(125th General Assembly)
(Substitute House Bill Number 427)

AN ACT

To amend sections 109.42, 122.18, 122.65, 5709.40, 5709,42, 5709.62, 5709.63, 5709.631, 5709.632, 5709.73, 5709.74, 5709.77, 5709.78, and 5709.79 and to enact sections 122.95, 122.951, 122.952, 1333.32, 1333.33, 1333.34, 5709.91, 5709.911, 5709.912, 5709.913, and 5709.914 of the Revised Code and to amend Sections 38, 38.18, and 38.20 of Am. Sub. H.B. 95 of the 125th General Assembly and to repeal Section 2 of Sub. S.B. 186 of the 123rd General Assembly; to increase from 10 to 15 the number of years enterprise zones or urban jobs and enterprise zone agreements may exempt property from taxation, subject to school board approval; to authorize the Director of Development to grant money for the purpose of improving commercial and industrial areas within certain economically distressed counties; to create the Job Development Initiatives Fund and transfer up to $25.8 million of unclaimed funds to it; to address priority, enforcement, reporting, and other issues concerning tax increment financing and related programs; to broaden the definition of "brownfield" for purposes of the Clean Ohio Brownfield Revitalization Program; to establish a lien for a moldbuilder in the plastic or metal forming industries; to establish a minimum population requirement for a single county to be considered a local area under the workforce development system; to authorize the conveyance of state-owned real estate in Hamilton County to the Board of County Commissioners of Hamilton County; to modify the law authorizing

payments to municipalities and counties that attract federal jobs; to prevent the repeal of the Employee Ownership Assistance Program that is to take effect December 31, 2004; to make appropriations; and to declare an emergency.

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

SECTION 1. That sections 109.42, 122.18, 122.65, 5709.40, 5709.42, 5709.62, 5709.63, 5709.631, 5709.632, 5709.73, 5709.74, 5709.77, 5709.78, and 5709.79 be amended and sections 122.95, 122.951, 122.952, 1333.32, 1333.33, 1333.34, 5709.91, 5709.911, 5709.912, 5709.913, and 5709.914 of the Revised Code be enacted to read as follows:

Sec. 109.42. (A) The attorney general shall prepare and have printed a pamphlet that contains a compilation of all statutes relative to victim's rights in which the attorney general lists and explains the statutes in the form of a victim's bill of rights. The attorney general shall distribute the pamphlet to all sheriffs, marshals, municipal corporation and township police departments, constables, and other law enforcement agencies, to all prosecuting attorneys, city directors of law, village solicitors, and other similar chief legal officers of municipal corporations, and to organizations that represent or provide services for victims of crime. The victim's bill of rights set forth in the pamphlet shall contain a description of all of the rights of victims that are provided for in Chapter 2930. or in any other section of the Revised Code and shall include, but not be limited to, all of the following:

(1) The right of a victim or a victim's representative to attend a proceeding before a grand jury, in a juvenile case, or in a criminal case pursuant to a subpoena without being discharged from the victim's or representative's employment, having the victim's or representative's employment terminated, having the victim's or representative's pay decreased or withheld, or otherwise being punished, penalized, or threatened as a result of time lost from regular employment because of the victim's or representative's attendance at the proceeding pursuant to the subpoena, as set forth in section 2151.211, 2930.18, 2939.121, or 2945.451 of the Revised Code;

(2) The potential availability pursuant to section 2151.359 or 2152.61 of the Revised Code of a forfeited recognizance to pay damages caused by a

child when the delinquency of the child or child's violation of probation or community control is found to be proximately caused by the failure of the child's parent or guardian to subject the child to reasonable parental authority or to faithfully discharge the conditions of probation or community control;

(3) The availability of awards of reparations pursuant to sections 2743.51 to 2743.72 of the Revised Code for injuries caused by criminal offenses;

(4) The right of the victim in certain criminal or juvenile cases or a victim's representative to receive, pursuant to section 2930.06 of the Revised Code, notice of the date, time, and place of the trial or delinquency proceeding in the case or, if there will not be a trial or delinquency proceeding, information from the prosecutor, as defined in section 2930.01 of the Revised Code, regarding the disposition of the case;

(5) The right of the victim in certain criminal or juvenile cases or a victim's representative to receive, pursuant to section 2930.04, 2930.05, or 2930.06 of the Revised Code, notice of the name of the person charged with the violation, the case or docket number assigned to the charge, and a telephone number or numbers that can be called to obtain information about the disposition of the case;

(6) The right of the victim in certain criminal or juvenile cases or of the victim's representative pursuant to section 2930.13 or 2930.14 of the Revised Code, subject to any reasonable terms set by the court as authorized under section 2930.14 of the Revised Code, to make a statement about the victimization and, if applicable, a statement relative to the sentencing or disposition of the offender;

(7) The opportunity to obtain a court order, pursuant to section 2945.04 of the Revised Code, to prevent or stop the commission of the offense of intimidation of a crime victim or witness or an offense against the person or property of the complainant, or of the complainant's ward or child;

(8) The right of the victim in certain criminal or juvenile cases or a victim's representative pursuant to sections 2151.38, 2929.20, 2930.10, 2930.16, and 2930.17 of the Revised Code to receive notice of a pending motion for judicial release or early release of the person who committed the offense against the victim, to make an oral or written statement at the court hearing on the motion, and to be notified of the court's decision on the motion;

(9) The right of the victim in certain criminal or juvenile cases or a victim's representative pursuant to section 2930.16, 2967.12, 2967.26, or 5139.56 of the Revised Code to receive notice of any pending commutation,

pardon, parole, transitional control, discharge, other form of authorized release, post-release control, or supervised release for the person who committed the offense against the victim or any application for release of that person and to send a written statement relative to the victimization and the pending action to the adult parole authority or the release authority of the department of youth services;

(10) The right of the victim to bring a civil action pursuant to sections 2969.01 to 2969.06 of the Revised Code to obtain money from the offender's profit fund;

(11) The right, pursuant to section 3109.09 of the Revised Code, to maintain a civil action to recover compensatory damages not exceeding ten thousand dollars and costs from the parent of a minor who willfully damages property through the commission of an act that would be a theft offense, as defined in section 2913.01 of the Revised Code, if committed by an adult;

(12) The right, pursuant to section 3109.10 of the Revised Code, to maintain a civil action to recover compensatory damages not exceeding ten thousand dollars and costs from the parent of a minor who willfully and maliciously assaults a person;

(13) The possibility of receiving restitution from an offender or a delinquent child pursuant to section 2152.20, 2929.18, or 2929.28 of the Revised Code;

(14) The right of the victim in certain criminal or juvenile cases or a victim's representative, pursuant to section 2930.16 of the Revised Code, to receive notice of the escape from confinement or custody of the person who committed the offense, to receive that notice from the custodial agency of the person at the victim's last address or telephone number provided to the custodial agency, and to receive notice that, if either the victim's address or telephone number changes, it is in the victim's interest to provide the new address or telephone number to the custodial agency;

(15) The right of a victim of domestic violence to seek the issuance of a civil protection order pursuant to section 3113.31 of the Revised Code, the right of a victim of a violation of section 2903.14, 2909.06, 2909.07, 2911.12, 2911.211, or 2919.22 of the Revised Code, a violation of a substantially similar municipal ordinance, or an offense of violence who is a family or household member of the offender at the time of the offense to seek the issuance of a temporary protection order pursuant to section 2919.26 of the Revised Code, and the right of both types of victims to be accompanied by a victim advocate during court proceedings;

(16) The right of a victim of a sexually oriented offense that is not a

registration-exempt sexually oriented offense or of a child-victim oriented offense that is committed by a person who is convicted of or pleads guilty to an aggravated sexually oriented offense, by a person who is adjudicated a sexual predator or child-victim predator, or, in certain cases, by a person who is determined to be a habitual sex offender or habitual child-victim offender to receive, pursuant to section 2950.10 of the Revised Code, notice that the person has registered with a sheriff under section 2950.04, 2950.041, or 2950.05 of the Revised Code and notice of the person's name, the person's residence that is registered, and the offender's school, institution of higher education, or place of employment address or addresses that are registered, and a summary of the manner in which the victim must make a request to receive the notice. As used in this division, "sexually oriented offense," "adjudicated a sexual predator," "habitual sex offender," "registration-exempt sexually oriented offense," "aggravated sexually oriented offense," "child-victim oriented offense," "adjudicated a child-victim predator," and "habitual child-victim offender" have the same meanings as in section 2950.01 of the Revised Code.

(17) The right of a victim of certain sexually violent offenses committed by a sexually violent predator who is sentenced to a prison term pursuant to division (A)(3) of section 2971.03 of the Revised Code to receive, pursuant to section 2930.16 of the Revised Code, notice of a hearing to determine whether to modify the requirement that the offender serve the entire prison term in a state correctional facility, whether to continue, revise, or revoke any existing modification of that requirement, or whether to terminate the prison term. As used in this division, "sexually violent offense" and "sexually violent predator" have the same meanings as in section 2971.01 of the Revised Code.

(B)(1)(a) Subject to division (B)(1)(c) of this section, a prosecuting attorney, assistant prosecuting attorney, city director of law, assistant city director of law, village solicitor, assistant village solicitor, or similar chief legal officer of a municipal corporation or an assistant of any of those officers who prosecutes an offense committed in this state, upon first contact with the victim of the offense, the victim's family, or the victim's dependents, shall give the victim, the victim's family, or the victim's dependents a copy of the pamphlet prepared pursuant to division (A) of this section and explain, upon request, the information in the pamphlet to the victim, the victim's family, or the victim's dependents.

(b) Subject to division (B)(1)(c) of this section, a law enforcement agency that investigates an offense or delinquent act committed in this state shall give the victim of the offense or delinquent act, the victim's family, or

the victim's dependents a copy of the pamphlet prepared pursuant to division (A) of this section at one of the following times:

(i) Upon first contact with the victim, the victim's family, or the victim's dependents;

(ii) If the offense or delinquent act is an offense of violence, if the circumstances of the offense or delinquent act and the condition of the victim, the victim's family, or the victim's dependents indicate that the victim, the victim's family, or the victim's dependents will not be able to understand the significance of the pamphlet upon first contact with the agency, and if the agency anticipates that it will have an additional contact with the victim, the victim's family, or the victim's dependents, upon the agency's second contact with the victim, the victim's family, or the victim's dependents.

If the agency does not give the victim, the victim's family, or the victim's dependents a copy of the pamphlet upon first contact with them and does not have a second contact with the victim, the victim's family, or the victim's dependents, the agency shall mail a copy of the pamphlet to the victim, the victim's family, or the victim's dependents at their last known address.

(c) In complying on and after December 9, 1994, with the duties imposed by division (B)(1)(a) or (b) of this section, an official or a law enforcement agency shall use copies of the pamphlet that are in the official's or agency's possession on December 9, 1994, until the official or agency has distributed all of those copies. After the official or agency has distributed all of those copies, the official or agency shall use only copies of the pamphlet that contain at least the information described in divisions (A)(1) to (17) of this section.

(2) The failure of a law enforcement agency or of a prosecuting attorney, assistant prosecuting attorney, city director of law, assistant city director of law, village solicitor, assistant village solicitor, or similar chief legal officer of a municipal corporation or an assistant to any of those officers to give, as required by division (B)(1) of this section, the victim of an offense or delinquent act, the victim's family, or the victim's dependents a copy of the pamphlet prepared pursuant to division (A) of this section does not give the victim, the victim's family, the victim's dependents, or a victim's representative any rights under section ~~122.95,~~ 2743.51 to 2743.72, 2945.04, 2967.12, 2969.01 to 2969.06, 3109.09, or 3109.10 of the Revised Code or under any other provision of the Revised Code and does not affect any right under those sections.

(3) A law enforcement agency, a prosecuting attorney or assistant

prosecuting attorney, or a city director of law, assistant city director of law, village solicitor, assistant village solicitor, or similar chief legal officer of a municipal corporation that distributes a copy of the pamphlet prepared pursuant to division (A) of this section shall not be required to distribute a copy of an information card or other printed material provided by the clerk of the court of claims pursuant to section 2743.71 of the Revised Code.

(C) The cost of printing and distributing the pamphlet prepared pursuant to division (A) of this section shall be paid out of the reparations fund, created pursuant to section 2743.191 of the Revised Code, in accordance with division (D) of that section.

(D) As used in this section:

(1) "Victim's representative" has the same meaning as in section 2930.01 of the Revised Code;

(2) "Victim advocate" has the same meaning as in section 2919.26 of the Revised Code.

Sec. 122.18. (A) As used in this section:

(1) "Facility" means all real property and interests in real property owned by a landlord and leased to a tenant pursuant to a project that is the subject of an agreement under this section;

(2) "Full-time employee" has the same meaning as under section 122.17 of the Revised Code;

(3) "Landlord" means a county or municipal corporation, or a corporate entity that is an instrumentality of a county or municipal corporation and that is not subject to the tax imposed by section 5733.06 or 5747.02 of the Revised Code;

(4) "New employee" means a full-time employee first employed by, or under or pursuant to a contract with, the tenant in the project that is the subject of the agreement after a landlord enters into an agreement with the tax credit authority under this section;

(5) "New income tax revenue" means the total amount withheld under section 5747.06 of the Revised Code by the tenant or tenants at a facility during a year from the compensation of new employees for the tax levied under Chapter 5747. of the Revised Code;

(6) "Tenant" means the United States ~~or,~~ any department, agency, or instrumentality ~~thereof~~ of the United States, or any person under contract with the United States or any department, agency, or instrumentality of the United States.

(B) The tax credit authority may enter into an agreement with a landlord under which an annual payment equal to the new income tax revenue or the amount called for under division (D)(3) or (4) of this section shall be made

to the landlord from moneys of this state that were not raised by taxation, and shall be credited by the landlord to the rental owing from the tenant to the landlord for a facility.

(C) A landlord that proposes a project to create new jobs in this state may apply to the tax credit authority to enter into an agreement for annual payments under this section. The director of development shall prescribe the form of the application. After receipt of an application, the authority may enter into an agreement with the landlord for annual payments under this section if it determines all of the following:

(1) The project will create new jobs in this state;

(2) The project is economically sound and will benefit the people of this state by increasing opportunities for employment and strengthening the economy of this state;

(3) Receiving the annual payments will be a major factor in the decision of the landlord and tenant to go forward with the project.

(D) An agreement with a landlord for annual payments shall include all of the following:

(1) A description of the project that is the subject of the agreement;

(2) The term of the agreement, which shall ~~be the greater of~~ not exceed twenty years ~~or until the date on which the bonds or other forms of financing referred to in division (D)(3) of this section are no longer outstanding~~;

(3) Based on the estimated new income tax revenue to be derived from the facility at the time the agreement is entered into, provision for a guaranteed ~~minimum~~ payment to the landlord commencing with the issuance by the landlord of any bonds or other forms of financing for the construction of the facility and continuing for ~~so long as such bonds or other forms of financing or any bonds or other forms of financing issued to refund such bonds or other forms of financing are outstanding~~ the term approved by the authority;

(4) Provision for offsets to this state of the annual payment in years in which such annual payment is greater than the guaranteed ~~minimum~~ payment of amounts previously paid by this state to the landlord in excess of the new income tax revenue by reason of the guaranteed ~~minimum~~ payment;

(5) A specific method for determining how many new employees are employed during a year;

(6) A requirement that the landlord annually shall obtain from the tenant and report to the director of development the number of new employees, the new income tax revenue withheld in connection with the new employees, 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 shall verify the amounts reported under division (D)(6) of this section, and after doing so shall issue a certificate to the landlord stating that the amounts have been verified.

(E) The director of development, in accordance with Chapter 119. of the Revised Code, shall adopt rules necessary to implement this section.

Sec. 122.65. As used in sections 122.65 to 122.659 of the Revised Code:

(A) "Applicable cleanup standards" means either of the following:

(1) For property to which Chapter 3734. of the Revised Code and rules adopted under it apply, the requirements for closure or corrective action established in rules adopted under section 3734.12 of the Revised Code;

(2) For property to which Chapter 3746. of the Revised Code and rules adopted under it apply, the cleanup standards that are established in rules adopted under section 3746.04 of the Revised Code.

(B) "Applicant" means a county, township, municipal corporation, port authority, or conservancy district or a park district, other similar park authority, nonprofit organization, or organization for profit that has entered into an agreement with a county, township, municipal corporation, port authority, or conservancy district to work in conjunction with that county, township, municipal corporation, port authority, or conservancy district for the purposes of sections 122.65 to 122.658 of the Revised Code.

(C) "Assessment" means a phase I and phase II property assessment conducted in accordance with section 3746.04 of the Revised Code and rules adopted under that section.

(D) "Brownfield" means an abandoned, idled, or under-used industrial ~~or,~~ commercial, or institutional property where expansion or redevelopment is complicated by known or potential releases of hazardous substances or petroleum.

