

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

**126th General Assembly  
Regular Session  
2005-2006**

**Sub. S. B. No. 321**

**Senators Carey, Niehaus, Stivers, Roberts, Clancy, Austria, Fingerhut,  
Gardner, Harris, Hottinger, Spada, Padgett, Fedor, Mumper  
Representatives Calvert, Trakas, Coley, Martin, Patton, T., Flowers**

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**A B I L L**

To amend sections 122.151, 125.021, 126.02, 150.07,	1
173.27, 183.04, 183.05, 183.30, 3318.05, 3318.052,	2
3318.06, 3318.08, 3318.18, 3318.36, 3702.72,	3
3702.73, 3702.81, 3702.89, 3702.92, 5707.031,	4
5725.19, 5725.98, 5727.241, 5729.08, 5729.98,	5
5733.01, 5733.49, 5733.98, 5747.80, 5747.98,	6
5751.20, and 5751.21 and to enact sections	7
107.032, 107.033, 107.034, 107.035, 131.55,	8
131.56, 131.57, 131.58, 131.59, 131.60, 3318.051,	9
3318.063, and 3318.121 of the Revised Code, to	10
amend Sections 209.63.39 and 312.27 of Am. Sub.	11
H.B. 66 of the 126th General Assembly, and to	12
amend Sections 203.09 and 209.63.57 of Am. Sub.	13
H.B. 66 of the 126th General Assembly, as	14
subsequently amended, to provide for the	15
distribution of money received by the state	16
pursuant to the Tobacco Master Settlement	17
Agreement by making appropriations for the	18
biennium beginning July 1, 2006, and ending June	19
30, 2008, and to provide authorization and	20
conditions for the operation of state programs.	21

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

**Section 101.01.** That sections 122.151, 125.021, 126.02, 150.07, 173.27, 183.04, 183.05, 183.30, 3318.05, 3318.052, 3318.06, 3318.08, 3318.18, 3318.36, 3702.72, 3702.73, 3702.81, 3702.89, 3702.92, 5707.031, 5725.19, 5725.98, 5727.241, 5729.08, 5729.98, 5733.01, 5733.49, 5733.98, 5747.80, 5747.98, 5751.20, and 5751.21 be amended and sections 107.032, 107.033, 107.034, 107.035, 131.55, 131.56, 131.57, 131.58, 131.59, 131.60, 3318.051, 3318.063, and 3318.121 of the Revised Code be enacted to read as follows:

**Sec. 107.032.** As used in sections 107.033 to 107.035 of the Revised Code:

(A) "Aggregate general revenue fund appropriations" means all general revenue fund appropriations made by the general assembly except for the following:

(1) Appropriations of money received from the federal government;

(2) Appropriations made for tax relief or refunds of taxes and other overpayments;

(3) Appropriations of money received as gifts.

(B) "Rate of inflation" means the percentage increase or decrease in the consumer price index over a one-year period, based on the most recent consumer price index for all urban consumers, midwest region, all items, as determined by the bureau of labor statistics of the United States department of labor or, if that index is no longer published, a generally available comparable index.

(C) "Rate of population change" means the percentage increase

or decrease in the population of this state over a one-year 49  
period, based on the most recent population data available for the 50  
state published by the bureau of the census of the United States 51  
department of commerce, or its successor in responsibility, in the 52  
population estimates program, or its successive equivalent. 53

(D) "Recast fiscal year" means fiscal years 2012, 2016, 2020, 54  
and each fourth fiscal year thereafter. 55

**Sec. 107.033.** As part of the state budget the governor 56  
submits to the general assembly under section 107.03 of the 57  
Revised Code, the governor shall include the state appropriation 58  
limitations the general assembly shall not exceed when making 59  
aggregate general revenue fund appropriations for each respective 60  
fiscal year of the biennium covered by that budget. The aggregate 61  
general revenue fund appropriations the governor proposes in the 62  
state budget also shall not exceed those limitations for each 63  
respective fiscal year of the biennium covered by that budget. 64

(A) For fiscal year 2008, the state appropriation limitation 65  
is the sum of the following: 66

(1) The aggregate general revenue fund appropriations for 67  
fiscal year 2007; plus 68

(2) The aggregate general revenue fund appropriations for 69  
fiscal year 2007 multiplied by either three and one-half per cent, 70  
or the sum of the rate of inflation plus the rate of population 71  
change, whichever is greater. 72

(B) For each fiscal year thereafter that is not a recast 73  
fiscal year, the state appropriation limitation is the sum of the 74  
following: 75

(1) The state appropriation limitation for the previous 76  
fiscal year; plus 77

(2) The state appropriation limitation for the previous 78

fiscal year multiplied by either three and one-half per cent, or 79  
the sum of the rate of inflation plus the rate of population 80  
change, whichever is greater. 81

(C) For each recast fiscal year, the state appropriation 82  
limitation is the sum of the following: 83

(1) The aggregate general revenue fund appropriations for the 84  
previous fiscal year; plus 85

(2) The aggregate general revenue fund appropriations for the 86  
previous fiscal year multiplied by either three and one-half per 87  
cent, or the sum of the rate of inflation plus the rate of 88  
population change, whichever is greater. 89

**Sec. 107.034.** (A)(1) The governor, in determining the state 90  
appropriation limitation for fiscal year 2008, shall use estimates 91  
regarding the aggregate general revenue fund appropriations for 92  
fiscal year 2007. For the first fiscal year of any biennium, the 93  
governor shall use the most recent published data available 94  
regarding the rates of inflation and population change. For the 95  
second fiscal year of any biennium, the governor shall use 96  
estimated rates of inflation and population change. 97

(2) When determining the state appropriation limitations for 98  
each fiscal biennium after the 2008-2009 biennium that does not 99  
begin with a recast fiscal year, the governor shall update the 100  
rates of inflation and population change used in the determination 101  
of the state appropriation limitation for the second fiscal year 102  
of the previous biennium to reflect the most recent published 103  
data, shall recalculate that second fiscal year's limitation based 104  
on the update, and shall use the recalculated limitation for 105  
determining the state appropriation limitations for the ensuing 106  
biennium to be included in the budget submitted under section 107  
107.03 of the Revised Code. 108

(3) When determining the state appropriation limitations for each fiscal biennium after the 2008-2009 biennium that begins with a recast fiscal year, the governor shall update the rates of inflation and population change used in the determination of the state appropriation limitation for the second fiscal year of the previous biennium to reflect the most recent published data, and also shall update the aggregate general revenue fund appropriations amount for the second fiscal year of the previous biennium. The governor then shall recalculate that second fiscal year's limitation based on the updates and shall use the recalculated limitation for determining the state appropriation limitations for the ensuing biennium to be included in the budget submitted under section 107.03 of the Revised Code.

(B) The governor may designate the director of budget and management to perform the governor's duties under this section.

**Sec. 107.035.** Any appropriation that, for fiscal year 2007, was an aggregate general revenue fund appropriation shall be considered an aggregate general revenue fund appropriation for each succeeding fiscal year with respect to the determination of the state appropriation limitation under section 107.033 of the Revised Code, even if it is made from a different fund. Any new general revenue fund appropriation made in a fiscal year after fiscal year 2007 shall be considered an aggregate general revenue fund appropriation for each succeeding fiscal year after it is first made with respect to the determination of the state appropriation limitation under section 107.033 of the Revised Code, even if it is made from a different fund.

**Sec. 131.55.** As used in sections 131.55 to 131.58 of the Revised Code, "aggregate general revenue fund appropriations" has the same meaning as under section 107.032 of the Revised Code.

Sec. 131.56. The general assembly shall not make aggregate 139  
general revenue fund appropriations for fiscal year 2008 and each 140  
fiscal year thereafter that exceed the state appropriation 141  
limitation determined for the respective fiscal year under section 142  
107.033 of the Revised Code. 143

Sec. 131.57. Notwithstanding section 131.56 of the Revised 144  
Code, the general assembly may make aggregate general revenue fund 145  
appropriations for a fiscal year that exceed the state 146  
appropriation limitation for that fiscal year if either of the 147  
following apply: 148

(A) The excess appropriations are made in response to the 149  
governor's proclamation of an emergency concerning such things as 150  
an act of God, a pandemic disease, an infestation of destructive 151  
organisms, repelling invasion, suppressing insurrection, defending 152  
the state in time of war, or responding to terrorist attacks, and 153  
can be used only for that emergency. 154

(B) The general assembly passes a bill by an affirmative vote 155  
of two-thirds of the members of each house that does both of the 156  
following: 157

(1) Specifically identifies the purpose of each excess 158  
appropriation; 159

(2) States whether the appropriations are to be included as 160  
aggregate general revenue fund appropriations with respect to 161  
future determinations of the state appropriation limitation under 162  
section 107.033 of the Revised Code. 163

Sec. 131.58. Neither of the following shall be included as 164  
aggregate general revenue fund appropriations with respect to the 165  
determination of the state appropriation limitation under section 166  
107.033 of the Revised Code: 167

(A) Appropriations made under division (A) of section 131.57 168  
of the Revised Code; 169

(B) Appropriations that are not to be included as aggregate 170  
general revenue fund appropriations pursuant to a bill passed 171  
under division (B) of section 131.57 of the Revised Code. 172

Sec. 131.59. Nothing in sections 107.032 to 107.035 or 131.55 173  
to 131.58 of the Revised Code shall be construed to affect in any 174  
way the state's obligation to make debt service payments. 175

Sec. 131.60. Sections 107.032 to 107.035 and 131.55 to 131.58 176  
of the Revised Code do not apply to reappropriations of the 177  
unexpended balances of appropriations that a state agency has 178  
encumbered prior to the close of a fiscal year. 179

**Sec. 122.151.** (A) An investor who proposes to make an 180  
investment of money in an Ohio entity may apply to an Edison 181  
center for a tax credit under this section. The Edison center 182  
shall prescribe the form of the application and any information 183  
that the investor must submit with the application. The investor 184  
shall include with the application a fee of two hundred dollars. 185  
The center, within three weeks after receiving the application, 186  
shall review it, determine whether the investor should be 187  
recommended for the tax credit, and send written notice of its 188  
initial determination to the industrial technology and enterprise 189  
advisory council and to the investor. If the center determines the 190  
investor should not be recommended for the tax credit, it shall 191  
include in the notice the reasons for the determination. Subject 192  
to divisions (C) and (D) of this section, an investor is eligible 193  
for a tax credit if all of the following requirements are met: 194

(1) The investor's investment of money is in an Ohio entity 195  
engaged in a qualified trade or business. 196

(2) The Ohio entity had less than two million five hundred thousand dollars of gross revenue during its most recently completed fiscal year or had a net book value of less than two million five hundred thousand dollars at the end of that fiscal year.

(3) The investment takes the form of the purchase of common or preferred stock, a membership interest, a partnership interest, or any other ownership interest.

(4) The amount of the investment for which the credit is being claimed does not exceed three hundred thousand dollars in the case of an investment in an EDGE business enterprise or in an Ohio entity located in a distressed area, or two hundred fifty thousand dollars in the case of an investment in any other Ohio entity.

(5) The money invested is entirely at risk of loss, where repayment depends upon the success of the business operations of the Ohio entity.

(6) No repayment of principal invested will be made for at least three years from the date the investment is made.

(7) The annual combined amount of any dividend and interest payments to be made to the investor will not exceed ten per cent of the amount of the investment for at least three years from the date the investment is made.

(8) The investor is not an employee with proprietary decision-making authority of the Ohio entity in which the investment of money is proposed, or related to such an individual. The Ohio entity is not an individual related to the investor. For purposes of this division, the industrial technology and enterprise advisory council shall define "an employee with proprietary decision-making authority."



(9) The investor is not an insider. 227

For the purposes of determining the net book value of an Ohio 228  
entity under division (A)(1) or (2) of this section, if the entity 229  
is a member of an affiliated group, the combined net book values 230  
of all of the members of that affiliated group shall be used. 231

Nothing in division (A)(6) or (7) of this section limits or 232  
disallows the distribution to an investor in a pass-through entity 233  
of a portion of the entity's profits equal to the investor's 234  
federal, state, and local income tax obligations attributable to 235  
the investor's allocable share of the entity's profits. Nothing in 236  
division (A)(6) or (7) of this section limits or disallows the 237  
sale by an investor of part or all of the investor's interests in 238  
an Ohio entity by way of a public offering of shares in the Ohio 239  
entity. 240

(B) A group of two but not more than twenty investors, each 241  
of whom proposes to make an investment of money in the same Ohio 242  
entity, may submit an application for tax credits under division 243  
(A) of this section. The group shall include with the application 244  
a fee of eight hundred dollars. The application shall identify 245  
each investor in the group and the amount of money each investor 246  
proposes to invest in the Ohio entity, and shall name a contact 247  
person for the group. The Edison center, within three weeks after 248  
receiving the application, shall review it, determine whether each 249  
investor of the group should be recommended for a tax credit under 250  
the conditions set forth in division (A) of this section, and send 251  
written notice of its determination to the industrial technology 252  
and enterprise advisory council and to the contact person. The 253  
center shall not recommend that a group of investors receive a tax 254  
credit unless each investor is eligible under those conditions. 255  
The center may disqualify from a group any investor who is not 256  
eligible under the conditions and recommend that the remaining 257  
group of investors receive the tax credit. If the center 258

determines the group should not be recommended for the tax credit, 259  
it shall include in the notice the reasons for the determination. 260

(C) The industrial technology and enterprise advisory council 261  
shall establish from among its members a three-person committee. 262  
Within four weeks after the council receives a notice of 263  
recommendation from an Edison center, the committee shall review 264  
the recommendation and issue a final determination of whether the 265  
investor or group is eligible for a tax credit under the 266  
conditions set forth in division (A) of this section. The 267  
committee may require the investor or group to submit additional 268  
information to support the application. The vote of at least two 269  
members of the committee is necessary for the issuance of a final 270  
determination or any other action of the committee. Upon making 271  
the final determination, the committee shall send written notice 272  
of approval or disapproval of the tax credit to the investor or 273  
group contact person, the director of development, and the Edison 274  
center. If the committee disapproves the tax credit, it shall 275  
include in the notice the reasons for the disapproval. 276

(D)(1) The industrial technology and enterprise advisory 277  
council committee shall not approve more than one million five 278  
hundred thousand dollars of investments in any one Ohio entity. 279  
However, if a proposed investment of money in an Ohio entity has 280  
been approved but the investor does not actually make the 281  
investment, the committee may reassign the amount of that 282  
investment to another investor, as long as the total amount 283  
invested in the entity under this section does not exceed one 284  
million five hundred thousand dollars. 285

If the one-million-five-hundred-thousand-dollar limit for an 286  
Ohio entity has not yet been reached and an application proposes 287  
an investment of money that would exceed the limit for that 288  
entity, the committee shall send written notice to the investor, 289  
or for a group, the contact person, that the investment cannot be 290

approved as requested. Upon receipt of the notice, the investor or  
group may amend the application to propose an investment of money  
that does not exceed the limit.

(2) Not more than ~~twenty~~ thirty million dollars of tax  
credits shall be issued under sections 122.15 to 122.154 of the  
Revised Code.

(E) If an investor makes an approved investment of less than  
two hundred fifty thousand dollars in any Ohio entity other than  
an EDGE business enterprise or in an Ohio entity located in a  
distressed area, the investor may apply for approval of another  
investment of money in that entity, as long as the total amount  
invested in that entity by the investor under this section does  
not exceed two hundred fifty thousand dollars. If an investor  
makes an approved investment of less than three hundred thousand  
dollars in an EDGE business enterprise or in an Ohio entity  
located in a distressed area, the investor may apply for approval  
of another investment of money in that entity, as long as the  
total amount invested in that entity by the investor under this  
section does not exceed three hundred thousand dollars. An  
investor who receives approval of an investment of money as part  
of a group may subsequently apply on an individual basis for  
approval of an additional investment of money in the Ohio entity.

(F) The industrial technology and enterprise advisory council  
committee shall approve or disapprove tax credit applications  
under this section in the order in which they are received by the  
council.

(G) The director of development may disapprove any  
application recommended by an Edison center and approved by the  
industrial technology and enterprise advisory council committee,  
or may disapprove a credit for which a tax credit certificate has  
been issued under section 122.152 of the Revised Code, if the

director determines that the entity in which the applicant 322  
proposes to invest or has invested is not an Ohio entity eligible 323  
to receive investments that qualify for the credit. If the 324  
director disapproves an application, the director shall certify 325  
the action to the investor, the Edison center that recommended the 326  
application, the industrial technology and enterprise advisory 327  
council, and the tax commissioner, together with a written 328  
explanation of the reasons for the disapproval. If the director 329  
disapproves a tax credit after a tax credit certificate is issued, 330  
the investor shall not claim the credit for the taxable year that 331  
includes the day the director disapproves the credit, or for any 332  
subsequent taxable year. 333

The director of development, in accordance with section 334  
111.15 of the Revised Code and with the advice of the industrial 335  
technology and enterprise advisory council, may adopt, amend, and 336  
rescind rules necessary to implement sections 122.15 to 122.154 of 337  
the Revised Code. 338

(H) An Edison center shall use application fees received 339  
under this section only for the costs of administering sections 340  
122.15 to 122.154 of the Revised Code. 341

**Sec. 125.021.** (A) Except as to the military department, the 342  
general assembly, the bureau of workers' compensation, the 343  
industrial commission, and institutions administered by boards of 344  
trustees, the ~~department of administrative services~~ office of 345  
information technology may contract for, operate, and superintend 346  
telephone, other telecommunication, and computer services for 347  
state agencies. Nothing in this division precludes the bureau or 348  
the commission from contracting with the ~~department~~ office to 349  
authorize the ~~department~~ office to contract for, operate, or 350  
superintend those services for the bureau or the commission. 351

(B)(1) As used in this division: 352

(a) "Active duty" means active duty pursuant to an executive order of the president of the United States, an act of the congress of the United States, or section 5919.29 or 5923.21 of the Revised Code.

(b) "Immediate family" means a person's spouse residing in the person's household, brothers and sisters of the whole or of the half blood, children, including adopted children and stepchildren, parents, and grandparents.

(2) The ~~department of administrative services~~ office of information technology may enter into a contract to purchase bulk long distance telephone services and make them available at cost, or may make bulk long distance telephone services available at cost under any existing contract the ~~department~~ office has entered into, to members of the immediate family of persons deployed on active duty so that those family members can communicate with the persons so deployed. If the ~~department~~ office enters into contracts under division (B)(2) of this section, it shall do so in accordance with sections 125.01 to 125.11 of the Revised Code and in a nondiscriminatory manner that does not place any potential vendor at a competitive disadvantage.

(3) If the ~~department~~ office decides to exercise either option under division (B)(2) of this section, it shall adopt, and may amend, rules under Chapter 119. of the Revised Code to implement that division.

**Sec. 126.02.** The director of budget and management shall prepare and submit to the governor, biennially, not later than the first day of January preceding the convening of the general assembly, state budget estimates of revenues and expenditures for each state fund and budget estimates for each state agency, except such estimates as are required under section 126.022 of the Revised Code. The budget estimates for each state agency for which

direct appropriations are proposed shall include the following 384  
details: 385

(A) Estimates of the operating budget; 386

(B) Estimates of the subsidy appropriations necessary, 387  
delineated by a distinct subsidy program; 388

(C) Estimates for special purposes, delineated by a distinct 389  
special purpose program; 390

(D) Estimates of appropriations necessary from each fund in 391  
reasonable detail to allow for adequate planning and oversight of 392  
programs and activities. 393

In the preparation of state revenue and expenditure 394  
estimates, the director of budget and management shall, not later 395  
than the fifteenth day of September in the year preceding the 396  
first regular session of the general assembly, distribute to all 397  
affected state agencies the forms necessary for the preparation of 398  
budget requests, which shall be in the form prescribed by the 399  
director in consultation with the legislative service commission 400  
to procure information concerning the revenues and expenditures 401  
for the preceding and current bienniums, an estimate of the 402  
revenues and expenditures of the current fiscal year, and an 403  
estimate of the revenues and proposed expenditures for the 404  
respective agencies for the two succeeding fiscal years for which 405  
appropriations have to be made. Each such agency shall, not later 406  
than the first day of November, file with the director its 407  
estimate of revenues and proposed expenditures for the succeeding 408  
biennium. 409

Each such agency shall, not later than the first day of 410  
December, file with the chairperson of the finance committees of 411  
the senate and house of representatives and the legislative 412  
service commission a duplicate copy of such budget request. 413

The budget request shall be accompanied by a statement in 414

writing giving facts and explanation of reasons for the items 415  
requested. The director and the legislative service commission may 416  
make further inquiry and investigation as to any item desired. The 417  
director may approve, disapprove, or alter the requests, excepting 418  
those for the legislative and judicial branches of the state. The 419  
requests as revised by the director constitute the state budget 420  
estimates of revenues and expenditures which the director is 421  
required to submit to the governor. 422

The director shall determine a method to incorporate the 423  
principles of zero-based budgeting into the forms prescribed in 424  
this section. 425

**Sec. 150.07.** (A) For the purpose stated in section 150.01 of 426  
the Revised Code, the authority may authorize a lender to claim 427  
one of the refundable tax credits allowed under section 5707.031, 428  
5725.19, 5727.241, 5729.08, 5733.49, or 5747.80 of the Revised 429  
Code. The credits shall be authorized by a written contract with 430  
the lender. The contract shall specify the terms under which the 431  
lender may claim the credit, including the amount of loss, if any, 432  
the lender must incur before the lender may claim the credit; 433  
specify that the credit shall not exceed the amount of the loss; 434  
and specify that the lender may claim the credit only for a loss 435  
certified by a program administrator to the authority under the 436  
procedures prescribed under division (B)(6) of section 150.05 of 437  
the Revised Code. 438

(B) Tax credits may be authorized at any time after the 439  
authority establishes the investment policy under section 150.03 440  
of the Revised Code, but a tax credit so authorized may not be 441  
claimed until the beginning of the fifth year after the authority 442  
establishes the investment policy. A tax credit may not be claimed 443  
after June 30, 2026. 444

(C)(1) Upon receiving certification of a lender's loss from a 445

program administrator pursuant to the procedures in the investment 446  
policy, the authority shall issue a tax credit certificate to the 447  
lender, except as otherwise provided in division (D) of this 448  
section. 449

(2) If the lender is a pass-through entity, as defined in 450  
section 5733.04 of the Revised Code, then each equity investor in 451  
the lender pass-through entity shall be entitled to claim one of 452  
the tax credits allowed under division (A) of this section for 453  
that equity investor's taxable year in which or with which ends 454  
the taxable year of the lender pass-through entity in an amount 455  
based on the equity investor's distributive or proportionate share 456  
of the credit amount set forth in the certificate issued by the 457  
authority. If all equity investors of the lender pass-through 458  
entity are not eligible to claim a credit against the same tax set 459  
forth in division (A) of this section, then each equity investor 460  
may elect to claim a credit against the tax to which the equity 461  
investor is subject to in an amount based on the equity investor's 462  
distributive or proportionate share of the credit amount set forth 463  
in the certificate issued by the authority. 464

~~(3) The authority shall not issue a certificate until the 465  
lender, in the manner prescribed by the authority, or in the case 466  
of a lender pass through entity, until each equity investor in 467  
that lender pass through entity, elects to receive a refundable or 468  
nonrefundable tax credit. The election, once made, is irrevocable. 469  
The certificate shall state the amount of the credit, whether the 470  
credit is refundable or nonrefundable, and the calendar year, 471  
under section 5707.031, 5725.19, 5727.241, or 5729.08, the tax 472  
year, under section 5733.49, or the taxable year under section 473  
5747.80 of the Revised Code, for which the credit may be claimed. 474  
The authority, in conjunction with the tax commissioner, shall 475  
develop a system for issuing tax credit certificates for the 476  
purpose of verifying that any credit claimed is a credit issued 477~~



under this section and is properly taken in the year specified in 478  
the certificate and in compliance with division (B) of this 479  
section. 480

(D) The authority shall not, in any fiscal year, issue tax 481  
credit certificates in a total amount exceeding twenty million 482  
dollars. 483

**Sec. 173.27.** (A) As used in this section: 484

(1) "Applicant" means a person who is under final 485  
consideration for employment with the office of the state 486  
long-term care ombudsperson program in a full-time, part-time, or 487  
temporary position that involves providing ombudsperson services 488  
to residents and recipients. "Applicant" includes, but is not 489  
limited to, a person who is under final consideration for 490  
employment as the state long-term care ombudsperson or the head of 491  
a regional long-term care ombudsperson program. "Applicant" does 492  
not include a person who provides ombudsperson services to 493  
residents and recipients as a volunteer without receiving or 494  
expecting to receive any form of remuneration other than 495  
reimbursement for actual expenses. 496

(2) "Criminal records check" has the same meaning as in 497  
section 109.572 of the Revised Code. 498

(B)(1) The state long-term care ombudsperson or the 499  
ombudsperson's designee shall request that the superintendent of 500  
the bureau of criminal identification and investigation conduct a 501  
criminal records check with respect to each applicant. However, if 502  
the applicant is under final consideration for employment as the 503  
state long-term care ombudsperson, the director of aging shall 504  
request that the superintendent conduct the criminal records 505  
check. If an applicant for whom a criminal records check request 506  
is required under this division does not present proof of having 507  
been a resident of this state for the five-year period immediately 508

prior to the date the criminal records check is requested or 509  
provide evidence that within that five-year period the 510  
superintendent has requested information about the applicant from 511  
the federal bureau of investigation in a criminal records check, 512  
the ombudsperson, designee, or director shall request that the 513  
superintendent obtain information from the federal bureau of 514  
investigation as part of the criminal records check of the 515  
applicant. Even if an applicant for whom a criminal records check 516  
request is required under this division presents proof of having 517  
been a resident of this state for the five-year period, the 518  
ombudsperson, designee, or director may request that the 519  
superintendent include information from the federal bureau of 520  
investigation in the criminal records check. 521

(2) A person required by division (B)(1) of this section to 522  
request a criminal records check shall do both of the following: 523

(a) Provide to each applicant for whom a criminal records 524  
check request is required under that division a copy of the form 525  
prescribed pursuant to division (C)(1) of section 109.572 of the 526  
Revised Code and a standard fingerprint impression sheet 527  
prescribed pursuant to division (C)(2) of that section, and obtain 528  
the completed form and impression sheet from the applicant; 529

(b) Forward the completed form and impression sheet to the 530  
superintendent of the bureau of criminal identification and 531  
investigation. 532

(3) An applicant provided the form and fingerprint impression 533  
sheet under division (B)(2)(a) of this section who fails to 534  
complete the form or provide fingerprint impressions shall not be 535  
employed in any position for which a criminal records check is 536  
required by this section. 537

(C)(1) Except as provided in rules adopted by the director of 538  
aging in accordance with division (F) of this section and subject 539

to division (C)(2) of this section, the office of the state  
long-term care ombudsperson may not employ a person in a position  
that involves providing ombudsperson services to residents and  
recipients if the person has been convicted of or pleaded guilty  
to any of the following:

(a) A violation of section 2903.01, 2903.02, 2903.03,  
2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34,  
2905.01, 2905.02, 2905.11, 2905.12, 2907.02, 2907.03, 2907.05,  
2907.06, 2907.07, 2907.08, 2907.09, 2907.12, 2907.25, 2907.31,  
2907.32, 2907.321, 2907.322, 2907.323, 2911.01, 2911.02, 2911.11,  
2911.12, 2911.13, 2913.02, 2913.03, 2913.04, 2913.11, 2913.21,  
2913.31, 2913.40, 2913.43, 2913.47, 2913.51, 2919.25, 2921.36,  
2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.11, 2925.13,  
2925.22, 2925.23, or 3716.11 of the Revised Code.

(b) A violation of an existing or former law of this state,  
any other state, or the United States that is substantially  
equivalent to any of the offenses listed in division (C)(1)(a) of  
this section.

