

AN ACT

To amend Sections 263.10, 263.20.90, and 375.10 of Am. Sub. H.B. 119 of the 127th General Assembly, to amend Section 235.10.40 of Am. Sub. H.B. 699 of the 126th General Assembly, and to repeal Section 375.20.80 of Am. Sub. H.B. 119 of the 127th General Assembly to increase the funds available for the Ohio Research Scholars Program and to permit a nonpublic four-year Ohio university to submit a proposal for the Ohio Research Scholars Program if the proposal is to be implemented in collaboration with a state college or university.

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

SECTION 1. That Sections 263.10, 263.20.90, and 375.10 of Am. Sub. H.B. 119 of the 127th General Assembly be amended to read as follows:

Sec. 263.10. DEV DEPARTMENT OF DEVELOPMENT

General Revenue Fund

GRF	195-401	Thomas Edison Program	\$	19,404,838	\$	17,978,483
GRF	195-404	Small Business Development	\$	1,740,722	\$	1,792,944
GRF	195-405	Minority Business Development Division	\$	1,580,291	\$	1,627,700
GRF	195-407	Travel and Tourism	\$	1,800,000	\$	1,800,000
GRF	195-410	Defense Conversion Assistance	\$	5,000,000	\$	0
GRF	195-412	Rapid Outreach Grants	\$	10,750,000	\$	10,000,000
GRF	195-415	Economic Development Division and Regional Offices	\$	5,894,975	\$	6,071,824
GRF	195-416	Governor's Office of Appalachia	\$	4,746,043	\$	4,746,043
GRF	195-422	Third Frontier Action Fund	\$	18,790,000	\$	16,790,000
GRF	195-426	Clean Ohio Implementation	\$	300,000	\$	309,000
GRF	195-432	International Trade	\$	4,650,501	\$	4,650,501
GRF	195-434	Investment in Training Grants	\$	12,227,500	\$	12,594,325
GRF	195-436	Labor/Management Cooperation	\$	836,225	\$	836,225

GRF	195-497	CDBG Operating Match	\$	1,072,184	\$	1,072,184
GRF	195-498	State Match Energy	\$	96,820	\$	96,820
GRF	195-501	Appalachian Local Development Districts	\$	391,482	\$	391,482
GRF	195-502	Appalachian Regional Commission Dues	\$	254,208	\$	254,208
GRF	195-507	Travel and Tourism Grants	\$	1,130,000	\$	1,115,000
GRF	195-516	Shovel Ready Sites	\$	1,000,000	\$	1,000,000
GRF	195-520	Ohio Main Street Program	\$	750,000	\$	250,000
GRF	195-521	Discover Ohio!	\$	7,182,845	\$	8,182,845
GRF	195-905	Third Frontier Research & Development General Obligation Debt Service	\$	14,349,500	\$	24,523,400
GRF	195-912	Job Ready Site Development General Obligation Debt Service	\$	4,359,400	\$	8,232,500
TOTAL GRF General Revenue Fund			\$	118,307,534	\$	124,315,484
General Services Fund Group						
135	195-684	Supportive Services	\$	11,699,404	\$	11,321,444
5AD	195-667	Investment in Training Expansion	\$	2,000,000	\$	0
5AD	195-668	Workforce Guarantee Program	\$	1,000,000	\$	0
5AD	195-677	Economic Development Contingency	\$	5,000,000	\$	24,400,000
5W5	195-690	Travel and Tourism Cooperative Projects	\$	350,000	\$	350,000
5W6	195-691	International Trade Cooperative Projects	\$	300,000	\$	300,000
685	195-636	Direct Cost Recovery Expenditures	\$	800,000	\$	800,000
TOTAL GSF General Services Fund Group			\$	21,149,404	\$	37,171,444
Federal Special Revenue Fund Group						
3AE	195-643	Workforce Development Initiatives	\$	5,839,900	\$	5,860,000
3BJ	195-685	TANF Heating Assistance	\$	45,000,000	\$	15,000,000
3K8	195-613	Community Development Block Grant	\$	65,000,000	\$	65,000,000
3K9	195-611	Home Energy Assistance Block Grant	\$	110,000,000	\$	110,000,000
3K9	195-614	HEAP Weatherization	\$	22,000,000	\$	22,000,000
3L0	195-612	Community Services Block Grant	\$	25,235,000	\$	25,235,000
3V1	195-601	HOME Program	\$	40,000,000	\$	40,000,000
308	195-602	Appalachian Regional Commission	\$	475,000	\$	475,000
308	195-603	Housing and Urban Development	\$	6,000,000	\$	6,000,000
308	195-605	Federal Projects	\$	27,000,000	\$	27,000,000
308	195-609	Small Business Administration	\$	4,296,381	\$	4,396,381
308	195-618	Energy Federal Grants	\$	3,400,000	\$	3,400,000