(E) "Certified professional," "hazardous substance," "petroleum," and "release" have the same meanings as in section 3746.01 of the Revised Code.

(F) "Cleanup or remediation" means any action to contain, remove, or dispose of hazardous substances or petroleum at a brownfield. "Cleanup or remediation" includes the acquisition of a brownfield, demolition performed at a brownfield, and the installation or upgrade of the minimum amount of infrastructure that is necessary to make a brownfield operational for economic development activity.

(G) "Distressed area" means either a municipal corporation with a population of at least fifty thousand or a county that meets any two of the

following criteria:

(1) Its average rate of unemployment, during the most recent five-year period for which data are available, is equal to at least one hundred twenty-five per cent of the average rate of unemployment for the United States for the same period.

(2) It has a per capita income equal to or below eighty per cent of the median county per capita income of the United States as determined by the most recently available figures from the United States census bureau.

(3)(a) In the case of a municipal corporation, at least twenty per cent of the residents have a total income for the most recent census year that is below the official poverty line.

(b) In the case of a county, in intercensal years, the county has a ratio of transfer payment income to total county income equal to or greater than twenty-five per cent.

"Distressed area" includes a municipal corporation the majority of the population of which is situated in a county that is a distressed area.

(H) "Eligible area" means a distressed area, an inner city area, a labor surplus area, or a situational distress area.

(I) "Inner city area" means an area in a municipal corporation that has a population of at least one hundred thousand, is not a labor surplus area, and is a targeted investment area established by the municipal corporation that is comprised of block tracts identified in the most recently available figures from the United States census bureau in which at least twenty per cent of the population in the area is at or below the official poverty line or of contiguous block tracts meeting those criteria.

(J) "Institutional property" means property currently or formerly owned or controlled by the state that is or was used for a public or charitable purpose. However, "institutional property" does not mean property that is or was used for educational purposes.

(K) "Integrating committee" means a district public works integrating committee established under section 164.04 of the Revised Code.

~~(K)~~(L) "Labor surplus area" means an area designated as a labor surplus area by the United States department of labor.

~~(L)~~(M) "Loan" includes credit enhancement.

~~(M)~~(N) "No further action letter" means a letter that is prepared by a certified professional when, on the basis of the best knowledge, information, and belief of the certified professional, the certified professional concludes that the cleanup or remediation of a brownfield meets the applicable cleanup standards and that contains all of the information specified in rules adopted under division (B)(7) of section 3746.04 of the Revised Code.

~~(N)~~(O) "Nonprofit organization" means a corporation, association, group, institution, society, or other organization that is exempt from federal income taxation under section 501(c)(3) of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 501(c)(3), as amended.

~~(O)~~(P) "Property" means any parcel of real property, or portion of such a parcel, and any improvements to it.

~~(P)~~(Q) "Public health project" means the cleanup or remediation of a release or threatened release of hazardous substances or petroleum at a property where little or no economic redevelopment potential exists.

~~(Q)~~(R) "Official poverty line" has the same meaning as in section 3923.51 of the Revised Code.

~~(R)~~(S) "Situational distress area" means a county or a municipal corporation that has experienced or is experiencing a closing or downsizing of a major employer that will adversely affect the county or municipal corporation's economy and that has applied to the director of development to be designated as a situational distress area for not more than thirty months by demonstrating all of the following:

(1) The number of jobs lost by the closing or downsizing;

(2) The impact that the job loss has on the county or municipal corporation's unemployment rate as measured by the director of job and family services;

(3) The annual payroll associated with the job loss;

(4) The amount of state and local taxes associated with the job loss;

(5) The impact that the closing or downsizing has on suppliers located in the county or municipal corporation.

Sec. 122.95. As used in sections 122.95 to 122.952 of the Revised Code:

(A) "Commercial or industrial areas" means areas established by a state, county, municipal, or other local zoning authority as being most appropriate for business, commerce, industry, or trade or an area not zoned by state or local law, regulation, or ordinance, but in which there is located one or more commercial or industrial activities.

(B) "Eligible county" means any of the following:

(1) A county designated as being in the "Appalachian region" under the "Appalachian Regional Development Act of 1965," 79 Stat. 5, 40 U.S.C. App. 403;

(2) A county that is a "distressed area" as defined in section 122.16 of the Revised Code;

(3) A county that has a population of less than one hundred thousand according to the most recent federal decennial census and in which three hundred fifty or more residents of the county were, during the most recently

completed calendar year, permanently or temporarily terminated from a private sector employment position for any reason not reflecting discredit on the employee;

(4) A county that has a population of one hundred thousand or more according to the most recent federal decennial census and in which one thousand or more residents of the county were, during the most recently completed calendar year, permanently or temporarily terminated from a private sector employment position for any reason not reflecting discredit on the employee.

Sec. 122.951. (A) If the director of development determines that a grant from the industrial site improvement fund will create new jobs or preserve existing jobs and employment opportunities in an eligible county, the director may grant up to one million dollars from the fund to the eligible county for the purpose of making improvements to commercial or industrial areas within the eligible county, including, but not limited to:

(1) Expanding, remodeling, renovating, and modernizing buildings, structures, and other improvements;

(2) Remediating environmentally contaminated property on which hazardous substances exist under conditions that have caused or would cause the property to be identified as contaminated by the Ohio or United States environmental protection agency; and

(3) Infrastructure improvements, including, but not limited to, site preparation, including building demolition and removal; streets, roads, bridges, and traffic control devices; parking lots and facilities; water and sewer lines and treatment plants; gas, electric, and telecommunications, including broadband, hook-ups; and water and railway access improvements.

(B) An eligible county may apply to the director for a grant under this section in the form and manner prescribed by the director. The eligible county shall include on the application all information required by the director. The application shall require the eligible county to provide a detailed description of how the eligible county would use a grant to improve commercial or industrial areas within the eligible county, and to specify how a grant will lead to the creation of new jobs or the preservation of existing jobs and employment opportunities in the eligible county. The eligible county shall specify in the application the amount of the grant for which the eligible county is applying.

(C) An eligible county that receives a grant under this section is not eligible for any additional grants from the industrial site improvement fund.

Sec. 122.952. There is hereby created in the state treasury the industrial

site improvement fund, which shall consist of money appropriated to the fund by the general assembly. Money in the fund shall be used exclusively for the purpose of making grants to eligible counties under section 122.951 of the Revised Code.

The director of development shall prescribe the form and manner in which applications for grants are to be made.

Sec. 1333.32. For purposes of sections 1333.32 to 1333.34 of the Revised Code, all of the following apply:

(A) "Customer" means a person that causes a moldbuilder to fabricate, cut, cast, or design molds.

(B) "Mold" means molds, dies, forms, tools, and parts, for the plastic industry or for the metal forming industry.

(C) "Moldbuilder" means a person, including but not limited to, a model maker, patternmaker, die maker, jig and fixture builder, die sinker, mold designer, mold programmer, and mold engineer, that fabricates, cuts, casts, or designs molds for the plastic industry or for the metal forming industry. "Moldbuilder" does not include a person described in division (A)(2) of section 1333.29 of the Revised Code, unless the person also engages in the activities described in this division.

(D) "Molder" has the same definition as in division (A) of section 1333.29 of the Revised Code, but does not include a moldbuilder.

(E) "Person" means an individual, firm, partnership, association, corporation, limited liability company, or other legal entity.

Sec. 1333.33. (A)(1) A moldbuilder has a lien on all molds produced by it and on all proceeds from the assignment, sale, transfer, exchange, or other disposition of the molds produced by it until the moldbuilder is paid in full all amounts due the moldbuilder for the production of the mold or these proceeds. The lien described in this division attaches when the mold is delivered from the moldbuilder to the customer.

(2) The amount of the lien described in division (A)(1) of this section is the amount that a customer or molder owes the moldbuilder for the fabrication, repair, or modification of the mold.

(3) The moldbuilder retains the lien described in division (A)(1) of this section even if the moldbuilder is not in possession of the mold for which the lien is claimed.

(B) A moldbuilder perfects a lien described in division (A) of this section by filing a financing statement in accordance with the requirements of section 1309.502 of the Revised Code, which filing constitutes constructive notice of the lien described in division (A) of this section.

(C) The perfected lien described in division (B) of this section remains

valid until all of the following occur:

(1) The moldbuilder receives the full amount due it for the mold.

(2) The customer receives a verified statement from the molder that the molder has paid the amount for which the lien is claimed.

(3) The financing statement is terminated.

(D) The priority of a perfected lien described in division (B) of this section on the same mold shall be determined based on the time that the lien attaches. The first lien that attaches pursuant to division (A)(1) of this section has priority over liens that attach subsequent to the first lien.

(E)(1) Any provision of a contract that waives a moldbuilder's right or an obligation of a person established by sections 1333.32 to 1333.34 of the Revised Code is void and unenforceable as against public policy. Division (E)(1) of this section does not affect the validity of other provisions of the contract or of a related document, policy, or agreement that can be given effect without the voided provision.

(2) Any provision of a contract requiring the application of the law of another state rather than sections 1333.32 to 1333.34 of the Revised Code is void and unenforceable as against public policy.

Sec. 1333.34. (A) To enforce a moldbuilder's lien attached pursuant to section 1333.33 of the Revised Code, the moldbuilder shall give written notice to the customer and molder stating that a lien is claimed; the amount that the moldbuilder claims is owed for fabrication, repair, or modification of the mold; and a demand for payment. The written notice described in this division shall be given by hand delivery or certified mail, return receipt requested, to the last known address of the customer and to the last known address of the molder.

(B) If the moldbuilder has not been paid the amount claimed in the notice described in division (A) of this section within ninety days after that notice is received by the customer and by the molder, the moldbuilder has a right to possession of the mold and may do the following:

(1) Enforce the right to possession of the mold by judgment, foreclosure, or any available judicial procedure;

(2) Commence a civil action described in division (D) of this section in a court of common pleas to enforce the lien, including by obtaining a judgment for the amounts owed that are described in division (A) of this section and a judgment permitting the mold to be sold at an execution sale;

(3) One or more of the following:

(a) Take possession of the mold, if possession without judicial process can be done without breach of the peace;

(b) Sell the mold in a public auction.

(C) A sale pursuant to this section shall not be made or possession shall not be obtained pursuant to division (B) of this section, if it violates a right of the customer or molder under federal patent, bankruptcy, or copyright laws.

(D) A moldbuilder that suffers damages because of a violation of sections 1333.32 to 1333.34 of the Revised Code may obtain appropriate legal and equitable relief, including damages, in a civil action.

(E) In any action by a moldbuilder to enforce a perfected lien described in section 1333.33 of the Revised Code, the court shall award the moldbuilder that is the prevailing party reasonable attorney fees, court costs, and expenses related to enforcement of the lien.

Sec. 5709.40. (A) As used in this section:

(1) "Blighted area" and "impacted city" have the same meanings as in section 1728.01 of the Revised Code.

(2) "Business day" means a day of the week excluding Saturday, Sunday, and a legal holiday as defined under section 1.14 of the Revised Code.

(3) "Housing renovation" means a project carried out for residential purposes.

(4) "Improvement" means the increase in the assessed value of ~~a parcel of~~ any real property that would first appear on the tax list and duplicate of real and public utility property after the effective date of an ordinance adopted under this section were it not for the exemption granted by that ordinance. "Improvement" does not include a public infrastructure improvement.

(5) "Incentive district" means an area not more than three hundred acres in size enclosed by a continuous boundary and having one or more of the following distress characteristics:

(a) At least fifty-one per cent of the residents of the district have incomes of less than eighty per cent of the median income of residents of the political subdivision in which the district is located, as determined in the same manner specified under section 119(b) of the "Housing and Community Development Act of 1974," 88 Stat. 633, 42 U.S.C. 5318, as amended;

(b) The average rate of unemployment in the district during the most recent twelve-month period for which data are available is equal to at least one hundred fifty per cent of the average rate of unemployment for this state for the same period.

(c) At least twenty per cent of the people residing in the district live at or below the poverty level as defined in the federal Housing and Community

Development Act of 1974, 42 U.S.C. 5301, as amended, and regulations adopted pursuant to that act.

(d) The district is a blighted area.

(e) The district is in a situational distress area as designated by the director of development under division (F) of section 122.23 of the Revised Code.

(f) As certified by the engineer for the political subdivision, the public infrastructure serving the district is inadequate to meet the development needs of the district as evidenced by a written economic development plan or urban renewal plan for the district that has been adopted by the legislative authority of the subdivision.

(g) The district is comprised entirely of unimproved land that is located in a distressed area as defined in section 122.23 of the Revised Code.

(6) "Project" means development activities undertaken on one or more parcels, including, but not limited to, construction, expansion, and alteration of buildings or structures, demolition, remediation, and site development, and any building or structure that results from those activities.

(7) "Public infrastructure improvement" includes, but is not limited to, public roads and highways; water and sewer lines; environmental remediation; land acquisition, including acquisition in aid of industry, commerce, distribution, or research; demolition, including demolition on private property when determined to be necessary for economic development purposes; stormwater and flood remediation projects, including such projects on private property when determined to be necessary for public health, safety, and welfare; the provision of gas, electric, and communications service facilities; and the enhancement of public waterways through improvements that allow for greater public access.

(B) The legislative authority of a municipal corporation, by ordinance, may declare improvements to certain parcels of real property located in the municipal corporation to be a public purpose. Improvements with respect to a parcel that is used or to be used for residential purposes may be declared a public purpose under this division only if the parcel is located in a blighted area of an impacted city. Except as otherwise provided in division (D) of this section, not more than seventy-five per cent of an improvement thus declared to be a public purpose may be exempted from real property taxation; the percentage exempted shall not, except as otherwise provided in that division, exceed the estimated percentage of the incremental demand placed on the public infrastructure improvements that is directly attributable to the exempted improvement. The ordinance shall specify the percentage of the improvement to be exempted from taxation.

An ordinance adopted or amended under this division shall designate the specific public infrastructure improvements made, to be made, or in the process of being made by the municipal corporation that directly benefit, or that once made will directly benefit, the parcels for which improvements are declared to be a public purpose. For the purposes of this division, a public infrastructure improvement directly benefits such a parcel only if a project on the parcel places direct, additional demand on the public infrastructure improvement or, if the public infrastructure improvement has not yet been completed, will place direct, additional demand on the public infrastructure improvement once it is completed. The service payments provided for in section 5709.42 of the Revised Code shall be used to finance the public infrastructure improvements designated in the ordinance or for the purpose described in division (D)(1) of this section.

(C) The legislative authority of a municipal corporation may adopt an ordinance creating an incentive district and declaring improvements to parcels within the district to be a public purpose and exempt from taxation as provided in this section. The ordinance shall delineate the boundary of the district and specifically identify each parcel within the district. A district may not include any parcel that is or has been exempted from taxation under division (B) of this section or that is or has been within another district created under this division. An ordinance may create more than one such district, and more than one ordinance may be adopted under this division.

Not later than thirty days prior to adopting an ordinance under this division, if the municipal corporation intends to apply for exemptions from taxation under section 5709.911 of the Revised Code on behalf of owners of real property located within the proposed incentive district, the legislative authority of a municipal corporation shall conduct a public hearing on the proposed ordinance. Not later than thirty days prior to the public hearing, the legislative authority shall give notice of the public hearing and the proposed ordinance by first class mail to every real property owner whose property is located within the boundaries of the proposed incentive district that is the subject of the proposed ordinance.

An ordinance adopted under this division shall specify the life of the district and the percentage of the improvements to be exempted and shall designate the public infrastructure improvements made or to be made that benefit or serve parcels in the district. The service payments provided for in section 5709.42 of the Revised Code shall be used to finance the designated public infrastructure improvements or for the purpose described in division (D)(1) of this section.

An ordinance adopted under this division may authorize the use of

service payments provided for in section 5709.42 of the Revised Code for the purpose of housing renovations within the district, provided that the ordinance also designates public infrastructure improvements that benefit or serve the district, and that a project within the district places real property in use for commercial or industrial purposes. Service payments may be used to finance or support loans, deferred loans, and grants to persons for the purpose of housing renovations within the district. The ordinance shall designate the parcels within the district that are eligible for housing renovation. The ordinance shall state separately the amounts or the percentages of the expected aggregate service payments that are designated for each public infrastructure improvement and for the general purpose of housing renovations.

Except with the approval of the board of education of each city, local, or exempted village school district within the territory of which the district is or will be located, the life of a district shall not exceed ten years, and the percentage of improvements to be exempted shall not exceed seventy-five per cent. With such approval, the life of a district may be not more than thirty years, and the percentage of improvements to be exempted may be not more than one hundred per cent.

Approval of a board of education shall be obtained in the manner provided in division (D) of this section for exemptions under division (B) of this section, except that the notice to the board of education shall delineate the boundaries of the district, specifically identify each parcel within the district, identify each anticipated improvement in the district, provide an estimate of the true value in money of each such improvement, specify the life of the district and the percentage of improvements that would be exempted, and indicate the date on which the legislative authority intends to adopt the ordinance.