(2)(a) The office of the state long-term care ombudsperson  
program may employ conditionally an applicant for whom a criminal  
records check request is required under division (B) of this  
section prior to obtaining the results of a criminal records check  
regarding the individual, provided that the state long-term care  
ombudsperson, ombudsperson's designee, or director of aging shall  
request a criminal records check regarding the individual in  
accordance with division (B)(1) of this section not later than  
five business days after the individual begins conditional  
employment.

(b) The office of the state long-term care ombudsperson  
program shall terminate the employment of an individual employed  
conditionally under division (C)(2)(a) of this section if the

results of the criminal records check request under division (B) 571  
of this section, other than the results of any request for 572  
information from the federal bureau of investigation, are not 573  
obtained within the period ending sixty days after the date the 574  
request is made. Regardless of when the results of the criminal 575  
records check are obtained, if the results indicate that the 576  
individual has been convicted of or pleaded guilty to any of the 577  
offenses listed or described in division (C)(1) of this section, 578  
the office shall terminate the individual's employment unless the 579  
office chooses to employ the individual pursuant to division (F) 580  
of this section. Termination of employment under this division 581  
shall be considered just cause for discharge for purposes of 582  
division (D)(2) of section 4141.29 of the Revised Code if the 583  
individual makes any attempt to deceive the office about the 584  
individual's criminal record. 585

(D)(1) The office of the state long-term care ombudsperson 586  
program shall pay to the bureau of criminal identification and 587  
investigation the fee prescribed pursuant to division (C)(3) of 588  
section 109.572 of the Revised Code for each criminal records 589  
check conducted pursuant to a request made under division (B) of 590  
this section. 591

(2) The office of the state long-term care ombudsperson 592  
program may charge an applicant a fee not exceeding the amount the 593  
office pays under division (D)(1) of this section. The office may 594  
collect a fee only if the office notifies the applicant at the 595  
time of initial application for employment of the amount of the 596  
fee. 597

(E) The report of any criminal records check conducted 598  
pursuant to a request made under this section is not a public 599  
record for the purposes of section 149.43 of the Revised Code and 600  
shall not be made available to any person other than the 601  
following: 602

(1) The individual who is the subject of the criminal records check or the individual's representative; 603  
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(2) The state long-term care ombudsperson, ombudsperson's designee, director of ~~health~~ aging, or the ombudsperson, designee, or director's representative; 605  
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(3) If the state long-term care ombudsperson designates the head or other employee of a regional long-term care ombudsperson program to request a criminal records check under this section, a representative of the office of the state long-term care ombudsperson program who is responsible for monitoring the regional program's compliance with this section; 608  
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(4) A court, hearing officer, or other necessary individual involved in a case dealing with a denial of employment of the applicant or dealing with employment or unemployment benefits of the applicant. 614  
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(F) The director of aging shall adopt rules in accordance with Chapter 119. of the Revised Code to implement this section. The rules shall specify circumstances under which the office of the state long-term care ombudsperson program may employ a person who has been convicted of or pleaded guilty to an offense listed or described in division (C)(1) of this section but meets personal character standards set by the director. 618  
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(G) The office of the state long-term care ombudsperson program shall inform each person, at the time of initial application for a position that involves providing ombudsperson services to residents and recipients, that the person is required to provide a set of fingerprint impressions and that a criminal records check is required to be conducted if the person comes under final consideration for employment. 625  
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(H) In a tort or other civil action for damages that is brought as the result of an injury, death, or loss to person or 632  
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property caused by an individual who the office of the state 634  
long-term care ombudsperson program employs in a position that 635  
involves providing ombudsperson services to residents and 636  
recipients, all of the following shall apply: 637

(1) If the office employed the individual in good faith and 638  
reasonable reliance on the report of a criminal records check 639  
requested under this section, the office shall not be found 640  
negligent solely because of its reliance on the report, even if 641  
the information in the report is determined later to have been 642  
incomplete or inaccurate. 643

(2) If the office employed the individual in good faith on a 644  
conditional basis pursuant to division (C)(2) of this section, the 645  
office shall not be found negligent solely because it employed the 646  
individual prior to receiving the report of a criminal records 647  
check requested under this section. 648

(3) If the office in good faith employed the individual 649  
according to the personal character standards established in rules 650  
adopted under division (F) of this section, the office shall not 651  
be found negligent solely because the individual prior to being 652  
employed had been convicted of or pleaded guilty to an offense 653  
listed or described in division (C)(1) of this section. 654

**Sec. 183.04.** There is hereby created the tobacco use 655  
prevention and control foundation, the general management of which 656  
is vested in a board of trustees of ~~twenty-four~~ twenty-three 657  
members as follows: 658

(A) Eight members who are health professionals, health 659  
researchers, or representatives of health organizations. Two of 660  
these members shall be appointed by the governor, two by the 661  
speaker of the house of representatives, one by the minority 662  
leader of the house of representatives, two by the president of 663

- the senate, and one by the minority leader of the senate. 664
- (B) Two members, one of whom has experience in financial 665  
planning and accounting and one of whom has experience in media 666  
and mass marketing, who shall be appointed by the governor; 667
- (C) One member, who shall be appointed by the governor from a 668  
list of at least three individuals recommended by the American 669  
cancer society; 670
- (D) One member, who shall be appointed by the governor from a 671  
list of at least three individuals recommended by the American 672  
heart association; 673
- (E) One member, who shall be appointed by the governor from a 674  
list of at least three individuals recommended by the American 675  
lung association; 676
- (F) One member, who shall be appointed by the governor from a 677  
list of at least three individuals recommended by the association 678  
of hospitals and health systems; 679
- (G) One member, who shall be appointed by the governor from a 680  
list of at least three individuals recommended by the Ohio state 681  
medical association; 682
- (H) One member, who shall be appointed by the governor from a 683  
list of at least three individuals recommended by the association 684  
of Ohio health commissioners; 685
- (I) One member, who shall be appointed by the governor from a 686  
list of at least three individuals recommended by the Ohio dental 687  
association; 688
- (J) One nonvoting member, who shall be a member of the house 689  
of representatives of the political party of which the speaker of 690  
the house of representatives is a member and who shall be 691  
appointed by the speaker; 692
- (K) One nonvoting member, who shall be a member of the house 693

of representatives of the major political party of which the 694  
speaker of the house of representatives is not a member and who 695  
shall be appointed by the speaker; 696

(L) One nonvoting member, who shall be a member of the senate 697  
of the political party of which the president of the senate is a 698  
member and who shall be appointed by the president; 699

(M) One nonvoting member, who shall be a member of the senate 700  
of the major political party of which the president of the senate 701  
is not a member and who shall be appointed by the president; 702

(N) The director of health, and the executive director of the 703  
commission on minority health, or the executive director's 704  
designee, ~~and the attorney general,~~ who shall serve as ex officio 705  
members. 706

The appointments of the governor shall be with the advice and 707  
consent of the senate. 708

Terms of office for the non-legislative members appointed by 709  
the governor, president, speaker, and minority leaders shall be 710  
for five years. The terms of legislative members shall be for the 711  
biennial session of the general assembly in which they are 712  
appointed. Each member shall hold office from the date of 713  
appointment until the end of the term for which the member was 714  
appointed. Any member appointed to fill a vacancy occurring prior 715  
to the expiration of the term for which the member's predecessor 716  
was appointed shall hold office for the remainder of that term. 717  
Any member shall continue in office subsequent to the expiration 718  
date of the member's term until the member's successor takes 719  
office, or until a period of sixty days has elapsed, whichever 720  
occurs first. A vacancy in an unexpired term shall be filled in 721  
the same manner as the original appointment. The governor may 722  
remove any non-legislative member for malfeasance, misfeasance, or 723  
nonfeasance after a hearing in accordance with Chapter 119. of the 724



Revised Code.	725
The members of the board shall serve without compensation but shall receive their reasonable and necessary expenses incurred in the conduct of foundation business.	726 727 728
Sections 101.82 to 101.87 of the Revised Code do not apply to the foundation.	729 730
<b>Sec. 183.05.</b> The board of trustees of the tobacco use prevention and control foundation shall select a chairperson from among its members and shall meet once during each quarter or at such other times as the board decides. A majority of the <u>voting</u> members of the board constitutes a quorum, and no action shall be taken without the affirmative vote of a majority of the <u>voting</u> members <u>of the board</u> .	731 732 733 734 735 736 737
<b>Sec. 183.30.</b> (A) Except as provided in division (D) of this section, no more than five per cent of the total <del>expenditures</del> <u>disbursements, encumbrances, and obligations</u> of the tobacco use prevention and control foundation in a fiscal year shall be for administrative expenses of the foundation <u>in the same fiscal year</u> .	738 739 740 741 742
(B) Except as provided in division (D) of this section, no more than five per cent of the total <del>expenditures</del> <u>disbursements, encumbrances, and obligations</u> of the southern Ohio agricultural and community development foundation in a fiscal year shall be for administrative expenses of the foundation <u>in the same fiscal year</u> .	743 744 745 746 747
(C) Except as provided in division (D) of this section, no more than five per cent of the total <del>expenditures made from</del> <u>disbursements, encumbrances, and obligations</u> of the biomedical research and technology transfer trust fund <del>by the third frontier commission</del> in a fiscal year shall be for <del>administrative</del> expenses <u>relating to the administration</u> of the <del>commission</del> <u>trust fund by the third frontier commission</u> in the same fiscal year.	748 749 750 751 752 753 754

(D) This section's five per cent limitation on administrative 755  
expenses does not apply to any fiscal year for which the 756  
controlling board approves a spending plan that the foundation or 757  
commission submits to the board. 758

**Sec. 3318.05.** The conditional approval of the Ohio school 759  
facilities commission for a project shall lapse and the amount 760  
reserved and encumbered for such project shall be released unless 761  
the school district board accepts such conditional approval within 762  
one hundred twenty days following the date of certification of the 763  
conditional approval to the school district board and the electors 764  
of the school district vote favorably on both of the propositions 765  
described in divisions (A) and (B) of this section within one year 766  
of the date of such certification, except that a school district 767  
described in division (C) of this section does not need to submit 768  
the proposition described in division (B) of this section. The 769  
propositions described in divisions (A) and (B) of this section 770  
shall be combined in a single proposal. If the district board or 771  
the district's electors fail to meet such requirements and the 772  
amount reserved and encumbered for the district's project is 773  
released, the district shall be given first priority for project 774  
funding as such funds become available. 775

(A) On the question of issuing bonds of the school district 776  
board, for the school district's portion of the basic project 777  
cost, in an amount equal to the school district's portion of the 778  
basic project cost less the amount of the proceeds of any 779  
securities authorized or to be authorized under division (J) of 780  
section 133.06 of the Revised Code and dedicated by the school 781  
district board to payment of the district's portion of the basic 782  
project cost; and 783

(B) On the question of levying a tax the proceeds of which 784  
shall be used to pay the cost of maintaining the classroom 785

facilities included in the project. Such tax shall be at the rate 786  
of not less than one-half mill for each dollar of valuation for a 787  
period of twenty-three years, subject to any extension approved 788  
under section 3318.061 of the Revised Code. 789

(C) If a school district has in place a tax levied under 790  
section 5705.21 of the Revised Code for general permanent 791  
improvements for a continuing period of time and the proceeds of 792  
such tax can be used for maintenance, or if a district agrees to 793  
the transfers described in section 3318.051 of the Revised Code, 794  
the school district need not levy the additional tax required 795  
under division (B) of this section, provided the school district 796  
board includes in the agreement entered into under section 3318.08 797  
of the Revised Code provisions ~~earmarking~~ either: 798

(1) Earmarking an amount from the proceeds of that permanent 799  
improvement tax for maintenance of classroom facilities equivalent 800  
to the amount of the additional tax and for the equivalent number 801  
of years otherwise required under this section; 802

(2) Requiring the transfer of money in accordance with 803  
section 3318.051 of the Revised Code. 804

The district board subsequently may rescind the agreement to 805  
make the transfers under section 3318.051 of the Revised Code only 806  
so long as the electors of the district have approved, in 807  
accordance with section 3318.063 of the Revised Code, the levy of 808  
a tax for the maintenance of the classroom facilities acquired 809  
under the district's project and that levy continues to be 810  
collected as approved by the electors. 811

(D) Proceeds of the tax to be used for maintenance of the 812  
classroom facilities under either division (B) or (C)(1) of this 813  
section, and transfers of money in accordance with section 814  
3318.051 of the Revised Code shall be deposited into a separate 815  
fund established by the school district for such purpose. 816

Sec. 3318.051. (A) Any city, exempted village, or local school district that commences a project under sections 3318.01 to 3318.20, 3318.36, 3318.37, or 3318.38 of the Revised Code on or after the effective date of this section need not levy the tax otherwise required under division (B) of section 3318.05 of the Revised Code, if the district board of education adopts a resolution petitioning the Ohio school facilities commission to approve the transfer of money in accordance with this section and the commission approves that transfer. If so approved, the commission and the district board shall enter into an agreement under which the board, in each of twenty-three consecutive years beginning in the year in which the board and the commission enter into the project agreement under section 3318.08 of the Revised Code, shall transfer into the maintenance fund required by division (D) of section 3318.05 of the Revised Code not less than an amount equal to one-half mill for each dollar of the district's valuation unless and until the agreement to make those transfers is rescinded by the district board pursuant to division (F) of this section.

(B) On the first day of July each year, or on an alternative date prescribed by the commission, the district treasurer shall certify to the commission and the auditor of state that the amount required for the year has been transferred. The auditor of state shall include verification of the transfer as part of any audit of the district under section 117.11 of the Revised Code. If the auditor of state finds that less than the required amount has been deposited into a district's maintenance fund, the auditor of state shall notify the district board of education in writing of that fact and require the board to deposit into the fund, within ninety days after the date of the notice, the amount by which the fund is deficient for the year. If the district board fails to demonstrate to the auditor of state's satisfaction that the board has made the

deposit required in the notice, the auditor of state shall notify 849  
the department of education. At that time, the department shall 850  
withhold an amount equal to ten per cent of the district's funds 851  
calculated for the current fiscal year under Chapter 3317. of the 852  
Revised Code until the auditor of state notifies the department 853  
that the auditor of state is satisfied that the board has made the 854  
required transfer. 855

(C) Money transferred to the maintenance fund shall be used 856  
for the maintenance of the facilities acquired under the 857  
district's project. 858

(D) The transfers to the maintenance fund under this section 859  
does not affect a district's obligation to establish and maintain 860  
a capital and maintenance fund under section 3315.18 of the 861  
Revised Code. 862

(E) Any decision by the commission to approve or not approve 863  
the transfer of money under this section is final and not subject 864  
to appeal. The commission shall not be responsible for errors or 865  
miscalculations made in deciding whether to approve a petition to 866  
make transfers under this section. 867

(F) If the district board determines that it no longer can 868  
continue making the transfers agreed to under this section, the 869  
board may rescind the agreement only so long as the electors of 870  
the district have approved, in accordance with section 3318.063 of 871  
the Revised Code, the levy of a tax for the maintenance of the 872  
classroom facilities acquired under the district's project and 873  
that levy continues to be collected as approved by the electors. 874  
That levy shall be for a number of years that is equal to the 875  
difference between twenty-three years and the number of years that 876  
the district made transfers under this section and shall be at the 877  
rate of not less than one-half mill for each dollar of the 878  
district's valuation. The district board shall continue to make 879

the transfers agreed to under this section until that levy has 880  
been approved by the electors. 881

**Sec. 3318.052.** At any time after the electors of a school 882  
district have approved either or both a property tax levied under 883  
section 5705.21 or 5705.218 of the Revised Code for the purpose of 884  
permanent improvements, including general permanent improvements, 885  
or a school district income tax levied under Chapter 5748. of the 886  
Revised Code, the proceeds of either of which, pursuant to the 887  
ballot measures approved by the electors, are not so restricted 888  
that they cannot be used to pay the costs of a project or 889  
maintaining classroom facilities, the school district board may: 890

(A) Within one year following the date of the certification 891  
of the conditional approval of the school district's classroom 892  
facilities project by the Ohio school facilities commission, enter 893  
into a written agreement with the commission, which may be part of 894  
an agreement entered into under section 3318.08 of the Revised 895  
Code, and in which the school district board covenants and agrees 896  
to do one or both of the following: 897

(1) Apply a specified amount of available proceeds of that 898  
property tax levy, of that school district income tax, or of 899  
securities issued under this section, or of proceeds from any two 900  
or more of those sources, to pay all or part of the district's 901  
portion of the basic project cost of its classroom facilities 902  
project; 903

(2) Apply available proceeds of either or both a property tax 904  
levied under section 5705.21 or 5705.218 of the Revised Code in 905  
effect for a continuing period of time, or of a school district 906  
income tax levied under Chapter 5748. of the Revised Code in 907  
effect for a continuing period of time to the payment of costs of 908  
maintaining the classroom facilities. 909

(B) Receive, as a credit against the amount of bonds required 910  
under sections 3318.05 and 3318.06 of the Revised Code, to be 911  
approved by the electors of the district and issued by the 912  
district board for the district's portion of the basic project 913  
cost of its classroom facilities project in order for the district 914  
to receive state assistance for the project, an amount equal to 915  
the specified amount that the district board covenants and agrees 916  
with the commission to apply as set forth in division (A)(1) of 917  
this section; 918

(C) Receive, as a credit against the amount of the tax levy 919  
required under sections 3318.05 and 3318.06 of the Revised Code, 920  
to be approved by the electors of the district to pay the costs of 921  
maintaining the classroom facilities in order to receive state 922  
assistance for the classroom facilities project, an amount 923  
equivalent to the specified amount of proceeds the school district 924  
board covenants and agrees with the commission to apply as 925  
referred to in division (A)(2) of this section; 926

(D) Apply proceeds of either or both a school district income 927  
tax levied under Chapter 5748. of the Revised Code that may 928  
lawfully be used to pay the costs of a classroom facilities 929  
project or of a tax levied under section 5705.21 or 5705.218 of 930  
the Revised Code to the payment of debt charges on and financing 931  
costs related to securities issued under this section; 932

(E) Issue securities to provide moneys to pay all or part of 933  
the district's portion of the basic project cost of its classroom 934  
facilities project in accordance with an agreement entered into 935  
under division (A) of this section. Securities issued under this 936  
section shall be Chapter 133. securities and may be issued as 937  
general obligation securities or issued in anticipation of a 938  
school district income tax or as property tax anticipation notes 939  
under section 133.24 of the Revised Code. The district board's 940  
resolution authorizing the issuance and sale of general obligation 941

securities under this section shall conform to the applicable 942  
requirements of section 133.22 or 133.23 of the Revised Code. 943  
Securities issued under this section shall have principal payments 944  
during each year after the year of issuance over a period of not 945  
more than twenty-three years and, if so determined by the district 946  
board, during the year of issuance. Securities issued under this 947  
section shall not be included in the calculation of net 948  
indebtedness of the district under section 133.06 of the Revised 949  
Code ~~and shall not count toward, including but not limited to the~~ 950  
~~limitations~~ limitation on unvoted indebtedness specified in 951  
division (G) of that section ~~and in, or under~~ section 3313.372 of 952  
the Revised Code, if the resolution of the district board 953  
authorizing their issuance and sale includes covenants to 954  
appropriate annually from lawfully available proceeds of a 955  
property tax levied under section 5705.21 or 5705.218 of the 956  
Revised Code or of a school district income tax levied under 957  
Chapter 5748. of the Revised Code and to continue to levy and 958  
collect the tax in amounts necessary to pay the debt charges on 959  
and financing costs related to the securities as they become due. 960  
No property tax levied under section 5705.21 or 5705.218 of the 961  
Revised Code and no school district income tax levied under 962  
Chapter 5748. of the Revised Code that is pledged, or that the 963  
school district board has covenanted to levy, collect, and 964  
appropriate annually, to pay the debt charges on and financing 965  
costs related to securities issued under this section shall be 966  
repealed while those securities are outstanding. If such a tax is 967  
reduced by the electors of the district or by the district board 968  
while those securities are outstanding, the school district board 969  
shall continue to levy and collect the tax under the authority of 970  
the original election authorizing the tax at a rate in each year 971  
that the board reasonably estimates will produce an amount in that 972  
year equal to the debt charges on the securities in that year, 973  
except that in the case of a school district income tax that 974



amount shall be rounded up to the nearest one-fourth of one per cent. 975  
976

No state moneys shall be released for a project to which this section applies until the proceeds of the tax securities issued under this section that are dedicated for the payment of the district portion of the basic project cost of its classroom facilities project are first deposited into the district's project construction fund. 977  
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**Sec. 3318.06.** (A) After receipt of the conditional approval of the Ohio school facilities commission, the school district board by a majority of all of its members shall, if it desires to proceed with the project, declare all of the following by resolution: 983  
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(1) That by issuing bonds in an amount equal to the school district's portion of the basic project cost the district is unable to provide adequate classroom facilities without assistance from the state; 988  
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(2) Unless the school district board has resolved to transfer money in accordance with section 3318.051 of the Revised Code or to apply the proceeds of a property tax or the proceeds of an income tax, or a combination of proceeds from such taxes, as authorized under section 3318.052 of the Revised Code, that to qualify for such state assistance it is necessary to do either of the following: 992  
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(a) Levy a tax outside the ten-mill limitation the proceeds of which shall be used to pay the cost of maintaining the classroom facilities included in the project; 999  
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(b) Earmark for maintenance of classroom facilities from the proceeds of an existing permanent improvement tax levied under section 5705.21 of the Revised Code, if such tax can be used for 1002  
1003  
1004

maintenance, an amount equivalent to the amount of the additional 1005  
tax otherwise required under this section and sections 3318.05 and 1006  
3318.08 of the Revised Code. 1007

(3) That the question of any tax levy specified in a 1008  
resolution described in division (A)(2)(a) of this section, if 1009  
required, shall be submitted to the electors of the school 1010  
district at the next general or primary election, if there be a 1011  
general or primary election not less than seventy-five and not 1012  
more than ninety-five days after the day of the adoption of such 1013  
resolution or, if not, at a special election to be held at a time 1014  
specified in the resolution which shall be not less than 1015  
seventy-five days after the day of the adoption of the resolution 1016  
and which shall be in accordance with the requirements of section 1017  
3501.01 of the Revised Code. 1018

Such resolution shall also state that the question of issuing 1019  
bonds of the board shall be combined in a single proposal with the 1020  
question of such tax levy. More than one election under this 1021  
section may be held in any one calendar year. Such resolution 1022  
shall specify both of the following: 1023

(a) That the rate which it is necessary to levy shall be at 1024  
the rate of not less than one-half mill for each one dollar of 1025  
valuation, and that such tax shall be levied for a period of 1026  
twenty-three years; 1027

(b) That the proceeds of the tax shall be used to pay the 1028  
cost of maintaining the classroom facilities included in the 1029  
project. 1030

(B) A copy of a resolution adopted under division (A) of this 1031  
section shall after its passage and not less than seventy-five 1032  
days prior to the date set therein for the election be certified 1033  
to the county board of elections. 1034

The resolution of the school district board, in addition to 1035

meeting other applicable requirements of section 133.18 of the Revised Code, shall state that the amount of bonds to be issued will be an amount equal to the school district's portion of the basic project cost, and state the maximum maturity of the bonds which may be any number of years not exceeding the term calculated under section 133.20 of the Revised Code as determined by the board. In estimating the amount of bonds to be issued, the board shall take into consideration the amount of moneys then in the bond retirement fund and the amount of moneys to be collected for and disbursed from the bond retirement fund during the remainder of the year in which the resolution of necessity is adopted.

If the bonds are to be issued in more than one series, the resolution may state, in addition to the information required to be stated under division (B)(3) of section 133.18 of the Revised Code, the number of series, which shall not exceed five, the principal amount of each series, and the approximate date each series will be issued, and may provide that no series, or any portion thereof, may be issued before such date. Upon such a resolution being certified to the county auditor as required by division (C) of section 133.18 of the Revised Code, the county auditor, in calculating, advising, and confirming the estimated average annual property tax levy under that division, shall also calculate, advise, and confirm by certification the estimated average property tax levy for each series of bonds to be issued.

Notice of the election shall include the fact that the tax levy shall be at the rate of not less than one-half mill for each one dollar of valuation for a period of twenty-three years, and that the proceeds of the tax shall be used to pay the cost of maintaining the classroom facilities included in the project.

