 35.02.** Sections 102.02, 183.021, 183.19, 183.30,  
 184.01, 184.02, and 184.03 of the Revised Code, as amended or

enacted by this act, shall take effect July 1, 2003. 16652

**Section 35.03.** Section 5739.031 of the Revised Code takes 16653  
effect July 1, 2003. 16654

**Section 36.01.** Section 109.71 of the Revised Code is 16655  
presented in this act as a composite of the section as amended by 16656  
both Am. Sub. H.B. 163 and Am. S.B. 137 of the 123rd General 16657  
Assembly. The General Assembly, applying the principle stated in 16658  
division (B) of section 1.52 of the Revised Code that amendments 16659  
are to be harmonized if reasonably capable of simultaneous 16660  
operation, finds that the composite is the resulting version of 16661  
the section in effect prior to the effective date of the section 16662  
as presented in this act. 16663

**Section 36.02.** Section 109.77 of the Revised Code is 16664  
presented in this act as a composite of the section as amended by 16665  
Sub. H.B. 148, Am. Sub. H.B. 163, and Am. S.B. 137 of the 123rd 16666  
General Assembly. The General Assembly, applying the principle 16667  
stated in division (B) of section 1.52 of the Revised Code that 16668  
amendments are to be harmonized if reasonably capable of 16669  
simultaneous operation, finds that the composite is the resulting 16670  
version of the section in effect prior to the effective date of 16671  
the section as presented in this act. 16672

**Section 36.03.** Section 151.01 of the Revised Code is 16673  
presented in this act as a composite of the section as amended by 16674  
both Sub. H.B. 385 and Am. Sub. H.B. 524 of the 124th General 16675  
Assembly. The General Assembly, applying the principle stated in 16676  
division (B) of section 1.52 of the Revised Code that amendments 16677  
are to be harmonized if reasonably capable of simultaneous 16678  
operation, finds that the composite is the resulting version of 16679  
the section in effect prior to the effective date of the section 16680

## As Reported by the House Finance and Appropriations Committee\*

as presented in this act. 16681

**Section 36.04.** Section 2935.01 of the Revised Code is 16682  
presented in this act as a composite of the section as amended by 16683  
both Sub. H.B. 427 and Sub. S.B. 200 of the 124th General 16684  
Assembly. The General Assembly, applying the principle stated in 16685  
division (B) of section 1.52 of the Revised Code that amendments 16686  
are to be harmonized if reasonably capable of simultaneous 16687  
operation, finds that the composite is the resulting version of 16688  
the section in effect prior to the effective date of the section 16689  
as presented in this act. 16690

**Section 36.05.** Section 4117.01 of the Revised Code is 16691  
presented in this act as a composite of the section as amended by 16692  
both Am. Sub. S.B. 130 and Am. Sub. S.B. 229 of the 122nd the 16693  
General Assembly. The General Assembly, applying the principle 16694  
stated in division (B) of section 1.52 of the Revised Code that 16695  
amendments are to be harmonized if reasonably capable of 16696  
simultaneous operation, finds that the composite is the resulting 16697  
version of the section in effect prior to the effective date of 16698  
the section as presented in this act. 16699

**Section 36.06.** Section 5739.026 of the Revised Code is 16700  
presented in this act as a composite of the section as amended by 16701  
both Am. Sub. S.B. 143 and Sub. S.B. 200 of the 124th General 16702  
Assembly. The General Assembly, applying the principle stated in 16703  
division (B) of section 1.52 of the Revised Code that amendments 16704  
are to be harmonized if reasonably capable of simultaneous 16705  
operation, finds that the composite is the resulting version of 16706  
the section in effect prior to the effective date of the section 16707  
as presented in this act. 16708

**Section 36.07.** Section 5739.033 of the Revised Code is 16709

## As Reported by the House Finance and Appropriations Committee\*

presented in this act as a composite of the section as amended by 16710  
both Am. Sub. S.B. 143 and Sub. S.B. 200 of the 124th General 16711  
Assembly. The General Assembly, applying the principle stated in 16712  
division (B) of section 1.52 of the Revised Code that amendments 16713  
are to be harmonized if reasonably capable of simultaneous 16714  
operation, finds that the composite is the resulting version of 16715  
the section in effect prior to the effective date of the section 16716  
as presented in this act. 16717

**Section 36.08.** Section 5902.02 of the Revised Code is 16718  
presented in this act as a composite of the section as amended by 16719  
both H.B. 471 and Am. Sub. S.B. 120 of the 123rd General Assembly. 16720  
The General Assembly, applying the principle stated in division 16721  
(B) of section 1.52 of the Revised Code that amendments are to be 16722  
harmonized if reasonably capable of simultaneous operation, finds 16723  
that the composite is the resulting version of the section in 16724  
effect prior to the effective date of the section as presented in 16725  
this act. 16726

**Section 37.01.** If any item of law that constitutes the whole 16727  
or part of a codified or uncodified section of law contained in 16728  
this act, or if any application of any item of law that 16729  
constitutes the whole or part of a codified or uncodified section 16730  
of law contained in this act, is held invalid, the invalidity does 16731  
not affect other items of law or applications of items of law that 16732  
can be given effect without the invalid item of law or 16733  
application. To this end, the items of law of which the codified 16734  
and uncodified sections contained in this act are composed, and 16735  
their applications, are independent and severable. 16736