A municipal corporation shall not adopt an ordinance under this division after June 30, 2007.

(D)(1) If the ordinance declaring improvements to a parcel to be a public purpose or creating an incentive district specifies that payments in lieu of taxes provided for in section 5709.42 of the Revised Code shall be paid to the city, local, or exempted village school district in which the parcel is located in the amount of the taxes that would have been payable to the school district if the improvements had not been exempted from taxation, the percentage of the improvement that may be exempted from taxation may exceed seventy-five per cent, and the exemption may be granted for up to thirty years, without the approval of the board of education as otherwise required under division (D)(2) of this section.

(2) Improvements with respect to a parcel may be exempted from taxation under division (B) of this section for up to ten years or, with the approval under this paragraph of the board of education of the city, local, or exempted village school district within which the parcel is located, for up to thirty years. The percentage of the improvement exempted from taxation may, with such approval, exceed seventy-five per cent, but shall not exceed one hundred per cent. Not later than forty-five business days prior to adopting an ordinance under this section declaring improvements to be a public purpose, the legislative authority shall deliver to the board of education a notice stating its intent to adopt an ordinance making that declaration. The notice shall identify the parcels for which improvements are to be exempted from taxation, provide an estimate of the true value in money of the improvements, specify the period for which the improvements would be exempted from taxation and the percentage of the improvement that would be exempted, and indicate the date on which the legislative authority intends to adopt the ordinance. The board of education, by resolution adopted by a majority of the board, may approve the exemption for the period or for the exemption percentage specified in the notice, may disapprove the exemption for the number of years in excess of ten, may disapprove the exemption for the percentage of the improvement to be exempted in excess of seventy-five per cent, or both, or may approve the exemption on the condition that the legislative authority and the board negotiate an agreement providing for compensation to the school district equal in value to a percentage of the amount of taxes exempted in the eleventh and subsequent years of the exemption period or, in the case of exemption percentages in excess of seventy-five per cent, compensation equal in value to a percentage of the taxes that would be payable on the portion of the improvement in excess of seventy-five per cent were that portion to be subject to taxation. The board of education shall certify its resolution to the legislative authority not later than fourteen days prior to the date the legislative authority intends to adopt the ordinance as indicated in the notice. If the board of education approves the exemption on the condition that a compensation agreement be negotiated, the board in its resolution shall propose a compensation percentage. If the board of education and the legislative authority negotiate a mutually acceptable compensation agreement, the ordinance may declare the improvements a public purpose for the number of years specified in the ordinance or, in the case of exemption percentages in excess of seventy-five per cent, for the exemption percentage specified in the ordinance. In either case, if the board and the legislative authority fail to negotiate a mutually acceptable

compensation agreement, the ordinance may declare the improvements a public purpose for not more than ten years, but shall not exempt more than seventy-five per cent of the improvements from taxation, or, in the case of an ordinance adopted under division (B) of this section, not more than the estimated percentage of the incremental demand as otherwise prescribed by division (B) of this section if that percentage is less than seventy-five per cent. If the board fails to certify a resolution to the legislative authority within the time prescribed by this division, the legislative authority thereupon may adopt the ordinance and may declare the improvements a public purpose for up to thirty years, or, in the case of exemption percentages proposed in excess of seventy-five per cent, for the exemption percentage specified in the ordinance. The legislative authority may adopt the ordinance at any time after the board of education certifies its resolution approving the exemption to the legislative authority, or, if the board approves the exemption on the condition that a mutually acceptable compensation agreement be negotiated, at any time after the compensation agreement is agreed to by the board and the legislative authority.

(3) If a board of education has adopted a resolution waiving its right to approve exemptions from taxation and the resolution remains in effect, approval of exemptions by the board is not required under this division. If a board of education has adopted a resolution allowing a legislative authority to deliver the notice required under this division fewer than forty-five business days prior to the legislative authority's adoption of the ordinance, the legislative authority shall deliver the notice to the board not later than the number of days prior to such adoption as prescribed by the board in its resolution. If a board of education adopts a resolution waiving its right to approve agreements or shortening the notification period, the board shall certify a copy of the resolution to the legislative authority. If the board of education rescinds such a resolution, it shall certify notice of the rescission to the legislative authority.

(4) If the legislative authority is not required by division (D)(1), (2), or (3) of this section to notify the board of education of the legislative authority's intent to declare improvements to be a public purpose, the legislative authority shall comply with the notice requirements imposed under section 5709.83 of the Revised Code, unless the board has adopted a resolution under that section waiving its right to receive such a notice.

(E) An exemption from taxation granted under this section commences with the tax year in which an improvement first appears on the tax list and duplicate of real and public utility property and that begins after the effective date of the ordinance. Except as otherwise provided in this

division, the exemption ends on the date specified in the ordinance as the date the improvement ceases to be a public purpose or the incentive district expires, or ends on the date on which the public infrastructure improvements and housing renovations are paid in full from the municipal public improvement tax increment equivalent fund established under division (A) of section 5709.43 of the Revised Code, whichever occurs first. The exemption of an improvement with respect to a parcel may end on a later date, as specified in the ordinance, if the legislative authority and the board of education of the city, local, or exempted village school district within which the parcel is located have entered into a compensation agreement under section 5709.82 of the Revised Code with respect to the improvement or district and the board of education has approved the term of the exemption under division (D)(2) of this section, but in no case shall the improvement be exempted from taxation for more than thirty years. Exemptions shall be claimed and allowed in the same manner as in the case of other real property exemptions. If an exemption status changes during a year, the procedure for the apportionment of the taxes for that year is the same as in the case of other changes in tax exemption status during the year.

(F) Additional municipal financing of public infrastructure improvements and housing renovations may be provided by any methods that the municipal corporation may otherwise use for financing such improvements. If the municipal corporation issues bonds or notes to finance the public infrastructure improvements and housing renovations and pledges money from the municipal public improvement tax increment equivalent fund to pay the interest on and principal of the bonds or notes, the bonds or notes are not subject to Chapter 133. of the Revised Code.

(G) The municipal corporation, not later than fifteen days after the adoption of an ordinance under this section, shall submit to the director of development a copy of the ordinance. On or before the thirty-first day of March of each year, the municipal corporation shall submit a status report to the director of development. The report shall indicate, in the manner prescribed by the director, the progress of the project during each year that an exemption remains in effect, including a summary of the receipts from service payments in lieu of taxes; expenditures of money from the funds created under section 5709.43 of the Revised Code; a description of the public infrastructure improvements and housing renovations financed with such expenditures; and a quantitative summary of changes in employment and private investment resulting from each project.

(H) Nothing in this section shall be construed to prohibit a legislative authority from declaring to be a public purpose improvements with respect

to more than one parcel.

Sec. 5709.42. A municipal corporation that has declared an improvement to be a public purpose under section 5709.40 or 5709.41 of the Revised Code may require the owner of any structure located on the parcel to make annual service payments in lieu of taxes to the county treasurer on or before the final dates for payment of real property taxes. Each such payment shall be charged and collected in the same manner and in the same amount as the real property taxes that would have been charged and payable against the improvement if it were not exempt from taxation. If any reduction in the levies otherwise applicable to such exempt property is made by the county budget commission under section 5705.31 of the Revised Code, the amount of the service payment in lieu of taxes shall be calculated as if such reduction in levies had not been made.

Moneys collected as service payments in lieu of taxes shall be distributed at the same time and in the same manner as real property tax payments ~~except that~~. However, subject to section 5709.913 of the Revised Code, the entire amount so collected shall be distributed to the municipal corporation in which the improvement is located. If an ordinance adopted under section 5709.40 or 5709.41 of the Revised Code specifies that service payments shall be paid to the city, local, or exempted village school district in which the improvements are located, the county treasurer shall distribute the portion of the service payments to that school district in an amount equal to the property tax payments the school district would have received from the portion of the improvements exempted from taxation had the improvements not been exempted, as directed in the ordinance. The treasurer shall maintain a record of the service payments in lieu of taxes made from property in each municipal corporation.

Nothing in this section or section 5709.40 or 5709.41 of the Revised Code affects the taxes levied against that portion of the value of any parcel of property that is not exempt from taxation.

Sec. 5709.62. (A) In any municipal corporation that is defined by the United States office of management and budget as a ~~central~~ principal city of a metropolitan statistical area, or in a city designated as an urban cluster in a rural statistical area, the legislative authority of the municipal corporation may designate one or more areas within its municipal corporation as proposed enterprise zones. Upon designating an area, the legislative authority shall petition the director of development for certification of the area as having the characteristics set forth in division (A)(1) of section 5709.61 of the Revised Code as amended by Substitute Senate Bill No. 19 of the 120th general assembly. Except as otherwise provided in division (E)

of this section, on and after July 1, 1994, legislative authorities shall not enter into agreements under this section unless the legislative authority has petitioned the director and the director has certified the zone under this section as amended by that act; however, all agreements entered into under this section as it existed prior to July 1, 1994, and the incentives granted under those agreements shall remain in effect for the period agreed to under those agreements. Within sixty days after receiving such a petition, the director shall determine whether the area has the characteristics set forth in division (A)(1) of section 5709.61 of the Revised Code, and shall forward the findings to the legislative authority of the municipal corporation. If the director certifies the area as having those characteristics, and thereby certifies it as a zone, the legislative authority may enter into an agreement with an enterprise under division (C) of this section.

(B) Any enterprise that wishes to enter into an agreement with a municipal corporation under division (C) of this section shall submit a proposal to the legislative authority of the municipal corporation on a form prescribed by the director of development, together with the application fee established under section 5709.68 of the Revised Code. The form shall require the following information:

(1) An estimate of the number of new employees whom the enterprise intends to hire, or of the number of employees whom the enterprise intends to retain, within the zone at a facility that is a project site, and an estimate of the amount of payroll of the enterprise attributable to these employees;

(2) An estimate of the amount to be invested by the enterprise to establish, expand, renovate, or occupy a facility, including investment in new buildings, additions or improvements to existing buildings, machinery, equipment, furniture, fixtures, and inventory;

(3) A listing of the enterprise's current investment, if any, in a facility as of the date of the proposal's submission.

The enterprise shall review and update the listings required under this division to reflect material changes, and any agreement entered into under division (C) of this section shall set forth final estimates and listings as of the time the agreement is entered into. The legislative authority may, on a separate form and at any time, require any additional information necessary to determine whether an enterprise is in compliance with an agreement and to collect the information required to be reported under section 5709.68 of the Revised Code.

(C) Upon receipt and investigation of a proposal under division (B) of this section, if the legislative authority finds that the enterprise submitting the proposal is qualified by financial responsibility and business experience

to create and preserve employment opportunities in the zone and improve the economic climate of the municipal corporation, the legislative authority, on or before October 15, 2009, may do one of the following:

(1) Enter into an agreement with the enterprise under which the enterprise agrees to establish, expand, renovate, or occupy a facility and hire new employees, or preserve employment opportunities for existing employees, in return for one or more of the following incentives:

(a) Exemption for a specified number of years, not to exceed ~~ten~~ fifteen, of a specified portion, up to seventy-five per cent, of the assessed value of tangible personal property first used in business at the project site as a result of the agreement. If an exemption for inventory is specifically granted in the agreement pursuant to this division, the exemption applies to inventory required to be listed pursuant to sections 5711.15 and 5711.16 of the Revised Code, except that, in the instance of an expansion or other situations in which an enterprise was in business at the facility prior to the establishment of the zone, the inventory that is exempt is that amount or value of inventory in excess of the amount or value of inventory required to be listed in the personal property tax return of the enterprise in the return for the tax year in which the agreement is entered into.

(b) Exemption for a specified number of years, not to exceed ~~ten~~ fifteen, of a specified portion, up to seventy-five per cent, of the increase in the assessed valuation of real property constituting the project site subsequent to formal approval of the agreement by the legislative authority;

(c) Provision for a specified number of years, not to exceed ~~ten~~ fifteen, of any optional services or assistance that the municipal corporation is authorized to provide with regard to the project site.

(2) Enter into an agreement under which the enterprise agrees to remediate an environmentally contaminated facility, to spend an amount equal to at least two hundred fifty per cent of the true value in money of the real property of the facility prior to remediation as determined for the purposes of property taxation to establish, expand, renovate, or occupy the remediated facility, and to hire new employees or preserve employment opportunities for existing employees at the remediated facility, in return for one or more of the following incentives:

(a) Exemption for a specified number of years, not to exceed ~~ten~~ fifteen, of a specified portion, not to exceed fifty per cent, of the assessed valuation of the real property of the facility prior to remediation;

(b) Exemption for a specified number of years, not to exceed ~~ten~~ fifteen, of a specified portion, not to exceed one hundred per cent, of the increase in the assessed valuation of the real property of the facility during or after

remediation;

(c) The incentive under division (C)(1)(a) of this section, except that the percentage of the assessed value of such property exempted from taxation shall not exceed one hundred per cent;

(d) The incentive under division (C)(1)(c) of this section.

(3) Enter into an agreement with an enterprise that plans to purchase and operate a large manufacturing facility that has ceased operation or announced its intention to cease operation, in return for exemption for a specified number of years, not to exceed ~~ten~~ fifteen, of a specified portion, up to one hundred per cent, of the assessed value of tangible personal property used in business at the project site as a result of the agreement, or of the assessed valuation of real property constituting the project site, or both.

(D)(1) Notwithstanding divisions (C)(1)(a) and (b) of this section, the portion of the assessed value of tangible personal property or of the increase in the assessed valuation of real property exempted from taxation under those divisions may exceed seventy-five per cent in any year for which that portion is exempted if the average percentage exempted for all years in which the agreement is in effect does not exceed sixty per cent, or if the board of education of the city, local, or exempted village school district within the territory of which the property is or will be located approves a percentage in excess of seventy-five per cent.

(2) Notwithstanding any provision of the Revised Code to the contrary, the exemptions described in divisions (C)(1)(a), (b), and (c), (C)(2)(a), (b), and (c), and (C)(3) of this section may be for up to fifteen years if the board of education of the city, local, or exempted village school district within the territory ~~in~~ of which the property is or will be located approves a number of years in excess of ten~~, but only if the project that is part of the agreement includes a fixed asset investment of at least one hundred million dollars or the director of development determines there are extraordinary circumstances, and only if the project involves the enrichment and commercialization of uranium or uranium products or the research and development activities related to that enrichment or commercialization~~.

(3) For the purpose of obtaining the approval of a city, local, or exempted village school district under division (D)(1) or (2) of this section, the legislative authority shall deliver to the board of education a notice not later than forty-five days prior to approving the agreement, excluding Saturdays, Sundays, and legal holidays as defined in section 1.14 of the Revised Code. The notice shall state the percentage to be exempted, an estimate of the true value of the property to be exempted, and the number of

years the property is to be exempted. The board of education, by resolution adopted by a majority of the board, shall approve or disapprove the agreement and certify a copy of the resolution to the legislative authority not later than fourteen days prior to the date stipulated by the legislative authority as the date upon which approval of the agreement is to be formally considered by the legislative authority. The board of education may include in the resolution conditions under which the board would approve the agreement, including the execution of an agreement to compensate the school district under division (B) of section 5709.82 of the Revised Code. The legislative authority may approve the agreement at any time after the board of education certifies its resolution approving the agreement to the legislative authority, or, if the board approves the agreement conditionally, at any time after the conditions are agreed to by the board and the legislative authority.

If a board of education has adopted a resolution waiving its right to approve agreements and the resolution remains in effect, approval of an agreement by the board is not required under this division. If a board of education has adopted a resolution allowing a legislative authority to deliver the notice required under this division fewer than forty-five business days prior to the legislative authority's approval of the agreement, the legislative authority shall deliver the notice to the board not later than the number of days prior to such approval as prescribed by the board in its resolution. If a board of education adopts a resolution waiving its right to approve agreements or shortening the notification period, the board shall certify a copy of the resolution to the legislative authority. If the board of education rescinds such a resolution, it shall certify notice of the rescission to the legislative authority.

(4) The legislative authority shall comply with section 5709.83 of the Revised Code unless the board of education has adopted a resolution under that section waiving its right to receive such notice.

(E) This division applies to zones certified by the director of development under this section prior to July 22, 1994.

On or before October 15, 2009, the legislative authority that designated a zone to which this division applies may enter into an agreement with an enterprise if the legislative authority ~~makes the finding required under that division and determines~~ finds that the enterprise satisfies one of the criteria described in divisions (E)(1) to (5) of this section:

(1) The enterprise currently has no operations in this state and, subject to approval of the agreement, intends to establish operations in the zone;

(2) The enterprise currently has operations in this state and, subject to

approval of the agreement, intends to establish operations at a new location in the zone that would not result in a reduction in the number of employee positions at any of the enterprise's other locations in this state;

(3) The enterprise, subject to approval of the agreement, intends to relocate operations, currently located in another state, to the zone;

(4) The enterprise, subject to approval of the agreement, intends to expand operations at an existing site in the zone that the enterprise currently operates;

(5) The enterprise, subject to approval of the agreement, intends to relocate operations, currently located in this state, to the zone, and the director of development has issued a waiver for the enterprise under division (B) of section 5709.633 of the Revised Code.