If the bonds are to be issued in more than one series, the board of education, when filing copies of the resolution with the board of elections as required by division (D) of section 133.18

of the Revised Code, may direct the board of elections to include 1068  
in the notice of election the principal amount and approximate 1069  
date of each series, the maximum number of years over which the 1070  
principal of each series may be paid, the estimated additional 1071  
average property tax levy for each series, and the first calendar 1072  
year in which the tax is expected to be due for each series, in 1073  
addition to the information required to be stated in the notice 1074  
under ~~division~~ divisions (E)(3)(a) to (e) of section 133.18 of the 1075  
Revised Code. 1076

(C)(1) Except as otherwise provided in division (C)(2) of 1077  
this section, the form of the ballot to be used at such election 1078  
shall be: 1079

"A majority affirmative vote is necessary for passage. 1080

Shall bonds be issued by the ..... (here insert name 1081  
of school district) school district to pay the local share of 1082  
school construction under the State of Ohio Classroom Facilities 1083  
Assistance Program in the principal amount of ..... (here 1084  
insert principal amount of the bond issue), to be repaid annually 1085  
over a maximum period of ..... (here insert the maximum 1086  
number of years over which the principal of the bonds may be paid) 1087  
years, and an annual levy of property taxes be made outside the 1088  
ten-mill limitation, estimated by the county auditor to average 1089  
over the repayment period of the bond issue ..... (here 1090  
insert the number of mills estimated) mills for each one dollar of 1091  
tax valuation, which amounts to ..... (rate expressed in 1092  
cents or dollars and cents, such as "thirty-six cents" or "\$0.36") 1093  
for each one hundred dollars of tax valuation to pay the annual 1094  
debt charges on the bonds and to pay debt charges on any notes 1095  
issued in anticipation of the bonds?" 1096

and, unless the additional levy 1097  
of taxes is not required pursuant 1098  
to division (C) of section 1099

3318.05 of the Revised Code, 1100

"Shall an additional levy of taxes be made for a period of 1101  
twenty-three years to benefit the ..... (here insert name 1102  
of school district) school district, the proceeds of which shall 1103  
be used to pay the cost of maintaining the classroom facilities 1104  
included in the project at the rate of ..... (here insert the 1105  
number of mills, which shall not be less than one-half mill) mills 1106  
for each one dollar of valuation? 1107

	FOR THE BOND ISSUE AND TAX LEVY	
	AGAINST THE BOND ISSUE AND TAX LEVY	"

(2) If authority is sought to issue bonds in more than one 1112  
series and the board of education so elects, the form of the 1113  
ballot shall be as prescribed in section 3318.062 of the Revised 1114  
Code. If the board of education elects the form of the ballot 1115  
prescribed in that section, it shall so state in the resolution 1116  
adopted under this section. 1117

(D) If it is necessary for the school district to acquire a 1118  
site for the classroom facilities to be acquired pursuant to 1119  
sections 3318.01 to 3318.20 of the Revised Code, the district 1120  
board may propose either to issue bonds of the board or to levy a 1121  
tax to pay for the acquisition of such site, and may combine the 1122  
question of doing so with the questions specified in division (B) 1123  
of this section. Bonds issued under this division for the purpose 1124  
of acquiring a site are a general obligation of the school 1125  
district and are Chapter 133. securities. 1126

The form of that portion of the ballot to include the 1127  
question of either issuing bonds or levying a tax for site 1128  
acquisition purposes shall be one of the following: 1129

(1) "Shall bonds be issued by the ..... (here insert 1130

name of the school district) school district to pay costs of 1131  
acquiring a site for classroom facilities under the State of Ohio 1132  
Classroom Facilities Assistance Program in the principal amount of 1133  
..... (here insert principal amount of the bond issue), to be 1134  
repaid annually over a maximum period of ..... (here insert 1135  
maximum number of years over which the principal of the bonds may 1136  
be paid) years, and an annual levy of property taxes be made 1137  
outside the ten-mill limitation, estimated by the county auditor 1138  
to average over the repayment period of the bond issue ..... 1139  
(here insert number of mills) mills for each one dollar of tax 1140  
valuation, which amount to ..... (here insert rate expressed 1141  
in cents or dollars and cents, such as "thirty-six cents" or 1142  
"\$0.36") for each one hundred dollars of valuation to pay the 1143  
annual debt charges on the bonds and to pay debt charges on any 1144  
notes issued in anticipation of the bonds?" 1145

(2) "Shall an additional levy of taxes outside the ten-mill 1146  
limitation be made for the benefit of the ..... (here insert 1147  
name of the school district) school district for the purpose of 1148  
acquiring a site for classroom facilities in the sum of ..... 1149  
(here insert annual amount the levy is to produce) estimated by 1150  
the county auditor to average ..... (here insert number of 1151  
mills) mills for each one hundred dollars of valuation, for a 1152  
period of ..... (here insert number of years the millage is to 1153  
be imposed) years?" 1154

Where it is necessary to combine the question of issuing 1155  
bonds of the school district and levying a tax as described in 1156  
division (B) of this section with the question of issuing bonds of 1157  
the school district for acquisition of a site, the question 1158  
specified in that division to be voted on shall be "For the Bond 1159  
Issues and the Tax Levy" and "Against the Bond Issues and the Tax 1160  
Levy." 1161

Where it is necessary to combine the question of issuing 1162

bonds of the school district and levying a tax as described in 1163  
division (B) of this section with the question of levying a tax 1164  
for the acquisition of a site, the question specified in that 1165  
division to be voted on shall be "For the Bond Issue and the Tax 1166  
Levies" and "Against the Bond Issue and the Tax Levies." 1167

Where the school district board chooses to combine the 1168  
question in division (B) of this section with any of the 1169  
additional questions described in divisions (A) to (D) of section 1170  
3318.056 of the Revised Code, the question specified in division 1171  
(B) of this section to be voted on shall be "For the Bond Issues 1172  
and the Tax Levies" and "Against the Bond Issues and the Tax 1173  
Levies." 1174

If a majority of those voting upon a proposition hereunder 1175  
which includes the question of issuing bonds vote in favor 1176  
thereof, and if the agreement provided for by section 3318.08 of 1177  
the Revised Code has been entered into, the school district board 1178  
may proceed under Chapter 133. of the Revised Code, with the 1179  
issuance of bonds or bond anticipation notes in accordance with 1180  
the terms of the agreement. 1181

Sec. 3318.063. If the board of education of a city, exempted 1182  
village, or local school district that has entered into an 1183  
agreement under section 3318.051 of the Revised Code to make 1184  
transfers of money in lieu of levying the tax for maintenance of 1185  
the classroom facilities included in the district's project 1186  
determines that it no longer can continue making the transfers so 1187  
agreed to and desires to rescind that agreement, the board shall 1188  
adopt the resolution to submit the question of the tax levy 1189  
prescribed in this section. 1190

The resolution shall declare that the question of a tax levy 1191  
specified in division (F) of section 3318.051 of the Revised Code 1192  
shall be submitted to the electors of the school district at the 1193

next general or primary election, if there be a general or primary 1194  
election not less than seventy-five and not more than ninety-five 1195  
days after the day of the adoption of such resolution or, if not, 1196  
at a special election to be held at a time specified in the 1197  
resolution which shall be not less than seventy-five days after 1198  
the day of the adoption of the resolution and which shall be in 1199  
accordance with the requirements of section 3501.01 of the Revised 1200  
Code. Such resolution shall specify both of the following: 1201

(A) That the rate which it is necessary to levy shall be at 1202  
the rate of not less than one-half mill for each one dollar of 1203  
valuation, and that such tax shall be levied for the number of 1204  
years required by division (F) of section 3318.051 of the Revised 1205  
Code; 1206

(B) That the proceeds of the tax shall be used to pay the 1207  
cost of maintaining the classroom facilities included in the 1208  
project. 1209

A copy of such resolution shall after its passage and not 1210  
less than seventy-five days prior to the date set therein for the 1211  
election be certified to the county board of elections. 1212

Notice of the election shall include the fact that the tax 1213  
levy shall be at the rate of not less than one-half mill for each 1214  
one dollar of valuation for the number of years required by 1215  
division (F) of section 3318.051 of the Revised Code, and that the 1216  
proceeds of the tax shall be used to pay the cost of maintaining 1217  
the classroom facilities included in the project. 1218

The form of the ballot to be used at such election shall be: 1219

"Shall a levy of taxes be made for a period of ..... 1220  
(here insert the number of years, which shall not be less than the 1221  
number required by division (F) of section 3318.051 of the Revised 1222  
Code) years to benefit the ..... (here insert name of 1223  
school district) school district, the proceeds of which shall be 1224



used to pay the cost of maintaining the classroom facilities 1225  
included in the project at the rate of ..... (here insert the 1226  
number of mills, which shall not be less than one-half mill) mills 1227  
for each one dollar of valuation? 1228

	<u>FOR THE TAX LEVY</u>	
	<u>AGAINST THE TAX LEVY</u>	"

1229  
1230  
1231  
1232

**Sec. 3318.08.** Except in the case of a joint vocational school 1233  
district that receives assistance under sections 3318.40 to 1234  
3318.45 of the Revised Code, if the requisite favorable vote on 1235  
the election is obtained, or if the school district board has 1236  
resolved to apply the proceeds of a property tax levy or the 1237  
proceeds of an income tax, or a combination of proceeds from such 1238  
taxes, as authorized in section 3318.052 of the Revised Code, the 1239  
Ohio school facilities commission, upon certification to it of 1240  
either the results of the election or the resolution under section 1241  
3318.052 of the Revised Code, shall enter into a written agreement 1242  
with the school district board for the construction and sale of 1243  
the project. In the case of a joint vocational school district 1244  
that receives assistance under sections 3318.40 to 3318.45 of the 1245  
Revised Code, if the school district board of education and the 1246  
school district electors have satisfied the conditions prescribed 1247  
in division (D)(1) of section 3318.41 of the Revised Code, the 1248  
commission shall enter into an agreement with the school district 1249  
board for the construction and sale of the project. In either 1250  
case, the agreement shall include, but need not be limited to, the 1251  
following provisions: 1252

(A) The sale and issuance of bonds or notes in anticipation 1253  
thereof, as soon as practicable after the execution of the 1254  
agreement, in an amount equal to the school district's portion of 1255

the basic project cost, including any securities authorized under 1256  
division (J) of section 133.06 of the Revised Code and dedicated 1257  
by the school district board to payment of the district's portion 1258  
of the basic project cost of the project; provided, that if at 1259  
that time the county treasurer of each county in which the school 1260  
district is located has not commenced the collection of taxes on 1261  
the general duplicate of real and public utility property for the 1262  
year in which the controlling board approved the project, the 1263  
school district board shall authorize the issuance of a first 1264  
installment of bond anticipation notes in an amount specified by 1265  
the agreement, which amount shall not exceed an amount necessary 1266  
to raise the net bonded indebtedness of the school district as of 1267  
the date of the controlling board's approval to within five 1268  
thousand dollars of the required level of indebtedness for the 1269  
preceding year. In the event that a first installment of bond 1270  
anticipation notes is issued, the school district board shall, as 1271  
soon as practicable after the county treasurer of each county in 1272  
which the school district is located has commenced the collection 1273  
of taxes on the general duplicate of real and public utility 1274  
property for the year in which the controlling board approved the 1275  
project, authorize the issuance of a second and final installment 1276  
of bond anticipation notes or a first and final issue of bonds. 1277

The combined value of the first and second installment of 1278  
bond anticipation notes or the value of the first and final issue 1279  
of bonds shall be equal to the school district's portion of the 1280  
basic project cost. The proceeds of any such bonds shall be used 1281  
first to retire any bond anticipation notes. Otherwise, the 1282  
proceeds of such bonds and of any bond anticipation notes, except 1283  
the premium and accrued interest thereon, shall be deposited in 1284  
the school district's project construction fund. In determining 1285  
the amount of net bonded indebtedness for the purpose of fixing 1286  
the amount of an issue of either bonds or bond anticipation notes, 1287

gross indebtedness shall be reduced by moneys in the bond 1288  
retirement fund only to the extent of the moneys therein on the 1289  
first day of the year preceding the year in which the controlling 1290  
board approved the project. Should there be a decrease in the tax 1291  
valuation of the school district so that the amount of 1292  
indebtedness that can be incurred on the tax duplicates for the 1293  
year in which the controlling board approved the project is less 1294  
than the amount of the first installment of bond anticipation 1295  
notes, there shall be paid from the school district's project 1296  
construction fund to the school district's bond retirement fund to 1297  
be applied against such notes an amount sufficient to cause the 1298  
net bonded indebtedness of the school district, as of the first 1299  
day of the year following the year in which the controlling board 1300  
approved the project, to be within five thousand dollars of the 1301  
required level of indebtedness for the year in which the 1302  
controlling board approved the project. The maximum amount of 1303  
indebtedness to be incurred by any school district board as its 1304  
share of the cost of the project is either an amount that will 1305  
cause its net bonded indebtedness, as of the first day of the year 1306  
following the year in which the controlling board approved the 1307  
project, to be within five thousand dollars of the required level 1308  
of indebtedness, or an amount equal to the required percentage of 1309  
the basic project costs, whichever is greater. All bonds and bond 1310  
anticipation notes shall be issued in accordance with Chapter 133. 1311  
of the Revised Code, and notes may be renewed as provided in 1312  
section 133.22 of the Revised Code. 1313

(B) The transfer of such funds of the school district board 1314  
available for the project, together with the proceeds of the sale 1315  
of the bonds or notes, except premium, accrued interest, and 1316  
interest included in the amount of the issue, to the school 1317  
district's project construction fund; 1318

(C) For all school districts except joint vocational school 1319

districts that receive assistance under sections 3318.40 to 1320  
3318.45 of the Revised Code, the following provisions as 1321  
applicable: 1322

(1) If section 3318.052 of the Revised Code applies, the 1323  
earmarking of the proceeds of a tax levied under section 5705.21 1324  
of the Revised Code for general permanent improvements or under 1325  
section 5705.218 of the Revised Code for the purpose of permanent 1326  
improvements, or the proceeds of a school district income tax 1327  
levied under Chapter 5748. of the Revised Code, or the proceeds 1328  
from a combination of those two taxes, in an amount to pay all or 1329  
part of the service charges on bonds issued to pay the school 1330  
district portion of the project and an amount equivalent to all or 1331  
part of the tax required under division (B) of section 3318.05 of 1332  
the Revised Code; 1333

(2) If section 3318.052 of the Revised Code does not apply, 1334  
~~either~~ one of the following: 1335

(a) The levy of the tax authorized at the election for the 1336  
payment of maintenance costs, as specified in division (B) of 1337  
section 3318.05 of the Revised Code; 1338

(b) If the school district electors have approved a 1339  
continuing tax for general permanent improvements under section 1340  
5705.21 of the Revised Code and that tax can be used for 1341  
maintenance, the earmarking of an amount of the proceeds from such 1342  
tax for maintenance of classroom facilities as specified in 1343  
division (B) of section 3318.05 of the Revised Code; 1344

(c) If, in lieu of the tax otherwise required under division 1345  
(B) of section 3318.05 of the Revised Code, the commission has 1346  
approved the transfer of money to the maintenance fund in 1347  
accordance with section 3318.051 of the Revised Code, a 1348  
requirement that the district board comply with the provisions 1349  
that section. The district board may rescind the provision 1350

prescribed under division (C)(2)(c) of this section only so long 1351  
as the electors of the district have approved, in accordance with 1352  
section 3318.063 of the Revised Code, the levy of a tax for the 1353  
maintenance of the classroom facilities acquired under the 1354  
district's project and that levy continues to be collected as 1355  
approved by the electors. 1356

(D) For joint vocational school districts that receive 1357  
assistance under sections 3318.40 to 3318.45 of the Revised Code, 1358  
provision for deposit of school district moneys dedicated to 1359  
maintenance of the classroom facilities acquired under those 1360  
sections as prescribed in section 3318.43 of the Revised Code; 1361

(E) Dedication of any local donated contribution as provided 1362  
for under section 3318.084 of the Revised Code, including a 1363  
schedule for depositing such moneys applied as an offset of the 1364  
district's obligation to levy the tax described in division (B) of 1365  
section 3318.05 of the Revised Code as required under division 1366  
(D)(2) of section 3318.084 of the Revised Code; 1367

(F) Ownership of or interest in the project during the period 1368  
of construction, which shall be divided between the commission and 1369  
the school district board in proportion to their respective 1370  
contributions to the school district's project construction fund; 1371

(G) Maintenance of the state's interest in the project until 1372  
any obligations issued for the project under section 3318.26 of 1373  
the Revised Code are no longer outstanding; 1374

(H) The insurance of the project by the school district from 1375  
the time there is an insurable interest therein and so long as the 1376  
state retains any ownership or interest in the project pursuant to 1377  
division (F) of this section, in such amounts and against such 1378  
risks as the commission shall require; provided, that the cost of 1379  
any required insurance until the project is completed shall be a 1380  
part of the basic project cost; 1381

(I) The certification by the director of budget and management that funds are available and have been set aside to meet the state's share of the basic project cost as approved by the controlling board pursuant to either section 3318.04 or division (B)(1) of section 3318.41 of the Revised Code;	1382 1383 1384 1385 1386
(J) Authorization of the school district board to advertise for and receive construction bids for the project, for and on behalf of the commission, and to award contracts in the name of the state subject to approval by the commission;	1387 1388 1389 1390
(K) Provisions for the disbursement of moneys from the school district's project account upon issuance by the commission or the commission's designated representative of vouchers for work done to be certified to the commission by the treasurer of the school district board;	1391 1392 1393 1394 1395
(L) Disposal of any balance left in the school district's project construction fund upon completion of the project;	1396 1397
(M) Limitations upon use of the project or any part of it so long as any obligations issued to finance the project under section 3318.26 of the Revised Code are outstanding;	1398 1399 1400
(N) Provision for vesting the state's interest in the project to the school district board when the obligations issued to finance the project under section 3318.26 of the Revised Code are outstanding;	1401 1402 1403 1404
(O) Provision for deposit of an executed copy of the agreement in the office of the commission;	1405 1406
(P) Provision for termination of the contract and release of the funds encumbered at the time of the conditional approval, if the proceeds of the sale of the bonds of the school district board are not paid into the school district's project construction fund and if bids for the construction of the project have not been	1407 1408 1409 1410 1411

taken within such period after the execution of the agreement as  
may be fixed by the commission;

(Q) Provision for the school district to maintain the project  
in accordance with a plan approved by the commission;

(R)(1) For all school districts except a district undertaking  
a project under section 3318.38 of the Revised Code or a joint  
vocational school district undertaking a project under sections  
3318.40 to 3318.45 of the Revised Code, provision that all state  
funds reserved and encumbered to pay the state share of the cost  
of the project pursuant to section 3318.03 of the Revised Code be  
spent on the construction or acquisition of the project prior to  
the expenditure of any funds provided by the school district to  
pay for its share of the project cost, unless the school district  
certifies to the commission that expenditure by the school  
district is necessary to maintain the tax-exempt status of notes  
or bonds issued by the school district to pay for its share of the  
project cost or to comply with applicable temporary investment  
periods or spending exceptions to rebate as provided for under  
federal law in regard to those notes or bonds, in which cases, the  
school district may commit to spend, or spend, a portion of the  
funds it provides;

(2) For a school district undertaking a project under section  
3318.38 of the Revised Code or a joint vocational school district  
undertaking a project under sections 3318.40 to 3318.45 of the  
Revised Code, provision that the state funds reserved and  
encumbered and the funds provided by the school district to pay  
the basic project cost of any segment of the project, or of the  
entire project if it is not divided into segments, be spent on the  
construction and acquisition of the project simultaneously in  
proportion to the state's and the school district's respective  
shares of that basic project cost as determined under section  
3318.032 of the Revised Code or, if the district is a joint

vocational school district, under section 3318.42 of the Revised Code. 1444  
1445

(S) A provision stipulating that the commission may prohibit 1446  
the district from proceeding with any project if the commission 1447  
determines that the site is not suitable for construction 1448  
purposes. The commission may perform soil tests in its 1449  
determination of whether a site is appropriate for construction 1450  
purposes. 1451

(T) A provision stipulating that, unless otherwise authorized 1452  
by the commission, any contingency reserve portion of the 1453  
construction budget prescribed by the commission shall be used 1454  
only to pay costs resulting from unforeseen job conditions, to 1455  
comply with rulings regarding building and other codes, to pay 1456  
costs related to design clarifications or corrections to contract 1457  
documents, and to pay the costs of settlements or judgments 1458  
related to the project as provided under section 3318.086 of the 1459  
Revised Code; 1460

(U) Provision stipulating that for continued release of 1461  
project funds the school district board shall comply with section 1462  
3313.41 of the Revised Code throughout the project and shall 1463  
notify the department of education and the Ohio community school 1464  
association when the board plans to dispose of facilities by sale 1465  
under that section; 1466

(V) Provision that the commission shall not approve a 1467  
contract for demolition of a facility until the school district 1468  
board has complied with section 3313.41 of the Revised Code 1469  
relative to that facility, unless demolition of that facility is 1470  
to clear a site for construction of a replacement facility 1471  
included in the district's project. 1472

**Sec. 3318.121.** As used in this section, "big-eight school 1473



district" has the same meaning as in section 3314.02 of the 1474  
Revised Code. 1475

Notwithstanding any provision to the contrary in section 1476  
3318.12 or Chapter 5705. of the Revised Code, a big-eight school 1477  
district receiving assistance for a project under this chapter, 1478  
that has opted with the approval of the Ohio school facilities 1479  
commission to divide the project into discrete segments to be 1480  
completed sequentially, or otherwise, may, with the approval of 1481  
the commission or the commission's designated representative, and 1482  
pursuant to a resolution adopted by the school district board, 1483  
transfer to a special construction fund investment earnings 1484  
credited to the project construction fund that are attributable to 1485  
the district's contribution to that fund, if the school district 1486  
board and the commission, or its designated representative, 1487  
determine that the unspent amount of the district's contribution 1488  
to the project construction fund, including any investment 1489  
earnings on that contribution that are not to be transferred to 1490  
the special construction fund, together with the principal amount 1491  
of any additional securities authorized by the voters of the 1492  
district to be issued to pay the local share of the basic project 1493  
cost of the entire project that have not yet been issued by the 1494  
district, are projected at the time of the transfer to be not less 1495  
than one hundred ten per cent of the amount required to provide 1496  
for the entire remaining local share of the basic project cost 1497  
because of reductions in the scope and estimated cost of the 1498  
project that have been incorporated in the district's approved 1499  
master facilities plan. The money in that special construction 1500  
fund, including investment earnings attributable to money in that 1501  
fund, shall be used by the district solely to pay costs of 1502  
classroom facilities (A) in later segments of the project that are 1503  
consistent with the specifications for plans and materials for 1504  
classroom facilities adopted by the commission and those 1505

specifications used by the district for classroom facilities 1506  
included in one or more prior segments, but which would cause the 1507  
cost of the facilities in one or more later segments to be in 1508  
excess of the approved budgeted basic project cost for the segment 1509  
to be shared by the state and the district in proportion to the 1510  
state's and the school district's respective shares of the basic 1511  
project cost as determined under section 3318.032 of the Revised 1512  
Code, or (B) that were included in the master facilities plan 1513  
prior to the reduction in scope. All investment earnings on a 1514  
district's special construction fund shall be credited to the 1515  
fund. After the entire project has been completed, any investment 1516  
earnings remaining in the special construction fund shall be 1517  
transferred to the district's maintenance fund required by 1518  
division (B) of section 3318.05 of the Revised Code, and used 1519  
solely for maintaining the classroom facilities included in the 1520  
project. 1521

**Sec. 3318.18.** (A) As used in this section: 1522

(1) "Valuation" of a school district means the sum of the 1523  
amounts described in divisions (A)(1) and (2) of section 3317.021 1524  
of the Revised Code as most recently certified for the district 1525  
before the annual computation is made under division (B) of this 1526  
section. 1527

(2) "Valuation per pupil" of a school district means the 1528  
district's valuation divided by the district's formula ADM as most 1529  
recently reported for October under section 3317.03 of the Revised 1530  
Code before the annual computation is made under division (B) of 1531  
this section. 1532

(3) "Statewide average valuation per pupil" means the total 1533  
of the valuations of all school districts divided by the total of 1534  
the formula ADMs of all school districts as most recently reported 1535  
for October under section 3317.03 of the Revised Code before the 1536

annual computation is made under division (C) of this section. 1537

(4) "Maintenance levy requirement" means the tax required to 1538  
be levied pursuant to division (C)(2)(a) of section 3318.08 and 1539  
division (B) of section 3318.05 of the Revised Code or the 1540  
application of proceeds of another levy to paying the costs of 1541  
maintaining classroom facilities pursuant to division (A)(2) of 1542  
section 3318.052, division (C)(1) or (C)(2)(b) of section 3318.08, 1543  
or division (D)(2) of section 3318.36 of the Revised Code, or a 1544  
combination thereof. 1545

(5) "Project agreement" means an agreement between a school 1546  
district and the Ohio school facilities commission under section 1547  
3318.08 or division (B)(1) of section 3318.36 of the Revised Code. 1548

(B) On or before July 1, 2006, the department of education 1549  
shall compute the statewide average valuation per pupil and the 1550  
valuation per pupil of each school district, and provide them to 1551  
the Ohio school facilities commission. On or before the first day 1552  
of July each year beginning in 2007, the department of education 1553  
shall compute the statewide average valuation per pupil and the 1554  
valuation per pupil of each school district that has not already 1555  
entered into a project agreement, and provide the results of those 1556  
computations to the commission. 1557

(C)(1) At the time the Ohio school facilities commission 1558  
enters into a project agreement with a school district, the 1559  
commission shall compute the difference between the district's 1560  
valuation per pupil and the statewide average valuation per pupil 1561  
as most recently provided to the commission under division (B) of 1562  
this section. If the school district's valuation per pupil is less 1563  
than the average statewide valuation per pupil, the commission 1564  
shall multiply the difference between those amounts by one-half 1565  
mill times the formula ADM of the district as most recently 1566  
reported to the department of education for October under division 1567

(A) of section 3317.03 of the Revised Code. The commission shall 1568  
certify the resulting product to the department of education, 1569  
along with the date on which the maintenance levy requirement 1570  
terminates as provided in the project agreement between the school 1571  
district board and the commission. 1572

(2) In the case of a school district that entered into a 1573  
project agreement after July 1, 1997, but before July 1, 2006, the 1574  
commission shall make the computation described in division (C)(1) 1575  
of this section on the basis of the district's valuation per pupil 1576  
and the statewide average valuation per pupil computed as of 1577  
September 1, 2006, and the district's formula ADM reported for 1578  
October 2005. 1579

(3) The amount computed for a school district under division 1580  
(C)(1) or (2) of this section shall not change for the period 1581  
during which payments are made to the district under division (D) 1582  
of this section. 1583

(4) A computation need not be made under division (C)(1) or 1584  
(2) of this section for a school district that certified a 1585  
resolution to the commission under division (D)(3) of section 1586  
3318.36 of the Revised Code until the district becomes eligible 1587  
for state assistance as provided in that division. 1588

(D) In the fourth quarter of each fiscal year, for each 1589  
school district for which a computation has been made under 1590  
division (C) of this section, the department of education shall 1591  
pay the amount computed to each such school district. Payments 1592  
shall be made to a school district each year until and including 1593  
the tax year in which the district's maintenance levy requirement 1594  
terminates. Payments shall be paid from the half-mill equalization 1595  
fund, subject to appropriation by the general assembly. However, 1596  
the department shall make no payments under this section to any 1597  
district that elects the procedure authorized by section 3318.051 1598

of the Revised Code. 1599

(E) Payments made to a school district under this section 1600  
shall be credited to the district's classroom facilities 1601  
maintenance fund and shall be used only for the purpose of 1602  
maintaining facilities constructed or renovated under the project 1603  
agreement. 1604

(F) There is hereby created in the state treasury the 1605  
half-mill equalization fund. The fund shall receive transfers 1606  
pursuant to section 5727.85 of the Revised Code. The fund shall be 1607  
used first to make annual payments under division (D) of this 1608  
section. If a balance remains in the fund after such payments are 1609  
made in full for a year, the Ohio school facilities commission may 1610  
request the controlling board to transfer a reasonable amount from 1611  
such remaining balance to the public school building fund created 1612  
under section 3318.15 of the Revised Code for the purposes of this 1613  
chapter. 1614

All investment earnings arising from investment of money in 1615  
the half-mill equalization fund shall be credited to the fund. 1616

**Sec. 3318.36.** (A)(1) As used in this section: 1617

(a) "Ohio school facilities commission," "classroom 1618  
facilities," "school district," "school district board," "net 1619  
bonded indebtedness," "required percentage of the basic project 1620  
costs," "basic project cost," "valuation," and "percentile" have 1621  
the same meanings as in section 3318.01 of the Revised Code. 1622

(b) "Required level of indebtedness" means five per cent of 1623  
the school district's valuation for the year preceding the year in 1624  
which the commission and school district enter into an agreement 1625  
under division (B) of this section, plus [two one-hundredths of 1626  
one per cent multiplied by (the percentile in which the district 1627  
ranks minus one)]. 1628

(c) "Local resources" means any moneys generated in any 1629  
manner permitted for a school district board to raise the school 1630  
district portion of a project undertaken with assistance under 1631  
sections 3318.01 to 3318.20 of the Revised Code. 1632

(2) For purposes of determining either the required level of 1633  
indebtedness, as defined in division (A)(1)(b) of this section, or 1634  
the required percentage of the basic project costs, under division 1635  
(C)(1) of this section, the percentile ranking of a school 1636  
district with which the commission has entered into an agreement 1637  
under this section between the first day of July and the 1638  
thirty-first day of August in each fiscal year is the percentile 1639  
ranking calculated for that district for the immediately preceding 1640  
fiscal year, and the percentile ranking of a school district with 1641  
which the commission has entered into such agreement between the 1642  
first day of September and the thirtieth day of June in each 1643  
fiscal year is the percentile ranking calculated for that district 1644  
for the current fiscal year. 1645

(B)(1) There is hereby established the school building 1646  
assistance expedited local partnership program. Under the program, 1647  
the Ohio school facilities commission may enter into an agreement 1648  
with the school district board of any school district under which 1649  
the school district board may proceed with the new construction or 1650  
major repairs of a part of the school district's classroom 1651  
facilities needs, as determined under sections 3318.01 to 3318.20 1652  
of the Revised Code, through the expenditure of local resources 1653  
prior to the school district's eligibility for state assistance 1654  
under sections 3318.01 to 3318.20 of the Revised Code and may 1655  
apply that expenditure toward meeting the school district's 1656  
portion of the basic project cost of the total of the school 1657  
district's classroom facilities needs, as determined under 1658  
sections 3318.01 to 3318.20 of the Revised Code and as 1659  
recalculated under division (E) of this section, that are eligible 1660

for state assistance under sections 3318.01 to 3318.20 of the  
Revised Code when the school district becomes eligible for such  
state assistance. Any school district that is reasonably expected  
to receive assistance under sections 3318.01 to 3318.20 of the  
Revised Code within two fiscal years from the date the school  
district adopts its resolution under division (B) of this section  
shall not be eligible to participate in the program.

(2) To participate in the program, a school district board  
shall first adopt a resolution certifying to the commission the  
board's intent to participate in the program.

The resolution shall specify the approximate date that the  
board intends to seek elector approval of any bond or tax measures  
or to apply other local resources to use to pay the cost of  
classroom facilities to be constructed under this section. The  
resolution may specify the application of local resources or  
elector-approved bond or tax measures after the resolution is  
adopted by the board, and in such case the board may proceed with  
a discrete portion of its project under this section as soon as  
the commission and the controlling board have approved the basic  
project cost of the district's classroom facilities needs as  
specified in division (D) of this section. The board shall submit  
its resolution to the commission not later than ten days after the  
date the resolution is adopted by the board.

The commission shall not consider any resolution that is  
submitted pursuant to division (B)(2) of this section, as amended  
by this amendment, sooner than September 14, 2000.