335	195-610	Energy Conservation and Emerging Technology	\$	2,200,000	\$	2,200,000
TOTAL FED Federal Special Revenue Fund Group			\$	356,446,281	\$	326,566,381
State Special Revenue Fund Group						
4F2	195-639	State Special Projects	\$	518,393	\$	518,393
4F2	195-676	Marketing Initiatives	\$	5,000,000	\$	1,000,000
4S0	195-630	Tax Incentive Programs	\$	650,800	\$	650,800
4W1	195-646	Minority Business Enterprise Loan	\$	2,580,597	\$	2,580,597
444	195-607	Water and Sewer Commission Loans	\$	523,775	\$	523,775
450	195-624	Minority Business Bonding Program Administration	\$	53,967	\$	53,967
451	195-625	Economic Development Financing Operating	\$	3,233,311	\$	3,233,311
5AR	195-674	Industrial Site Improvements	\$	4,500,000	\$	4,500,000
5CG	195-679	Alternative Fuel Transportation	\$	1,500,000	\$	1,000,000
5DU	195-689	Energy Projects	\$	840,000	\$	840,000
5M4	195-659	Low Income Energy Assistance	\$	245,000,000	\$	245,000,000
5M5	195-660	Advanced Energy Programs	\$	17,000,000	\$	17,000,000
5X1	195-651	Exempt Facility Inspection	\$	25,000	\$	25,000
611	195-631	Water and Sewer Administration	\$	15,713	\$	15,713
617	195-654	Volume Cap Administration	\$	200,000	\$	200,000
646	195-638	Low- and Moderate- Income Housing Trust Fund	\$	53,000,000	\$	53,000,000
TOTAL SSR State Special Revenue Fund Group			\$	334,641,556	\$	330,141,556
Facilities Establishment Fund Group						
009	195-664	Innovation Ohio	\$	50,000,000	\$	50,000,000
010	195-665	Research and Development	\$	50,000,000	\$	50,000,000
037	195-615	Facilities Establishment	\$	110,000,000	\$	110,000,000
4Z6	195-647	Rural Industrial Park Loan	\$	3,000,000	\$	3,000,000
5D2	195-650	Urban Redevelopment Loans	\$	5,475,000	\$	5,475,000
5S8	195-627	Rural Development Initiative	\$	3,000,000	\$	3,000,000
5S9	195-628	Capital Access Loan Program	\$	3,000,000	\$	3,000,000
TOTAL 037 Facilities Establishment Fund Group			\$	224,475,000	\$	224,475,000
Clean Ohio Revitalization Fund						
003	195-663	Clean Ohio Operating	\$	625,000	\$	550,000
TOTAL 003 Clean Ohio Revitalization Fund			\$	625,000	\$	550,000
Third Frontier Research & Development Fund Group						
011	195-686	Third Frontier Operating	\$	1,932,056	\$	1,932,056
011	195-687	Third Frontier Research & Development Projects	\$	94,000,000 88,000,000	\$	72,000,000 66,000,000
014	195-692	Research & Development Taxable Bond Projects	\$	28,000,000	\$	28,000,000
TOTAL 011 Third Frontier Research & Development Fund Group			\$	123,932,056 117,932,056	\$	101,932,056 95,932,056