The agreement shall require the enterprise to agree to establish, expand, renovate, or occupy a facility in the zone and hire new employees, or preserve employment opportunities for existing employees, in return for one or more of the incentives described in division (C) of this section.

(F) All agreements entered into under this section shall be in the form prescribed under section 5709.631 of the Revised Code. After an agreement is entered into under this ~~division~~ section, if the legislative authority revokes its designation of a zone, or if the director of development revokes ~~the~~ a zone's certification, any entitlements granted under the agreement shall continue for the number of years specified in the agreement.

(G) Except as otherwise provided in this division, an agreement entered into under this section shall require that the enterprise pay an annual fee equal to the greater of one per cent of the dollar value of incentives offered under the agreement or five hundred dollars; provided, however, that if the value of the incentives exceeds two hundred fifty thousand dollars, the fee shall not exceed two thousand five hundred dollars. The fee shall be payable to the legislative authority once per year for each year the agreement is effective on the days and in the form specified in the agreement. Fees paid shall be deposited in a special fund created for such purpose by the legislative authority and shall be used by the legislative authority exclusively for the purpose of complying with section 5709.68 of the Revised Code and by the tax incentive review council created under section 5709.85 of the Revised Code exclusively for the purposes of performing the duties prescribed under that section. The legislative authority may waive or reduce the amount of the fee charged against an enterprise, but such a waiver or reduction does not affect the obligations of the legislative authority or the tax incentive review council to comply with section 5709.68 or 5709.85 of the Revised Code.

(H) When an agreement is entered into pursuant to this section, the legislative authority authorizing the agreement shall forward a copy of the agreement to the director of development and to the tax commissioner within fifteen days after the agreement is entered into. If any agreement includes terms not provided for in section 5709.631 of the Revised Code affecting the revenue of a city, local, or exempted village school district or causing revenue to be foregone by the district, including any compensation to be paid to the school district pursuant to section 5709.82 of the Revised Code, those terms also shall be forwarded in writing to the director of development along with the copy of the agreement forwarded under this division.

(I) After an agreement is entered into, the enterprise shall file with each personal property tax return required to be filed, or annual report required to be filed under section 5727.08 of the Revised Code, while the agreement is in effect, an informational return, on a form prescribed by the tax commissioner for that purpose, setting forth separately the property, and related costs and values, exempted from taxation under the agreement.

(J) Enterprises may agree to give preference to residents of the zone within which the agreement applies relative to residents of this state who do not reside in the zone when hiring new employees under the agreement.

(K) An agreement entered into under this section may include a provision requiring the enterprise to create one or more temporary internship positions for students enrolled in a course of study at a school or other educational institution in the vicinity, and to create a scholarship or provide another form of educational financial assistance for students holding such a position in exchange for the student's commitment to work for the enterprise at the completion of the internship.

(L) The tax commissioner's authority in determining the accuracy of any exemption granted by an agreement entered into under this section is limited to divisions (C)(1)(a) and (b), (C)(2)(a), (b), and (c), (C)(3), (D), and (I) of this section and divisions (B)(1) to (10) of section 5709.631 of the Revised Code and, as authorized by law, to enforcing any modification to, or revocation of, that agreement by the legislative authority of a municipal corporation or the director of development.

Sec. 5709.63. (A) With the consent of the legislative authority of each affected municipal corporation or of a board of township trustees, a board of county commissioners may, in the manner set forth in section 5709.62 of the Revised Code, designate one or more areas in one or more municipal corporations or in unincorporated areas of the county as proposed enterprise zones. A board of county commissioners may designate no more than one

area within a township, or within adjacent townships, as a proposed enterprise zone. The board shall petition the director of development for certification of the area as having the characteristics set forth in division (A)(1) or (2) of section 5709.61 of the Revised Code as amended by Substitute Senate Bill No. 19 of the 120th general assembly. Except as otherwise provided in division (D) of this section, on and after July 1, 1994, boards of county commissioners shall not enter into agreements under this section unless the board has petitioned the director and the director has certified the zone under this section as amended by that act; however, all agreements entered into under this section as it existed prior to July 1, 1994, and the incentives granted under those agreements shall remain in effect for the period agreed to under those agreements. The director shall make the determination in the manner provided under section 5709.62 of the Revised Code. ~~Any~~

Any enterprise wishing to enter into an agreement with the board under division (B) or (D) of this section shall submit a proposal to the board on the form and accompanied by the application fee prescribed under division (B) of section 5709.62 of the Revised Code. The enterprise shall review and update the estimates and listings required by the form in the manner required under that division. The board may, on a separate form and at any time, require any additional information necessary to determine whether an enterprise is in compliance with an agreement and to collect the information required to be reported under section 5709.68 of the Revised Code.

(B) If the board of county commissioners finds that an enterprise submitting a proposal is qualified by financial responsibility and business experience to create and preserve employment opportunities in the zone and to improve the economic climate of the municipal corporation or municipal corporations or the unincorporated areas in which the zone is located and to which the proposal applies, the board, on or before October 15, 2009, and with the consent of the legislative authority of each affected municipal corporation or of the board of township trustees may do either of the following:

(1) Enter into an agreement with the enterprise under which the enterprise agrees to establish, expand, renovate, or occupy a facility in the zone and hire new employees, or preserve employment opportunities for existing employees, in return for the following incentives:

(a) When the facility is located in a municipal corporation, the board may enter into an agreement for one or more of the incentives provided in division (C) of section 5709.62 of the Revised Code, subject to division (D) of that section;

(b) When the facility is located in an unincorporated area, the board may enter into an agreement for one or more of the following incentives:

(i) Exemption for a specified number of years, not to exceed ~~ten~~ fifteen, of a specified portion, up to sixty per cent, of the assessed value of tangible personal property first used in business at a project site as a result of the agreement. If an exemption for inventory is specifically granted in the agreement pursuant to this division, the exemption applies to inventory required to be listed pursuant to sections 5711.15 and 5711.16 of the Revised Code, except, in the instance of an expansion or other situations in which an enterprise was in business at the facility prior to the establishment of the zone, the inventory that is exempt is that amount or value of inventory in excess of the amount or value of inventory required to be listed in the personal property tax return of the enterprise in the return for the tax year in which the agreement is entered into.

(ii) Exemption for a specified number of years, not to exceed ~~ten~~ fifteen, of a specified portion, up to sixty per cent, of the increase in the assessed valuation of real property constituting the project site subsequent to formal approval of the agreement by the board;

(iii) Provision for a specified number of years, not to exceed ~~ten~~ fifteen, of any optional services or assistance the board is authorized to provide with regard to the project site;

(iv) The incentive described in division (C)(2) of section 5709.62 of the Revised Code.

(2) Enter into an agreement with an enterprise that plans to purchase and operate a large manufacturing facility that has ceased operation or has announced its intention to cease operation, in return for exemption for a specified number of years, not to exceed ~~ten~~ fifteen, of a specified portion, up to one hundred per cent, of tangible personal property used in business at the project site as a result of the agreement, or of real property constituting the project site, or both.

(C)(1)(a) Notwithstanding divisions (B)(1)(b)(i) and (ii) of this section, the portion of the assessed value of tangible personal property or of the increase in the assessed valuation of real property exempted from taxation under those divisions may exceed sixty per cent in any year for which that portion is exempted if the average percentage exempted for all years in which the agreement is in effect does not exceed fifty per cent, or if the board of education of the city, local, or exempted village school district within the territory of which the property is or will be located approves a percentage in excess of sixty per cent.

(b) Notwithstanding any provision of the Revised Code to the contrary,

the exemptions described in divisions (B)(1)(b)(i), (ii), (iii), and (iv) and (B)(2) of this section may be for up to fifteen years if the board of education of the city, local, or exempted village school district within the territory ~~in~~ of which the property is or will be located approves a number of years in excess of ten~~, but only if the project that is part of the agreement includes a fixed asset investment of at least one hundred million dollars or the director of development determines there are extraordinary circumstances, and only if the project involves the enrichment and commercialization of uranium or uranium products or the research and development activities related to that enrichment or commercialization~~.

(c) For the purpose of obtaining the approval of a city, local, or exempted village school district under division (C)(1)(a) or (b) of this section, the board of county commissioners shall deliver to the board of education a notice not later than forty-five days prior to approving the agreement, excluding Saturdays, Sundays, and legal holidays as defined in section 1.14 of the Revised Code. The notice shall state the percentage to be exempted, an estimate of the true value of the property to be exempted, and the number of years the property is to be exempted. The board of education, by resolution adopted by a majority of the board, shall approve or disapprove the agreement and certify a copy of the resolution to the board of county commissioners not later than fourteen days prior to the date stipulated by the board of county commissioners as the date upon which approval of the agreement is to be formally considered by the board of county commissioners. The board of education may include in the resolution conditions under which the board would approve the agreement, including the execution of an agreement to compensate the school district under division (B) of section 5709.82 of the Revised Code. The board of county commissioners may approve the agreement at any time after the board of education certifies its resolution approving the agreement to the board of county commissioners, or, if the board of education approves the agreement conditionally, at any time after the conditions are agreed to by the board of education and the board of county commissioners.

If a board of education has adopted a resolution waiving its right to approve agreements and the resolution remains in effect, approval of an agreement by the board of education is not required under division (C) of this section. If a board of education has adopted a resolution allowing a board of county commissioners to deliver the notice required under this division fewer than forty-five business days prior to approval of the agreement by the board of county commissioners, the board of county commissioners shall deliver the notice to the board of education not later

than the number of days prior to such approval as prescribed by the board of education in its resolution. If a board of education adopts a resolution waiving its right to approve agreements or shortening the notification period, the board of education shall certify a copy of the resolution to the board of county commissioners. If the board of education rescinds such a resolution, it shall certify notice of the rescission to the board of county commissioners.

(2) The board of county commissioners shall comply with section 5709.83 of the Revised Code unless the board of education has adopted a resolution under that section waiving its right to receive such notice.

(D) This division applies to zones certified by the director of development under this section prior to July 22, 1994.

On or before October 15, 2009, and with the consent of the legislative authority of each affected municipal corporation or board of township trustees of each affected township, the board of county commissioners that designated a zone to which this division applies may enter into an agreement with an enterprise if the board ~~makes the finding required under that division and determines~~ finds that the enterprise satisfies one of the criteria described in divisions (D)(1) to (5) of this section:

(1) The enterprise currently has no operations in this state and, subject to approval of the agreement, intends to establish operations in the zone;

(2) The enterprise currently has operations in this state and, subject to approval of the agreement, intends to establish operations at a new location in the zone that would not result in a reduction in the number of employee positions at any of the enterprise's other locations in this state;

(3) The enterprise, subject to approval of the agreement, intends to relocate operations, currently located in another state, to the zone;

(4) The enterprise, subject to approval of the agreement, intends to expand operations at an existing site in the zone that the enterprise currently operates;

(5) The enterprise, subject to approval of the agreement, intends to relocate operations, currently located in this state, to the zone, and the director of development has issued a waiver for the enterprise under division (B) of section 5709.633 of the Revised Code.

The agreement shall require the enterprise to agree to establish, expand, renovate, or occupy a facility in the zone and hire new employees, or preserve employment opportunities for existing employees, in return for one or more of the incentives described in division (B) of this section.

(E) All agreements entered into under this section shall be in the form prescribed under section 5709.631 of the Revised Code. After an agreement

under this section is entered into, if the board of county commissioners revokes its designation of ~~the~~ a zone, or if the director of development revokes ~~the~~ a zone's certification, any entitlements granted under the agreement shall continue for the number of years specified in the agreement.

(F) Except as otherwise provided in this ~~paragraph~~ division, an agreement entered into under this section shall require that the enterprise pay an annual fee equal to the greater of one per cent of the dollar value of incentives offered under the agreement or five hundred dollars; provided, however, that if the value of the incentives exceeds two hundred fifty thousand dollars, the fee shall not exceed two thousand five hundred dollars. The fee shall be payable to the board of county commissioners once per year for each year the agreement is effective on the days and in the form specified in the agreement. Fees paid shall be deposited in a special fund created for such purpose by the board and shall be used by the board exclusively for the purpose of complying with section 5709.68 of the Revised Code and by the tax incentive review council created under section 5709.85 of the Revised Code exclusively for the purposes of performing the duties prescribed under that section. The board may waive or reduce the amount of the fee charged against an enterprise, but such waiver or reduction does not affect the obligations of the board or the tax incentive review council to comply with section 5709.68 or 5709.85 of the Revised Code, respectively.

(G) With the approval of the legislative authority of a municipal corporation or the board of township trustees of a township in which a zone is designated under division (A) of this section, the board of county commissioners may delegate to that legislative authority or board any powers and duties of the board of county commissioners to negotiate and administer agreements with regard to that zone under this section.

(H) When an agreement is entered into pursuant to this section, the ~~legislative authority~~ board of county commissioners authorizing the agreement or the legislative authority or board of township trustees that negotiates and administers the agreement shall forward a copy of the agreement to the director of development and to the tax commissioner within fifteen days after the agreement is entered into. If any agreement includes terms not provided for in section 5709.631 of the Revised Code affecting the revenue of a city, local, or exempted village school district or causing revenue to be foregone by the district, including any compensation to be paid to the school district pursuant to section 5709.82 of the Revised Code, those terms also shall be forwarded in writing to the director of development along with the copy of the agreement forwarded under this

division.

(I) After an agreement is entered into, the enterprise shall file with each personal property tax return required to be filed, or annual report that is required to be filed under section 5727.08 of the Revised Code, while the agreement is in effect, an informational return, on a form prescribed by the tax commissioner for that purpose, setting forth separately the property, and related costs and values, exempted from taxation under the agreement.

(J) Enterprises may agree to give preference to residents of the zone within which the agreement applies relative to residents of this state who do not reside in the zone when hiring new employees under the agreement.

(K) An agreement entered into under this section may include a provision requiring the enterprise to create one or more temporary internship positions for students enrolled in a course of study at a school or other educational institution in the vicinity, and to create a scholarship or provide another form of educational financial assistance for students holding such a position in exchange for the student's commitment to work for the enterprise at the completion of the internship.

(L) The tax commissioner's authority in determining the accuracy of any exemption granted by an agreement entered into under this section is limited to divisions (B)(1)(b)(i) and (ii), (B)(2), (C), and (I) of this section, division (B)(1)(b)(iv) of this section as it pertains to divisions (C)(2)(a), (b), and (c) of section 5709.62 of the Revised Code, and divisions (B)(1) to (10) of section 5709.631 of the Revised Code and, as authorized by law, to enforcing any modification to, or revocation of, that agreement by the board of county commissioners or the director of development or, if the board's powers and duties are delegated under division (G) of this section, by the legislative authority of a municipal corporation or board of township trustees.

Sec. 5709.631. Each agreement entered into under sections 5709.62, 5709.63, and 5709.632 of the Revised Code on or after April 1, 1994, shall be in writing and shall include all of the information and statements prescribed by this section. Agreements may include terms not prescribed by this section, but such terms shall in no way derogate from the information and statements prescribed by this section.

(A) Each agreement shall include the following information:

(1) The names of all parties to the agreement;

(2) A description of the investments to be made by the applicant enterprise or by another party at the facility whether or not the investments are exempted from taxation, including existing or new building size and cost thereof; the value of machinery, equipment, furniture, and fixtures,

including an itemization of the value of machinery, equipment, furniture, and fixtures used at another location in this state prior to the agreement and relocated or to be relocated from that location to the facility and the value of machinery, equipment, furniture, and fixtures at the facility prior to the execution of the agreement that will not be exempted from taxation; the value of inventory at the facility, including an itemization of the value of inventory held at another location in this state prior to the agreement and relocated or to be relocated from that location to the facility, and the value of inventory held at the facility prior to the execution of the agreement that will not be exempted from taxation;

(3) The scheduled starting and completion dates of investments made in building, machinery, equipment, furniture, fixtures, and inventory;

(4) Estimates of the number of employee positions to be created each year of the agreement and of the number of employee positions retained by the applicant enterprise due to the project, itemized as to the number of full-time, part-time, permanent, and temporary positions;

(5) Estimates of the dollar amount of payroll attributable to the positions set forth in division (A)(4) of this section, similarly itemized;

(6) The number of employee positions, if any, at the project site and at any other location in the state at the time the agreement is executed, itemized as to the number of full-time, part-time, permanent, and temporary positions.