(3) Any project under this section shall comply with section  
3318.03 of the Revised Code and with any specifications for plans  
and materials for classroom facilities adopted by the commission  
under section 3318.04 of the Revised Code.

(4) If a school district that enters into an agreement under

this section has not begun a project applying local resources as  
provided for under that agreement at the time the district is  
notified by the commission that it is eligible to receive state  
assistance under sections 3318.01 to 3318.20 of the Revised Code,  
all assessment and agreement documents entered into under this  
section are void.

(5) Only construction of or repairs to classroom facilities  
that have been approved by the commission and have been therefore  
included as part of a district's basic project cost qualify for  
application of local resources under this section.

(C) Based on the results of the on-site visits and assessment  
conducted under division (B)(2) of this section, the commission  
shall determine the basic project cost of the school district's  
classroom facilities needs. The commission shall determine the  
school district's portion of such basic project cost, which shall  
be the greater of:

(1) The required percentage of the basic project costs,  
determined based on the school district's percentile ranking;

(2) An amount necessary to raise the school district's net  
bonded indebtedness, as of the fiscal year the commission and the  
school district enter into the agreement under division (B) of  
this section, to within five thousand dollars of the required  
level of indebtedness.

(D)(1) When the commission determines the basic project cost  
of the classroom facilities needs of a school district and the  
school district's portion of that basic project cost under  
division (C) of this section, the project shall be conditionally  
approved. Such conditional approval shall be submitted to the  
controlling board for approval thereof. The controlling board  
shall forthwith approve or reject the commission's determination,  
conditional approval, and the amount of the state's portion of the



basic project cost; however, no state funds shall be encumbered 1723  
under this section. Upon approval by the controlling board, the 1724  
school district board may identify a discrete part of its 1725  
classroom facilities needs, which shall include only new 1726  
construction of or additions or major repairs to a particular 1727  
building, to address with local resources. Upon identifying a part 1728  
of the school district's basic project cost to address with local 1729  
resources, the school district board may allocate any available 1730  
school district moneys to pay the cost of that identified part, 1731  
including the proceeds of an issuance of bonds if approved by the 1732  
electors of the school district. 1733

All local resources utilized under this division shall first 1734  
be deposited in the project construction account required under 1735  
section 3318.08 of the Revised Code. 1736

(2) Unless the school district board exercises its option 1737  
under division (D)(3) of this section, for a school district to 1738  
qualify for participation in the program authorized under this 1739  
section, one of the following conditions shall be satisfied: 1740

(a) The electors of the school district by a majority vote 1741  
shall approve the levy of taxes outside the ten-mill limitation 1742  
for a period of twenty-three years at the rate of not less than 1743  
one-half mill for each dollar of valuation to be used to pay the 1744  
cost of maintaining the classroom facilities included in the basic 1745  
project cost as determined by the commission. The form of the 1746  
ballot to be used to submit the question whether to approve the 1747  
tax required under this division to the electors of the school 1748  
district shall be the form for an additional levy of taxes 1749  
prescribed in section 3318.361 of the Revised Code, which may be 1750  
combined in a single ballot question with the questions prescribed 1751  
under section 5705.218 of the Revised Code. 1752

(b) As authorized under division (C) of section 3318.05 of 1753

the Revised Code, the school district board shall earmark from the  
proceeds of a permanent improvement tax levied under section  
5705.21 of the Revised Code, an amount equivalent to the  
additional tax otherwise required under division (D)(2)(a) of this  
section for the maintenance of the classroom facilities included  
in the basic project cost as determined by the commission.

(c) As authorized under section 3318.051 of the Revised Code,  
the school district board shall, if approved by the commission,  
annually transfer into the maintenance fund required under section  
3318.05 of the Revised Code the amount prescribed in section  
3318.051 of the Revised Code in lieu of the tax otherwise required  
under division (D)(2)(a) of this section for the maintenance of  
the classroom facilities included in the basic project cost as  
determined by the commission.

(d) If the school district board has rescinded the agreement  
to make transfers under section 3318.051 of the Revised Code, as  
provided under division (F) of that section, the electors of the  
school district, in accordance with section 3318.063 of the  
Revised Code, first shall approve the levy of taxes outside the  
ten-mill limitation for the period specified in that section at a  
rate of not less than one-half mill for each dollar of valuation.

(e) The school district board shall apply the proceeds of a  
tax to leverage bonds as authorized under section 3318.052 of the  
Revised Code or dedicate a local donated contribution in the  
manner described in division (B) of section 3318.084 of the  
Revised Code in an amount equivalent to the additional tax  
otherwise required under division (D)(2)(a) of this section for  
the maintenance of the classroom facilities included in the basic  
project cost as determined by the commission.

(3) A school district board may opt to delay ~~levying the~~  
~~additional tax required under division (D)(2)(a) of this section~~

~~or earmarking of the proceeds of a permanent improvement tax~~ 1785  
~~alternatively required under taking any of the actions described~~ 1786  
in division (D)(2)~~(b)~~ of this section until such time as the 1787  
school district becomes eligible for state assistance under 1788  
sections 3318.01 to 3318.20 of the Revised Code. In order to 1789  
exercise ~~its~~ this option ~~under this division~~, the board shall 1790  
certify to the commission a resolution indicating the board's 1791  
intent to do so prior to entering into an agreement under division 1792  
(B) of this section. 1793

(4) If pursuant to division (D)(3) of this section a district 1794  
board opts to delay levying an additional tax until the district 1795  
becomes eligible for state assistance, it shall submit the 1796  
question of levying that tax to the district electors as follows: 1797

(a) In accordance with section 3318.06 of the Revised Code if 1798  
it will also be necessary pursuant to division (E) of this section 1799  
to submit a proposal for approval of a bond issue; 1800

(b) In accordance with section 3318.361 of the Revised Code 1801  
if it is not necessary to also submit a proposal for approval of a 1802  
bond issue pursuant to division (E) of this section. 1803

(5) No state assistance under sections 3318.01 to 3318.20 of 1804  
the Revised Code shall be released until a school district board 1805  
that adopts and certifies a resolution under ~~this division either~~ 1806  
~~has levied the additional tax or has earmarked the proceeds of a~~ 1807  
~~tax as specified in division (D) of this section (D) of this~~ 1808  
section also demonstrates to the satisfaction of the commission 1809  
compliance with the provisions of division (D)(2) of this section. 1810

Any amount required for maintenance under division (D)(2) of 1811  
this section shall be deposited into a separate fund as specified 1812  
in division (B) of section 3318.05 of the Revised Code. 1813

(E)(1) If the school district becomes eligible for state 1814  
assistance under sections 3318.01 to 3318.20 of the Revised Code 1815

based on its percentile ranking as determined under division (B) 1816  
of this section, the commission shall conduct a new assessment of 1817  
the school district's classroom facilities needs and shall 1818  
recalculate the basic project cost based on this new assessment. 1819  
The basic project cost recalculated under this division shall 1820  
include the amount of expenditures made by the school district 1821  
board under division (D)(1) of this section. The commission shall 1822  
then recalculate the school district's portion of the new basic 1823  
project cost, which shall be the percentage of the original basic 1824  
project cost assigned to the school district as its portion under 1825  
division (C) of this section. The commission shall deduct the 1826  
expenditure of school district moneys made under division (D)(1) 1827  
of this section from the school district's portion of the basic 1828  
project cost as recalculated under this division. If the amount of 1829  
school district resources applied by the school district board to 1830  
the school district's portion of the basic project cost under this 1831  
section is less than the total amount of such portion as 1832  
recalculated under this division, the school district board by a 1833  
majority vote of all of its members shall, if it desires to seek 1834  
state assistance under sections 3318.01 to 3318.20 of the Revised 1835  
Code, adopt a resolution as specified in section 3318.06 of the 1836  
Revised Code to submit to the electors of the school district the 1837  
question of approval of a bond issue in order to pay any 1838  
additional amount of school district portion required for state 1839  
assistance. Any tax levy approved under division (D) of this 1840  
section satisfies the requirements to levy the additional tax 1841  
under section 3318.06 of the Revised Code. 1842

(2) If the amount of school district resources applied by the 1843  
school district board to the school district's portion of the 1844  
basic project cost under this section is more than the total 1845  
amount of such portion as recalculated under this division, within 1846  
one year after the school district's portion is recalculated under 1847

division (E)(1) of this section the commission may grant to the 1848  
school district the difference between the two calculated 1849  
portions, but at no time shall the commission expend any state 1850  
funds on a project in an amount greater than the state's portion 1851  
of the basic project cost as recalculated under this division. 1852

Any reimbursement under this division shall be only for local 1853  
resources the school district has applied toward construction cost 1854  
expenditures for the classroom facilities approved by the 1855  
commission, which shall not include any financing costs associated 1856  
with that construction. 1857

The school district board shall use any moneys reimbursed to 1858  
the district under this division to pay off any debt service the 1859  
district owes for classroom facilities constructed under its 1860  
project under this section before such moneys are applied to any 1861  
other purpose. However, the district board first may deposit 1862  
moneys reimbursed under this division into the district's general 1863  
fund or a permanent improvement fund to replace local resources 1864  
the district withdrew from those funds, as long as, and to the 1865  
extent that, those local resources were used by the district for 1866  
constructing classroom facilities included in the district's basic 1867  
project cost. 1868

**Sec. 3702.72.** (A) A primary care physician who ~~has not~~ 1869  
~~received national health service corps tuition or student loan~~ 1870  
~~repayment assistance~~ will not have an outstanding obligation for 1871  
medical service to the federal government, a state, or other 1872  
entity at the time of participation in the physician loan 1873  
repayment program and meets one of the following requirements may 1874  
apply for participation in the physician loan repayment program: 1875

(1) The primary care physician is enrolled in the final year 1876  
of an accredited program required for board certification in a 1877  
primary care specialty. 1878

(2) The primary care physician is enrolled in the final year of a fellowship program in a primary care specialty.	1879 1880
(3) The primary care physician <del>has been engaged in the practice of medicine and surgery or osteopathic medicine and surgery in this state for not more than three years prior to submitting the application</del> <u>holds a valid certificate to practice medicine and surgery or osteopathic medicine and surgery issued under Chapter 4731. of the Revised Code.</u>	1881 1882 1883 1884 1885 1886
(B) An application for participation in the physician loan repayment program shall be submitted to the director of health on a form that the director shall prescribe. The information required to be submitted with an application includes the following:	1887 1888 1889 1890
(1) The applicant's name, permanent address or address at which the applicant is currently residing if different from the permanent address, and telephone number;	1891 1892 1893
(2) The applicant's primary care specialty;	1894
(3) The medical school or osteopathic medical school the applicant attended, the dates of attendance, and verification of attendance;	1895 1896 1897
(4) The facility or institution where the applicant's medical residency program was completed or is being performed, and, if completed, the date of completion;	1898 1899 1900
(5) A summary and verification of the educational expenses for which the applicant seeks reimbursement under the program;÷	1901 1902
(6) Verification of the applicant's authorization under Chapter 4731. of the Revised Code to practice medicine and surgery or osteopathic medicine and surgery;	1903 1904 1905
(7) Verification of the applicant's United States citizenship or status as a legal alien.	1906 1907

**Sec. 3702.73.** If the general assembly has appropriated funds 1908  
for the physician loan repayment program, the director of health 1909  
shall approve an applicant for participation in the program if the 1910  
director finds that, in accordance with the priorities established 1911  
under section 3702.77 of the Revised Code, the applicant is 1912  
eligible for participation in the program and the applicant's 1913  
primary care specialty is needed in a health resource shortage 1914  
area. 1915

Upon approval, the director shall notify and enter into 1916  
discussions with the applicant. The object of the discussions is 1917  
to facilitate the recruitment of the applicant to a site within a 1918  
health resource shortage area at which, according to the 1919  
priorities established under section 3702.77 of the Revised Code, 1920  
the applicant's primary care specialty is most needed. ~~The 1921  
director may pay the costs incurred by the applicant and the 1922  
applicant's spouse for travel, meals, and lodging in making one 1923  
visit to one health resource shortage area. The director may also 1924  
refer an applicant to the Ohio primary care association, inc., for 1925  
assistance in being recruited to a site within a health resource 1926  
shortage area at which the applicant will agree to be placed.~~ 1927

If the director and applicant agree on the applicant's 1928  
placement at a particular site within a health resource shortage 1929  
area, the applicant shall prepare, sign, and deliver to the 1930  
director a letter of intent agreeing to that placement. 1931

**Sec. 3702.81.** There is hereby created the physician loan 1932  
repayment advisory board. The board shall consist of eleven 1933  
members as follows: 1934

(A) The following six members appointed by the governor: a 1935  
representative of the department of health, a representative of 1936  
the Ohio academy of family practice, a representative of the board 1937

of regents, a representative of the Ohio ~~primary-care~~ association 1938  
of community health centers, inc., a representative of the Ohio 1939  
state medical association, and a representative of the Ohio 1940  
osteopathic association; 1941

(B) Two members of the house of representatives, one from 1942  
each political party, appointed by the speaker of the house of 1943  
representatives; 1944

(C) Two members of the senate, one from each political party, 1945  
appointed by the president of the senate. 1946

Of the initial appointments made by the governor, three shall 1947  
be for terms ending June 30, 1994, and four shall be for terms 1948  
ending June 30, 1995. Of the initial appointments made by the 1949  
speaker of the house of representatives, one shall be for a term 1950  
ending June 30, 1994, and one shall be for a term ending June 30, 1951  
1995. Of the initial appointments made by the president of the 1952  
senate, one shall be for a term ending June 30, 1994, and one 1953  
shall be for a term ending June 30, 1995. Thereafter, terms of 1954  
office shall be two years, commencing on the first day of July and 1955  
ending on the thirtieth day of June. Each member shall hold office 1956  
from the date of appointment until the end of the term for which 1957  
the member was appointed, except that a legislative member ceases 1958  
to be a member of the board upon ceasing to be a member of the 1959  
general assembly. 1960

Vacancies shall be filled in the manner prescribed for the 1961  
original appointment. A member appointed to fill a vacancy 1962  
occurring prior to the expiration of the term for which the 1963  
member's predecessor was appointed shall hold office for the 1964  
remainder of that term. A member shall continue in office 1965  
subsequent to the expiration of the member's term until a 1966  
successor takes office or until sixty days have elapsed, whichever 1967  
occurs first. No person shall be appointed to the board for more 1968



than two consecutive terms.	1969
The governor, speaker, or president may remove a member for whom the governor, speaker, or president was the appointing authority, for misfeasance, malfeasance, or willful neglect of duty.	1970 1971 1972 1973
The governor shall designate a member of the board to serve as chairperson of the board.	1974 1975
The board shall meet at least once annually. The chairperson shall call special meetings as needed or upon the request of six members.	1976 1977 1978
Six members of the board constitute a quorum to transact and vote on all business coming before the board.	1979 1980
Members of the board shall serve without compensation, <del>but shall be reimbursed for reasonable and necessary expenses incurred in the discharge of their duties.</del>	1981 1982 1983
The department of health shall provide the board with staff assistance as requested by the board.	1984 1985
<b>Sec. 3702.89.</b> (A) An individual who <del>has</del> <u>is</u> not <del>received</del> <u>receiving</u> national health service corps tuition or student loan repayment assistance and meets one of the following requirements may apply for participation in the dentist loan repayment program:	1986 1987 1988 1989
(1) The applicant is a dental student enrolled in the final year of dental college.	1990 1991
(2) The applicant is a dental resident in the final year of residency.	1992 1993
(3) The applicant has been engaged in the practice of dentistry <del>in this state</del> for not more than three years prior to submitting the application.	1994 1995 1996
(B) An application for participation in the dentist loan	1997

repayment program shall be submitted to the director of health on	1998
a form the director shall prescribe. The following information	1999
shall be included or supplied:	2000
(1) The applicant's name, permanent address or address at	2001
which the applicant is currently residing if different from the	2002
permanent address, and telephone number;	2003
(2) The dental college the applicant is attending or	2004
attended, dates of attendance, and verification of attendance;	2005
(3) If the applicant is a dental resident, the facility or	2006
institution at which the dental residency is being performed;	2007
(4) A summary and verification of the educational expenses	2008
for which the applicant seeks reimbursement under the program;	2009
(5) If the applicant is a dentist, verification of the	2010
applicant's license issued under Chapter 4715. of the Revised Code	2011
to practice dentistry and proof of good standing;	2012
(6) Verification of the applicant's United States citizenship	2013
or status as a legal alien.	2014
<b>Sec. 3702.92.</b> There is hereby created the dentist loan	2015
repayment advisory board. The board shall consist of the following	2016
members:	2017
(A) One member of the house of representatives, appointed by	2018
the speaker of the house of representatives;	2019
(B) One member of the senate, appointed by the president of	2020
the senate;	2021
(C) A representative of the board of regents, appointed by	2022
the chancellor;	2023
(D) The director of health or an employee of the department	2024
of health designated by the director;	2025

(E) Three representatives of the dental profession, appointed 2026  
by the governor from persons nominated by the Ohio dental 2027  
association. 2028

The governor shall appoint the dental profession 2029  
representatives not later than ninety days after ~~the effective~~ 2030  
~~date of this section~~ October 29, 2003. The terms of all members 2031  
shall commence ninety-one days after ~~the effective date of this~~ 2032  
~~section~~ October 29, 2003. Of the initial appointments made by the 2033  
governor, two shall serve a term of one year and one shall serve a 2034  
term of two years. The initial appointment made by the speaker of 2035  
the house of representatives shall be for a term of one year. The 2036  
initial appointment made by the president of the senate shall be 2037  
for a term of two years. 2038

Vacancies shall be filled in the manner prescribed for the 2039  
original appointment. A member appointed to fill a vacancy 2040  
occurring prior to the expiration of the term for which the 2041  
member's predecessor was appointed shall hold office for the 2042  
remainder of that term. A member shall continue in office 2043  
subsequent to the expiration of the member's term until a 2044  
successor takes office or until sixty days have elapsed, whichever 2045  
occurs first. No person shall be appointed to the board for more 2046  
than two consecutive terms. Thereafter, terms of office shall be 2047  
two years. Each member shall hold office from the date of 2048  
appointment until the end of the term for which the member was 2049  
appointed, except that a legislative member ceases to be a member 2050  
of the board on ceasing to be a member of the general assembly. 2051

The governor, speaker, or president may remove a member for 2052  
whom the governor, speaker, or president was the appointing 2053  
authority, for misfeasance, malfeasance, or willful neglect of 2054  
duty. 2055

The board shall designate a member to serve as chairperson of 2056

the board. 2057

The board shall meet at least once annually. The chairperson 2058  
shall call special meetings as needed or upon the request of ~~six~~ 2059  
four members. 2060

~~Six~~ Four members of the board constitute a quorum to transact 2061  
and vote on all business coming before the board. 2062

Members of the board shall serve without compensation, but 2063  
may be reimbursed for reasonable and necessary expenses incurred 2064  
in the discharge of their duties. 2065

The department of health shall provide the board with staff 2066  
assistance as requested by the board. 2067

**Sec. 5707.031.** ~~(A)~~ As used in this section: 2068

~~(1)~~ ~~"Qualifying,~~ "qualifying dealer in intangibles" has the 2069  
same meaning as "qualifying dealer" in section 5725.24 of the 2070  
Revised Code: 2071

~~(2)~~ ~~"Tax otherwise due" means the tax imposed on a qualifying~~ 2072  
~~dealer in intangibles under section 5707.03 and Chapter 5725. of~~ 2073  
~~the Revised Code reduced by the total amount of all other~~ 2074  
~~nonrefundable credits, if any, that the qualifying dealer in~~ 2075  
~~intangibles is entitled to claim.~~ 2076

~~(B)~~ Upon the issuance of a tax credit certificate by the Ohio 2077  
venture capital authority under section 150.07 of the Revised 2078  
Code, a refundable credit may be claimed against the tax imposed 2079  
on a qualifying dealer in intangibles under section 5707.03 and 2080  
Chapter 5725. of the Revised Code. The credit shall be claimed on 2081  
a return due under section 5725.14 of the Revised Code after the 2082  
certificate is issued by the authority. 2083

~~(C)~~ ~~If the qualifying dealer in intangibles elected a~~ 2084  
~~refundable credit under section 150.07 of the Revised Code and if~~ 2085

~~the amount of the credit shown on the certificate does not exceed 2086  
the tax otherwise due, then for the calendar year the qualifying 2087  
dealer in intangibles shall claim a refundable credit equal to the 2088  
amount of the credit shown on the certificate. 2089~~

~~(D) If the qualifying dealer in intangibles elected a 2090  
refundable credit under section 150.07 of the Revised Code, and if 2091  
the amount of the refundable credit shown on the certificate 2092  
exceeds the tax otherwise due, then for the calendar year the 2093  
qualifying dealer in intangibles shall claim a refundable credit 2094  
equal to the sum of the following: 2095~~

~~(1) The amount, if any, of the tax otherwise due; 2096~~

~~(2) Seventy five per cent of the difference between the 2097  
amount of the refundable credit shown on the certificate and the 2098  
tax otherwise due. 2099~~

~~(E) If the qualifying dealer in intangibles elected a 2100  
nonrefundable credit under section 150.07 of the Revised Code and 2101  
if the nonrefundable credit to which the qualifying dealer in 2102  
intangibles would otherwise be entitled under this section for any 2103  
calendar year is greater than the tax otherwise due, the excess 2104  
shall be allowed as a nonrefundable credit in each of the ensuing 2105  
ten calendar years, but the amount of any excess nonrefundable 2106  
credit allowed in the ensuing calendar year shall be deducted from 2107  
the balance carried forward to the next calendar year. 2108~~

~~**Sec. 5725.19.** (A) As used in this section, "tax otherwise 2109  
due" means the tax imposed on a domestic insurance company under 2110  
section 5725.18 of the Revised Code reduced by the total amount of 2111  
all other nonrefundable credits, if any, that the domestic 2112  
insurance company is entitled to claim. 2113~~

~~(B) Upon the issuance of a tax credit certificate by the Ohio 2114  
venture capital authority under section 150.07 of the Revised 2115~~

Code, a refundable credit may be claimed against the tax imposed 2116  
on a domestic insurance company under section 5725.18 of the 2117  
Revised Code. The credit shall be claimed in the calendar year 2118  
specified in the certificate issued by the authority. 2119

~~(C) If the company elected a refundable credit under section 2120  
150.07 of the Revised Code and if the amount of the credit shown 2121  
on the certificate does not exceed the tax otherwise due, then for 2122  
the calendar year the company shall claim a refundable credit 2123  
equal to the amount of the credit shown on the certificate. 2124~~

~~(D) If the company elected a refundable credit under section 2125  
150.07 of the Revised Code, and the amount of the credit shown on 2126  
the certificate exceeds the tax otherwise due, then for the 2127  
calendar year the company shall claim a refundable credit equal to 2128  
the sum of the following: 2129~~

~~(1) The amount, if any, of the tax otherwise due; 2130~~

~~(2) Seventy five per cent of the difference between the 2131  
amount of the refundable credit shown on the certificate and the 2132  
tax otherwise due. 2133~~

~~(E) If the company elected a nonrefundable credit, the amount 2134  
of the credit shown on the certificate shall not exceed the amount 2135  
of tax otherwise due. If the company elected a nonrefundable 2136  
credit and the credit to which the company would otherwise be 2137  
entitled under this section for any calendar year is greater than 2138  
the tax otherwise due, the excess shall be allowed as a 2139  
nonrefundable credit in each of the ensuing ten calendar years, 2140  
but the amount of any excess credit allowed in the ensuing 2141  
calendar year shall be deducted from the balance carried forward 2142  
to the next calendar year. 2143~~

**Sec. 5725.98.** (A) To provide a uniform procedure for 2144  
calculating the amount of tax imposed by section 5725.18 of the 2145

Revised Code that is due under this chapter, a taxpayer shall 2146  
claim any credits and offsets against tax liability to which it is 2147  
entitled in the following order: 2148

(1) The credit for an insurance company or insurance company 2149  
group under section 5729.031 of the Revised Code. 2150

(2) The credit for eligible employee training costs under 2151  
section 5725.31 of the Revised Code. 2152

~~(3) The credit under section 5725.19 of the Revised Code for 2153  
losses on loans made under the Ohio venture capital authority 2154  
program under sections 150.01 to 150.10 of the Revised Code if the 2155  
taxpayer elected a nonrefundable credit under section 150.07 of 2156  
the Revised Code. 2157~~

~~(4) The offset of assessments by the Ohio life and health 2158  
insurance guaranty association permitted by section 3956.20 of the 2159  
Revised Code. 2160~~

~~(5)(4) The refundable credit for Ohio job creation under 2161  
section 5725.32 of the Revised Code. 2162~~

~~(6)(5) The refundable credit under section 5729.08 of the 2163  
Revised Code for losses on loans made under the Ohio venture 2164  
capital program under sections 150.01 to 150.10 of the Revised 2165  
Code if the taxpayer elected a refundable credit under section 2166  
150.07 of the Revised Code. 2167~~

(B) For any credit except the credits enumerated in divisions 2168  
(A)~~(5)(4)~~ and ~~(6)(5)~~ of this section, the amount of the credit for 2169  
a taxable year shall not exceed the tax due after allowing for any 2170  
other credit that precedes it in the order required under this 2171  
section. Any excess amount of a particular credit may be carried 2172  
forward if authorized under the section creating that credit. 2173  
Nothing in this chapter shall be construed to allow a taxpayer to 2174  
claim, directly or indirectly, a credit more than once for a 2175

taxable year.	2176
<b>Sec. 5727.241.</b> <del>(A) As used in this section:</del>	2177
<del>(1) "Tax otherwise due" means the tax imposed on a taxpayer under section 5727.24 of the Revised Code reduced by the total amount of all other nonrefundable credits, if any, that the taxpayer is entitled to claim.</del>	2178 2179 2180 2181
<del>(2) "Taxpayer", "taxpayer" means any person subject to the tax imposed by section 5727.24 of the Revised Code.</del>	2182 2183
<del>(B) Upon the issuance of a tax credit certificate by the Ohio venture capital authority under section 150.07 of the Revised Code, a <u>refundable</u> credit may be claimed against the tax imposed on a taxpayer under section 5727.24 of the Revised Code. The credit shall be claimed on a return due under section 5727.25 of the Revised Code after the certificate is issued by the authority.</del>	2184 2185 2186 2187 2188 2189
<del>(C) If the taxpayer elected a refundable credit under section 150.07 of the Revised Code and if the amount of the credit shown on the certificate does not exceed the tax otherwise due, then for the calendar year the taxpayer shall claim a refundable credit equal to the amount of the credit shown on the certificate.</del>	2190 2191 2192 2193 2194
<del>(D) If the taxpayer elected a refundable credit under section 150.07 of the Revised Code, and if the amount of the refundable credit shown on the certificate exceeds the tax otherwise due, then for the calendar year the taxpayer shall claim a refundable credit equal to the sum of the following:</del>	2195 2196 2197 2198 2199
<del>(1) The amount, if any, of the tax otherwise due;</del>	2200
<del>(2) Seventy five per cent of the difference between the amount of the refundable credit shown on the certificate and the tax otherwise due.</del>	2201 2202 2203
<del>(E) If the taxpayer elected a nonrefundable credit under section 150.07 of the Revised Code and if the nonrefundable credit</del>	2204 2205



~~to which the taxpayer would otherwise be entitled under this 2206  
section for any calendar year is greater than the tax otherwise 2207  
due, the excess shall be allowed as a nonrefundable credit in each 2208  
of the ensuing ten calendar years, but the amount of any excess 2209  
nonrefundable credit allowed in the ensuing calendar year shall be 2210  
deducted from the balance carried forward to the next calendar 2211  
year. 2212~~

~~Sec. 5729.08. (A) As used in this section, "tax otherwise 2213  
due" means the tax imposed on a foreign insurance company under 2214  
section 5729.03 of the Revised Code reduced by the total amount of 2215  
all other nonrefundable credits, if any, that the foreign 2216  
insurance company is entitled to claim. 2217~~

~~(B) Upon the issuance of a tax credit certificate by the Ohio 2218  
venture capital authority under section 150.07 of the Revised 2219  
Code, a refundable credit may be claimed against the tax imposed 2220  
on a foreign insurance company under section 5729.03 of the 2221  
Revised Code. The credit shall be claimed in the calendar year 2222  
specified in the certificate issued by the authority. 2223~~

~~(C) If the company elected a refundable credit under section 2224  
150.07 of the Revised Code and if the amount of the credit shown 2225  
on the certificate does not exceed the tax otherwise due, then for 2226  
the calendar year the company shall claim a refundable credit 2227  
equal to the amount of the credit shown on the certificate. 2228~~

~~(D) If the company elected a refundable credit under section 2229  
150.07 of the Revised Code, and the amount of the credit shown on 2230  
the certificate exceeds the tax otherwise due, then for the 2231  
calendar year the company shall claim a refundable credit equal to 2232  
the sum of the following: 2233~~

~~(1) The amount, if any, of the tax otherwise due; 2234~~

~~(2) Seventy five per cent of the difference between the 2235~~

amount of the refundable credit shown on the certificate and the 2236  
tax otherwise due. 2237

~~(E) If the company elected a nonrefundable credit, the amount 2238  
of the credit shown on the certificate shall not exceed the amount 2239  
of tax otherwise due. If the company elected a nonrefundable 2240  
credit and the credit to which the company would otherwise be 2241  
entitled under this section for any calendar year is greater than 2242  
the tax otherwise due, the excess shall be allowed as a 2243  
nonrefundable credit in each of the ensuing ten calendar years, 2244  
but the amount of any excess credit allowed in the ensuing 2245  
calendar year shall be deducted from the balance carried forward 2246  
to the next calendar year. 2247~~

**Sec. 5729.98.** (A) To provide a uniform procedure for 2248  
calculating the amount of tax due under this chapter, a taxpayer 2249  
shall claim any credits and offsets against tax liability to which 2250  
it is entitled in the following order: 2251

(1) The credit for an insurance company or insurance company 2252  
group under section 5729.031 of the Revised Code. 2253

(2) The credit for eligible employee training costs under 2254  
section 5729.07 of the Revised Code. 2255

~~(3) The credit under section 5729.08 of the Revised Code for 2256  
losses on loans made under the Ohio venture capital program under 2257  
sections 150.01 to 150.10 of the Revised Code if the taxpayer 2258  
elected a nonrefundable credit under section 150.07 of the Revised 2259  
Code. 2260~~

~~(4) The offset of assessments by the Ohio life and health 2261  
insurance guaranty association against tax liability permitted by 2262  
section 3956.20 of the Revised Code. 2263~~

~~(5)~~(4) The refundable credit for Ohio job creation under 2264  
section 5729.032 of the Revised Code. 2265

~~(6)(5)~~ The refundable credit under section 5729.08 of the Revised Code for losses on loans made under the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code ~~if the taxpayer elected a refundable credit under section 150.07 of the Revised Code.~~

(B) For any credit except the credits enumerated in divisions (A)~~(5)(4)~~ and ~~(6)(5)~~ of this section, the amount of the credit for a taxable year shall not exceed the tax due after allowing for any other credit that precedes it in the order required under this section. Any excess amount of a particular credit may be carried forward if authorized under the section creating that credit. Nothing in this chapter shall be construed to allow a taxpayer to claim, directly or indirectly, a credit more than once for a taxable year.