Job Ready Site Development Fund Group

012 195-688 Job Ready Site Operating	\$	1,246,155	\$	1,246,155
TOTAL 012 Job Ready Site Development Fund Group	\$	1,246,155	\$	1,246,155
TOTAL ALL BUDGET FUND GROUPS	\$	<u>1,180,822,986</u>	\$	<u>1,146,398,076</u>
		<u>1,174,822,986</u>		<u>1,140,398,076</u>

Sec. 263.20.90. CLEAN OHIO OPERATING EXPENSES

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

THIRD FRONTIER OPERATING

The foregoing appropriation item 195-686, Third Frontier Operating, shall be used for operating expenses incurred by the Department of Development in administering sections 184.10 to 184.20 of the Revised Code.

THIRD FRONTIER RESEARCH & DEVELOPMENT PROJECTS AND RESEARCH & DEVELOPMENT TAXABLE BOND PROJECTS

The foregoing appropriation items 195-687, Third Frontier Research & Development Projects, and 195-692, Research & Development Taxable Bond Projects, shall be used by the Department of Development to fund selected projects. These projects are designated as costs of research and development projects to which the proceeds of the Third Frontier Research and Development Fund (Fund 011) and the Research & Development Taxable Bond Project Fund (Fund 014) are to be applied.

Of the foregoing appropriation items 195-687, Third Frontier Research and Development Projects, and 195-692, Research & Development Taxable Bond Projects, up to \$8,600,000 in fiscal year 2008, shall be used by the Office of Information Technology, in partnership with the Ohio Supercomputer Center's OSCnet, to acquire the equipment and services necessary to migrate state agencies' network to the existing OSCnet network backbone. This state network shall be known as the NextGen Network.

Notwithstanding sections 184.10 to 184.20 of the Revised Code, up to \$20,000,000 in fiscal year 2009 from the total of the amounts in appropriation items 195-687, Third Frontier Research & Development Projects, and 195-692, Research & Development Taxable Bond Projects, and up to \$12,000,000 in each fiscal year from appropriation item 195-687, Third Frontier Research & Development Projects, shall be used to fund the Ohio Research Scholars Program in the Board of Regents pursuant to sections 3333.60 to 3333.70 of the Revised Code.

~~Notwithstanding sections 184.10 to 184.20 of the Revised Code, at the direction of the Director of Budget and Management up to \$18,000,000 in each fiscal year from appropriation item 195-687, Third Frontier Research~~

~~& Development Projects, and appropriation item 195-692, Research & Development Taxable Bond Projects, shall be used to fund the Research Incentive Program in the Board of Regents.~~

On or before June 30, 2008, any unencumbered balances of the foregoing appropriation items 195-687, Third Frontier Research & Development Projects, and 195-692, Research & Development Taxable Bond Projects, for fiscal year 2008 are hereby appropriated for the same purposes for fiscal year 2009.

AUTHORITY TO ISSUE AND SELL ORIGINAL OBLIGATIONS

The Ohio Public Facilities Commission, upon request of the Department of Development, is hereby authorized to issue and sell, in accordance with Section 2p of Article VIII, Ohio Constitution, and particularly sections 151.01 and 151.10 of the Revised Code, original obligations of the State of Ohio in an aggregate amount not to exceed \$150,000,000. The authorized obligations shall be issued and sold from time to time and in amounts necessary to ensure sufficient moneys to the credit of the Third Frontier Research & Development Fund (Fund 011) to pay costs of research and development projects.

JOB READY SITE OPERATING

The foregoing appropriation item 195-688, Job Ready Site Operating, shall be used for operating expenses incurred by the Department of Development in administering sections 122.085 to 122.0820 of the Revised Code. Operating expenses include, but are not limited to, certain expenses of the District Public Works Integrating Committees, audit and accountability activities, and costs associated with formal certifications verifying that site infrastructure is in place and is functional.