(B) Each agreement shall set forth the following information and incorporate the following statements:

(1) A description of real property to be exempted from taxation under the agreement, the percentage of the assessed valuation of the real property exempted from taxation, and the period for which the exemption is granted, accompanied by the statement: "The exemption commences the first year for which the real property would first be taxable were that property not exempted from taxation. No exemption shall commence after ..... (insert date) nor extend beyond ..... (insert date)." The tax commissioner shall adopt rules prescribing the form the description of such property shall assume to ensure that the property to be exempted from taxation under the agreement is distinguishable from property that is not to be exempted under that agreement.

(2) A description of tangible personal property to be exempted from taxation under the agreement, the percentage of the assessed value of the tangible personal property exempted from taxation, and the period for which the exemption is granted, accompanied by the statement: "The minimum investment for tangible personal property to qualify for the exemption is

$..... (insert dollar amount) to purchase machinery and equipment first used in business at the facility as a result of the project, $..... (insert dollar amount) for furniture and fixtures and other noninventory personal property first used in business at the facility as a result of the project, and $..... (insert dollar amount) for new inventory. The maximum investment for tangible personal property to qualify for the exemption is $..... (insert dollar amount) to purchase machinery and equipment first used in business at the facility as a result of the project, $..... (insert dollar amount) for furniture and fixtures and other noninventory personal property first used in business at the facility as a result of the project, and $..... (insert dollar amount) for new inventory. The exemption commences the first year for which the tangible personal property would first be taxable were that property not exempted from taxation. No exemption shall commence after tax return year ..... (insert year) nor extend beyond tax return year ..... (insert year). In no instance shall any tangible personal property be exempted from taxation for more than ten return years unless ~~the project that is part of the agreement involves the enrichment and commercialization of uranium or uranium products or the research and development activities related to that enrichment or commercialization~~, under division (D)(2) of section 5709.62 or under division (C)(1)(b) of section 5709.63 of the Revised Code, the board of education approves exemption for a number of years in excess of ten, in which case the tangible personal property may be exempted from taxation for ~~up to~~ that number of years, not to exceed fifteen return years." No exemption shall be allowed for any type of tangible personal property if the total investment is less than the minimum dollar amount specified for that type of property. If, for a type of tangible personal property, there are no minimum or maximum investment dollar amounts specified in the statement or the dollar amounts are designated in the statement as not applicable, the exemption shall apply to the total cost of that type of tangible personal property first used in business at the facility as a result of the project. The tax commissioner shall adopt rules prescribing the form the description of such property shall assume to ensure that the property to be exempted from taxation under the agreement is distinguishable from property that is not to be exempted under that agreement.

(3) "..... (insert name of enterprise) shall pay such real and tangible personal property taxes as are not exempted under this agreement and are charged against such property and shall file all tax reports and returns as required by law. If ..... (insert name of enterprise) fails to pay such taxes or file such returns and reports, all incentives granted under this agreement

are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and thereafter."

(4) "..... (insert name of enterprise) hereby certifies that at the time this agreement is executed, ... (insert name of enterprise) does not owe any delinquent real or tangible personal property taxes to any taxing authority of the State of Ohio, and does not owe delinquent taxes for which ..... (insert name of enterprise) is liable under Chapter 5727., 5733., 5735., 5739., 5741., 5743., 5747., or 5753. of the Revised Code, or, if such delinquent taxes are owed, ... (insert name of enterprise) currently is paying the delinquent taxes pursuant to a delinquent tax contract enforceable by the State of Ohio or an agent or instrumentality thereof, has filed a petition in bankruptcy under 11 U.S.C.A. 101, et seq., or such a petition has been filed against ..... (insert name of enterprise). For the purposes of the certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Revised Code governing payment of those taxes."

(5) "..... (insert name of municipal corporation or county) shall perform such acts as are reasonably necessary or appropriate to effect, claim, reserve, and maintain exemptions from taxation granted under this agreement including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions."

(6) "If for any reason the enterprise zone designation expires, the Director of the Ohio Department of Development revokes certification of the zone, or ..... (insert name of municipal corporation or county) revokes the designation of the zone, entitlements granted under this agreement shall continue for the number of years specified under this agreement, unless ..... (insert name of enterprise) materially fails to fulfill its obligations under this agreement and ..... (insert name of municipal corporation or county) terminates or modifies the exemptions from taxation granted under this agreement."

(7) "If ..... (insert name of enterprise) materially fails to fulfill its obligations under this agreement, <u>other than with respect to the number of employee positions estimated to be created or retained under this agreement,</u> or if ..... (insert name of municipal corporation or county) determines that the certification as to delinquent taxes required by this agreement is fraudulent, ... (insert name of municipal corporation or county) may terminate or modify the exemptions from taxation granted under this agreement."

(8) "..... (insert name of enterprise) shall provide to the proper tax

incentive review council any information reasonably required by the council to evaluate the enterprise's compliance with the agreement, including returns or annual reports filed pursuant to section 5711.02 or 5727.08 of the Ohio Revised Code if requested by the council."

(9) "..... (insert name of enterprise) and ..... (insert name of municipal corporation or county) acknowledge that this agreement must be approved by formal action of the legislative authority of ..... (insert name of municipal corporation or county) as a condition for the agreement to take effect. This agreement takes effect upon such approval."

(10) "This agreement is not transferable or assignable without the express, written approval of ..... (insert name of municipal corporation or county)."

(11) "Exemptions from taxation granted under this agreement shall be revoked if it is determined that ..... (insert name of enterprise), any successor enterprise, or any related member (as those terms are defined in section 5709.61 of the Ohio Revised Code) has violated the prohibition against entering into this agreement under division (E) of section 3735.671 or section 5709.62, 5709.63, or 5709.632 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections."

(12) "In any three-year period during which this agreement is in effect, if the actual number of employee positions created or retained by . . . . . (insert name of enterprise) is not equal to or greater than seventy-five per cent of the number of employee positions estimated to be created or retained under this agreement during that three-year period, ... (insert name of enterprise) shall repay the amount of taxes on property that would have been payable had the property not been exempted from taxation under this agreement during that three-year period. In addition, the . . . . . (insert name of municipal corporation or county) may terminate or modify the exemptions from taxation granted under this agreement."

The statement described in division (B)(7) of this section may include the following statement, appended at the end of the statement: "and may require the repayment of the amount of taxes that would have been payable had the property not been exempted from taxation under this agreement."

(C) If the director of development had to issue a waiver under section 5709.633 of the Revised Code as a condition for the agreement to be executed, the agreement shall include the following statement:

"Continuation of this agreement is subject to the validity of the circumstance upon which ..... (insert name of enterprise) applied for, and the Director of the Ohio Department of Development issued, the waiver pursuant to section 5709.633 of the Ohio Revised Code. If, after formal

approval of this agreement by ..... (insert name of municipal corporation or county), the Director or ..... (insert name of municipal corporation or county) discovers that such a circumstance did not exist, ... (insert name of enterprise) shall be deemed to have materially failed to comply with this agreement."

If the director issued a waiver on the basis of the circumstance described in division (B)(3) of section 5709.633 of the Ohio Revised Code, the conditions enumerated in divisions (B)(3)(a)(i) and (ii) or divisions (B)(3)(b)(i) and (ii) of that section shall be incorporated in the information described in divisions (A)(2), (3), and (4) of this section.

Sec. 5709.632. (A)(1) The legislative authority of a municipal corporation defined by the United States office of management and budget as a ~~central~~ principal city of a metropolitan statistical area or designated as an urban cluster in a rural statistical area may, in the manner set forth in section 5709.62 of the Revised Code, designate one or more areas in the municipal corporation as a proposed enterprise zone.

(2) With the consent of the legislative authority of each affected municipal corporation or of a board of township trustees, a board of county commissioners may, in the manner set forth in section 5709.62 of the Revised Code, designate one or more areas in one or more municipal corporations or in unincorporated areas of the county as proposed urban jobs and enterprise zones, except that a board of county commissioners may designate no more than one area within a township, or within adjacent townships, as a proposed urban jobs and enterprise zone.

(3)(a) The legislative authority or board of county commissioners may petition the director of development for certification of the area as having the characteristics set forth in division (A)(3) of section 5709.61 of the Revised Code. Within sixty days after receiving such a petition, the director shall determine whether the area has the characteristics set forth in that division and forward the findings to the legislative authority or board of county commissioners. If the director certifies the area as having those characteristics and thereby certifies it as a zone, the legislative authority or board may enter into agreements with enterprises under division (B) of this section. Any enterprise wishing to enter into an agreement with a legislative authority or board of commissioners under this section and satisfying one of the criteria described in divisions (B)(1) to (5) of this section shall submit a proposal to the legislative authority or board on the form prescribed under division (B) of section 5709.62 of the Revised Code and shall review and update the estimates and listings required by the form in the manner required under that division. The legislative authority or board may, on a

separate form and at any time, require any additional information necessary to determine whether an enterprise is in compliance with an agreement and to collect the information required to be reported under section 5709.68 of the Revised Code.

(b) The legislative authority of a city designated as an urban cluster in a rural statistical area that has, pursuant to this section, as amended by Am. Sub. H.B. 95 of the 125th general assembly, designated one or more areas in the city as a proposed enterprise zone, shall not enter into an agreement under this section unless it has petitioned the director and the director has certified the proposed enterprise zone under division (A)(3)(a) of this section.

(B) Prior to entering into an agreement with an enterprise, the legislative authority or board of county commissioners shall determine whether the enterprise submitting the proposal is qualified by financial responsibility and business experience to create and preserve employment opportunities in the zone and to improve the economic climate of the municipal corporation or municipal corporations or the unincorporated areas in which the zone is located and to which the proposal applies, and whether the enterprise satisfies one of the following criteria:

(1) The enterprise currently has no operations in this state and, subject to approval of the agreement, intends to establish operations in the zone;

(2) The enterprise currently has operations in this state and, subject to approval of the agreement, intends to establish operations at a new location in the zone that would not result in a reduction in the number of employee positions at any of the enterprise's other locations in this state;

(3) The enterprise, subject to approval of the agreement, intends to relocate operations, currently located in another state, to the zone;

(4) The enterprise, subject to approval of the agreement, intends to expand operations at an existing site in the zone that the enterprise currently operates;

(5) The enterprise, subject to approval of the agreement, intends to relocate operations, currently located in this state, to the zone, and the director of development has issued a waiver for the enterprise under division (B) of section 5709.633 of the Revised Code.

(C) If the legislative authority or board determines that the enterprise is so qualified and satisfies one of the criteria described in divisions (B)(1) to (5) of this section, the legislative authority or board may, after complying with section 5709.83 of the Revised Code and on or before October 15, 2009, and, in the case of a board of commissioners, with the consent of the legislative authority of each affected municipal corporation or of the board

of township trustees, enter into an agreement with the enterprise under which the enterprise agrees to establish, expand, renovate, or occupy a facility in the zone and hire new employees, or preserve employment opportunities for existing employees, in return for the following incentives:

(1) When the facility is located in a municipal corporation, a legislative authority or board of commissioners may enter into an agreement for one or more of the incentives provided in division (C) of section 5709.62 of the Revised Code, subject to division (D) of that section;

(2) When the facility is located in an unincorporated area, a board of commissioners may enter into an agreement for one or more of the incentives provided in divisions (B)(1)(b), (B)(2), and (B)(3) of section 5709.63 of the Revised Code, subject to division (C) of that section.

(D) All agreements entered into under this section shall be in the form prescribed under section 5709.631 of the Revised Code. After an agreement under this section is entered into, if the legislative authority or board of county commissioners revokes its designation of the zone, or if the director of development revokes the zone's certification, any entitlements granted under the agreement shall continue for the number of years specified in the agreement.

(E) Except as otherwise provided in this division, an agreement entered into under this section shall require that the enterprise pay an annual fee equal to the greater of one per cent of the dollar value of incentives offered under the agreement or five hundred dollars; provided, however, that if the value of the incentives exceeds two hundred fifty thousand dollars, the fee shall not exceed two thousand five hundred dollars. The fee shall be payable to the legislative authority or board of commissioners once per year for each year the agreement is effective on the days and in the form specified in the agreement. Fees paid shall be deposited in a special fund created for such purpose by the legislative authority or board and shall be used by the legislative authority or board exclusively for the purpose of complying with section 5709.68 of the Revised Code and by the tax incentive review council created under section 5709.85 of the Revised Code exclusively for the purposes of performing the duties prescribed under that section. The legislative authority or board may waive or reduce the amount of the fee charged against an enterprise, but such waiver or reduction does not affect the obligations of the legislative authority or board or the tax incentive review council to comply with section 5709.68 or 5709.85 of the Revised Code, respectively.

(F) With the approval of the legislative authority of a municipal corporation or the board of township trustees of a township in which a zone

is designated under division (A)(2) of this section, the board of county commissioners may delegate to that legislative authority or board any powers and duties of the board to negotiate and administer agreements with regard to that zone under this section.

(G) When an agreement is entered into pursuant to this section, the legislative authority or board of commissioners authorizing the agreement shall forward a copy of the agreement to the director of development and to the tax commissioner within fifteen days after the agreement is entered into. If any agreement includes terms not provided for in section 5709.631 of the Revised Code affecting the revenue of a city, local, or exempted village school district or causing revenue to be foregone by the district, including any compensation to be paid to the school district pursuant to section 5709.82 of the Revised Code, those terms also shall be forwarded in writing to the director of development along with the copy of the agreement forwarded under this division.

(H) After an agreement is entered into, the enterprise shall file with each personal property tax return required to be filed while the agreement is in effect, an informational return, on a form prescribed by the tax commissioner for that purpose, setting forth separately the property, and related costs and values, exempted from taxation under the agreement.

(I) An agreement entered into under this section may include a provision requiring the enterprise to create one or more temporary internship positions for students enrolled in a course of study at a school or other educational institution in the vicinity, and to create a scholarship or provide another form of educational financial assistance for students holding such a position in exchange for the student's commitment to work for the enterprise at the completion of the internship.

Sec. 5709.73. (A) As used in this section and section 5709.74 of the Revised Code:

(1) "Business day" means a day of the week excluding Saturday, Sunday, and a legal holiday as defined in section 1.14 of the Revised Code.

(2) "Further improvements" or "improvements" means the increase in the true value of ~~a parcel of~~ real property that would first appear on the tax list and duplicate of real and public utility property after the effective date of a resolution adopted under this section were it not for the exemption granted by that resolution. For purposes of division (B) of this section, "improvements" do not include any property used or to be used for residential purposes.

(3) "Housing renovation" means a project carried out for residential purposes.

(4) "Incentive district" has the same meaning as in section 5709.40 of the Revised Code, except that a blighted area is in the unincorporated area of a township.

(5) "Project" and "public infrastructure improvement" have the same meanings as in section 5709.40 of the Revised Code.

(B) A board of township trustees may, by unanimous vote, adopt a resolution that declares to be a public purpose any public infrastructure improvements made that are necessary for the development of certain parcels of land located in the unincorporated area of the township. Except as otherwise provided in division (D) of this section, the resolution may exempt from real property taxation not more than seventy-five per cent of further improvements to a parcel of land which directly benefits from such public infrastructure improvements; the percentage exempted shall not, except as otherwise provided in division (D) of this section, exceed the estimated percentage of the incremental demand placed on the public infrastructure improvements that is directly attributable to the exempted improvement. For the purposes of this division, a public infrastructure improvement directly benefits a parcel of land only if a project on the parcel places direct, additional demand on the public infrastructure improvement, or, if the public infrastructure improvement has not yet been constructed, will place direct, additional demand on the public infrastructure improvement when completed. The resolution shall specify the percentage of the further improvements to be exempted.

(C) A board of township trustees may adopt, by unanimous vote, a resolution creating an incentive district and declaring improvements to parcels within the district to be a public purpose and exempt from taxation as provided in this section. The district shall be located within the unincorporated area of the township and shall not include any territory that is included within a district created under division (B) of section 5709.78 of the Revised Code. The resolution shall delineate the boundary of the district and specifically identify each parcel within the district. A district may not include any parcel that is or has been exempted from taxation under division (B) of this section or that is or has been within another district created under this division. A resolution may create more than one such district, and more than one resolution may be adopted under this division.

Not later than thirty days prior to adopting a resolution under this division, if the township intends to apply for exemptions from taxation under section 5709.911 of the Revised Code on behalf of owners of real property located within the proposed incentive district, the board shall conduct a public hearing on the proposed resolution. Not later than thirty

days prior to the public hearing, the board shall give notice of the public hearing and the proposed resolution by first class mail to every real property owner whose property is located within the boundaries of the proposed incentive district that is the subject of the proposed resolution.

A resolution under this division shall specify the life of the district and the percentage of the improvements to be exempted and shall designate the public infrastructure improvements made or to be made that benefit or serve parcels in the district.

A resolution adopted under this division may authorize the use of service payments provided for in section 5709.74 of the Revised Code for the purpose of housing renovations within the district, provided that the resolution also designates public infrastructure improvements that benefit or serve the district, and that a project within the district places real property in use for commercial or industrial purposes. Service payments may be used to finance or support loans, deferred loans, and grants to persons for the purpose of housing renovations within the district. The resolution shall designate the parcels within the district that are eligible for housing renovations. The resolution shall state separately the amount or the percentages of the expected aggregate service payments that are designated for each public infrastructure improvement and for the purpose of housing renovations.