**Sec. 5733.01.** (A) The tax provided by this chapter for domestic corporations shall be the amount charged against each corporation organized for profit under the laws of this state and each nonprofit corporation organized pursuant to Chapter 1729. of the Revised Code, except as provided in sections 5733.09 and 5733.10 of the Revised Code, for the privilege of exercising its franchise during the calendar year in which that amount is payable, and the tax provided by this chapter for foreign corporations shall be the amount charged against each corporation organized for profit and each nonprofit corporation organized or operating in the same or similar manner as nonprofit corporations organized under Chapter 1729. of the Revised Code, under the laws of any state or country other than this state, except as provided in sections 5733.09 and 5733.10 of the Revised Code, for the privilege of doing business in this state, owning or using a part or all of its capital or property in this state, holding a certificate of compliance with the laws of this state authorizing

it to do business in this state, or otherwise having nexus in or 2297  
with this state under the Constitution of the United States, 2298  
during the calendar year in which that amount is payable. 2299

(B) A corporation is subject to the tax imposed by section 2300  
5733.06 of the Revised Code for each calendar year that it is so 2301  
organized, doing business, owning or using a part or all of its 2302  
capital or property, holding a certificate of compliance, or 2303  
otherwise having nexus in or with this state under the 2304  
Constitution of the United States, on the first day of January of 2305  
that calendar year. 2306

(C) Any corporation subject to this chapter that is not 2307  
subject to the federal income tax shall file its returns and 2308  
compute its tax liability as required by this chapter in the same 2309  
manner as if that corporation were subject to the federal income 2310  
tax. 2311

(D) For purposes of this chapter, a federally chartered 2312  
financial institution shall be deemed to be organized under the 2313  
laws of the state within which its principal office is located. 2314

(E) For purposes of this chapter, any person, as defined in 2315  
section 5701.01 of the Revised Code, shall be treated as a 2316  
corporation if the person is classified for federal income tax 2317  
purposes as an association taxable as a corporation, and an equity 2318  
interest in the person shall be treated as capital stock of the 2319  
person. 2320

(F) For the purposes of this chapter, "disregarded entity" 2321  
has the same meaning as in division (D) of section 5745.01 of the 2322  
Revised Code. 2323

(1) A person's interest in a disregarded entity, whether held 2324  
directly or indirectly, shall be treated as the person's ownership 2325  
of the assets and liabilities of the disregarded entity, and the 2326  
income, including gain or loss, shall be included in the person's 2327

net income under this chapter.	2328
(2) Any sale, exchange, or other disposition of the person's interest in the disregarded entity, whether held directly or indirectly, shall be treated as a sale, exchange, or other disposition of the person's share of the disregarded entity's underlying assets or liabilities, and the gain or loss from such sale, exchange, or disposition shall be included in the person's net income under this chapter.	2329 2330 2331 2332 2333 2334 2335
(3) The disregarded entity's payroll, property, and sales factors shall be included in the person's factors.	2336 2337
(G) The tax a corporation is required to pay under this chapter shall be as follows:	2338 2339
(1)(a) For financial institutions, the greater of the minimum payment required under division (E) of section 5733.06 of the Revised Code or the difference between all taxes charged the financial institution under this chapter, without regard to division (G)(2) of this section, less any credits allowable against such tax.	2340 2341 2342 2343 2344 2345
(b) A corporation satisfying the description in division (E)(5), (6), (7), (8), or (10) of section 5751.01 of the Revised Code that is not a financial institution, insurance company, or dealer in intangibles is subject to the taxes imposed under this chapter as a corporation and not subject to tax as a financial institution, and shall pay the greater of the minimum payment required under division (E) of section 5733.06 of the Revised Code or the difference between all the taxes charged under this chapter, without regard to division (G)(2) of this section, less any credits allowable against such tax.	2346 2347 2348 2349 2350 2351 2352 2353 2354 2355
(2) For all corporations other than those persons described in division (G)(1)(a) or (b) of this section, the amount under division (G)(2)(a) of this section applicable to the tax year	2356 2357 2358

specified less the amount under division (G)(2)(b) of this	2359
section:	2360
(a)(i) For tax year 2005, the greater of the minimum payment	2361
required under division (E) of section 5733.06 of the Revised Code	2362
or the difference between all taxes charged the corporation under	2363
this chapter and any credits allowable against such tax;	2364
(ii) For tax year 2006, the greater of the minimum payment	2365
required under division (E) of section 5733.06 of the Revised Code	2366
or four-fifths of the difference between all taxes charged the	2367
corporation under this chapter and any credits allowable against	2368
such tax except the qualifying pass-through entity tax credit	2369
described in division (A) <del>(30)</del> (29) and the refundable credits	2370
described in divisions (A) <del>(31)</del> (30), <del>(32)</del> (31), <del>(33)</del> (32), and	2371
<del>(34)</del> (33) of section 5733.98 of the Revised Code;	2372
(iii) For tax year 2007, the greater of the minimum payment	2373
required under division (E) of section 5733.06 of the Revised Code	2374
or three-fifths of the difference between all taxes charged the	2375
corporation under this chapter and any credits allowable against	2376
such tax except the qualifying pass-through entity tax credit	2377
described in division (A) <del>(30)</del> (29) and the refundable credits	2378
described in divisions (A) <del>(31)</del> (30), <del>(32)</del> (31), <del>(33)</del> (32), and	2379
<del>(34)</del> (33) of section 5733.98 of the Revised Code;	2380
(iv) For tax year 2008, the greater of the minimum payment	2381
required under division (E) of section 5733.06 of the Revised Code	2382
or two-fifths of the difference between all taxes charged the	2383
corporation under this chapter and any credits allowable against	2384
such tax except the qualifying pass-through entity tax credit	2385
described in division (A) <del>(30)</del> (29) and the refundable credits	2386
described in divisions (A) <del>(31)</del> (30), <del>(32)</del> (31), <del>(33)</del> (32), and	2387
<del>(34)</del> (33) of section 5733.98 of the Revised Code;	2388
(v) For tax year 2009, the greater of the minimum payment	2389

required under division (E) of section 5733.06 of the Revised Code 2390  
or one-fifth of the difference between all taxes charged the 2391  
corporation under this chapter and any credits allowable against 2392  
such tax except the qualifying pass-through entity tax credit 2393  
described in division (A)~~(30)~~(29) and the refundable credits 2394  
described in divisions (A)~~(31)~~(30), ~~(32)~~(31), and ~~(33)~~(32) of 2395  
section 5733.98 of the Revised Code; 2396

(vi) For tax year 2010 and each tax year thereafter, no tax. 2397

(b) A corporation shall subtract from the amount calculated 2398  
under division (G)(2)(a)(ii), (iii), (iv), or (v) of this section 2399  
any qualifying pass-through entity tax credit described in 2400  
division (A)~~(30)~~(29) and any refundable credits described in 2401  
divisions (A)~~(31)~~(30), ~~(32)~~(31), ~~(33)~~(32), and ~~(34)~~(33) of section 2402  
5733.98 of the Revised Code to which the corporation is entitled. 2403  
Any unused qualifying pass-through entity tax credit is not 2404  
refundable. 2405

(c) For the purposes of computing the amount of a credit that 2406  
may be carried forward to a subsequent tax year under division 2407  
(G)(2) of this section, a credit is utilized against the tax for a 2408  
tax year to the extent the credit applies against the tax for that 2409  
tax year, even if the difference is then multiplied by the 2410  
applicable fraction under division (G)(2)(a) of this section. 2411

(3) Nothing in division (G) of this section eliminates or 2412  
reduces the tax imposed by section 5733.41 of the Revised Code on 2413  
a qualifying pass-through entity. 2414

**Sec. 5733.49.** ~~(A)~~ Upon the issuance of a tax credit 2415  
certificate by the Ohio venture capital authority under section 2416  
150.07 of the Revised Code, a refundable credit may be claimed 2417  
against the tax imposed by section 5733.06 of the Revised Code. 2418  
The credit shall be claimed for the tax year specified in the 2419

certificate issued by the authority and in the order required 2420  
under section 5733.98 of the Revised Code. 2421

~~(B) If the taxpayer elected a refundable credit under section 2422  
150.07 of the Revised Code and the amount of the credit shown on 2423  
the certificate does not exceed the tax otherwise due under 2424  
section 5733.06, 5733.065, and 5733.066 of the Revised Code after 2425  
all nonrefundable credits are deducted, then the taxpayer shall 2426  
claim a refundable credit equal to the amount of the credit shown 2427  
on the certificate. 2428~~

~~(C) If the taxpayer elected a refundable credit under section 2429  
150.07 of the Revised Code, and the amount of the credit shown on 2430  
the certificate exceeds the tax otherwise due under sections 2431  
5733.06, 5733.065, and 5733.066 of the Revised Code after all 2432  
nonrefundable credits are deducted, the taxpayer shall claim a 2433  
refundable credit equal to the sum of the following: 2434~~

~~(1) The amount, if any, of the tax otherwise due under 2435  
sections 5733.06, 5733.065, and 5733.066 of the Revised Code after 2436  
all nonrefundable credits are deducted; 2437~~

~~(2) Seventy five per cent of the difference between the 2438  
amount of the refundable credit shown on the certificate and the 2439  
tax otherwise due under sections 5733.06, 5733.065, and 5733.066 2440  
of the Revised Code after all nonrefundable credits are deducted. 2441~~

~~(D) If the taxpayer elected a nonrefundable credit and the 2442  
credit to which the taxpayer would otherwise be entitled under 2443  
this section for any tax year is greater than the tax otherwise 2444  
due under sections 5733.06, 5733.065, and 5733.066 of the Revised 2445  
Code, after allowing for any other credits that, under section 2446  
5733.98 of the Revised Code, precede the credit allowed under this 2447  
section, the excess shall be allowed as a nonrefundable credit in 2448  
each of the ensuing ten tax years, but the amount of any excess 2449  
credit allowed in the ensuing tax year shall be deducted from the 2450~~



~~balance carried forward to the next tax year.~~ 2451

**Sec. 5733.98.** (A) To provide a uniform procedure for 2452  
calculating the amount of tax imposed by section 5733.06 of the 2453  
Revised Code that is due under this chapter, a taxpayer shall 2454  
claim any credits to which it is entitled in the following order, 2455  
except as otherwise provided in section 5733.058 of the Revised 2456  
Code: 2457

(1) For tax year 2005, the credit for taxes paid by a 2458  
qualifying pass-through entity allowed under section 5733.0611 of 2459  
the Revised Code; 2460

(2) The credit allowed for financial institutions under 2461  
section 5733.45 of the Revised Code; 2462

(3) The credit for qualifying affiliated groups under section 2463  
5733.068 of the Revised Code; 2464

(4) The subsidiary corporation credit under section 5733.067 2465  
of the Revised Code; 2466

(5) The savings and loan assessment credit under section 2467  
5733.063 of the Revised Code; 2468

(6) The credit for recycling and litter prevention donations 2469  
under section 5733.064 of the Revised Code; 2470

(7) The credit for employers that enter into agreements with 2471  
child day-care centers under section 5733.36 of the Revised Code; 2472

(8) The credit for employers that reimburse employee child 2473  
care expenses under section 5733.38 of the Revised Code; 2474

(9) The credit for maintaining railroad active grade crossing 2475  
warning devices under section 5733.43 of the Revised Code; 2476

(10) The credit for purchases of lights and reflectors under 2477  
section 5733.44 of the Revised Code; 2478

(11) The job retention credit under division (B) of section 5733.0610 of the Revised Code;	2479 2480
<del>(12) The credit for losses on loans made under the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code if the taxpayer elected a nonrefundable credit under section 150.07 of the Revised Code;</del>	2481 2482 2483 2484
<del>(13)</del> The credit for purchases of new manufacturing machinery and equipment under section 5733.31 or section 5733.311 of the Revised Code;	2485 2486 2487
<del>(14)</del> <u>(13)</u> The second credit for purchases of new manufacturing machinery and equipment under section 5733.33 of the Revised Code;	2488 2489
<del>(15)</del> <u>(14)</u> The job training credit under section 5733.42 of the Revised Code;	2490 2491
<del>(16)</del> <u>(15)</u> The credit for qualified research expenses under section 5733.351 of the Revised Code;	2492 2493
<del>(17)</del> <u>(16)</u> The enterprise zone credit under section 5709.66 of the Revised Code;	2494 2495
<del>(18)</del> <u>(17)</u> The credit for the eligible costs associated with a voluntary action under section 5733.34 of the Revised Code;	2496 2497
<del>(19)</del> <u>(18)</u> The credit for employers that establish on-site child day-care centers under section 5733.37 of the Revised Code;	2498 2499
<del>(20)</del> <u>(19)</u> The ethanol plant investment credit under section 5733.46 of the Revised Code;	2500 2501
<del>(21)</del> <u>(20)</u> The credit for purchases of qualifying grape production property under section 5733.32 of the Revised Code;	2502 2503
<del>(22)</del> <u>(21)</u> The export sales credit under section 5733.069 of the Revised Code;	2504 2505
<del>(23)</del> <u>(22)</u> The credit for research and development and technology transfer investors under section 5733.35 of the Revised	2506 2507

Code;	2508
<del>(24)</del> (23) The enterprise zone credits under section 5709.65 of the Revised Code;	2509 2510
<del>(25)</del> (24) The credit for using Ohio coal under section 5733.39 of the Revised Code;	2511 2512
<del>(26)</del> (25) The credit for small telephone companies under section 5733.57 of the Revised Code;	2513 2514
<del>(27)</del> (26) The credit for eligible nonrecurring 9-1-1 charges under section 5733.55 of the Revised Code;	2515 2516
<del>(28)</del> (27) For tax year 2005, the credit for providing programs to aid the communicatively impaired under division (A) of section 5733.56 of the Revised Code;	2517 2518 2519
<del>(29)</del> (28) The research and development credit under section 5733.352 of the Revised Code;	2520 2521
<del>(30)</del> (29) For tax years 2006 and subsequent tax years, the credit for taxes paid by a qualifying pass-through entity allowed under section 5733.0611 of the Revised Code;	2522 2523 2524
<del>(31)</del> (30) The refundable jobs creation credit under division (A) of section 5733.0610 of the Revised Code;	2525 2526
<del>(32)</del> (31) The refundable credit for tax withheld under division (B)(2) of section 5747.062 of the Revised Code;	2527 2528
<del>(33)</del> (32) The <u>refundable credit under section 5733.49 of the Revised Code</u> for losses on loans made to the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code <del>if the taxpayer elected a refundable credit under section 150.07 of the Revised Code;</del>	2529 2530 2531 2532 2533
<del>(34)</del> (33) For tax years 2006, 2007, and 2008, the refundable credit allowable under division (B) of section 5733.56 of the Revised Code.	2534 2535 2536

(B) For any credit except the credits enumerated in divisions 2537  
(A)~~(31)~~(30), ~~(32)~~(31), ~~(33)~~(32), and ~~(34)~~(33) of this section, the 2538  
amount of the credit for a tax year shall not exceed the tax due 2539  
after allowing for any other credit that precedes it in the order 2540  
required under this section. Any excess amount of a particular 2541  
credit may be carried forward if authorized under the section 2542  
creating that credit. 2543

**Sec. 5747.80.** ~~(A)~~ Upon the issuance of a tax credit 2544  
certificate by the Ohio venture capital authority under section 2545  
150.07 of the Revised Code, a refundable credit may be claimed 2546  
against the tax imposed by section 5747.02 of the Revised Code. 2547  
The credit shall be claimed for the taxable year specified in the 2548  
certificate issued by the authority and in the order required 2549  
under section 5747.98 of the Revised Code. 2550

~~(B) If the taxpayer elected a refundable credit under section 2551  
150.07 of the Revised Code and the amount of the credit shown on 2552  
the certificate does not exceed the tax otherwise due under 2553  
section 5747.02 of the Revised Code after all nonrefundable 2554  
credits are deducted, then the taxpayer shall claim a refundable 2555  
credit equal to the amount of the credit shown on the certificate. 2556~~

~~(C) If the taxpayer elected a refundable credit under section 2557  
150.07 of the Revised Code, and the amount of the credit shown on 2558  
the certificate exceeds the tax otherwise due under section 2559  
5747.02 of the Revised Code after all nonrefundable credits are 2560  
deducted, the taxpayer shall claim a refundable credit equal to 2561  
the sum of the following: 2562~~

~~(1) The amount, if any, of the tax otherwise due under 2563  
section 5747.02 of the Revised Code after all nonrefundable 2564  
credits are deducted; 2565~~

~~(2) Seventy five per cent of the difference between the 2566~~

~~amount of the refundable credit shown on the certificate and the  
tax otherwise due under section 5747.02 of the Revised Code after  
all nonrefundable credits are deducted.~~

~~(D) If the taxpayer elected a nonrefundable credit and the  
credit to which the taxpayer would otherwise be entitled under  
this section for any taxable year is greater than the tax  
otherwise due under section 5747.02 of the Revised Code, after  
allowing for any other credits that, under section 5747.98 of the  
Revised Code, precede the credit allowed under this section, the  
excess shall be allowed as a nonrefundable credit in each of the  
ensuing ten taxable years, but the amount of any excess credit  
allowed in the ensuing taxable year shall be deducted from the  
balance carried forward to the next taxable year.~~

**Sec. 5747.98.** (A) To provide a uniform procedure for  
calculating the amount of tax due under section 5747.02 of the  
Revised Code, a taxpayer shall claim any credits to which the  
taxpayer is entitled in the following order:

(1) The retirement income credit under division (B) of  
section 5747.055 of the Revised Code;

(2) The senior citizen credit under division (C) of section  
5747.05 of the Revised Code;

(3) The lump sum distribution credit under division (D) of  
section 5747.05 of the Revised Code;

(4) The dependent care credit under section 5747.054 of the  
Revised Code;

(5) The lump sum retirement income credit under division (C)  
of section 5747.055 of the Revised Code;

(6) The lump sum retirement income credit under division (D)  
of section 5747.055 of the Revised Code;

(7) The lump sum retirement income credit under division (E) of section 5747.055 of the Revised Code;	2596 2597
(8) The low-income credit under section 5747.056 of the Revised Code;	2598 2599
(9) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;	2600 2601
(10) The campaign contribution credit under section 5747.29 of the Revised Code;	2602 2603
(11) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	2604 2605
(12) The joint filing credit under division (G) of section 5747.05 of the Revised Code;	2606 2607
(13) The nonresident credit under division (A) of section 5747.05 of the Revised Code;	2608 2609
(14) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	2610 2611
(15) The credit for employers that enter into agreements with child day-care centers under section 5747.34 of the Revised Code;	2612 2613
(16) The credit for employers that reimburse employee child care expenses under section 5747.36 of the Revised Code;	2614 2615
(17) The credit for adoption of a minor child under section 5747.37 of the Revised Code;	2616 2617
(18) The credit for purchases of lights and reflectors under section 5747.38 of the Revised Code;	2618 2619
(19) The job retention credit under division (B) of section 5747.058 of the Revised Code;	2620 2621
(20) <del>The credit for losses on loans made under the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code if the taxpayer elected a nonrefundable credit under</del>	2622 2623 2624

<del>section 150.07 of the Revised Code;</del>	2625
<del>(21)</del> The credit for purchases of new manufacturing machinery and equipment under section 5747.26 or section 5747.261 of the Revised Code;	2626 2627 2628
<del>(22)</del> <u>(21)</u> The second credit for purchases of new manufacturing machinery and equipment and the credit for using Ohio coal under section 5747.31 of the Revised Code;	2629 2630 2631
<del>(23)</del> <u>(22)</u> The job training credit under section 5747.39 of the Revised Code;	2632 2633
<del>(24)</del> <u>(23)</u> The enterprise zone credit under section 5709.66 of the Revised Code;	2634 2635
<del>(25)</del> <u>(24)</u> The credit for the eligible costs associated with a voluntary action under section 5747.32 of the Revised Code;	2636 2637
<del>(26)</del> <u>(25)</u> The credit for employers that establish on-site child day-care centers under section 5747.35 of the Revised Code;	2638 2639
<del>(27)</del> <u>(26)</u> The ethanol plant investment credit under section 5747.75 of the Revised Code;	2640 2641
<del>(28)</del> <u>(27)</u> The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;	2642 2643
<del>(29)</del> <u>(28)</u> The export sales credit under section 5747.057 of the Revised Code;	2644 2645
<del>(30)</del> <u>(29)</u> The credit for research and development and technology transfer investors under section 5747.33 of the Revised Code;	2646 2647 2648
<del>(31)</del> <u>(30)</u> The enterprise zone credits under section 5709.65 of the Revised Code;	2649 2650
<del>(32)</del> <u>(31)</u> The research and development credit under section 5747.331 of the Revised Code;	2651 2652
<del>(33)</del> <u>(32)</u> The refundable jobs creation credit under division	2653

(A) of section 5747.058 of the Revised Code;	2654
<del>(34)</del> (33) The refundable credit for taxes paid by a qualifying entity granted under section 5747.059 of the Revised Code;	2655 2656
<del>(35)</del> (34) The refundable credits for taxes paid by a qualifying pass-through entity granted under division (J) of section 5747.08 of the Revised Code;	2657 2658 2659
<del>(36)</del> (35) The refundable credit for tax withheld under division (B)(1) of section 5747.062 of the Revised Code;	2660 2661
<del>(37)</del> (36) The <u>refundable credit under section 5747.80 of the Revised Code</u> for losses on loans made to the Ohio venture capital program under sections 150.01 to 150.10 of the Revised Code <del>if the taxpayer elected a refundable credit under section 150.07 of the Revised Code.</del>	2662 2663 2664 2665 2666
(B) For any credit, except the credits enumerated in divisions (A) <del>(33)</del> (32) to <del>(37)</del> (36) of this section and the credit granted under division (I) of section 5747.08 of the Revised Code, the amount of the credit for a taxable year shall not exceed the tax due after allowing for any other credit that precedes it in the order required under this section. Any excess amount of a particular credit may be carried forward if authorized under the section creating that credit. Nothing in this chapter shall be construed to allow a taxpayer to claim, directly or indirectly, a credit more than once for a taxable year.	2667 2668 2669 2670 2671 2672 2673 2674 2675 2676
<b>Sec. 5751.20.</b> (A) As used in sections 5751.20 to 5751.22 of the Revised Code:	2677 2678
(1) "School district," "joint vocational school district," "local taxing unit," "state education aid," "recognized valuation," "fixed-rate levy," and "fixed-sum levy" have the same meanings as used in section 5727.84 of the Revised Code.	2679 2680 2681 2682
(2) "State education aid offset" means the amount determined	2683



for each school district or joint vocational school district under	2684
division (A)(1) of section 5751.21 of the Revised Code.	2685
(3) "Machinery and equipment property tax value loss" means	2686
the amount determined under division (C)(1) of this section.	2687
(4) "Inventory property tax value loss" means the amount	2688
determined under division (C)(2) of this section.	2689
(5) "Furniture and fixtures property tax value loss" means	2690
the amount determined under division (C)(3) of this section.	2691
(6) "Machinery and equipment fixed-rate levy loss" means the	2692
amount determined under division (D)(1) of this section.	2693
(7) "Inventory fixed-rate levy loss" means the amount	2694
determined under division (D)(2) of this section.	2695
(8) "Furniture and fixtures fixed-rate levy loss" means the	2696
amount determined under division (D)(3) of this section.	2697
(9) "Total fixed-rate levy loss" means the sum of the	2698
machinery and equipment fixed-rate levy loss, the inventory	2699
fixed-rate levy loss, the furniture and fixtures fixed-rate levy	2700
loss, and the telephone company fixed-rate levy loss.	2701
(10) "Fixed-sum levy loss" means the amount determined under	2702
division (E) of this section.	2703
(11) "Machinery and equipment" means personal property	2704
subject to the assessment rate specified in division (F) of	2705
section 5711.22 of the Revised Code.	2706
(12) "Inventory" means personal property subject to the	2707
assessment rate specified in division (E) of section 5711.22 of	2708
the Revised Code.	2709
(13) "Furniture and fixtures" means personal property subject	2710
to the assessment rate specified in division (G) of section	2711
5711.22 of the Revised Code.	2712

(14) "Qualifying levies" are levies in effect for tax year 2713  
 2004 or applicable to tax year 2005 or approved at an election 2714  
 conducted before September 1, 2005. For the purpose of determining 2715  
 the rate of a qualifying levy authorized by section 5705.212 or 2716  
 5705.213 of the Revised Code, the rate shall be the rate that 2717  
 would be in effect for tax year 2010. 2718

(15) "Telephone property" means tangible personal property of 2719  
 a telephone, telegraph, or interexchange telecommunications 2720  
 company subject to an assessment rate specified in section 2721  
 5727.111 of the Revised Code in tax year 2004. 2722

(16) "Telephone property tax value loss" means the amount 2723  
 determined under division (C)(4) of this section. 2724

(17) "Telephone property fixed-rate levy loss" means the 2725  
 amount determined under division (D)(4) of this section. 2726

(B) The commercial activities tax receipts fund is hereby 2727  
 created in the state treasury and shall consist of money arising 2728  
 from the tax imposed under this chapter. All money in that fund 2729  
 shall be credited for each fiscal year in the following 2730  
 percentages to the general revenue fund, to the school district 2731  
 tangible property tax replacement fund, which is hereby created in 2732  
 the state treasury for the purpose of making the payments 2733  
 described in section 5751.21 of the Revised Code, and to the local 2734  
 government tangible property tax replacement fund, which is hereby 2735  
 created in the state treasury for the purpose of making the 2736  
 payments described in section 5751.22 of the Revised Code, in the 2737  
 following percentages: 2738

Fiscal year	General Revenue Fund	School District Tangible Property Tax Replacement Fund	Local Government Tangible Property Tax Replacement Fund	
2006	67.7%	22.6%	9.7%	2740

2007	0%	70.0%	30.0%	2741
2008	0%	70.0%	30.0%	2742
2009	0%	70.0%	30.0%	2743
2010	0%	70.0%	30.0%	2744
2011	0%	70.0%	30.0%	2745
2012	5.3%	70.0%	24.7%	2746
2013	19.4%	70.0%	10.6%	2747
2014	14.1%	70.0%	15.9%	2748
2015	17.6%	70.0%	12.4%	2749
2016	21.1%	70.0%	8.9%	2750
2017	24.6%	70.0%	5.4%	2751
2018	28.1%	70.0%	1.9%	2752
2019 and thereafter	100%	0%	0%	2753

(C) Not later than September 15, 2005, the tax commissioner shall determine for each school district, joint vocational school district, and local taxing unit its machinery and equipment, inventory property, furniture and fixtures property, and telephone property tax value losses, which are the applicable amounts described in divisions (C)(1), (2), (3), and (4) of this section, except as provided in division (C)(5) of this section:

(1) Machinery and equipment property tax value loss is the taxable value of machinery and equipment property as reported by taxpayers for tax year 2004 multiplied by:

(a) For tax year 2006, thirty-three and eight-tenths per cent;

(b) For tax year 2007, sixty-one and three-tenths per cent;

(c) For tax year 2008, eighty-three per cent;

(d) For tax year 2009 and thereafter, one hundred per cent.