Sec. 375.10. BOR BOARD OF REGENTS

General Revenue Fund

GRF 235-321	Operating Expenses	\$	3,141,351	\$	3,141,351
GRF 235-401	Lease Rental Payments	\$	203,177,900	\$	136,017,500
GRF 235-402	Sea Grants	\$	300,000	\$	300,000
GRF 235-406	Articulation and Transfer	\$	2,900,000	\$	2,900,000
GRF 235-408	Midwest Higher Education Compact	\$	95,000	\$	95,000
GRF 235-409	Information System	\$	1,175,172	\$	1,175,172
GRF 235-414	State Grants and Scholarship Administration	\$	1,707,881	\$	1,707,881
GRF 235-415	Jobs Challenge	\$	9,348,300	\$	9,348,300
GRF 235-417	Ohio Learning Network	\$	3,119,496	\$	3,119,496
GRF 235-418	Access Challenge	\$	66,585,769	\$	66,585,769
GRF 235-420	Success Challenge	\$	53,653,973	\$	53,653,973
GRF 235-428	Appalachian New Economy Partnership	\$	1,176,068	\$	1,176,068
GRF 235-433	Economic Growth Challenge	\$	17,186,194	\$	17,186,194
GRF 235-434	College Readiness and Access	\$	12,655,425	\$	12,655,425

GRF 235-435	Teacher Improvement Initiatives	\$	4,797,506	\$	11,297,506
GRF 235-436	AccelerateOhio	\$	1,250,000	\$	2,500,000
GRF 235-438	Choose Ohio First Scholarship	\$	50,000,000	\$	50,000,000
GRF 235-439	Ohio Research Scholars	\$	30,000,000	\$	0 1,000,000
GRF 235-451	Eminent Scholars	\$	0	\$	1,000,000
GRF 235-455	EnterpriseOhio Network	\$	1,373,941	\$	1,373,941
GRF 235-474	Area Health Education Centers Program Support	\$	1,571,756	\$	1,571,756
GRF 235-501	State Share of Instruction	\$	1,678,877,952	\$	1,842,965,747
GRF 235-502	Student Support Services	\$	795,790	\$	795,790
GRF 235-503	Ohio Instructional Grants	\$	42,533,966	\$	18,315,568
GRF 235-504	War Orphans Scholarships	\$	4,812,321	\$	4,812,321
GRF 235-507	OhioLINK	\$	7,387,824	\$	7,387,824
GRF 235-508	Air Force Institute of Technology	\$	2,050,345	\$	2,050,345
GRF 235-510	Ohio Supercomputer Center	\$	4,271,195	\$	4,271,195
GRF 235-511	Cooperative Extension Service	\$	26,273,260	\$	26,273,260
GRF 235-513	Ohio University Voinovich Center	\$	669,082	\$	669,082
GRF 235-514	Central State Supplement	\$	11,756,414	\$	12,109,106
GRF 235-515	Case Western Reserve University School of Medicine	\$	3,011,271	\$	3,011,271
GRF 235-518	Capitol Scholarship Program	\$	125,000	\$	125,000
GRF 235-519	Family Practice	\$	4,548,470	\$	4,548,470
GRF 235-520	Shawnee State Supplement	\$	2,502,323	\$	2,577,393
GRF 235-521	The Ohio State University John Glenn School of Public Affairs	\$	619,082	\$	619,082
GRF 235-524	Police and Fire Protection	\$	171,959	\$	171,959
GRF 235-525	Geriatric Medicine	\$	750,110	\$	750,110
GRF 235-526	Primary Care Residencies	\$	2,245,688	\$	2,245,688
GRF 235-527	Ohio Aerospace Institute	\$	1,764,957	\$	1,764,957
GRF 235-530	Academic Scholarships	\$	7,800,000	\$	7,800,000
GRF 235-531	Student Choice Grants	\$	38,485,376	\$	38,485,376
GRF 235-535	Ohio Agricultural Research and Development Center	\$	37,174,292	\$	37,174,292
GRF 235-536	The Ohio State University Clinical Teaching	\$	13,565,885	\$	13,565,885
GRF 235-537	University of Cincinnati Clinical Teaching	\$	11,157,756	\$	11,157,756
GRF 235-538	University of Toledo Clinical Teaching	\$	8,696,866	\$	8,696,866
GRF 235-539	Wright State University Clinical Teaching	\$	4,225,107	\$	4,225,107
GRF 235-540	Ohio University Clinical Teaching	\$	4,084,540	\$	4,084,540
GRF 235-541	Northeastern Ohio Universities College of Medicine Clinical Teaching	\$	4,200,945	\$	4,200,945
GRF 235-543	Ohio College of Podiatric Medicine Clinic Subsidy	\$	100,000	\$	100,000
GRF 235-547	School of International Business	\$	450,000	\$	650,000