Except with the approval of the board of education of each city, local, or exempted village school district within the territory of which the district is or will be located, the life of a district shall not exceed ten years, and the percentage of improvements to be exempted shall not exceed seventy-five per cent. With such approval, the life of a district may be not more than thirty years, and the percentage of improvements to be exempted may be not more than one hundred per cent.

Approval of a board of education shall be obtained in the manner provided in division (D) of this section for exemptions under division (B) of this section, except that the notice to the board of education shall delineate the boundaries of the district, specifically identify each parcel within the district, identify each anticipated improvement in the district, provide an estimate of the true value in money of each such improvement, specify the life of the district and the percentage of improvements that would be exempted, and indicate the date on which the board of township trustees intends to adopt the resolution.

A board of township trustees shall not adopt a resolution under this division after June 30, 2007.

(D) Improvements with respect to a parcel may be exempted from

taxation under division (B) of this section for up to ten years or, with the approval of the board of education of the city, local, or exempted village school district within which the parcel is located, for up to thirty years. The percentage of the improvements exempted from taxation may, with such approval, exceed seventy-five per cent, but shall not exceed one hundred per cent. Not later than forty-five business days prior to adopting a resolution under this section declaring improvements to be a public purpose, the board of trustees shall deliver to the board of education a notice stating its intent to adopt a resolution making that declaration. The notice shall identify the parcels for which improvements are to be exempted from taxation, provide an estimate of the true value in money of the improvements, specify the period for which the improvements would be exempted from taxation and the percentage of the improvements that would be exempted, and indicate the date on which the board of trustees intends to adopt the resolution. The board of education, by resolution adopted by a majority of the board, may approve the exemption for the period or for the exemption percentage specified in the notice, may disapprove the exemption for the number of years in excess of ten, may disapprove the exemption for the percentage of the improvements to be exempted in excess of seventy-five per cent, or both, or may approve the exemption on the condition that the board of trustees and the board of education negotiate an agreement providing for compensation to the school district equal in value to a percentage of the amount of taxes exempted in the eleventh and subsequent years of the exemption period or, in the case of exemption percentages in excess of seventy-five per cent, compensation equal in value to a percentage of the taxes that would be payable on the portion of the improvements in excess of seventy-five per cent were that portion to be subject to taxation. The board of education shall certify its resolution to the board of trustees not later than fourteen days prior to the date the board of trustees intends to adopt the resolution as indicated in the notice. If the board of education approves the exemption on the condition that a compensation agreement be negotiated, the board of education in its resolution shall propose a compensation percentage. If the board of education and the board of trustees negotiate a mutually acceptable compensation agreement, the resolution may declare the improvements a public purpose for the number of years specified in the resolution or, in the case of exemption percentages in excess of seventy-five per cent, for the exemption percentage specified in the resolution. In either case, if the board of education and the board of trustees fail to negotiate a mutually acceptable compensation agreement, the resolution may declare the improvements a public purpose for not more than ten years, but shall not

exempt more than seventy-five per cent of the improvements from taxation, or, in the case of a resolution adopted under division (B) of this section, not more than the estimated percentage of the incremental demand as otherwise prescribed by division (B) of this section if that percentage is less than seventy-five per cent. If the board of education fails to certify a resolution to the board of trustees within the time prescribed by this section, the board of trustees thereupon may adopt the resolution and may declare the improvements a public purpose for up to thirty years or, in the case of exemption percentages proposed in excess of seventy-five per cent, for the exemption percentage specified in the resolution. The board of township trustees may adopt the resolution at any time after the board of education certifies its resolution approving the exemption to the board of township trustees, or, if the board of education approves the exemption on the condition that a mutually acceptable compensation agreement be negotiated, at any time after the compensation agreement is agreed to by the board of education and the board of township trustees.

If a board of education has adopted a resolution waiving its right to approve exemptions from taxation and the resolution remains in effect, approval of such exemptions by the board of education is not required under this division. If a board of education has adopted a resolution allowing a board of township trustees to deliver the notice required under this division fewer than forty-five business days prior to adoption of the resolution by the board of township trustees, the board of township trustees shall deliver the notice to the board of education not later than the number of days prior to such adoption as prescribed by the board of education in its resolution. If a board of education adopts a resolution waiving its right to approve exemptions or shortening the notification period, the board of education shall certify a copy of the resolution to the board of township trustees. If the board of education rescinds such a resolution, it shall certify notice of the rescission to the board of township trustees.

If the board of trustees is not required by this division to notify the board of education of the board of trustees' intent to declare improvements to be a public purpose, the board of trustees shall comply with the notice requirements imposed under section 5709.83 of the Revised Code before taking formal action to adopt the resolution making that declaration, unless the board of education has adopted a resolution under that section waiving its right to receive such a notice.

(E) An exemption from taxation granted under this section commences with the tax year in which an improvement first appears on the tax list and duplicate of real and public utility property and that begins after the

effective date of the resolution. Except as otherwise provided in this division, the exemption ends on the date specified in the resolution as the date the improvement ceases to be a public purpose or the incentive district expires, or ends on the date on which the public infrastructure improvements and housing renovations are paid in full from the township public improvement tax increment equivalent fund established under section 5709.75 of the Revised Code, whichever occurs first. The exemption of an improvement with respect to a parcel may end on a later date, as specified in the resolution, if the board of township trustees and the board of education of the city, local, or exempted village school district within which the parcel is located have entered into a compensation agreement under section 5709.82 of the Revised Code with respect to the improvement or district and the board of education has approved the term of the exemption under division (D) of this section, but in no case shall the improvement be exempted from taxation for more than thirty years. The board of township trustees may, by majority vote, adopt a resolution permitting the township to enter into such agreements as the board finds necessary or appropriate to provide for the construction or undertaking of public infrastructure improvements and housing renovations. Any exemption shall be claimed and allowed in the same or a similar manner as in the case of other real property exemptions. If an exemption status changes during a tax year, the procedure for the apportionment of the taxes for that year is the same as in the case of other changes in tax exemption status during the year.

(F) The board of township trustees may issue the notes of the township to finance all costs pertaining to the construction or undertaking of public infrastructure improvements and housing renovations made pursuant to this section. The notes shall be signed by the board and attested by the signature of the township clerk, shall bear interest not to exceed the rate provided in section 9.95 of the Revised Code, and are not subject to Chapter 133. of the Revised Code. The resolution authorizing the issuance of the notes shall pledge the funds of the township public improvement tax increment equivalent fund established pursuant to section 5709.75 of the Revised Code to pay the interest on and principal of the notes. The notes, which may contain a clause permitting prepayment at the option of the board, shall be offered for sale on the open market or given to the vendor or contractor if no sale is made.

(G) The township, not later than fifteen days after the adoption of a resolution under this section, shall submit to the director of development a copy of the resolution. On or before the thirty-first day of March of each year, the township shall submit a status report to the director of

development. The report shall indicate, in the manner prescribed by the director, the progress of the project during each year that the exemption remains in effect, including a summary of the receipts from service payments in lieu of taxes; expenditures of money from funds created under section 5709.75 of the Revised Code; a description of the public infrastructure improvements and housing renovations financed with such expenditures; and a quantitative summary of changes in ~~employment and~~ private investment resulting from each project.

(H) Nothing in this section shall be construed to prohibit a board of township trustees from declaring to be a public purpose improvements with respect to more than one parcel.

(I) A board of township trustees that adopted a resolution under this section prior to July 21, 1994, may amend that resolution to include any additional public infrastructure improvement. A board of township trustees that seeks by such an amendment to utilize money from its township public improvement tax increment equivalent fund for land acquisition in aid of industry, commerce, distribution, or research, demolition on private property, or stormwater and flood remediation projects may do so provided that the board currently is a party to a hold-harmless agreement with the board of education of the city, local, or exempted village school district within the territory of which are located the parcels that are subject to an exemption. For the purposes of this division, a "hold-harmless agreement" means an agreement under which the board of township trustees agrees to compensate the school district for one hundred per cent of the tax revenue that the school district would have received from further improvements to parcels designated in the resolution were it not for the exemption granted by the resolution.

Sec. 5709.74. A township that has declared an improvement to be a public purpose under section 5709.73 of the Revised Code may require the owner of the parcel to make annual service payments in lieu of taxes to the county treasurer on or before the final dates for payment of real property taxes. Each payment shall be charged and collected in the same manner and in the same amount as the real property taxes that would have been charged and payable against any improvement made on the parcel if it were not exempt from taxation. If any reduction in the levies otherwise applicable to the exempt property is made by the county budget commission under section 5705.31 of the Revised Code, the amount of the service payment in lieu of taxes shall be calculated as if a reduction in levies had not been made. A township shall not require an owner to make annual service payments in lieu of taxes pursuant to this section after the date on which the township has

been paid back in full for the public infrastructure improvements made pursuant to sections 5709.73 to 5709.75 of the Revised Code.

Moneys collected as service payments in lieu of taxes shall be distributed at the same time and in the same manner as real property tax payments ~~except that~~. However, subject to section 5709.913 of the Revised Code, the entire amount so collected shall be distributed to the township in which the improvement is located. If a parcel upon which moneys are collected as service payments in lieu of taxes is annexed to a municipal corporation, the service payments shall continue to be collected and distributed to the township in which the parcel was located before its annexation until the township is paid back in full for the cost of any public infrastructure improvements it made on the parcel. The treasurer shall maintain a record of the service payments in lieu of taxes made from property in each township.

Nothing in this section or section 5709.73 of the Revised Code affects the taxes levied against that portion of the value of any parcel of property that is not exempt from taxation.

Sec. 5709.77. As used in sections 5709.77 to 5709.81 of the Revised Code:

(A) "Business day" means a day of the week excluding Saturday, Sunday, and a legal holiday as defined in section 1.14 of the Revised Code.

(B) "Fund" means to provide for the payment of the debt service on and the expenses relating to an outstanding obligation of the county.

(C) "Housing renovation" means a project carried out for residential purposes.

(D) "Improvement" means the increase in the true value of ~~a parcel of~~ real property that would first appear on the tax list and duplicate of real and public utility property after the effective date of a resolution adopted under section 5709.78 of the Revised Code were it not for the exemption granted by that resolution. "Improvement" does not include a public infrastructure improvement. For purposes of division (A) of section 5709.78 of the Revised Code, "improvement" does not include any property used or to be used for residential purposes.

(E) "Incentive district" has the same meaning as in section 5709.40 of the Revised Code, except that a blighted area is in the unincorporated territory of a county.

(F) "Refund" means to fund and retire an outstanding obligation of the county.

(G) "Project" and "public infrastructure improvement" have the same meanings as in section 5709.40 of the Revised Code.

Sec. 5709.78. (A) A board of county commissioners may, by resolution, declare improvements to certain parcels of real property located in the unincorporated territory of the county to be a public purpose. Except as otherwise provided in division (C) of this section, not more than seventy-five per cent of an improvement thus declared to be a public purpose may be exempted from real property taxation; the percentage exempted shall not, except as otherwise provided in those divisions, exceed the estimated percentage of the incremental demand placed on the public infrastructure improvements that is directly attributable to the exempted improvement. The resolution shall specify the percentage of the improvement to be exempted.

A resolution adopted under this division shall designate the specific public infrastructure improvements made, to be made, or in the process of being made by the county that directly benefit, or that once made will directly benefit, the parcels for which improvements are declared to be a public purpose. For the purposes of this division, a public infrastructure improvement directly benefits such a parcel only if a project on the parcel places direct, additional demand on the public infrastructure improvement or, if the public infrastructure improvement has not yet been completed, will place direct, additional demand on the public infrastructure improvement once it is completed. The service payments provided for in section 5709.79 of the Revised Code shall be used to finance the public infrastructure improvements designated in the resolution.

(B) A board of county commissioners may adopt a resolution creating an incentive district and declaring improvements to parcels within the district to be a public purpose and exempt from taxation as provided in this section. The district shall be located within the unincorporated territory of the county and shall not include any territory that is included within a district created under division (C) of section 5709.73 of the Revised Code. The resolution shall delineate the boundary of the district and specifically identify each parcel within the district. A district may not include any parcel that is or has been exempted from taxation under division (A) of this section or that is or has been within another district created under this division. A resolution may create more than one such district, and more than one resolution may be adopted under this division.

Not later than thirty days prior to adopting a resolution under this division, if the county intends to apply for exemptions from taxation under section 5709.911 of the Revised Code on behalf of owners of real property located within the proposed incentive district, the board of county commissioners shall conduct a public hearing on the proposed resolution.

Not later than thirty days prior to the public hearing, the board shall give notice of the public hearing and the proposed resolution by first class mail to every real property owner whose property is located within the boundaries of the proposed incentive district that is the subject of the proposed resolution. The board also shall provide the notice by first class mail to the clerk of each township in which the proposed incentive district will be located.

A resolution under this division shall specify the life of the district and the percentage of the improvements to be exempted and shall designate the public infrastructure improvements made or to be made that benefit or serve parcels in the district.

A resolution adopted under this division may authorize the use of service payments provided for in section 5709.79 of the Revised Code for the purpose of housing renovations within the district, provided that the resolution also designates public infrastructure improvements that benefit or serve the district, and that a project within the district places real property in use for commercial or industrial purposes. Service payments may be used to finance or support loans, deferred loans, and grants to persons for the purpose of housing renovations within the district. The resolution shall designate the parcels within the district that are eligible for housing renovations. The resolution shall state separately the amount or the percentages of the expected aggregate service payments that are designated for each public infrastructure improvement and for the purpose of housing renovations.

Except with the approval of the board of education of each city, local, or exempted village school district within the territory of which the district is or will be located, the life of a district shall not exceed ten years, and the percentage of improvements to be exempted shall not exceed seventy-five per cent. With such approval, the life of a district may be not more than thirty years, and the percentage of improvements to be exempted may be not more than one hundred per cent.

Approval of a board of education shall be obtained in the manner provided in division (C) of this section for exemptions under division (A) of this section, except that the notice to the board of education shall delineate the boundaries of the district, specifically identify each parcel within the district, identify each anticipated improvement in the district, provide an estimate of the true value in money of each such improvement, specify the life of the district and the percentage of improvements that would be exempted, and indicate the date on which the board of county commissioners intends to adopt the resolution.

A board of county commissioners shall not adopt a resolution under this division after June 30, 2007.

(C)(1) Improvements with respect to a parcel may be exempted from taxation under division (A) of this section for up to ten years or, with the approval of the board of education of the city, local, or exempted village school district within which the parcel is located, for up to thirty years. The percentage of the improvements exempted from taxation may, with such approval, exceed seventy-five per cent, but shall not exceed one hundred per cent. Not later than forty-five business days prior to adopting a resolution under this section declaring improvements to be a public purpose, the board of county commissioners shall deliver to the board of education a notice stating its intent to adopt a resolution making that declaration. The notice shall identify the parcels for which improvements are to be exempted from taxation, provide an estimate of the true value in money of the improvements, specify the period for which the improvements would be exempted from taxation and the percentage of the improvements that would be exempted, and indicate the date on which the board of county commissioners intends to adopt the resolution. The board of education, by resolution adopted by a majority of the board, may approve the exemption for the period or for the exemption percentage specified in the notice, may disapprove the exemption for the number of years in excess of ten, may disapprove the exemption for the percentage of the improvements to be exempted in excess of seventy-five per cent, or both, or may approve the exemption on the condition that the board of county commissioners and the board of education negotiate an agreement providing for compensation to the school district equal in value to a percentage of the amount of taxes exempted in the eleventh and subsequent years of the exemption period or, in the case of exemption percentages in excess of seventy-five per cent, compensation equal in value to a percentage of the taxes that would be payable on the portion of the improvements in excess of seventy-five per cent were that portion to be subject to taxation. The board of education shall certify its resolution to the board of county commissioners not later than fourteen days prior to the date the board of county commissioners intends to adopt its resolution as indicated in the notice. If the board of education approves the exemption on the condition that a compensation agreement be negotiated, the board of education in its resolution shall propose a compensation percentage. If the board of education and the board of county commissioners negotiate a mutually acceptable compensation agreement, the resolution of the board of county commissioners may declare the improvements a public purpose for the number of years specified in that

resolution or, in the case of exemption percentages in excess of seventy-five per cent, for the exemption percentage specified in the resolution. In either case, if the board of education and the board of county commissioners fail to negotiate a mutually acceptable compensation agreement, the resolution may declare the improvements a public purpose for not more than ten years, but shall not exempt more than seventy-five per cent of the improvements from taxation, or, in the case of a resolution adopted under division (A) of this section, not more than the estimated percentage of the incremental demand as otherwise prescribed by division (A) of this section if that percentage is less than seventy-five per cent. If the board of education fails to certify a resolution to the board of county commissioners within the time prescribed by this section, the board of county commissioners thereupon may adopt the resolution and may declare the improvements a public purpose for up to thirty years or, in the case of exemption percentages proposed in excess of seventy-five per cent, for the exemption percentage specified in the resolution. The board of county commissioners may adopt the resolution at any time after the board of education certifies its resolution approving the exemption to the board of county commissioners, or, if the board of education approves the exemption on the condition that a mutually acceptable compensation agreement be negotiated, at any time after the compensation agreement is agreed to by the board of education and the board of county commissioners.