(2) Inventory property tax value loss is the taxable value of inventory property as reported by taxpayers for tax year 2004

multiplied by:	2771
(a) For tax year 2006, a fraction, the numerator of which is	2772
five and three-fourths and the denominator of which is	2773
twenty-three;	2774
(b) For tax year 2007, a fraction, the numerator of which is	2775
nine and one-half and the denominator of which is twenty-three;	2776
(c) For tax year 2008, a fraction, the numerator of which is	2777
thirteen and one-fourth and the denominator of which is	2778
twenty-three;	2779
(d) For tax year 2009 and thereafter a fraction, the	2780
numerator of which is seventeen and the denominator of which is	2781
twenty-three.	2782
(3) Furniture and fixtures property tax value loss is the	2783
taxable value of furniture and fixture property as reported by	2784
taxpayers for tax year 2004 multiplied by:	2785
(a) For tax year 2006, twenty-five per cent;	2786
(b) For tax year 2007, fifty per cent;	2787
(c) For tax year 2008, seventy-five per cent;	2788
(d) For tax year 2009 and thereafter, one hundred per cent.	2789
The taxable value of property reported by taxpayers used in	2790
divisions (C)(1), (2), and (3) of this section shall be such	2791
values as determined to be final by the tax commissioner as of	2792
August 31, 2005. Such determinations shall be final except for any	2793
correction of a clerical error that was made prior to August 31,	2794
2005, by the tax commissioner.	2795
(4) Telephone property tax value loss is the taxable value of	2796
telephone property as taxpayers would have reported that property	2797
for tax year 2004 if the assessment rate for all telephone	2798
property for that year were twenty-five per cent, multiplied by:	2799

(a) For tax year 2006, zero per cent;	2800
(b) For tax year 2007, zero per cent;	2801
(c) For tax year 2008, zero per cent;	2802
(d) For tax year 2009, sixty per cent;	2803
(e) For tax year 2010, eighty per cent;	2804
(f) For tax year 2011 and thereafter, one hundred per cent.	2805
(5) Division (C)(5) of this section applies to any school district, joint vocational school district, or local taxing unit in a county in which is located a facility currently or formerly devoted to the enrichment or commercialization of uranium or uranium products, and for which the total taxable value of property listed on the general tax list of personal property for any tax year from tax year 2001 to tax year 2004 was fifty per cent or less of the taxable value of such property listed on the general tax list of personal property for the next preceding tax year.	2806 2807 2808 2809 2810 2811 2812 2813 2814 2815
In computing the <del>property tax value</del> <u>fixed-rate levy</u> losses under divisions <del>(C)</del> <u>(D)</u> (1), (2), and (3) of this section for any school district, joint vocational school district, or local taxing unit to which division (C)(5) of this section applies, the taxable value of such property as listed on the general tax list of personal property for tax year 2000 shall be substituted for the taxable value of such property as reported by taxpayers for tax year 2004, in the taxing district containing the uranium facility, if the taxable value listed for tax year 2000 is greater than the taxable value reported by taxpayers for tax year 2004. For the purpose of making the computations under divisions <del>(C)</del> <u>(D)</u> (1), (2), and (3) of this section, the tax year 2000 valuation is to be allocated to machinery and equipment, inventory, and furniture and fixtures property in the same proportions as the tax year 2004	2816 2817 2818 2819 2820 2821 2822 2823 2824 2825 2826 2827 2828 2829

values. For the purpose of the calculations in division (A) of 2830  
section 5751.21 of the Revised Code, the tax year 2004 taxable 2831  
values shall be used. 2832

To facilitate the calculations required under division (C) of 2833  
this section, the county auditor, upon request from the tax 2834  
commissioner, shall provide by August 1, 2005, the values of 2835  
machinery and equipment, inventory, and furniture and fixtures for 2836  
all single-county personal property taxpayers for tax year 2004. 2837

(D) Not later than September 15, 2005, the tax commissioner 2838  
shall determine for each tax year from 2006 through 2009 for each 2839  
school district, joint vocational school district, and local 2840  
taxing unit its machinery and equipment, inventory, and furniture 2841  
and fixtures fixed-rate levy losses, and for each tax year from 2842  
2006 through 2011 its telephone property fixed-rate levy loss, 2843  
which are the applicable amounts described in divisions (D)(1), 2844  
(2), (3), and (4) of this section: 2845

(1) The machinery and equipment fixed-rate levy loss is the 2846  
machinery and equipment property tax value loss multiplied by the 2847  
sum of the tax rates of fixed-rate qualifying levies. 2848

(2) The inventory fixed-rate loss is the inventory property 2849  
tax value loss multiplied by the sum of the tax rates of 2850  
fixed-rate qualifying levies. 2851

(3) The furniture and fixtures fixed-rate levy loss is the 2852  
furniture and fixture property tax value loss multiplied by the 2853  
sum of the tax rates of fixed-rate qualifying levies. 2854

(4) The telephone property fixed-rate levy loss is the 2855  
telephone property tax value loss multiplied by the sum of the tax 2856  
rates of fixed-rate qualifying levies. 2857

(E) Not later than September 15, 2005, the tax commissioner 2858  
shall determine for each school district, joint vocational school 2859  
district, and local taxing unit its fixed-sum levy loss. The 2860

fixed-sum levy loss is the amount obtained by subtracting the 2861  
amount described in division (E)(2) of this section from the 2862  
amount described in division (E)(1) of this section: 2863

(1) The sum of the machinery and equipment property tax value 2864  
loss, the inventory property tax value loss, and the furniture and 2865  
fixtures property tax value loss, and, for 2008 through 2017 the 2866  
telephone property tax value loss of the district or unit 2867  
multiplied by the sum of the fixed-sum tax rates of qualifying 2868  
levies. For 2006 through 2010, this computation shall include all 2869  
qualifying levies remaining in effect for the current tax year and 2870  
any school district emergency levies that are qualifying levies 2871  
not remaining in effect for the current year. For 2011 through 2872  
2017, this computation shall include only qualifying levies 2873  
remaining in effect for the current year. For purposes of this 2874  
computation, a qualifying school district emergency levy remains 2875  
in effect in a year after 2010 only if, for that year, the board 2876  
of education levies a school district emergency levy for an annual 2877  
sum at least equal to the annual sum levied by the board in tax 2878  
year 2004 less the amount of the payment certified under this 2879  
division for 2006. 2880

(2) The total taxable value in tax year 2004 less the sum of 2881  
the machinery and equipment, inventory, furniture and fixtures, 2882  
and telephone property tax value losses in each school district, 2883  
joint vocational school district, and local taxing unit multiplied 2884  
by one-half of one mill per dollar. 2885

(3) For the calculations in divisions (E)(1) and (2) of this 2886  
section, the tax value losses are those that would be calculated 2887  
for tax year 2009 under divisions (C)(1), (2), and (3) of this 2888  
section and for tax year 2011 under division (C)(4) of this 2889  
section. 2890

(4) To facilitate the calculation under divisions (D) and (E) 2891

of this section, not later than September 1, 2005, any school 2892  
district, joint vocational school district, or local taxing unit 2893  
that has a qualifying levy that was approved at an election 2894  
conducted during 2005 before September 1, 2005, shall certify to 2895  
the tax commissioner a copy of the county auditor's certificate of 2896  
estimated property tax millage for such levy as required under 2897  
division (B) of section 5705.03 of the Revised Code, which is the 2898  
rate that shall be used in the calculations under such divisions. 2899

If the amount determined under division (E) of this section 2900  
for any school district, joint vocational school district, or 2901  
local taxing unit is greater than zero, that amount shall equal 2902  
the reimbursement to be paid pursuant to division (D) of section 2903  
5751.21 or division (A)(3) of section 5751.22 of the Revised Code, 2904  
and the one-half of one mill that is subtracted under division 2905  
(E)(2) of this section shall be apportioned among all contributing 2906  
fixed-sum levies in the proportion that each levy bears to the sum 2907  
of all fixed-sum levies within each school district, joint 2908  
vocational school district, or local taxing unit. 2909

(F) Not later than October 1, 2005, the tax commissioner 2910  
shall certify to the department of education for every school 2911  
district and joint vocational school district the machinery and 2912  
equipment, inventory, furniture and fixtures, and telephone 2913  
property tax value losses determined under division (C) of this 2914  
section, the machinery and equipment, inventory, furniture and 2915  
fixtures, and telephone fixed-rate levy losses determined under 2916  
division (D) of this section, and the fixed-sum levy losses 2917  
calculated under division (E) of this section. The calculations 2918  
under divisions (D) and (E) of this section shall separately 2919  
display the levy loss for each levy eligible for reimbursement. 2920

(G) Not later than October 1, 2005, the tax commissioner 2921  
shall certify the amount of the fixed-sum levy losses to the 2922  
county auditor of each county in which a school district, joint 2923



vocational school district, or local taxing unit with a fixed-sum 2924  
levy loss reimbursement has territory. 2925

**Sec. 5751.21.** (A) Not later than the thirty-first day of July 2926  
of 2007 through 2017, the department of education shall determine 2927  
the following for each school district and each joint vocational 2928  
school district eligible for payment under division (B) of this 2929  
section: 2930

(1) The state education aid offset, which is the difference 2931  
obtained by subtracting the amount described in division (A)(1)(b) 2932  
of this section from the amount described in division (A)(1)(a) of 2933  
this section: 2934

(a) The state education aid computed for the school district 2935  
or joint vocational school district for the current fiscal year as 2936  
of the thirty-first day of July; 2937

(b) The state education aid that would be computed for the 2938  
school district or joint vocational school district for the 2939  
current fiscal year as of the thirty-first day of July if the 2940  
recognized valuation included the machinery and equipment, 2941  
inventory, furniture and fixtures, and telephone property tax 2942  
value losses for the school district or joint vocational school 2943  
district for the second preceding tax year. 2944

(2) The greater of zero or the difference obtained by 2945  
subtracting the state education aid offset determined under 2946  
division (A)(1) of this section from the sum of the machinery and 2947  
equipment fixed-rate levy loss, the inventory fixed-rate levy 2948  
loss, furniture and fixtures fixed-rate levy loss, and telephone 2949  
property fixed-rate levy loss certified under division (F) of 2950  
section 5751.20 of the Revised Code for all taxing districts in 2951  
each school district and joint vocational school district for the 2952  
second preceding tax year. 2953

By the fifth day of August of each such year, the department 2954  
of education shall certify the amount so determined under division 2955  
(A)(1) of this section to the director of budget and management. 2956

(B) The department of education shall pay from the school 2957  
district tangible property tax replacement fund to each school 2958  
district and joint vocational school district all of the following 2959  
for fixed-rate levy losses certified under division (F) of section 2960  
5751.20 of the Revised Code: 2961

(1) On or before May 31, 2006, one-seventh of the total 2962  
fixed-rate levy loss for tax year 2006; 2963

(2) On or before August 31, 2006, and October 31, 2006, 2964  
one-half of six-sevenths of the total fixed-rate levy loss for tax 2965  
year 2006; 2966

(3) On or before May 31, 2007, one-seventh of the total 2967  
fixed-rate levy loss for tax year 2007; 2968

(4) On or before August 31, 2007, and October 31, 2007, 2969  
forty-three per cent of the amount determined under division 2970  
(A)(2) of this section for fiscal year 2008, but not less than 2971  
zero, plus one-half of six-sevenths of the difference between the 2972  
total fixed-rate levy loss for tax year 2007 and the total 2973  
fixed-rate levy loss for tax year 2006. 2974

(5) On or before May 31, 2008, fourteen per cent of the 2975  
amount determined under division (A)(2) of this section for fiscal 2976  
year 2008, but not less than zero, plus one-seventh of the 2977  
difference between the total fixed-rate levy loss for tax year 2978  
2008 and the total fixed-rate levy loss for tax year 2006. 2979

(6) On or before August 31, 2008, and October 31, 2008, 2980  
forty-three per cent of the amount determined under division 2981  
(A)(2) of this section for fiscal year 2009, but not less than 2982  
zero, plus one-half of six-sevenths of the difference between the 2983

total fixed-rate levy loss in tax year 2008 and the total	2984
fixed-rate levy loss in tax year 2007.	2985
(7) On or before May 31, 2009, fourteen per cent of the	2986
amount determined under division (A)(2) of this section for fiscal	2987
year 2009, but not less than zero, plus one-seventh of the	2988
difference between the total fixed-rate levy loss for tax year	2989
2009 and the total fixed-rate levy loss for tax year 2007.	2990
(8) On or before August 31, 2009, and October 31, 2009,	2991
forty-three per cent of the amount determined under division	2992
(A)(2) of this section for fiscal year 2010, but not less than	2993
zero, plus one-half of six-sevenths of the difference between the	2994
total fixed-rate levy loss in tax year 2009 and the total	2995
fixed-rate levy loss in tax year 2008.	2996
(9) On or before May 31, 2010, fourteen per cent of the	2997
amount determined under division (A)(2) of this section for fiscal	2998
year 2010, but not less than zero, plus one-seventh of the	2999
difference between the total fixed-rate levy loss in tax year 2010	3000
and the total fixed-rate levy loss in tax year 2008.	3001
(10) On or before August 31, 2010, and October 31, 2010,	3002
one-third of the amount determined under division (A)(2) of this	3003
section for fiscal year 2011, but not less than zero, plus	3004
one-half of six-sevenths of the difference between the telephone	3005
property fixed-rate levy loss for tax year 2010 and the telephone	3006
property fixed-rate levy loss for tax year 2009.	3007
(11) On or before May 31, 2011, fourteen per cent of the	3008
amount determined under division (A)(2) of this section for fiscal	3009
year 2011, but not less than zero, plus one-seventh of the	3010
difference between the telephone property fixed-rate levy loss for	3011
tax year 2011 and the telephone property fixed-rate levy loss for	3012
tax year 2009.	3013
(12) On or before August 31, 2011, October 31, 2011, and May	3014

31, 2012, the amount determined under division (A)(2) of this section multiplied by a fraction, the numerator of which is fourteen and the denominator of which is seventeen, but not less than zero, multiplied by one-third, plus one-half of six-sevenths of the difference between the telephone property fixed-rate levy loss for tax year 2011 and the telephone property fixed-rate levy loss for tax year 2010.

(13) On or before May 31, 2012, fourteen per cent of the amount determined under division (A)(2) of this section for fiscal year 2012, multiplied by a fraction, the numerator of which is fourteen and the denominator of which is seventeen, plus one-seventh of the difference between the telephone property fixed-rate levy loss for tax year 2011 and the telephone property fixed-rate levy loss for tax year 2010.

(14) On or before August 31, 2012, October 31, 2012, and May 31, 2013, the amount determined under division (A)(2) of this section multiplied by a fraction, the numerator of which is eleven and the denominator of which is seventeen, but not less than zero, multiplied by one-third.

(15) On or before August 31, 2013, October 31, 2013, and May 31, 2014, the amount determined under division (A)(2) of this section multiplied by a fraction, the numerator of which is nine and the denominator of which is seventeen, but not less than zero, multiplied by one-third.

(16) On or before August 31, 2014, October 31, 2014, and May 31, 2015, the amount determined under division (A)(2) of this section multiplied by a fraction, the numerator of which is seven and the denominator of which is seventeen, but not less than zero, multiplied by one-third.

(17) On or before August 31, 2015, October 31, 2015, and May 31, 2016, the amount determined under division (A)(2) of this

section multiplied by a fraction, the numerator of which is five 3046  
and the denominator of which is seventeen, but not less than zero, 3047  
multiplied by one-third. 3048

(18) On or before August 31, 2016, October 31, 2016, and May 3049  
31, 2017, the amount determined under division (A)(2) of this 3050  
section multiplied by a fraction, the numerator of which is three 3051  
and the denominator of which is seventeen, but not less than zero, 3052  
multiplied by one-third. 3053

(19) On or before August 31, 2017, October 31, 2017, and May 3054  
31, 2018, the amount determined under division (A)(2) of this 3055  
section multiplied by a fraction, the numerator of which is one 3056  
and the denominator of which is seventeen, but not less than zero, 3057  
multiplied by one-third. 3058

(20) After May 31, 2018, no payments shall be made under this 3059  
section. 3060

The department of education shall report to each school 3061  
district and joint vocational school district the apportionment of 3062  
the payments among the school district's or joint vocational 3063  
school district's funds based on the certifications under division 3064  
(F) of section 5751.20 of the Revised Code. 3065

Any qualifying levy that is a fixed-rate levy that is not 3066  
applicable to a tax year after 2010 does not qualify for any 3067  
reimbursement after the tax year to which it is last applicable. 3068

(C) For taxes levied within the ten-mill limitation for debt 3069  
purposes in tax year 2005, payments shall be made equal to one 3070  
hundred per cent of the loss computed as if the tax were a 3071  
fixed-rate levy, but those payments shall extend from fiscal year 3072  
2006 through fiscal year 2018, as long as the qualifying levy 3073  
continues to be used for debt purposes. If the purpose of such a 3074  
qualifying levy is changed, that levy becomes subject to the 3075  
payments determined in division (B) of this section. 3076

(D)(1) Not later than January 1, 2006, for each fixed-sum 3077  
levy of each school district or joint vocational school district 3078  
and for each year for which a determination is made under division 3079  
(F) of section 5751.20 of the Revised Code that a fixed-sum levy 3080  
loss is to be reimbursed, the tax commissioner shall certify to 3081  
the department of education the fixed-sum levy loss determined 3082  
under that division. The certification shall cover a time period 3083  
sufficient to include all fixed-sum levies for which the 3084  
commissioner made such a determination. The department shall pay 3085  
from the school district property tax replacement fund to the 3086  
school district or joint vocational school district one-third of 3087  
the fixed-sum levy loss so certified for each year on or before 3088  
the last day of May, August, and October of the current year. 3089

(2) Beginning in 2006, by the first day of January of each 3090  
year, the tax commissioner shall review the certification 3091  
originally made under division (D)(1) of this section. If the 3092  
commissioner determines that a debt levy that had been scheduled 3093  
to be reimbursed in the current year has expired, a revised 3094  
certification for that and all subsequent years shall be made to 3095  
the department of education. 3096

(E) Beginning in September 2007 and through June 2018, the 3097  
director of budget and management shall transfer from the school 3098  
district tangible property tax replacement fund to the general 3099  
revenue fund each of the following: 3100

(1) On the first day of September, the lesser of one-fourth 3101  
of the amount certified for that fiscal year under division (A)(1) 3102  
of this section or the balance in the school district tangible 3103  
property tax replacement fund; 3104

(2) On the first day of December, the lesser of one-fourth of 3105  
the amount certified for that fiscal year under division (A)(1) of 3106  
this section or the balance in the school district tangible 3107

property tax replacement fund; 3108

(3) On the first day of March, the lesser of one-fourth of 3109  
the amount certified for that fiscal year under division (A)(1) of 3110  
this section or the balance in the school district tangible 3111  
property tax replacement fund; 3112

(4) On the first day of June, the lesser of one-fourth of the 3113  
amount certified for that fiscal year under division (A)(1) of 3114  
this section or the balance in the school district tangible 3115  
property tax replacement fund. 3116

(F) For each of the fiscal years 2006 through 2018, if the 3117  
total amount in the school district tangible property tax 3118  
replacement fund is insufficient to make all payments under 3119  
divisions (B), (C), and (D) of this section at the times the 3120  
payments are to be made, the director of budget and management 3121  
shall transfer from the general revenue fund to the school 3122  
district tangible property tax replacement fund the difference 3123  
between the total amount to be paid and the amount in the school 3124  
district tangible property tax replacement fund. For each fiscal 3125  
year after 2018, at the time payments under division (D) of this 3126  
section are to be made, the director of budget and management 3127  
shall transfer from the general revenue fund to the school 3128  
district property tax replacement fund the amount necessary to 3129  
make such payments. 3130

(G) On the fifteenth day of June of 2006 through 2011, the 3131  
director of budget and management may transfer any balance in the 3132  
school district tangible property tax replacement fund to the 3133  
general revenue fund. At the end of fiscal years 2012 through 3134  
2018, any balance in the school district tangible property tax 3135  
replacement fund shall remain in the fund to be used in future 3136  
fiscal years for school purposes. 3137

(H) If all of the territory of a school district or joint 3138

vocational school district is merged with another district, or if  
a part of the territory of a school district or joint vocational  
school district is transferred to an existing or newly created  
district, the department of education, in consultation with the  
tax commissioner, shall adjust the payments made under this  
section as follows:

(1) For a merger of two or more districts, the machinery and  
equipment, inventory, furniture and fixtures, and telephone  
property fixed-rate levy losses and the fixed-sum levy losses of  
the successor district shall be equal to the sum of the machinery  
and equipment, inventory, furniture and fixtures, and telephone  
property fixed-rate levy losses and debt levy losses as determined  
in section 5751.20 of the Revised Code, for each of the districts  
involved in the merger.

(2) If property is transferred from one district to a  
previously existing district, the amount of machinery and  
equipment, inventory, furniture and fixtures, and telephone  
property tax value losses and fixed-rate levy losses that shall be  
transferred to the recipient district shall be an amount equal to  
the total machinery and equipment, inventory, furniture and  
fixtures, and telephone property fixed-rate levy losses times a  
fraction, the numerator of which is the value of business tangible  
personal property on the land being transferred in the most recent  
year for which data are available, and the denominator of which is  
the total value of business tangible personal property in the  
district from which the land is being transferred in the most  
recent year for which data are available. For each of the first  
five years after the property is transferred, but not after fiscal  
year 2012, if the tax rate in the recipient district is less than  
the tax rate of the district from which the land was transferred,  
one-half of the payments arising from the amount of fixed-rate  
levy losses so transferred to the recipient district shall be paid



to the recipient district and one-half of the payments arising 3171  
from the fixed-rate levy losses so transferred shall be paid to 3172  
the district from which the land was transferred. Fixed-rate levy 3173  
losses so transferred shall be computed on the basis of the sum of 3174  
the rates of fixed-rate qualifying levies of the district from 3175  
which the land was transferred, notwithstanding division (D) of 3176  
this section. 3177

(3) After December 31, 2004, if property is transferred from 3178  
one or more districts to a district that is newly created out of 3179  
the transferred property, the newly created district shall be 3180  
deemed not to have any machinery and equipment, inventory, 3181  
furniture and fixtures, or telephone property fixed-rate levy 3182  
losses and the districts from which the property was transferred 3183  
shall have no reduction in their machinery and equipment, 3184  
inventory, furniture and fixtures, and telephone property 3185  
fixed-rate levy losses. 3186

(4) If the recipient district under division (H)(2) of this 3187  
section or the newly created district under divisions (H)(3) of 3188  
this section is assuming debt from one or more of the districts 3189  
from which the property was transferred and any of the districts 3190  
losing the property had fixed-sum levy losses, the department of 3191  
education, in consultation with the tax commissioner, shall make 3192  
an equitable division of the fixed-sum levy loss reimbursements. 3193

**Section 101.02.** That existing sections 122.151, 125.021, 3194  
126.02, 150.07, 173.27, 183.04, 183.05, 183.30, 3318.05, 3318.052, 3195  
3318.06, 3318.08, 3318.18, 3318.36, 3702.72, 3702.73, 3702.81, 3196  
3702.89, 3702.92, 5707.031, 5725.19, 5725.98, 5727.241, 5729.08, 3197  
5729.98, 5733.01, 5733.49, 5733.98, 5747.80, 5747.98, 5751.20, and 3198  
5751.21 of the Revised Code are hereby repealed. 3199

**Section 201.10.** All items in Sections 203.10 to 205.10 of 3200

this act are hereby appropriated as designated out of any moneys 3201  
in the state treasury to the credit of the designated fund that 3202  
are not otherwise appropriated. For all appropriations made in 3203  
these sections, those in the first column are for fiscal year 2007 3204  
and those in the second column are for fiscal year 2008. 3205

<b>Section 203.10. ADA DEPARTMENT OF ALCOHOL AND DRUG ADDICTION</b>				3206
SERVICES				3207
Tobacco Master Settlement Agreement Fund Group				3208
L87 038-403	Urban Minority	\$ 500,000	\$ 500,000	3209
	Alcoholism and Drug Abuse Outreach Programs			
L87 038-405	Juvenile Offender	\$ 3,000,000	\$ 3,000,000	3210
	Aftercare Program			
TOTAL TSF Tobacco Master Settlement Agreement Fund Group		\$ 3,500,000	\$ 3,500,000	3211
TOTAL ALL BUDGET FUND GROUPS		\$ 3,500,000	\$ 3,500,000	3212

<b>Section 203.20. AGO ATTORNEY GENERAL</b>				3214
Tobacco Master Settlement Agreement Fund Group				3215
J87 055-635	Law Enforcement	\$ 620,000	\$ 0	3216
	Technology, Training, and Facility Enhancements			
U87 055-402	Tobacco Settlement	\$ 673,797	\$ 723,797	3217
	Oversight, Administration, and Enforcement			
TOTAL TSF Tobacco Master Settlement Agreement Fund Group		\$ 1,293,797	\$ 723,797	3218
TOTAL ALL BUDGET FUND GROUPS		\$ 1,293,797	\$ 723,797	3219