GRF 235-552	Capital Component	\$	19,306,442	\$	19,306,442	
GRF 235-553	Dayton Area Graduate Studies Institute	\$	2,931,599	\$	2,931,599	
GRF 235-554	Priorities in Collaborative Graduate Education	\$	2,355,548	\$	2,355,548	
GRF 235-555	Library Depositories	\$	1,696,458	\$	1,696,458	
GRF 235-556	Ohio Academic Resources Network	\$	3,727,223	\$	3,727,223	
GRF 235-558	Long-term Care Research	\$	461,047	\$	461,047	
GRF 235-561	Bowling Green State University Canadian Studies Center	\$	100,015	\$	100,015	
GRF 235-563	Ohio College Opportunity Grant	\$	139,974,954	\$	151,113,781	
GRF 235-567	Central State University Speed to Scale	\$	4,400,000	\$	3,800,000	
GRF 235-571	James A. Rhodes Scholarship	\$	10,000,000	\$	0	
GRF 235-572	The Ohio State University Clinic Support	\$	1,277,019	\$	1,277,019	
GRF 235-573	Ohio Humanities Council	\$	25,000	\$	25,000	
GRF 235-583	Urban University Program	\$	5,825,937	\$	5,825,937	
GRF 235-587	Rural University Projects	\$	1,159,889	\$	1,159,889	
GRF 235-596	Hazardous Materials Program	\$	360,435	\$	360,435	
GRF 235-599	National Guard Scholarship Program	\$	16,611,063	\$	16,611,063	
GRF 235-909	Higher Education General Obligation Debt Service	\$	172,722,400	\$	208,747,200	
TOTAL GRF General Revenue Fund		\$	2,773,258,537	\$	2,861,908,923	
General Services Fund Group						
220	235-614	Program Approval and Reauthorization	\$	800,000	\$	800,000
456	235-603	Sales and Services	\$	700,000	\$	700,000
TOTAL GSF General Services Fund Group		\$	1,500,000	\$	1,500,000	
Federal Special Revenue Fund Group						
3BG	235-626	Star Schools	\$	2,980,865	\$	2,990,746
3H2	235-608	Human Services Project	\$	3,000,000	\$	3,000,000
3H2	235-622	Medical Collaboration Network	\$	3,346,144	\$	3,346,144
3N6	235-605	State Student Incentive Grants	\$	2,196,680	\$	2,196,680
3T0	235-610	National Health Service Corps - Ohio Loan Repayment	\$	250,000	\$	250,000
312	235-609	Tech Prep	\$	183,850	\$	183,850
312	235-611	Gear-up Grant	\$	3,300,000	\$	3,300,000
312	235-612	Carl D. Perkins Grant/Plan Administration	\$	112,960	\$	112,960
312	235-617	Improving Teacher Quality Grant	\$	3,200,000	\$	3,200,000
312	235-621	Science Education Network	\$	1,686,970	\$	1,686,970
TOTAL FED Federal Special Revenue Fund Group		\$	20,257,469	\$	20,267,350	
State Special Revenue Fund Group						
4E8	235-602	Higher Educational Facility	\$	50,000	\$	45,000