(2) If a board of education has adopted a resolution waiving its right to approve exemptions from taxation and the resolution remains in effect, approval of such exemptions by the board of education is not required under division (C)(1) of this section. If a board of education has adopted a resolution allowing a board of county commissioners to deliver the notice required under division (C)(1) of this section fewer than forty-five business days prior to approval of the resolution by the board of county commissioners, the board of county commissioners shall deliver the notice to the board of education not later than the number of days prior to such approval as prescribed by the board of education in its resolution. If a board of education adopts a resolution waiving its right to approve exemptions or shortening the notification period, the board of education shall certify a copy of the resolution to the board of county commissioners. If the board of education rescinds such a resolution, it shall certify notice of the rescission to the board of county commissioners.

(D) An exemption from taxation granted under this section commences with the tax year in which an improvement first appears on the tax list and duplicate of real and public utility property and that begins after the

effective date of the resolution. Except as otherwise provided in this division, the exemption ends on the date specified in the resolution as the date the improvement ceases to be a public purpose or the incentive district expires, or ends on the date on which the county can no longer require annual service payments in lieu of taxes under section 5709.79 of the Revised Code, whichever occurs first. The exemption of an improvement with respect to a parcel may end on a later date, as specified in the resolution, if the board of commissioners and the board of education of the city, local, or exempted village school district within which the parcel is located have entered into a compensation agreement under section 5709.82 of the Revised Code with respect to the improvement or district and the board of education has approved the term of the exemption under division (C)(1) of this section, but in no case shall the improvement be exempted from taxation for more than thirty years. Exemptions shall be claimed and allowed in the same or a similar manner as in the case of other real property exemptions. If an exemption status changes during a tax year, the procedure for the apportionment of the taxes for that year is the same as in the case of other changes in tax exemption status during the year.

(E) If the board of county commissioners is not required by this section to notify the board of education of the board of county commissioners' intent to declare improvements to be a public purpose, the board of county commissioners shall comply with the notice requirements imposed under section 5709.83 of the Revised Code before taking formal action to adopt the resolution making that declaration, unless the board of education has adopted a resolution under that section waiving its right to receive such a notice.

(F) The county, not later than fifteen days after the adoption of a resolution under this section, shall submit to the director of development a copy of the resolution. On or before the thirty-first day of March of each year, the county shall submit a status report to the director of development. The report shall indicate, in the manner prescribed by the director, the progress of the project during each year that an exemption remains in effect, including a summary of the receipts from service payments in lieu of taxes; expenditures of money from funds created under section 5709.75 of the Revised Code; a description of the public infrastructure improvements and housing renovations financed with such expenditures; and a quantitative summary of changes in employment and private investment resulting from each project.

(G) Nothing in this section shall be construed to prohibit a board of county commissioners from declaring to be a public purpose improvements

with respect to more than one parcel.

Sec. 5709.79. A board of county commissioners that adopts a resolution under section 5709.78 of the Revised Code shall in the resolution require that the owner of the improvement make annual service payments in lieu of taxes to the county treasurer on or before the final dates for payment of real property taxes. Each such payment shall be charged and collected in the same manner and in the same amount as the real property taxes that would have been charged and payable against the improvement if its value were not exempt from taxation. If any reduction in the levies otherwise applicable to the improvement is made by the county budget commission under section 5705.31 of the Revised Code, the amount of the service payment in lieu of taxes shall be calculated as if the reduction in levies had not been made.

The county shall not require the owner to make annual service payments in lieu of taxes pursuant to this section after the date on which one of the following occurs:

(A) If bonds or notes were not issued under section 307.082 or 5709.81 of the Revised Code for any public infrastructure improvements benefiting the parcel on which the improvement is located, or for any housing renovations within an incentive district, and if service payments were not pledged pursuant to division (B) of section 5709.81 of the Revised Code, the date the county has collected sufficient money in the applicable account of the redevelopment tax equivalent fund to pay the cost of constructing or repairing the public infrastructure improvements designated in, or the housing renovations authorized by, the resolution adopted under section 5709.78 of the Revised Code;

(B) If service payments were pledged under division (B) of section 5709.81 of the Revised Code to secure payment of any obligation issued to finance the public infrastructure improvement and housing renovations, the date the purposes for which the payments were pledged are paid in full;

(C) If bonds or notes were issued under section 307.082 or 5709.81 of the Revised Code, the date the interest on and principal of such bonds and notes have been paid in full.

Money collected as service payments in lieu of taxes shall be distributed at the same time and in the same manner as real property tax payments ~~except that~~. However, subject to section 5709.914 of the Revised Code, the entire amount so collected shall be distributed to the county in which the parcel is located. The county treasurer shall maintain a record of the service payments in lieu of taxes made for each parcel. If a parcel upon which moneys are collected as service payments in lieu of taxes is annexed to a municipal corporation, the service payments shall continue to be collected

and distributed to the county until the date described in division (A), (B), or (C) of this section.

Nothing in this section or section 5709.78 of the Revised Code affects the taxes levied against that portion of the value of any parcel that is not exempt from taxation.

Sec. 5709.91. Service payments in lieu of taxes required under sections 725.04, 5709.42, 5709.74, and 5709.79 of the Revised Code, and service charges in lieu of taxes required under sections 1728.11 and 1728.111 of the Revised Code, shall be treated in the same manner as taxes for all purposes of the lien described in section 323.11 of the Revised Code, including but not limited to, the priority and enforcement of the lien and the collection of the service payments or service charges secured by the lien.

Sec. 5709.911. (A)(1) A municipal corporation, township, or county that has enacted an ordinance or resolution under section 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code or that has entered into an agreement referred to in section 725.02 or 1728.07 of the Revised Code may file an application for exemption under those sections in the same manner as other real property tax exemptions, notwithstanding the indication in division (A) of section 5715.27 of the Revised Code that the owner of the property may file the application.

(2) Except as provided in division (B) of this section, if the application for exemption under section 725.02, 1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code is filed by a municipal corporation, township, or county and more than one real property tax exemption applies by law to the property or a portion of the property, both of the following apply:

(a) An exemption granted under section 725.02, 1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code shall be subordinate to an exemption with respect to the property or portion of the property granted under any other provision of the Revised Code.

(b) Neither service payments in lieu of taxes under section 725.04, 5709.42, 5709.74, or 5709.79 of the Revised Code, nor service charges in lieu of taxes under section 1728.11 or 1728.111 of the Revised Code, shall be required with respect to the property or portion of the property that is exempt from real property taxes under that other provision of the Revised Code during the effective period of the exemption.

(B)(1) If the application for exemption under section 725.02, 1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code is filed by the owner of the property or by a municipal corporation, township, or county with the owner's written consent attached to the application, and if more than one real property tax exemption applies by law to the property or a

portion of the property, no other exemption shall be granted for the portion of the property already exempt under section 725.02, 1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code unless the municipal corporation, township, or county that enacted the authorizing ordinance or resolution for the earlier exemption provides its duly authorized written consent to the subsequent exemption by means of a duly enacted ordinance or resolution.

(2) If the application for exemption under section 725.02, 1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code is filed by a municipal corporation, township, or county and approved by the tax commissioner, if the owner of the property subsequently provides written consent to the exemption and the consent is filed with the tax commissioner, and if more than one real property tax exemption applies by law to the property or a portion of the property, no other exemption shall be granted for the portion of the property already exempt under section 725.02, 1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code unless the municipal corporation, township, or county that enacted the authorizing ordinance or resolution for the earlier exemption provides its duly authorized written consent to the subsequent exemption by means of a duly enacted ordinance or resolution.

(C)(1) After the tax commissioner has approved or partially approved an application for exemption filed by or with the consent of a property owner under the circumstances described in division (B)(1) of this section, the municipal corporation, township, county, or property owner shall file a notice with the county recorder for the county in which the property is located that clearly identifies the property and the owner of the property and states that the property, regardless of future use or ownership, remains liable for any service payments or service charges required by the exemption until the terms of the exemption have been satisfied, unless the municipal corporation, township, or county consents to the subsequent exemption and relinquishes its right to collect the service payments or service charges as provided in division (B)(1) of this section. The county recorder's office shall charge a fee of fourteen dollars to record the notice, the proceeds of which shall be retained by the county.

(2) If a property owner subsequently provides written consent to an exemption under the circumstances described in division (B)(2) of this section, the municipal corporation, township, county, or property owner shall file notice with the county recorder for the county in which the property is located that clearly identifies the property and the owner of the property and states that the property, regardless of future use or ownership,

remains liable for any service payments or service charges required by the exemption until the terms of the exemption have been satisfied, unless the municipal corporation, township, or county consents to the subsequent exemption and relinquishes its right to collect the service payments or service charges as provided in division (B)(2) of this section. The county recorder's office shall charge a fee of fourteen dollars to record the notice, the proceeds of which shall be retained by the county.

(D) Upon filing of the notice with the county recorder, the provisions of division (B) of this section are binding on all future owners of the property or portion of the property, regardless of how the property is used. Failure to file the notice with the county recorder relieves future owners of the property from the obligation to make service payments in lieu of taxes under section 725.04, 5709.42, 5709.74, or 5709.79 of the Revised Code or service charges in lieu of taxes under section 1728.11 or 1728.111 of the Revised Code, if the property or a portion of the property later qualifies for exemption under any other provision of the Revised Code. Failure to file the notice does not, however, relieve the owner of the property, at the time the application for exemption is filed, from making those payments or charges.

Sec. 5709.912. The tax commissioner may, in accordance with section 5703.14 of the Revised Code, adopt rules to implement sections 5709.91 and 5709.911 of the Revised Code.

Sec. 5709.913. (A) As used in this section:

(1) "Base real property" means the land, structures and buildings, or portions of structures and buildings, that existed, and in the condition in which they existed, for the tax year in which the ordinance or resolution creating the incentive district referred to in division (B) of this section was enacted or adopted, as reflected in the exempt tax list or the general tax list and duplicate of real and public utility property.

(2) "Sexennial reappraisal and triennial update" means the reappraisal and update referred to in section 5715.24 of the Revised Code.

(B) This section applies to any parcel of real property that is located within an incentive district created by a municipal corporation or township under section 5709.40 or 5709.73 of the Revised Code and concerning which the municipal corporation or township applied for an exemption from taxation on behalf of the property owner under section 5709.911 of the Revised Code.

(C) Each time a county auditor's sexennial reappraisal or triennial update of the assessed value of a parcel of real property to which this section applies results in an increase in such assessed value, the county auditor shall determine the following amounts:

(1) The amount of the increase in assessed value that is attributable to the base real property;

(2) The amount determined under division (C)(1) of this section multiplied by the percentage of improvements in the incentive district to be exempted from taxation under section 5709.40 or 5709.73 of the Revised Code, as applicable;

(3) The product of the amount calculated under division (C)(2) of this section multiplied by the rate of the taxes levied by the county within the ten-mill limitation the proceeds of which are deposited in the county general fund;

(4) The product of the amount calculated under division (C)(3) of this section multiplied by one-half.

(D) For any tax year that the owner of a parcel of real property referred to in division (B) of this section is required to make service payments in lieu of taxes under section 5709.42 or 5709.74 of the Revised Code, a portion of the total amount of payments made for the year equal to the amount calculated under division (C)(4) of this section shall be distributed to the county treasury to the credit of the county general fund in lieu of distribution to the municipal public improvement tax increment equivalent fund or the township public improvement tax increment equivalent fund, as applicable. If the service payments for the year are paid in two installments, the required distribution to the county treasury also shall be made in two installments.

(E)(1) Division (D) of this section does not apply if the municipal corporation or township enters into an agreement with the county that provides that such division does not apply. The agreement may provide for payments to the county by the municipal corporation or township.

(2) Upon entering into an agreement under division (E)(1) of this section, the municipal corporation or township shall provide written notice of it to the county auditor of the county that is a party to the agreement and the tax commissioner.

(F) With respect to a parcel of real property to which this section applies, the tax commissioner shall notify the county auditor of the county in which the parcel is located when a municipal corporation or township has applied for an exemption from taxation on behalf of the property owner and the exemption has been granted under section 5715.27 of the Revised Code.

Sec. 5709.914. (A) As used in this section:

(1) "Base real property" means the land, structures and buildings, or portions of structures and buildings, that existed, and in the condition in which they existed, for the tax year in which the resolution creating the

incentive district referred to in division (B) of this section was adopted, as reflected in the exempt tax list or the general tax list and duplicate of real and public utility property.

(2) "Sexennial reappraisal and triennial update" means the reappraisal and update referred to in section 5715.24 of the Revised Code.

(B) This section applies to any parcel of real property that is located within an incentive district created by a county under section 5709.78 of the Revised Code and concerning which the county applied for an exemption from taxation on behalf of the property owner under section 5709.911 of the Revised Code.

(C) Each time a county auditor's sexennial reappraisal or triennial update of the assessed value of a parcel of real property to which this section applies results in an increase in such assessed value, the county auditor shall determine the following amounts:

(1) The amount of the increase in assessed value that is attributable to the base real property;

(2) The amount determined under division (C)(1) of this section multiplied by the percentage of improvements in the incentive district to be exempted from taxation under section 5709.78 of the Revised Code;

(3) The product of the amount calculated under division (C)(2) of this section multiplied by the rate of the taxes levied within the ten-mill limitation by the township in which the parcel is located the proceeds of which are deposited in the general fund of the township;

(4) The product of the amount calculated under division (C)(3) of this section multiplied by one-half.

(D) For any tax year that the owner of a parcel of real property referred to in division (B) of this section is required to make service payments in lieu of taxes under section 5709.79 of the Revised Code, a portion of the total amount of payments made for the year equal to the amount calculated under division (C)(4) of this section shall be distributed to the general fund of the township in which the parcel is located in lieu of distribution to the county redevelopment tax equivalent fund. If the service payments for the year are paid in two installments, the required distribution to the general fund of the township also shall be made in two installments.

(E)(1) Division (D) of this section does not apply if the county enters into an agreement with the township that provides that such division does not apply. The agreement may provide for payments to the township by the county.

(2) Upon entering into an agreement under division (E)(1) of this section, the board of county commissioners of the county shall provide

written notice of it to the county auditor and the tax commissioner.

(F) With respect to a parcel of real property to which this section applies, the tax commissioner shall notify the county auditor of the county in which the parcel is located when the county has applied for an exemption from taxation on behalf of the property owner and the exemption has been granted under section 5715.27 of the Revised Code.

SECTION 2. That existing sections 109.42, 122.18, 122.65, 5709.40, 5709.42, 5709.62, 5709.63, 5709.631, 5709.632, 5709.73, 5709.74, 5709.77, 5709.78, and 5709.79 of the Revised Code are hereby repealed.

SECTION 3. That Section 2 of Sub. S.B. 186 of the 123rd General Assembly is hereby repealed.

SECTION 4. It is the intent of Section 3 of this act to prevent the repeal of sections 122.13, 122.131, 122.132, 122.133, 122.134, 122.135, and 122.136 of the Revised Code that was to have taken effect December 31, 2004, and thereby to remove the limitation imposed by such repeal upon the continued existence of those sections. This intent is not affected by the rule of statutory interpretation contained in section 1.57 of the Revised Code.