Section 203.30. DEV DEPARTMENT OF DEVELOPMENT				3221	
Tobacco Master Settlement Agreement Fund Group				3222	
M87 195-435 Biomedical Research	\$	27,502,244	\$	21,416,437	3223
and Technology					
Transfer					
TOTAL TSF Tobacco Master Settlement Agreement Fund Group	\$	27,502,244	\$	21,416,437	3224
TOTAL ALL BUDGET FUND GROUPS	\$	27,502,244	\$	21,416,437	3225
Section 203.40. ETC ETECH OHIO				3227	
Tobacco Master Settlement Agreement Fund Group				3228	
S87 935-602 Education Technology	\$	4,350,000	\$	4,350,000	3229
Trust Fund					
TOTAL TSF Tobacco Master Settlement Agreement Fund Group	\$	4,350,000	\$	4,350,000	3232
TOTAL ALL BUDGET FUND GROUPS	\$	4,350,000	\$	4,350,000	3233
SCHOOLNET PLUS				3234	
The eTech Ohio Commission shall distribute SchoolNet Plus Grants to qualifying school districts in fiscal year 2007 and fiscal year 2008 to establish and equip at least one interactive computer workstation for each five children enrolled in the eighth grade as reported by the school district pursuant to division (A) of section 3317.03 of the Revised Code.				3235 3236 3237 3238 3239 3240	
Districts in the first two quartiles of wealth will receive up to \$128 per pupil for students in the targeted grade to purchase classroom computers. Districts in the third and fourth quartiles will receive up to \$82 per pupil in the targeted grade. If a district has met the state's goal of one computer to every five students in the targeted grade, the district may use the funds provided through SchoolNet Plus to purchase computers for				3241 3242 3243 3244 3245 3246 3247	

successive grades or to fulfill educational technology needs in 3248  
 other grades as specified in the district's technology plan. 3249

**Section 203.50.** DOH DEPARTMENT OF HEALTH 3250

Tobacco Master Settlement Agreement Fund Group 3251

L87 440-404 Minority Health Care \$ 350,000 \$ 350,000 3252

Data Development

L87 440-409 Tuberculosis \$ 450,000 \$ 450,000 3253

Prevention and  
 Treatment

L87 440-410 Hepatitis C Prevention \$ 425,000 \$ 425,000 3254

and Intervention

L87 440-411 Dental Care Programs \$ 420,000 \$ 420,000 3255

for Minority and  
 Low-Income Populations

L87 440-412 Emergency Medications \$ 850,000 \$ 850,000 3256

and Oxygen for  
 Low-Income Seniors

L87 440-414 Uncompensated Care \$ 3,855,050 \$ 3,855,050 3257

L87 440-420 Childhood Lead WIC \$ 500,000 \$ 500,000 3258

L87 440-421 Infant Mortality \$ 266,000 \$ 266,000 3259

Reduction Initiative

L87 440-432 Pneumococcal Vaccines \$ 4,700,000 \$ 4,700,000 3260

for Children

S87 440-428 Automated External \$ 2,500,000 \$ 0 3261

Difibrillators

TOTAL TSF Tobacco Master 3262

Settlement Agreement Fund 3263

Group \$ 14,316,050 \$ 11,816,050 3264

TOTAL ALL BUDGET FUND GROUPS \$ 14,316,050 \$ 11,816,050 3265

AUTOMATED EXTERNAL DEFIBRILLATORS 3266

Notwithstanding section 183.28 of the Revised Code, the 3267

foregoing appropriation item 440-428, Automated External 3268  
 Defibrillators, shall be used by the Department of Health for the 3269  
 acquisition and placement of automated external defibrillators in 3270  
 Ohio primary and secondary schools. 3271

The Department of Health shall, through a request for 3272  
 proposal process in accordance with rule 123:5-1-08 of the 3273  
 Administrative Code, use these funds to place automated external 3274  
 defibrillators in primary and secondary schools. The grant 3275  
 recipient shall not charge any school for the equipment costs 3276  
 associated with the initial placement of an automated external 3277  
 defibrillator. 3278

**Section 203.60. MIH COMMISSION ON MINORITY HEALTH 3279**

Tobacco Master Settlement Agreement Fund Group 3280

L87 149-402 Minority Health and \$ 1,090,000 \$ 1,090,000 3281  
 Academic Partnership  
 Grants

L87 149-403 Training and Capacity \$ 100,000 \$ 100,000 3282  
 Building

TOTAL TSF Tobacco Master Settlement \$ 1,190,000 \$ 1,190,000 3283  
 Agreement Fund Group

TOTAL ALL BUDGET FUND GROUPS \$ 1,190,000 \$ 1,190,000 3284

**Section 203.70. DHS DEPARTMENT OF PUBLIC SAFETY 3286**

Tobacco Master Settlement Agreement Fund Group 3287

L87 767-406 Under-Age Tobacco Use \$ 610,560 \$ 610,560 3288  
 Enforcement

TOTAL TSF Tobacco Master Settlement \$ 610,560 \$ 610,560 3289  
 Agreement Fund Group

TOTAL ALL BUDGET FUND GROUPS \$ 610,560 \$ 610,560 3290

**Section 203.80. SOA SOUTHERN OHIO AGRICULTURAL AND COMMUNITY 3292**

DEVELOPMENT FOUNDATION 3293

Tobacco Master Settlement Agreement Fund Group				3294
5M9 945-601 Operating Expenses	\$	456,942	\$ 475,220	3295
K87 945-602 Southern Ohio	\$	13,150,375	\$ 7,513,251	3296
Agricultural and Community Development Foundation				
TOTAL TSF Tobacco Master Settlement Agreement Fund Group	\$	13,607,317	\$ 7,988,471	3299
TOTAL ALL BUDGET FUND GROUPS	\$	13,607,317	\$ 7,988,471	3300

**Section 203.90. TAX DEPARTMENT OF TAXATION** 3302

Tobacco Master Settlement Agreement Fund Group				3303
T87 110-402 Tobacco Settlement	\$	328,034	\$ 328,034	3304
Enforcement				
TOTAL TSF Tobacco Master Settlement	\$	328,034	\$ 328,034	3305
Agreement Fund Group				
TOTAL ALL BUDGET FUND GROUPS	\$	328,034	\$ 328,034	3306

**Section 205.10. TUP TOBACCO USE PREVENTION AND CONTROL** 3308

FOUNDATION				3309
Tobacco Master Settlement Agreement Fund Group				3310
5M8 940-601 Operating Expenses	\$	1,659,091	\$ 1,717,159	3311
TOTAL TSF Tobacco Master Settlement	\$	1,659,091	\$ 1,717,159	3312
Agreement Fund Group				
TOTAL ALL BUDGET FUND GROUPS	\$	1,659,091	\$ 1,717,159	3313

**Section 207.10.** All items set forth in this section are 3315  
hereby appropriated out of any moneys in the state treasury to the 3316  
credit of the Education Facilities Trust Fund (Fund N87) that are 3317  
not otherwise appropriated. 3318

Appropriations

SFC SCHOOL FACILITIES COMMISSION				3319
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CAP-780 Classroom Facilities Assistance Program	\$	648,500,000	3320
Total School Facilities Commission	\$	648,500,000	3321
TOTAL Education Facilities Trust Fund	\$	648,500,000	3322

**Section 207.13.** Section 207.10 of this act shall remain in 3324  
full force and effect commencing on July 1, 2006, and terminating 3325  
on June 30, 2008, for the purpose of drawing money from the state 3326  
treasury in payment of liabilities lawfully incurred thereunder, 3327  
and on June 30, 2008, and not before, the moneys appropriated 3328  
thereby shall lapse into the funds from which they are severally 3329  
appropriated. 3330

The appropriations made in Section 207.10 of this act are 3331  
subject to all provisions of the capital appropriations act 3332  
governing the 2006-2008 biennium that are generally applicable to 3333  
such appropriations. Expenditures from appropriations contained in 3334  
Section 207.10 of this act shall be accounted for as though made 3335  
in the capital appropriations act governing the 2006-2008 3336  
biennium. 3337

**Section 209.10.** All items set forth in this section are 3338  
hereby appropriated in fiscal year 2007 for emergency repairs to 3339  
Ohio Historical Society sites out of any moneys in the state 3340  
treasury to the credit of the Cultural and Sports Facilities 3341  
Building Fund (Fund 030) that are not otherwise appropriated: 3342

AFC CULTURAL FACILITIES COMMISSION 3343

CAP-745 Historic Sites and Museums	\$	400,000	3344
Total Cultural Facilities Commission	\$	400,000	3345
Total Cultural and Sports Facilities Building Fund	\$	400,000	3346

**Section 209.11.** The Treasurer of State is hereby authorized 3348  
to issue and sell, in accordance with Section 2o of Article VII, 3349  
Ohio Constitution, and pursuant to sections 151.01 and 151.40 of 3350

the Revised Code, original obligations in an aggregate principal 3351  
amount not to exceed \$400,000, in addition to the original 3352  
issuance of obligations heretofore authorized by prior acts of the 3353  
General Assembly. These authorized obligations shall be issued and 3354  
sold from time to time, subject to applicable constitutional and 3355  
statutory limitations, as needed to ensure sufficient moneys to 3356  
the credit of the Cultural and Sports Facilities Building Fund 3357  
(Fund 030) to pay costs associated with emergency repairs to Ohio 3358  
Historical Society sites. 3359

**Section 303.03. PERSONAL SERVICE EXPENSES** 3360

Unless otherwise prohibited by law, each appropriation in 3361  
this act from which personal service expenses are paid shall bear 3362  
the employer's share of public employees' retirement, workers' 3363  
compensation, disabled workers' relief, and all group insurance 3364  
programs; the costs of centralized accounting, centralized payroll 3365  
processing, and related personnel reports and services; the cost 3366  
of the Office of Collective Bargaining; the cost of the Personnel 3367  
Board of Review; the cost of the Employee Assistance Program; the 3368  
cost of the Equal Opportunity Center; the costs of interagency 3369  
information management infrastructure; and the cost of 3370  
administering the state employee merit system as required by 3371  
section 124.07 of the Revised Code. Such costs shall be determined 3372  
in conformity with appropriate sections of law and paid in 3373  
accordance with procedures specified by the Office of Budget and 3374  
Management. 3375

**Section 303.06. REISSUANCE OF VOIDED WARRANTS** 3376

In order to provide funds for the reissuance of voided 3377  
warrants pursuant to section 117.47 of the Revised Code, there is 3378  
hereby appropriated, out of moneys in the state treasury from the 3379  
fund credited as provided in section 117.47 of the Revised Code, 3380



that amount sufficient to pay such warrants when approved by the 3381  
Office of Budget and Management. 3382

**Section 303.09.** REAPPROPRIATION OF UNEXPENDED ENCUMBERED 3383  
BALANCES OF OPERATING APPROPRIATIONS 3384

An unexpended balance of an operating appropriation or 3385  
reappropriation that a state agency lawfully encumbered prior to 3386  
the close of a fiscal year is reappropriated on the first day of 3387  
July of the following fiscal year from the fund from which it was 3388  
originally appropriated or reappropriated for the following period 3389  
and shall remain available only for the purpose of discharging the 3390  
encumbrance. 3391

(A) For an encumbrance for personal services, maintenance, 3392  
equipment, or items for resale, other than an encumbrance for an 3393  
item of special order manufacture not available on term contract 3394  
or in the open market or for reclamation of land or oil and gas 3395  
wells, for a period of not more than five months from the end of 3396  
the fiscal year; 3397

(B) For an encumbrance for an item of special order 3398  
manufacture not available on term contract or in the open market, 3399  
for a period of not more than five months from the end of the 3400  
fiscal year or, with the written approval of the Director of 3401  
Budget and Management, for a period of not more than twelve months 3402  
from the end of the fiscal year; 3403

(C) For an encumbrance for reclamation of land or oil and gas 3404  
wells, for a period ending when the encumbered appropriation is 3405  
expended or for a period of two years, whichever is less; 3406

(D) For an encumbrance for any other expense, for such period 3407  
as the Director of Budget and Management approves, provided such 3408  
period does not exceed two years. 3409

Any operating appropriations for which unexpended balances 3410

are reappropriated beyond a five-month period from the end of the 3411  
fiscal year pursuant to division (B) of this section shall be 3412  
reported to the Controlling Board by the Director of Budget and 3413  
Management by the thirty-first day of December of each year. The 3414  
report on each such item shall include the item, the cost of the 3415  
item, and the name of the vendor. This report to the Controlling 3416  
Board shall be updated on a quarterly basis for encumbrances 3417  
remaining open. 3418

Upon the expiration of the reappropriation period set out in 3419  
division (A), (B), (C), or (D) of this section, a reappropriation 3420  
made pursuant to this section lapses, and the Director of Budget 3421  
and Management shall cancel the encumbrance of the unexpended 3422  
reappropriation not later than the end of the weekend following 3423  
the expiration of the reappropriation period. 3424

Notwithstanding the preceding paragraph, with the approval of 3425  
the Director of Budget and Management, an unexpended balance of an 3426  
encumbrance that was reappropriated on the first day of July 3427  
pursuant to this section for a period specified in division (C) or 3428  
(D) of this section and that remains encumbered at the close of 3429  
the fiscal biennium is hereby reappropriated pursuant to this 3430  
section on the first day of July of the following fiscal biennium 3431  
from the fund from which it was originally appropriated or 3432  
reappropriated for the applicable period specified in division (C) 3433  
or (D) of this section and shall remain available only for the 3434  
purpose of discharging the encumbrance. 3435

If the Controlling Board approved a purchase, that approval 3436  
remains in effect as long as the appropriation used to make that 3437  
purchase remains encumbered. 3438

**Section 403.05.** That Sections 209.63.39 and 312.27 of Am. 3439  
Sub. H.B. 66 of the 126th General Assembly be amended to read as 3440  
follows: 3441

Sec. 209.63.39. ECONOMIC GROWTH CHALLENGE 3442

The foregoing appropriation item 235-433, Economic Growth 3443  
Challenge, shall be used to enhance the basic research 3444  
capabilities of Ohio's public and private institutions of higher 3445  
education, support improved graduate programs throughout the 3446  
state, and promote the transfer of technology developed by 3447  
colleges and universities to private industry to further the 3448  
economic goals of the state. 3449

Of the foregoing appropriation item 235-433, Economic Growth 3450  
Challenge, \$18,000,000 in each fiscal year shall be used for the 3451  
Research Incentive Program to enhance the basic research 3452  
capabilities of public colleges and universities and accredited 3453  
Ohio institutions of higher education holding certificates of 3454  
authorization issued under section 1713.02 of the Revised Code, in 3455  
order to strengthen academic research for pursuing Ohio's economic 3456  
development goals. The Board of Regents, in consultation with the 3457  
colleges and universities, shall administer the Research Incentive 3458  
Program and utilize a means of matching, on a fractional basis, 3459  
external funds attracted in the previous year by institutions for 3460  
basic research. The program may include incentives for increasing 3461  
the amount of external research funds coming to eligible 3462  
institutions and for focusing research efforts upon critical state 3463  
needs. Colleges and universities shall submit for review and 3464  
approval to the Board of Regents plans for the institutional 3465  
allocation of state dollars received through the program. The 3466  
institutional plans shall provide the rationale for the allocation 3467  
in terms of the strategic targeting of funds for academic and 3468  
state purposes, for strengthening research programs, for 3469  
increasing the amount of external research funds, and shall 3470  
include an evaluation process to provide results of the increased 3471  
support. Institutional plans for the use of Research Incentive 3472

funding must demonstrate a significant investment in Third 3473  
Frontier activities funded at the institution. For a college or 3474  
university with multiple Third Frontier grants, as much as ten per 3475  
cent of that institution's Research Incentive funding may be 3476  
invested in Third Frontier Project-related activities. Each 3477  
institutional plan for the investment of Research Incentive moneys 3478  
shall report on existing, planned, or possible relationships with 3479  
other state science and technology programs and funding recipients 3480  
in order to further ongoing statewide science and technology 3481  
collaboration objectives. The Board of Regents shall submit a 3482  
biennial report of progress to the General Assembly. 3483

In fiscal year 2006, ~~both those~~ all state-assisted ~~doctoral~~ 3484  
doctor of philosophy degree-granting universities and those 3485  
accredited Ohio institutions of higher education holding 3486  
certificates of authorization under section 1713.02 of the Revised 3487  
Code ~~electing to participate in the Innovation Incentive Program~~ 3488  
shall initiate a comprehensive Innovation Incentive Plan designed 3489  
to enhance doctoral programs and areas of research that have the 3490  
greatest potential to attract preeminent researchers and build 3491  
research capacity; enhance regional or state economic growth by 3492  
creating new products and services to be commercialized; and 3493  
complement Ohio's Third Frontier Project. 3494

Funding for the Innovation Incentive Program shall be 3495  
generated from those state-assisted doctor of philosophy 3496  
degree-granting universities ~~electing to set aside~~ reallocating a 3497  
portion of their allocation of the current doctoral reserve as 3498  
provided in appropriation item 235-501, State Share of 3499  
Instruction, and state matching funds provided in appropriation 3500  
item 235-433, Economic Growth Challenge. Additionally, those 3501  
accredited Ohio institutions of higher education holding 3502  
certificates of authorization under section 1713.02 of the Revised 3503  
Code ~~electing to participate in the Innovation Incentive Program~~ 3504

shall be required to set aside an amount comparable to the 3505  
state-assisted doctor of philosophy degree-granting universities. 3506  
The criteria for the determination of this amount shall be 3507  
developed by the Board of Regents. 3508

Of the foregoing appropriation item 235-433, Economic Growth 3509  
Challenge, \$2,343,097 in fiscal year 2006 and \$4,686,194 in fiscal 3510  
year 2007 shall ~~match funds set aside by the state-assisted~~ 3511  
~~universities for the Innovation Incentive Program. The set aside~~ 3512  
~~begins in fiscal year 2006 and is intended to increase~~ 3513  
~~incrementally over a period of ten years with the goal of setting~~ 3514  
~~aside a total of fifteen per cent of the doctoral reserve from~~ 3515  
~~appropriation item 235-501, State Share of Instruction, by 2016.~~ 3516

The ~~be used by the~~ Board of Regents shall use the combined 3517  
amount of each participating state-assisted university's set aside 3518  
of the doctoral reserve that has been withheld, the state matching 3519  
funds earmarked under appropriation item 235-433, Economic Growth 3520  
Challenge, and the amount set aside by each accredited Ohio 3521  
institution of higher education holding a certificate of 3522  
authorization under section 1713.02 of the Revised Code electing 3523  
to participate in the Innovation Incentive Program to make awards 3524  
through a competitive process under the Innovation Incentive 3525  
Program. Only universities electing to set aside the prescribed 3526  
amount shall be eligible to compete for and receive Innovation 3527  
Incentive awards. The participating universities shall use their 3528  
internally reallocated funds and these competitive state-funded 3529  
awards to restructure their array of ~~doctoral~~ doctor of philosophy 3530  
degree-granting programs. 3531

After completion of a transition period during implementation 3532  
of the Innovation Incentive Program, the Board of Regents may 3533  
withhold up to 0.75 per cent in fiscal year 2006 and 1.5 per cent 3534  
in fiscal year 2007 of a state-assisted doctor of philosophy 3535  
degree-granting university's allocation of the current doctoral 3536

reserve if that university is not internally reallocating its 3537  
allocation of the doctoral reserve or is not competing at an 3538  
acceptable level with other participating universities according 3539  
to the Innovation Incentive Program. The Board of Regents, in 3540  
consultation with the participating universities and the Office of 3541  
Budget and Management, shall develop guidelines for the length of 3542  
the transition period and criteria for determining the acceptable 3543  
level of competing in the Innovation Incentive Program. 3544

Of the foregoing appropriation item 235-433, Economic Growth 3545  
Challenge, \$500,000 in fiscal year 2007 shall be distributed for 3546  
the Technology Commercialization Incentive. The purpose of the 3547  
Technology Commercialization Incentive is to reward public and 3548  
private colleges and universities for successful technology 3549  
transfer to Ohio-based business and industry resulting in the 3550  
commercialization of new products, processes, and services and the 3551  
establishment of new business start-ups within the state. The 3552  
Third Frontier Commission, with counsel from the Third Frontier 3553  
Advisory Board, shall establish the eligibility criteria for 3554  
public and private colleges and universities interested in 3555  
applying for Technology Commercialization Incentive funding. To 3556  
qualify for the funds, public and private colleges and 3557  
universities must maintain a significant investment in their own 3558  
technology-transfer and commercialization operation and 3559  
capabilities, and possess a significant history of successful 3560  
research partnerships with Ohio-based business and industry. 3561

**Sec. 312.27. TRANSFERS TO THE EDUCATION FACILITIES TRUST FUND** 3562

Notwithstanding section 183.02 of the Revised Code, after all 3563  
transfers from the Tobacco Master Settlement Agreement Fund (Fund 3564  
087) to various other funds of cash that would have otherwise been 3565  
transferred to the Tobacco Use Prevention and Cessation Trust Fund 3566  
(Fund H87) in fiscal year 2006 have been made, the Director of 3567

Budget and Management shall transfer the remaining balance of the 3568  
funds that would otherwise be transferred to the Tobacco Use 3569  
Prevention and Cessation Trust Fund in fiscal year 2006 to the 3570  
Education Facilities Trust Fund (Fund N87). 3571

Notwithstanding section 183.02 of the Revised Code and 3572  
division (B)(3) of Section 206.27 of Am. Sub. H.B. 66 of the 126th 3573  
General Assembly, after all transfers from the Tobacco Master 3574  
Settlement Agreement Fund (Fund 087) to various other funds of 3575  
cash that would have otherwise been transferred to the Tobacco Use 3576  
Prevention and Cessation Trust Fund (Fund H87) in fiscal year 2007 3577  
have been made, the Director of Budget and Management shall 3578  
transfer the remaining balance of the funds that would otherwise 3579  
be transferred to the Tobacco Use Prevention and Cessation Trust 3580  
Fund in fiscal year 2007 to the Education Facilities Trust Fund 3581  
(Fund N87). 3582

**Section 403.06.** That existing Sections 209.63.39 and 312.27 3583  
of Am. Sub. H.B. 66 of the 126th General Assembly are hereby 3584  
repealed. 3585

**Section 403.07.** That Section 209.63.57 of Am. Sub. H.B. 66 of 3586  
the 126th General Assembly, as amended by Sub. H.B. 478 of the 3587  
126th General Assembly, be amended to read as follows: 3588

**Sec. 209.63.57. STATE SHARE OF INSTRUCTION** 3589

As soon as practicable during each fiscal year of the 3590  
biennium ending June 30, 2007, in accordance with instructions of 3591  
the Board of Regents, each state-assisted institution of higher 3592  
education shall report its actual enrollment to the Board of 3593  
Regents. 3594

The Board of Regents shall establish procedures required by 3595  
the system of formulas set out below and for the assignment of 3596

individual institutions to categories described in the formulas. 3597  
The system of formulas establishes the manner in which aggregate 3598  
expenditure requirements shall be determined for each of the three 3599  
components of institutional operations. In addition to other 3600  
adjustments and calculations described below, the subsidy 3601  
entitlement of an institution shall be determined by subtracting 3602  
from the institution's aggregate expenditure requirements income 3603  
to be derived from the local contributions assumed in calculating 3604  
the subsidy entitlements. The local contributions for purposes of 3605  
determining subsidy support shall not limit the authority of the 3606  
individual boards of trustees to establish fee levels. 3607

The General Studies and Technical models shall be adjusted by 3608  
the Board of Regents so that the share of state subsidy earned by 3609  
those models is not altered by changes in the overall local share. 3610  
A lower-division fee differential shall be used to maintain the 3611  
relationship that would have occurred between these models and the 3612  
baccalaureate models had an assumed share of 37.5 per cent been 3613  
funded. 3614

In defining the number of full-time equivalent (FTE) students 3615  
for state subsidy purposes, the Board of Regents shall exclude all 3616  
undergraduate students who are not residents of Ohio, except those 3617  
charged in-state fees in accordance with reciprocity agreements 3618  
made under section 3333.17 of the Revised Code or employer 3619  
contracts entered into under section 3333.32 of the Revised Code. 3620

(A) AGGREGATE EXPENDITURE PER FULL-TIME EQUIVALENT STUDENT 3621

(1) INSTRUCTION AND SUPPORT SERVICES 3622

MODEL	FY 2006	FY 2007	
General Studies I	\$ 4,655	\$ 4,655	3623
General Studies II	\$ 5,135	\$ 5,135	3624
General Studies III	\$ 6,365	\$ 6,365	3625
Technical I	\$ 5,926	\$ 5,926	3626



Technical III	\$ 9,107	\$ 9,107	3628
Baccalaureate I	\$ 7,160	\$ 7,160	3629
Baccalaureate II	\$ 8,235	\$ 8,235	3630
Baccalaureate III	\$11,841	\$11,841	3631
Masters and Professional I	\$19,088	\$19,088	3632
Masters and Professional II	\$20,984	\$20,984	3633
Masters and Professional III	\$27,234	\$27,234	3634
Medical I	\$29,143	\$29,143	3635
Medical II	\$37,172	\$37,172	3636
MPD I	\$13,645	\$13,645	3637

(2) STUDENT SERVICES 3638

For this purpose, FTE counts shall be weighted to reflect 3639  
differences among institutions in the numbers of students enrolled 3640  
on a part-time basis. The student services subsidy per FTE shall 3641  
be \$890 in each fiscal year for all models. 3642

(B) PLANT OPERATION AND MAINTENANCE (POM) 3643

(1) DETERMINATION OF THE SQUARE-FOOT-BASED POM SUBSIDY 3644

Space undergoing renovation shall be funded at the rate 3645  
allowed for storage space. 3646

In the calculation of square footage for each campus, square 3647  
footage shall be weighted to reflect differences in space 3648  
utilization. 3649

The space inventories for each campus shall be those 3650  
determined in the fiscal year 2003 state share of instruction 3651  
calculation, adjusted for changes attributable to the construction 3652  
or renovation of facilities for which state appropriations were 3653  
made or local commitments were made prior to January 1, 1995. 3654

Only 50 per cent of the space permanently taken out of 3655  
operation in fiscal year 2006 or fiscal year 2007 that is not 3656  
otherwise replaced by a campus shall be deleted from the plant 3657

operation and maintenance space inventory. 3658

The square-foot-based plant operation and maintenance subsidy 3659  
for each campus shall be determined as follows: 3660

(a) For each standard room type category shown below, the 3661  
subsidy-eligible net assignable square feet (NASF) for each campus 3662  
shall be multiplied by the following rates, and the amounts summed 3663  
for each campus to determine the total gross square-foot-based POM 3664  
expenditure requirement: 3665

	FY 2006	FY 2007	
Classrooms	\$5.86	\$5.86	3666
Laboratories	\$7.31	\$7.31	3667
Offices	\$5.86	\$5.86	3668
Audio Visual Data Processing	\$7.31	\$7.31	3669
Storage	\$2.59	\$2.59	3670
Circulation	\$7.39	\$7.39	3671
Other	\$5.86	\$5.86	3672

(b) The total gross square-foot POM expenditure requirement 3673  
shall be allocated to models in proportion to each campus's 3674  
activity-based POM weight multiplied by the two- or five-year 3675  
average subsidy-eligible FTEs for all models. 3676

(c) The amounts allocated to models in division (B)(1)(b) of 3677  
this section shall be multiplied by the ratio of subsidy-eligible 3678  
FTE students to total FTE students reported in each model, and the 3679  
amounts summed for all models. To this total amount shall be added 3680  
an amount to support roads and grounds expenditures, which shall 3681  
also be multiplied by the ratio of subsidy-eligible FTE students 3682  
to total FTEs reported for each model. From this total amount, the 3683  
amounts for Doctoral I and Doctoral II shall be subtracted to 3684  
produce the square-foot-based POM subsidy. 3685

(2) DETERMINATION OF THE ACTIVITY-BASED POM SUBSIDY 3686

(a) The number of subsidy-eligible FTE students in each model 3687

shall be multiplied by the following rates for each campus for			3689
each fiscal year.			3690
	FY 2006	FY 2007	3691
General Studies I	\$ 512	\$ 512	3692
General Studies II	\$ 662	\$ 662	3693
General Studies III	\$1,464	\$1,464	3694
Technical I	\$ 752	\$ 752	3695
Technical III	\$1,343	\$1,343	3696
Baccalaureate I	\$ 639	\$ 639	3697
Baccalaureate II	\$1,149	\$1,149	3698
Baccalaureate III	\$1,262	\$1,262	3699
Masters and Professional I	\$1,258	\$1,258	3700
Masters and Professional II	\$2,446	\$2,446	3701
Masters and Professional III	\$3,276	\$3,276	3702
Medical I	\$1,967	\$1,967	3703
Medical II	\$3,908	\$3,908	3704
MPD I	\$1,081	\$1,081	3705
(b) The sum of the products for each campus determined in			3706
division (B)(2)(a) of this section for all models except Doctoral			3707
I and Doctoral II for each fiscal year shall be weighted by a			3708
factor to reflect sponsored research activity and job			3709
training-related public services expenditures to determine the			3710
total activity-based POM subsidy.			3711
(C) CALCULATION OF CORE SUBSIDY ENTITLEMENTS AND ADJUSTMENTS			3712
(1) CALCULATION OF CORE SUBSIDY ENTITLEMENTS			3713
The calculation of the core subsidy entitlement shall consist			3714
of the following components:			3715
(a) For each campus in each fiscal year, the core subsidy			3716
entitlement shall be determined by multiplying the amounts listed			3717
above in divisions (A)(1) and (2) and (B)(2) of this section less			3718
assumed local contributions, by (i) average subsidy-eligible FTEs			3719

for the two-year period ending in the prior year for all models 3720  
except Doctoral I and Doctoral II; and (ii) average 3721  
subsidy-eligible FTEs for the five-year period ending in the prior 3722  
year for all models except Doctoral I and Doctoral II. 3723

(b) In calculating the core subsidy entitlements for Medical 3724  
II models only, the Board of Regents shall use the following count 3725  
of FTE students: 3726

(i) For those medical schools whose current year enrollment, 3727  
including students repeating terms, is below the base enrollment, 3728  
the Medical II FTE enrollment shall equal: 65 per cent of the base 3729  
enrollment plus 35 per cent of the current year enrollment 3730  
including students repeating terms, where the base enrollment is: 3731

The Ohio State University	1010	3732
University of Cincinnati	833	3733
University of Toledo	650	3734
Wright State University	433	3735
Ohio University	433	3736
Northeastern Ohio Universities College of Medicine	433	3737

(ii) For those medical schools whose current year enrollment, 3738  
excluding students repeating terms, is equal to or greater than 3739  
the base enrollment, the Medical II FTE enrollment shall equal the 3740  
base enrollment plus the FTE for repeating students. 3741

(iii) Students repeating terms may be no more than five per 3742  
cent of current year enrollment. 3743

(c) The Board of Regents shall compute the sum of the two 3744  
calculations listed in division (C)(1)(a) of this section and use 3745  
the greater sum as the core subsidy entitlement. 3746

The POM subsidy for each campus shall equal the greater of 3747  
the square-foot-based subsidy or the activity-based POM subsidy 3748  
component of the core subsidy entitlement. 3749

(d) The state share of instruction provided for doctoral students shall be based on a fixed percentage of the total appropriation. In each fiscal year of the biennium not more than 10.34 per cent of the total state share of instruction shall be reserved to implement the recommendations of the Graduate Funding Commission. It is the intent of the General Assembly that the doctoral reserve not exceed 10.34 per cent of the total state share of instruction to implement the recommendations of the Graduate Funding Commission. The Board of Regents may reallocate up to two per cent in each fiscal year of the reserve among the state-assisted universities on the basis of a quality review as specified in the recommendations of the Graduate Funding Commission. No such reallocation shall occur unless the Board of Regents, in consultation with representatives of state-assisted universities, determines that sufficient funds are available for this purpose.