		Commission Administration			
4P4	235-604	Physician Loan Repayment	\$	476,870	\$ 476,870
649	235-607	The Ohio State University Highway/Transportation Research	\$	760,000	\$ 760,000
682	235-606	Nursing Loan Program	\$	893,000	\$ 893,000
5DT	235-627	American Diploma Project	\$	250,000	\$ 0
TOTAL SSR State Special Revenue Fund Group			\$	2,429,870	\$ 2,174,870
<u>Third Frontier Research & Development Fund Group</u>					
011	235-634	<u>Research Incentive Third Frontier Fund</u>	\$	6,000,000	\$ 6,000,000
<u>TOTAL 011 Third Frontier Research & Development Fund Group</u>			\$	6,000,000	\$ 6,000,000"
TOTAL ALL BUDGET FUND GROUPS				<u>\$2,797,445,876</u>	<u>\$2,891,851,143</u>
				<u>\$2,803,445,876</u>	<u>\$2,891,851,143</u>

SECTION 2. That existing Sections 263.10, 263.20.90, and 375.10 of Am. Sub. H.B. 119 of the 127th General Assembly are hereby repealed.

SECTION 3. That Section 235.10.40 of Am. Sub. H.B. 699 of the 126th General Assembly be amended to read as follows:

Sec. 235.10.40. RESEARCH FACILITY ACTION AND INVESTMENT FUNDS

The Of the foregoing appropriation item CAP-032, Research Facility Action and Investment Funds, up to \$3,000,000 shall be used to support the Ohio Research Scholars Program. Any money from this earmark used for capital projects under the Ohio Research Scholars Program shall not be subject to rule 3333-1-21 of the Administrative Code, but shall be subject to any rule adopted to administer the Ohio Research Scholars Program.

The remainder of foregoing appropriation item CAP-032, Research Facility Action and Investment Funds, shall be used for a program of grants to be administered by the Board of Regents to provide timely availability of capital facilities for research programs and research-oriented instructional programs at or involving state-supported and state-assisted institutions of higher education.

SECTION 4. That existing Section 235.10.40 of Am. Sub. H.B. 699 of the 126th General Assembly is hereby repealed.

SECTION 5. That Section 375.20.80 of Am. Sub. H.B. 119 of the 127th

General Assembly is hereby repealed.

SECTION 6. Notwithstanding section 3333.67 of the Revised Code, an institution of higher education shall not be required to deposit into an endowment fund the grants awarded under the Ohio Research Scholars Program other than those funded by GRF appropriation item 235-439, Ohio Research Scholars, as originally appropriated in Am. Sub. H.B. 119 of the 127th General Assembly. The grant agreement for an Ohio Research Scholars award shall specify, if applicable, the portion of the award that is required to be deposited in an endowment fund and the portion that is restricted for capital projects.

Notwithstanding sections 3333.61 to 3333.70 of the Revised Code, a nonpublic four-year Ohio institution of higher education may submit a proposal for the Ohio Research Scholars Program to recruit scientists to the faculty of the nonpublic institution if the proposal is to be implemented in collaboration with a state university or college, as defined in section 3333.60 of the Revised Code. If the Chancellor of the Board of Regents grants a nonpublic institution an award under the Ohio Research Scholars Program, the nonpublic institution shall comply with all requirements of sections 3333.61 to 3333.70 of the Revised Code and the rules adopted under section 3333.61 of the Revised Code that apply to state universities or colleges awarded grants under the Ohio Research Scholars Program.

SECTION 7. The sections of law contained in this act, and the items of which they are composed, are not subject to referendum. Therefore, under Ohio Constitution, Article II, Section 1d and section 1.471 of the Revised Code, the sections and items of law go into immediate effect when this act becomes law.

Speaker _____ *of the House of Representatives.*

President _____ *of the Senate.*

Passed _____, 20____

Approved _____, 20____

Governor.

Am. H. B. No. 381

127th G.A.

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

Director, Legislative Service Commission.

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

Secretary of State.

File No. _____ Effective Date _____