SECTION 5. That Sections 38, 38.18, and 38.20 of Am. Sub. H.B. 95 of the 125th General Assembly be amended to read as follows:

Sec. 38. DEV DEPARTMENT OF DEVELOPMENT

General Revenue Fund

GRF 195-321	Operating Expenses	$ 2,695,236	$ 3,020,115
GRF 195-401	Thomas Edison Program	$ 16,634,934	$ 16,334,934
GRF 195-404	Small Business Development	$ 1,740,722	$ 1,740,722
GRF 195-405	Minority Business Development Division	$ 1,620,755	$ 1,669,378
GRF 195-407	Travel and Tourism	$ 6,049,345	$ 7,049,345
GRF 195-410	Defense Conversion Assistance	$ 1,500,000	$ 0
GRF 195-412	Business Development Grants	$ 8,905,530	$ 8,905,530
GRF 195-414	First Frontier Match	$ 389,987	$ 389,987
GRF 195-415	Economic Development Division and Regional Offices	$ 5,594,975	$ 5,594,975
GRF 195-416	Governor's Office of Appalachia	$ 4,372,324	$ 4,372,324
GRF 195-417	Urban/Rural Initiative	$ 589,390	$ 589,390
GRF 195-422	Third Frontier Action Fund	$ 16,790,000	$ 16,790,000
GRF 195-426	Clean Ohio Administration	$ 518,730	$ 518,730

GRF	195-432	International Trade	$	4,492,713	$	4,492,713
GRF	195-434	Investment in Training Grants	$	12,227,500	$	12,227,500
GRF	195-436	Labor/Management Cooperation	$	811,869	$	811,869
GRF	195-497	CDBG Operating Match	$	1,107,400	$	1,107,400
GRF	195-498	State Energy Match	$	100,000	$	100,000
GRF	195-501	Appalachian Local Development Districts	$	380,080	$	380,080
GRF	195-502	Appalachian Regional Commission Dues	$	238,274	$	246,803
GRF	195-507	Travel and Tourism Grants	$	1,025,000	$	1,025,000
GRF	195-515	Economic Development Contingency	$	10,000,000	$	10,000,000
GRF	195-516	Shovel Ready Sites	$	2,500,000	$	2,500,000
GRF	195-905	Third Frontier Research & Commercialization General Obligation Debt Service	$	0	$	7,360,000
TOTAL GRF General Revenue Fund			$	100,284,764	$	107,226,795
General Services Fund Group						
135	195-605	Supportive Services	$	7,417,068	$	7,539,686
136	195-621	International Trade	$	24,915	$	24,915
685	195-636	General Reimbursements	$	1,316,012	$	1,232,530
TOTAL GSF General Services Fund Group			$	8,757,995	$	8,797,131
Federal Special Revenue Fund Group						
3K8	195-613	Community Development Block Grant	$	65,000,000	$	65,000,000
3K9	195-611	Home Energy Assistance Block Grant	$	85,036,000	$	85,036,000
3K9	195-614	HEAP Weatherization	$	16,219,479	$	16,219,479
3L0	195-612	Community Services Block Grant	$	25,235,000	$	25,235,000
3V1	195-601	HOME Program	$	40,000,000	$	40,000,000
308	195-602	Appalachian Regional Commission	$	350,200	$	350,200
308	195-603	Housing and Urban Development	$	5,000,000	$	5,000,000
308	195-605	Federal Projects	$	15,300,248	$	15,300,248
308	195-609	Small Business Administration	$	4,196,381	$	4,296,381
308	195-618	Energy Federal Grants	$	3,397,659	$	3,397,659
335	195-610	Oil Overcharge	$	8,500,000	$	8,500,000
380	195-622	Housing Development Operating	$	5,606,080	$	5,667,627
TOTAL FED Federal Special Revenue Fund Group			$	273,841,047	$	274,002,594
State Special Revenue Fund Group						
4F2	195-639	State Special Projects	$	540,183	$	290,183
4H4	195-641	First Frontier	$	500,000	$	500,000
4S0	195-630	Enterprise Zone Operating	$	211,900	$	211,900
4S1	195-634	Job Creation Tax Credit Operating	$	375,800	$	375,800
4W1	195-646	Minority Business Enterprise	$	2,580,597	$	2,580,597

		Loan		
444	195-607	Water and Sewer Commission Loans	$ 523,775	$ 523,775
445	195-617	Housing Finance Operating	$ 5,040,843	$ 4,983,738
450	195-624	Minority Business Bonding Program Administration	$ 13,563	$ 13,563
451	195-625	Economic Development Financing Operating	$ 2,358,310	$ 2,358,310
5AR	195-674	Industrial Site Improvements	$ 0	$ 5,000,000
5M4	195-659	Universal Service	$ 170,000,000	$ 170,000,000
5M5	195-660	Energy Efficiency Revolving Loan	$ 12,000,000	$ 12,000,000
611	195-631	Water and Sewer Administration	$ 15,713	$ 15,713
617	195-654	Volume Cap Administration	$ 200,000	$ 200,000
646	195-638	Low and Moderate Income Housing Trust Fund	$ 40,000,000	$ 40,000,000
TOTAL SSR State Special Revenue Fund Group			$ 234,360,684	$ ~~234,053,579~~ 239,053,579
Facilities Establishment Fund Group				
009	195-664	Innovation Ohio	$ 50,000,000	$ 55,000,000
037	195-615	Facilities Establishment	$ 63,931,149	$ 63,931,149
4Z6	195-647	Rural Industrial Park Loan	$ 5,000,000	$ 5,000,000
5D2	195-650	Urban Redevelopment Loans	$ 10,475,000	$ 10,475,000
5H1	195-652	Family Farm Loan Guarantee	$ 1,500,000	$ 1,500,000
5S8	195-627	Rural Development Initiative	$ 5,000,000	$ 5,000,000
5S9	195-628	Capital Access Loan Program	$ 3,000,000	$ 3,000,000
TOTAL 037 Facilities Establishment Fund Group			$ 138,906,149	$ 143,906,149
Clean Ohio Revitalization Fund				
003	195-663	Clean Ohio Operating	$ 150,000	$ 150,000
TOTAL 003 Clean Ohio Revitalization Fund			$ 150,000	$ 150,000
Job Development Initiatives Fund				
5AD	195-667	Investment in Training Expansion	$ 0	$ 12,800,000
5AD	195-668	Worker Guarantee Program	$ 0	$ 3,000,000
5AD	195-669	Wright Operating Grants	$ 0	$ 10,000,000
TOTAL 5AD Job Development Initiatives Fund			$ 0	$ 25,800,000
TOTAL ALL BUDGET FUND GROUPS			$ 756,300,639	$ ~~768,136,248~~ 798,936,248

Sec. 38.18. ECONOMIC DEVELOPMENT FINANCING OPERATING

The foregoing appropriation item 195-625, Economic Development Financing Operating, shall be used for the operating expenses of financial assistance programs authorized under Chapter 166. of the Revised Code and under sections 122.43 and 122.45 of the Revised Code.

VOLUME CAP ADMINISTRATION

The foregoing appropriation item 195-654, Volume Cap Administration, shall be used for expenses related to the administration of the Volume Cap

Program. Revenues received by the Volume Cap Administration Fund (Fund 617) shall consist of application fees, forfeited deposits, and interest earned from the custodial account held by the Treasurer of State.

UNIVERSAL SERVICE FUND

The foregoing appropriation item 195-659, Universal Service, shall be used to provide payments to regulated electric utility companies for low-income customers enrolled in Percentage of Income Payment Plan (PIPP) electric accounts, to fund targeted energy efficiency and customer education services to PIPP customers, and to cover the department's administrative costs related to the Universal Service Fund Programs.

ENERGY EFFICIENCY REVOLVING LOAN FUND

The foregoing appropriation item 195-660, Energy Efficiency Revolving Loan, shall be used to provide financial assistance to customers for eligible energy efficiency projects for residential, commercial and industrial business, local government, educational institution, nonprofit, and agriculture customers, and to pay for the program's administrative costs as provided in the Revised Code and rules adopted by the Director of Development.

INDUSTRIAL SITE IMPROVEMENTS

Notwithstanding Chapter 122. of the Revised Code, $5,000,000 in cash shall be transferred in fiscal year 2005 from the Liquor Control Fund (Fund 043) to the Industrial Site Improvement Fund (Fund 5AR). Moneys in appropriation item 195-674, Industrial Site Improvements, shall be used to make grants to eligible counties for the improvement of commercial or industrial areas within those counties under section 122.951 of the Revised Code.

The Department of Development's use of the profits from the sale of spirituous liquor for the Industrial Site Improvements appropriation item is in addition to the Department's use of up to $45 million of those moneys pursuant to section 166.11 of the Revised Code.

GLOBAL ANALYST SETTLEMENT AGREEMENTS PAYMENTS

All payments received by the state pursuant to a series of settlements with ten brokerage firms reached with the United States Securities and Exchange Commission, the National Association of Securities Dealers, the New York Stock Exchange, the New York Attorney General, and other state regulators; (henceforth referred to as the "Global Analysts Settlement Agreements"), shall be deposited into the state treasury to the credit of the Economic Development Contingency Fund (Fund 5Y6), which is hereby created in the state treasury. The fund shall be used by the Director of Development to support economic development projects for which

appropriations would not otherwise be available, and shall be subject to the submission of a request to the Controlling Board by the Director outlining the planned use of the funds, and the subsequent approval of the request by the Controlling Board.

Sec. 38.20. CLEAN OHIO OPERATING EXPENSES

The foregoing appropriation item 195-663, Clean Ohio Operating, shall be used by the Department of Development in administering sections 122.65 to 122.658 of the Revised Code.

INVESTMENT IN TRAINING EXPANSION

The foregoing appropriation item 195-667, Investment in Training Expansion, shall be used for the same purposes and in the same manner as specified in Section 38.09 of Am. Sub. H.B. 95 of the 125th General Assembly.

WORKER GUARANTEE PROGRAM

The foregoing appropriation item 195-668, Worker Guarantee Program, shall be used for the Worker Guarantee Program.

Benefited employers must create at least 100 high-paying, full-time jobs over a three-year period and must demonstrate prior to the commitment of state funds that the availability of those skilled workers is a major factor in the employer's decision to locate or expand in Ohio. Activities eligible for funding through the Worker Guarantee Program include job assessment services, screening and testing of potential employees, customized training activities, and any other training or related service determined by the Director.

A local workforce development service provider may include, but is not limited to, a community college, technical or vocational school, one-stop center, or any other entity designated by the Director of Development, to provide services under the program.

State matching funds totaling one-third of a project's cost shall be provided for each approved project when an employer and any local workforce development service provider, in conjunction with the local community, contracts with the Department of Development to provide services under the program. The employer and the local community each shall provide matching funds totaling one-third of a project's cost, and each portion of the matching funds shall be equal to state funding, which also shall be one-third of a project's cost.

The state shall count in-kind contributions when determining a contribution from entities associated with the local community.

The Director of Development, in accordance with Chapter 119. of the Revised Code, shall adopt, and may amend or rescind, rules the Director

finds necessary for the implementation and successful operation of the Worker Guarantee Program.

WRIGHT OPERATING GRANTS

The foregoing appropriation item 195-669, Wright Operating Grants, shall be used to provide support to the nonbioscience-oriented Wright Centers and Wright Capital Projects funded by the Board of Regents appropriation item CAP-068, Third Frontier, created by Am. Sub. S.B. 261 of the 124th General Assembly. Funding shall be awarded based on criteria established by the Department of Development consistent with the intent of the program. Prior to release of funds from appropriation item 195-669, Wright Operating Grants, each grant award shall have been recommended for funding by the Third Frontier Commission and shall have obtained approval from the Controlling Board.

SECTION 6. That existing Sections 38, 38.18, and 38.20 of Am. Sub. H.B. 95 of the 125th General Assembly are hereby repealed.

SECTION 7. (A) Notwithstanding division (A) of section 169.05 of the Revised Code, upon the request of the Director of Budget and Management, the Director of Commerce, prior to June 30, 2005, shall transfer to the Job Development Initiatives Fund (Fund 5AD) up to $25,800,000 of the unclaimed funds that have been reported by the holders of unclaimed funds as provided by section 169.05 of the Revised Code, irrespective of the allocation of the unclaimed funds under that section.

(B) On July 1, 2004, or as soon thereafter as possible, upon the request of the Director of Budget and Management, the Director of Commerce shall transfer $5,000,000 from the Liquor Control Fund (Fund 043) to the Industrial Site Improvement Fund (Fund 5AR). These transfers are to be made in addition to the specified allocations of the liquor profits under Chapter 4301. of the Revised Code.

SECTION 8. (A) The Governor is hereby authorized to execute a deed in the name of the state, conveying to the Board of County Commissioners of Hamilton County and its successors and assigns all of the state's right, title, and interest in the following described real estate:

1916 Central Parkway, Cincinnati, Ohio.

(B) Consideration for the conveyance of the real estate described in division (A) of this section is the purchase price of three hundred thousand

dollars.

(C) Upon payment of the purchase price, 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 Board of County Commissioners of Hamilton County. The Board of Commissioners of Hamilton County shall present the deed for recording in the office of the Hamilton County Recorder.

(D) Notwithstanding sections 4141.11 and 4141.31 of the Revised Code, the net proceeds of the conveyance of the real estate described in division (A) of this section shall be deposited to the credit of the Unemployment Compensation Fund created by division (A) of section 4141.09 of the Revised Code.

(E) The Hamilton County Board of County Commissioners shall pay the costs of the conveyance of the real estate described in division (A) of this section.

(F) This section shall expire one year after its effective date.

SECTION 9. The amendment made to section 122.18 of the Revised Code by this act is in support of Ohio's effort to attract the NASA Shared Services Facility to this state. It is expected that appropriations in support of the payments to be made under division (D)(3) of section 122.18 of the Revised Code, as amended by this act, with respect to that facility will be necessary commencing in state fiscal year 2006 and will be made from moneys of this state that were not raised by taxation, including profits on the sale of spirituous liquor.

SECTION 10. (A) Sections 5709.91, 5709.911, and 5709.912 of the Revised Code, as enacted by this act, apply to applications for exemption that are pending on, or are filed on or after, the effective date of this section.

(B) Any application for exemption under section 725.02, 1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code that was approved prior to the effective date of this section shall be considered to have been granted subject to the limitations set forth in division (A) of section 5709.911 of the Revised Code, as enacted by this act. These applications may, but are not required to, be re-filed with the tax commissioner within ninety days after the effective date of this section,

although the failure to re-file an application does not affect the continuing validity of the exemption. Upon receipt of any such application, the tax commissioner shall expeditiously approve the application in accordance with sections 5709.91, 5709.911, and 5709.912 of the Revised Code, as enacted by this act. The tax commissioner's review of these applications shall be ministerial and shall have the same effect and effective date as the original approval, subject to divisions (A)(2), (B), (C), and (D) of section 5709.911 of the Revised Code, as enacted by this act.

If an application for exemption under section 725.02, 1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code was filed by the owner of the property and approved prior to the effective date of this section, the municipal corporation, township, county, or current owner of the property may file the notice described in division (C) of section 5709.911 of the Revised Code, as enacted by this act. Upon filing of the notice with the county recorder, the property remains liable for any service payments or service charges required by the exemption until the terms of the exemption have been satisfied, unless the municipal corporation, township, or county consents to a subsequent exemption and relinquishes its right to collect the service payments or service charges as provided in division (B)(1) of section 5709.911 of the Revised Code, as enacted by this act.

SECTION 11. (A) Until June 30, 2005, a single county shall be designated a local area for purposes of Chapter 6301. of the Revised Code if the county satisfies all of the following criteria:

(1) The board of county commissioners requests designation as a local area under Chapter 6301. of the Revised Code.

(2) The county has a minimum population of one hundred seventy-five thousand, based on the most recent decennial census.

(3) Prior to the effective date of this section, the county had not entered into partnership with another political subdivision for the purpose of being designated a local area under Chapter 6301. of the Revised Code.

(B) The Department of Job and Family Services and the State Workforce Policy Board shall make adjustments as necessary in order to effectuate the provisions of this section.

SECTION 12. Section 5709.913 of the Revised Code does not apply with respect to a parcel of real property to which all of the following apply:

(A) The parcel is located in an incentive district created by a municipal corporation under section 5709.40 of the Revised Code before the effective

date of this section;

(B) Not less than ninety per cent of the area comprising the incentive district is or will be devoted exclusively for residential use;

(C) Prior to the creation of the incentive district in which the parcel is located but not earlier than 1999, the land comprising the incentive district was valued for real property tax purposes at its current agricultural use valuation under section 5713.31 of the Revised Code.

SECTION 13. The notification and hearing requirements with respect to incentive districts established in sections 5709.40, 5709.73, and 5709.78 of the Revised Code by this act do not apply to any ordinance or resolution establishing an incentive district that was enacted or adopted prior to the effective date of this act.

SECTION 14. Section 109.42 of the Revised Code is presented in this act as a composite of the section as amended by Am. Sub. H.B. 490 of the 124th General Assembly and Section 3 of Am. Sub. S.B. 5 and Section 1 of Sub. S.B. 50, both of the 125th General Assembly. Sections 5709.62 and 5709.63 of the Revised Code are presented in this act as a composite of those sections as amended by both Sub. H.B. 127 and Am. Sub. S.B. 82 of the 125th General Assembly. The General Assembly, applying the principle stated in division (B) of section 1.52 of the Revised Code that amendments are to be harmonized if reasonably capable of simultaneous operation, finds that the composites are the resulting versions of the sections in effect prior to the effective date of the sections as presented in this act.

SECTION 15. This act is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, and safety. The reason for such necessity is that immediate action is required to promote and ensure a positive economy for the citizens of this state. Therefore this act shall go into immediate effect.

_____

Speaker _____ of the House of Representatives.

_____

President _____ of the Senate.

Passed _____, 20____

Approved _____, 20____

_____

Governor.

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

_____

Director, Legislative Service Commission.

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

_____

Secretary of State.

File No. _____ Effective Date _____