The amount so reserved shall be allocated to universities in proportion to their share of the total number of Doctoral I equivalent FTEs as calculated on an institutional basis using the greater of the two-year or five-year FTEs for the period fiscal year 1994 through fiscal year 1998 with annualized FTEs for fiscal years 1994 through 1997 and all-term FTEs for fiscal year 1998 as adjusted to reflect the effects of doctoral review and subsequent changes in Doctoral I equivalent enrollments. For the purposes of this calculation, Doctoral I equivalent FTEs shall equal the sum of Doctoral I FTEs plus 1.5 times the sum of Doctoral II FTEs.

~~If a~~ Each doctor of philosophy degree-granting university participates in the Innovation Incentive Program outlined in appropriation item 235-433, Economic Growth Challenge, then the Board of Regents shall ~~withhold~~ internally reallocate 1.5 per cent in fiscal year 2006 and three per cent in fiscal year 2007 of ~~the participating university's~~ its allocation of the doctoral reserve

for the Innovation Incentive Program outlined in Section 209.63.39 3782  
of Am. Sub. H.B. 66 of the 126th General Assembly. This 3783  
withholding internal reallocation is intended to increase 3784  
incrementally with a goal of ~~setting aside~~ internally reallocating 3785  
15 per cent of the total doctoral reserve by fiscal year 2016. 3786

~~The Board of Regents shall use the combined amount of each~~ 3787  
~~participating state assisted university's set aside of the~~ 3788  
~~doctoral reserve that has been withheld, the state matching funds~~ 3789  
~~earmarked under appropriation item 235-433, Economic Growth~~ 3790  
~~Challenge, and the amount set aside by each accredited Ohio~~ 3791  
~~institution of higher education holding a certificate of~~ 3792  
~~authorization under section 1713.02 of the Revised Code electing~~ 3793  
~~to participate in the Innovation Incentive Program to make awards~~ 3794  
~~through a competitive process under the Innovation Incentive~~ 3795  
~~Program. Only universities electing to set aside the prescribed~~ 3796  
~~amount shall be eligible to compete for and receive Innovation~~ 3797  
~~Incentive awards. The participating universities shall use these~~ 3798  
~~awards to restructure their array of doctoral programs.~~ 3799

(2) ANNUAL STATE SHARE OF INSTRUCTION FUNDING STOP LOSS 3800

In addition to and after the other adjustment noted above, in 3801  
each fiscal year, no campus shall receive a state share of 3802  
instruction allocation that is less than 97 per cent of the prior 3803  
year's state share of instruction amount. 3804

(3) REDUCTIONS IN EARNINGS 3805

If the total state share of instruction earnings in any 3806  
fiscal year exceeds the total appropriations available for such 3807  
purposes, the Board of Regents shall proportionately reduce the 3808  
state share of instruction earnings for all campuses by a uniform 3809  
percentage so that the system wide sum equals available 3810  
appropriations. 3811

(4) CAPITAL COMPONENT DEDUCTION 3812

After all other adjustments have been made, state share of 3813  
instruction earnings shall be reduced for each campus by the 3814  
amount, if any, by which debt service charged in Am. H.B. 748 of 3815  
the 121st General Assembly, Am. Sub. H.B. 850 of the 122nd General 3816  
Assembly, Am. Sub. H.B. 640 of the 123rd General Assembly, H.B. 3817  
675 of the 124th General Assembly, and Am. Sub. H.B. 16 of the 3818  
126th General Assembly for that campus exceeds that campus's 3819  
capital component earnings. The sum of the amounts deducted shall 3820  
be transferred to appropriation item 235-552, Capital Component, 3821  
in each fiscal year. 3822

(D) EXCEPTIONAL CIRCUMSTANCES 3823

Adjustments may be made to the state share of instruction 3824  
payments and other subsidies distributed by the Board of Regents 3825  
to state-assisted colleges and universities for exceptional 3826  
circumstances. No adjustments for exceptional circumstances may be 3827  
made without the recommendation of the Chancellor and the approval 3828  
of the Controlling Board. 3829

(E) MID-YEAR APPROPRIATION REDUCTIONS TO THE STATE SHARE OF 3830  
INSTRUCTION 3831

The standard provisions of the state share of instruction 3832  
calculation as described in the preceding sections of temporary 3833  
law shall apply to any reductions made to appropriation item 3834  
235-501, State Share of Instruction, before the Board of Regents 3835  
has formally approved the final allocation of the state share of 3836  
instruction funds for any fiscal year. 3837

Any reductions made to appropriation item 235-501, State 3838  
Share of Instruction, after the Board of Regents has formally 3839  
approved the final allocation of the state share of instruction 3840  
funds for any fiscal year, shall be uniformly applied to each 3841  
campus in proportion to its share of the final allocation. 3842

(F) DISTRIBUTION OF STATE SHARE OF INSTRUCTION 3843

The state share of instruction payments to the institutions 3844  
shall be in substantially equal monthly amounts during the fiscal 3845  
year, unless otherwise determined by the Director of Budget and 3846  
Management pursuant to section 126.09 of the Revised Code. 3847  
Payments during the first six months of the fiscal year shall be 3848  
based upon the state share of instruction appropriation estimates 3849  
made for the various institutions of higher education according to 3850  
Board of Regents enrollment estimates. Payments during the last 3851  
six months of the fiscal year shall be distributed after approval 3852  
of the Controlling Board upon the request of the Board of Regents. 3853

(G) LAW SCHOOL SUBSIDY 3854

The state share of instruction to state-supported 3855  
universities for students enrolled in law schools in fiscal year 3856  
2006 and fiscal year 2007 shall be calculated by using the number 3857  
of subsidy-eligible FTE law school students funded by state 3858  
subsidy in fiscal year 1995 or the actual number of 3859  
subsidy-eligible FTE law school students at the institution in the 3860  
fiscal year, whichever is less. 3861

(H) FUNDS REQUIRING CONTROLLING BOARD APPROVAL 3862

Of the foregoing appropriation item 235-501, State Share of 3863  
Instruction, \$30,000,000 in fiscal year 2007 shall not be 3864  
disbursed without approval of the Controlling Board. Within ten 3865  
days after the issuance of the report of the Higher Education 3866  
Funding Study Council required by Section 209.63.58 of Am. Sub. 3867  
H.B. 66 of the 126th General Assembly, the Board of Regents shall 3868  
seek the Controlling Board's approval to disburse the \$30,000,000 3869  
appropriation. 3870

**Section 403.08.** That existing Section 209.63.57 of Am. Sub. 3871  
H.B. 66 of the 126th General Assembly, as amended by Sub. H.B. 478 3872  
of the 126th General Assembly, is hereby repealed. 3873



**Section 403.11.** That Section 203.09 of Am. Sub. H.B. 66 of 3874  
the 126th General Assembly, as amended by Am. Sub. H.B. 530 of the 3875  
126th General Assembly, be amended to read as follows: 3876

<b>Sec. 203.09. ADJ ADJUTANT GENERAL</b>				3877
General Revenue Fund				3878
GRF 745-401	Ohio Military Reserve	\$ 15,188	\$ 15,188	3879
GRF 745-404	Air National Guard	\$ 1,939,762	<del>1,939,762</del>	3880
			<u>2,107,749</u>	
GRF 745-407	National Guard	\$ 1,400,000	\$ 1,400,000	3881
Benefits				
GRF 745-409	Central Administration	\$ 3,949,590	<del>3,949,590</del>	3882
			<u>4,317,660</u>	
GRF 745-499	Army National Guard	\$ 4,086,222	<del>4,086,222</del>	3883
			<u>4,820,165</u>	
GRF 745-502	Ohio National Guard	\$ 102,973	\$ 102,973	3884
Unit Fund				
TOTAL GRF	General Revenue Fund	\$ 11,493,735	<del>11,493,735</del>	3885
			<u>12,763,735</u>	
General Services Fund Group				3886
534 745-612	Armory Improvements	\$ 534,304	\$ 534,304	3887
536 745-620	Camp Perry/Buckeye Inn	\$ 1,094,970	\$ 1,094,970	3888
Operations				
537 745-604	Ohio National Guard	\$ 219,826	\$ 219,826	3889
Facility Maintenance				
TOTAL GSF	General Services Fund	\$ 1,849,100	\$ 1,849,100	3890
Group				
Federal Special Revenue Fund Group				3891
3E8 745-628	Air National Guard	\$ 12,174,760	\$ 12,174,760	3892
Agreement				
3R8 745-603	Counter Drug	\$ 25,000	\$ 25,000	3893

		Operations				
341	745-615	Air National Guard	\$	2,424,740	\$	2,424,740 3894
		Base Security				
342	745-616	Army National Guard	\$	8,686,893	\$	8,686,893 3895
		Agreement				
TOTAL FED	Federal	Special Revenue	\$	23,311,393	\$	23,311,393 3896
Fund Group						
State Special Revenue Fund Group						3897
5DN	745-618	Service Medal	\$	1,500	\$	0 3898
		Production				
5U8	745-613	Community Match	\$	90,000	\$	91,800 3899
		Armories				
528	745-605	Marksmanship	\$	126,078	\$	128,600 3900
		Activities				
TOTAL SSR	State	Special Revenue	\$	217,578	\$	220,400 3901
Fund Group						
TOTAL ALL BUDGET	FUND	GROUPS	\$	36,871,806	\$	<del>36,874,628</del> 3902
						<u>38,144,628</u>
NATIONAL GUARD BENEFITS						3903
The foregoing appropriation item 745-407, National Guard						3904
Benefits, shall be used for purposes of sections 5919.31 and						3905
5919.33 of the Revised Code, and for administrative costs of the						3906
associated programs.						3907
For active duty members of the Ohio National Guard who died						3908
after October 7, 2001, while performing active duty, the death						3909
benefit, pursuant to section 5919.33 of the Revised Code, shall be						3910
paid to the beneficiary or beneficiaries designated on the						3911
member's Servicemembers' Group Life Insurance Policy.						3912
STATE ACTIVE DUTY COSTS						3913
Of the foregoing appropriation item 745-409, Central						3914
Administration, \$50,000 in each fiscal year shall be used for the						3915

purpose of paying expenses related to state active duty of members 3916  
of the Ohio organized militia, in accordance with a proclamation 3917  
of the Governor. Expenses include, but are not limited to, the 3918  
cost of equipment, supplies, and services, as determined by the 3919  
Adjutant General's Department. 3920

NATIONAL GUARD SERVICE MEDAL PRODUCTION 3921

The foregoing appropriation item 745-618, Service Medal 3922  
Production, shall be used to cover costs of production of the 3923  
Commemorative National Guard Service Medal pursuant to section 3924  
5919.19 of the Revised Code. 3925

CASH TRANSFER TO NATIONAL GUARD SERVICE MEDAL FUND 3926

At the request of the Adjutant General, the Director of 3927  
Budget and Management may transfer up to \$1,500 cash from the 3928  
General Revenue Fund to the National Guard Service Medal Fund 3929  
(Fund 5DN) in fiscal year 2006. 3930

**Section 403.12.** That existing Section 203.09 of Am. Sub. H.B. 3931  
66 of the 126th General Assembly, as amended by Am. Sub. H.B. 530 3932  
of the 126th General Assembly, is hereby repealed. 3933

**Section 483.03.** (A) Pursuant to section 5911.10 of the 3934  
Revised Code, the Governor is hereby authorized to execute a deed 3935  
in the name of the state conveying to a buyer or buyers to be 3936  
determined in the manner provided in division (C) of this section, 3937  
and the buyer's or buyers' successors and assigns or heirs and 3938  
assigns, all of the state's right, title, and interest in the 3939  
following described parcel of real estate that the Adjutant 3940  
General has determined is no longer required for armory or 3941  
military purposes: 3942

Situated in Section 36, Township 2, Range 1, in the Township of 3943  
Steubenville, County of Jefferson and State of Ohio, and more 3944

particularly described as follows. Beginning at a stake 54.37 feet 3945  
eastwardly from the southeast corner of the intersection of 3946  
Franklin Avenue with Jacksonville Road now known as Brady Avenue. 3947  
Thence with the south line of Franklin Avenue N. 69 degrees 52' 3948  
west 29.37 feet to the P.C. of a curve having a central angle of 3949  
64 degrees 37'; thence in an arc of a circle a distance of 44.52 3950  
feet to the P.T. of said curve; thence south 45 degrees 31' west 3951  
with the east line of Brady Avenue 356.99 feet to the P.C. of a 3952  
curve having a central angle of 129 degrees 14'; thence in an arc 3953  
of a circle a distance of 42.73 feet to the P.T. of said curve; 3954  
thence south 83 degrees 43' east with north line of Pershing 3955  
Avenue 280.17 feet to a 15 foot alley; thence with the west line 3956  
of said alley north 6 degrees 17' east 303.03 feet to the place of 3957  
beginning. Containing 1.678 Acres more of less, but subject to all 3958  
legal highways, and saving, excepting and reserving from the above 3959  
described real estate, all the coal underlying the same, with the 3960  
right to mine and remove the same by means of approaches from 3961  
other lands. 3962

(B) At the request of the Adjutant General, the Director of 3963  
Administrative Services, pursuant to the procedures described in 3964  
division (C) of this section, shall assist in the sale of the 3965  
parcel described in division (A) of this section. 3966

(C) The Adjutant General shall appraise the parcel described 3967  
in division (A) of this section or have it appraised by one of 3968  
more disinterested persons for a fee to be determined by the 3969  
Adjutant General, and shall offer the parcel for sale as follows: 3970

(1) The Adjutant General first shall offer the parcel for 3971  
sale at its appraised value to the township in which it is 3972  
located. 3973

(2) If, after sixty days, the township has not accepted the 3974  
offer to purchase the parcel at its appraised value or has 3975

accepted the offer but has failed to complete the purchase, the 3976  
Adjutant General shall offer the parcel for sale at its appraised 3977  
value to the county in which it is located. 3978

(3) If, after sixty days, the county has not accepted the 3979  
offer to purchase the parcel at its appraised value or has 3980  
accepted the offer but has failed to complete the purchase, a 3981  
public auction shall be held, and the parcel shall be sold to the 3982  
highest bidder at a price acceptable to the Adjutant General. The 3983  
Adjutant General may reject any and all bids for any reason 3984  
whatsoever. 3985

The Adjutant General shall advertise each public auction in a 3986  
newspaper of general circulation within the county in which the 3987  
parcel is located once a week for two consecutive weeks before the 3988  
date of the auction. 3989

The terms of sale of a parcel at a public auction shall be 3990  
payment of ten per cent of the purchase price, as bid by the 3991  
highest bidder, in cash, bank draft, or certified check on the 3992  
date of sale, with the balance payable within sixty days after the 3993  
date of sale. A purchaser who does not timely complete the 3994  
conditions of the sale as prescribed in this section shall forfeit 3995  
to the state the ten per cent of the purchase price paid on the 3996  
date of the sale as liquidated damages. 3997

If the purchase is not completed and the sale is voided, the 3998  
Adjutant General may sell the parcel to the second highest bidder 3999  
at the public auction held pursuant to this section. 4000

(D) Advertising costs, appraisal fees, and other costs of the 4001  
sale of the parcels described in division (A) of this section 4002  
shall be paid by the Adjutant General's Department. 4003

(E) Upon the payment of ten per cent of the purchase price of 4004  
the parcel described in division (A) of this section in accordance 4005  
with division (C)(3) of this section, or upon notice from the 4006

Adjutant General's Department that the parcel of real estate 4007  
described in division (A) of this section has been sold to a 4008  
township or county in accordance with division (C) of this 4009  
section, a deed shall be prepared for that parcel by the Auditor 4010  
of State, with the assistance of the Attorney General, be executed 4011  
by the Governor, countersigned by the Secretary of State, sealed 4012  
with the Great Seal of the State, and presented for recording in 4013  
the Office of the Auditor of State. Upon the grantee's payment of 4014  
the balance of the purchase price, the deed shall be delivered to 4015  
the grantee. The grantee shall present the deed for recording in 4016  
the office of the Jefferson County Recorder. 4017

(F) The net proceeds of the sale of the parcel described in 4018  
division (A) of this section shall be deposited in the State 4019  
Treasury to the credit of the Armory Improvements Fund pursuant to 4020  
section 5911.10 of the Revised Code. 4021

(G) If the parcel of real estate described in division (A) of 4022  
this section is sold to a township or county and that political 4023  
subdivision sells that parcel within two years after its purchase, 4024  
the political subdivision shall pay to the state, for deposit in 4025  
the state treasury to the credit of the Armory Improvements Fund 4026  
pursuant to section 5911.10 of the Revised Code, an amount 4027  
representing one-half of any net profit derived from that 4028  
subsequent sale. The net profit shall be computed by first 4029  
subtracting the price at which the political subdivision bought 4030  
the parcel from the price at which the political subdivision sold 4031  
the parcel, and then subtracting from that remainder the amount of 4032  
any expenditures the political subdivision made for improvements 4033  
to the parcel. 4034

(H) This section shall expire five years after its effective 4035  
date. 4036

**Section 483.04.** (A) Pursuant to section 5911.10 of the 4037

Revised Code, the Governor is hereby authorized to execute a deed 4038  
in the name of the state conveying to The Ohio State University, 4039  
and its successors and assigns, all of the state's right, title, 4040  
and interest in the following described real estate that the 4041  
Adjutant General has determined is no longer required for armory 4042  
or military purposes: 4043

Situated in the County of Franklin, Township of Perry, State of 4044  
Ohio: 4045

and being part of Section #4, Township #2, Range #19, United 4046  
States Military lands, more particularly bounded and described as 4047  
follows: 4048

Beginning at an iron pin; said iron pin being S. 86 degrees 44 4049  
minutes E., a distance of 60.10 feet from the southeast corner of 4050  
a 25 Acre Tract of land deeded to Frank C. and Marguerite H. 4051  
Norris by Warranty Deed, filed for record in Deed Book #1336, Page 4052  
#376, Recorder's Office, Franklin County, Ohio; thence N. 2 4053  
degrees 46 minutes E., a distance of 1179.80 feet to an iron pin; 4054  
thence S. 86 degrees 49 minutes E., a distance of 295.96 feet to 4055  
an iron pin; thence S. 2 degrees 47 minutes W., a distance of 4056  
1180.24 feet to an iron pin; thence N. 86 degrees 44 minutes W., a 4057  
distance of 295.74 feet (passing an iron pin at 34.58 feet) to the 4058  
place of beginning containing 8.017 acres, more or less, but 4059  
subject to all legal highways or easements of previous records. 4060

(B) Consideration for the conveyance of the real estate 4061  
described in division (A) of this section is a purchase price, 4062  
acceptable to the Adjutant General, based on the real estate's 4063  
fair market value. 4064

(C) Upon payment of the purchase price, the Auditor of State, 4065  
with the assistance of the Attorney General, shall prepare a deed 4066  
to the real estate described in division (A) of this section. The 4067  
deed shall state the consideration. The deed shall be executed by 4068

the Governor in the name of the state, countersigned by the  
Secretary of State, sealed with the Great Seal of the State, and  
presented for recording in the Office of the Auditor of State. The  
Ohio State University shall present the deed for recording in the  
office of the Franklin County Recorder.

(D) The net proceeds of the sale of the real estate described  
in division (A) of this section shall be deposited in the State  
Treasury to the credit of the Armory Improvements Fund pursuant to  
section 5911.10 of the Revised Code.

(E) The Ohio State University shall pay the costs of the  
conveyance described in division (A) of this section.

(F) This section shall expire two years after its effective  
date.

**Section 483.05.** (A) The sale provisions specified in Section  
2 of Am. Sub. S.B. 234 of the 125th General Assembly do not apply  
to Parcel No. 10, Chillicothe Armory; instead, pursuant to section  
5911.10 of the Revised Code, the Governor is hereby authorized to  
execute a deed in the name of the state, conveying to the City of  
Chillicothe, and its successors and assigns, all of the state's  
right, title, and interest in the following described real estate:

Chillicothe Armory - Volume 201, Page 177, Ross County Deed  
Records

Situate in the City Park in the City of Chillicothe, County  
of Ross, and State of Ohio, be, and the same is hereby donated to  
the State of Ohio: - Beginning at a point 628.88' on the center  
line of Paint Street extended, (which has a bearing of N. 11  
degrees 8 minutes W.) from the intersection of the North property  
line of Riverside Street with the centerline of Paint Street;  
thence N. 28 degrees 46 minutes E. 102.73' to a stake; thence N.  
14 degrees 20 minutes W. 300' to a stake in the south side of a



cinder path; thence with the path S. 82 degrees 40 minutes W. 4099  
201.50' to a stake; thence S. 14 degrees 20 minutes E. 324.56' to 4100  
a stake near the north side of the Park roadway; thence S. 47 4101  
degrees 43 minutes E. 150.20' to a steel flag pole in the concrete 4102  
foundation of the Park cannon; thence N. 28 degrees 46 minutes E. 4103  
69.02' to the beginning, containing 1.67 acres of land more or 4104  
less. 4105

(B) Consideration for the conveyance of the real estate 4106  
described in division (A) of this section is the complete and 4107  
usable sewer system connecting to the National Guard Readiness 4108  
Center at Camp Sherman, including any tap in-fees or other fees to 4109  
access the sewer line, and the purchase price of one dollar. 4110

(C) Upon payment of the purchase price, the Auditor of State, 4111  
with the assistance of the Attorney General, shall prepare a deed 4112  
to the real estate described in division (A) of this section. The 4113  
deed shall state the consideration. The deed shall be executed by 4114  
the Governor in the name of the state, countersigned by the 4115  
Secretary of State, sealed with the Great Seal of the State, and 4116  
presented for recording in the Office of the Auditor of State. The 4117  
City of Chillicothe shall present the deed for recording in the 4118  
office of the Ross County Recorder. 4119

(D) The City of Chillicothe shall pay the costs of the 4120  
conveyance described in division (A) of this section. 4121

(E) This section shall expire one year after its effective 4122  
date. 4123

**Section 503.03.** The items of law of which the sections of law 4124  
contained in this act are composed, and their applications, are 4125  
independent and severable. If any item of law that constitutes the 4126  
whole or part of a section of law contained in this act, or if any 4127  
application of any item of law that constitutes the whole or part 4128

of a section of law contained in this act, is held invalid, the 4129  
invalidity does not affect other items of law or applications of 4130  
items of law that can be given effect without the invalid item of 4131  
law or application. 4132

**Section 506.03.** An item of law that composes the whole or 4133  
part of a section of law contained in this act that makes, or that 4134  
provides for funding of, an appropriation or reappropriation of 4135  
money has no effect after June 30, 2008, unless its context 4136  
clearly indicates otherwise. 4137

**Section 509.03.** Except as otherwise specifically provided in 4138  
this act, the amendment or enactment of the sections of law 4139  
contained in this act, and the items of law of which the 4140  
amendments or enactments are composed, are not subject to the 4141  
referendum. Therefore, under Ohio Constitution, Article II, 4142  
Section 1d and section 1.471 of the Revised Code, the amendments 4143  
or enactments, and the items of law of which the amendments or 4144  
enactments are composed, go into immediate effect when this act 4145  
becomes law. 4146

**Section 512.03.** The amendment or enactment by this act of the 4147  
sections of law listed in this section, and the items of law of 4148  
which the amendments or enactments are composed, are subject to 4149  
the referendum. Therefore, under Ohio Constitution, Article II, 4150  
Section 1c and section 1.471 of the Revised Code, the amendments 4151  
or enactments, and the items of law of which the amendments or 4152  
enactments are composed, take effect on the ninety-first day after 4153  
this act is filed with the Secretary of State. If, however, a 4154  
referendum petition is filed against any such amendment or 4155  
enactment, or against any item of law of which any such amendment 4156  
or enactment is composed, the amendment or enactment, or item, 4157  
unless rejected at the referendum, takes effect at the earliest 4158

time permitted by law. 4159

Sections 107.032, 107.033, 107.034, 107.035, 125.021, 131.55, 4160  
131.56, 131.57, 131.58, 131.59, 131.60, 183.04, 183.05, 183.30, 4161  
3318.05, 3318.051, 3318.06, 3318.063, 3318.08, 3318.121, 3318.18, 4162  
3318.36, 3702.72, 3702.73, 3702.81, 3702.89, 3702.92, 5751.20, and 4163  
5751.21 of the Revised Code. 4164

**Section 515.03.** Section 125.021 of the Revised Code is 4165  
presented in this act as a composite of the section as amended by 4166  
Am. Sub. H.B. 426 of the 125th General Assembly and H.B. 65 of the 4167  
126th General Assembly. The General Assembly, applying the 4168  
principle stated in division (B) of section 1.52 of the Revised 4169  
Code that amendments are to be harmonized if reasonably capable of 4170  
simultaneous operation, finds that the composite is the resulting 4171  
version of the section in effect prior to the effective date of 4172  
the section as presented in this act. 4173