

**As Reported by the Senate Ways and Means and Economic
Development Committee**

129th General Assembly

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Sub. H. B. No. 18

Representative Baker

**Cosponsors: Representatives Adams, J., Beck, Blair, Blessing, Boose,
Combs, Derickson, Dovilla, Hayes, Henne, Huffman, Pillich, Ruhl, Snitchler,
Stinziano, Uecker, Letson, Anielski, Barnes, Bubp, Buchy, Driehaus, Duffey,
Garland, Grossman, Hackett, Hagan, C., Hall, Hill, Johnson, Kozlowski,
Landis, Lundy, Maag, Martin, McClain, Milkovich, Newbold, Sears, Slaby,
Sprague, Terhar, Winburn, Young Speaker Batchelder**

Senators Schaffer, Patton

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A B I L L

To enact section 122.176 of the Revised Code to	1
authorize grants to an employer that moves	2
operations into a previously vacant facility and	3
increases payroll by hiring and employing	4
employees at the facility.	5

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

Section 1. That section 122.176 of the Revised Code be	6
enacted to read as follows:	7

<u>Sec. 122.176. (A) For purposes of this section:</u>	8
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<u>(1) "Vacant commercial space" means space that has been</u>	9
<u>unoccupied and available for use in a trade or business for the</u>	10
<u>twelve months immediately preceding the lease or purchase date</u>	11

described in division (B) of this section, located in either of 12
the following: 13

(a) A building, seventy-five per cent or more of the square 14
footage of which has been unoccupied and available for use in a 15
trade or business for the twelve months immediately preceding the 16
initial lease or purchase date described in division (B) of this 17
section; 18

(b) A business park, seventy-five per cent or more of the 19
square footage of which has been unoccupied and available for use 20
in a trade or business for the twelve months immediately preceding 21
the initial lease or purchase date described in division (B) of 22
this section. 23

For the purpose of determining whether a building, the 24
construction of which is not complete, has been unoccupied for the 25
required length of time, the building first becomes "unoccupied" 26
when its construction discontinues as determined by the person who 27
owned the property at that time. 28

(2) "Business park" means two or more buildings located on 29
the same or adjacent parcels held under common ownership. 30

(3) "Building" means a building as defined in section 3781.06 31
of the Revised Code the construction of which is at least 32
eighty-five per cent complete and that may be lawfully occupied. 33

(4) "Qualifying employee" means an employee employed by an 34
employer, provided the employee is employed at the vacant 35
commercial space for a minimum of forty hours per week and has 36
been so employed for at least one year, the employer pays the 37
employee at a wage rate equal to or greater than the minimum wage 38
rate applicable under Chapter 4111. of the Revised Code, 39
employment of the employee increases the employer's payroll above 40
the employer's base employment threshold, and the employee had not 41
been employed by the employer within sixty days before the date 42

the employer purchases or enters into a lease for a vacant 43
commercial space. 44

(5) "Base employment threshold" means the total payroll of 45
the employer on the date the employer purchases or enters into a 46
lease for a vacant commercial space. 47

(B) This section does not apply to the federal government, 48
the state, the state's political subdivisions, or nonprofit 49
organizations. 50

An employer required to deduct and withhold income tax from 51
an employee's compensation under section 5747.06 and remit such 52
amounts under section 5747.07 of the Revised Code may apply to the 53
director of development for a grant from the vacant facilities 54
grant fund, provided that, on or after the effective date of this 55
section as enacted by H.B. 18 of the 129th general assembly, the 56
employer occupies under a lease or purchases vacant commercial 57
space at which the employer employs at least fifty employees or at 58
least fifty per cent of its employees who are employed in this 59
state. An employer may qualify for the grant only once. The amount 60
of the grant awarded under this section shall be five hundred 61
dollars for each qualifying employee. No grant application shall 62
be accepted by the director three years or later after the 63
effective date of this section. 64

An employer does not qualify for a grant under this section 65
if, during the year of the employer's application, the employer is 66
eligible to claim a tax credit or other incentive under an 67
agreement with the tax credit authority. 68

The director shall prescribe application materials and 69
explanations. An employer applying for a grant under this section 70
shall submit the following with the employer's application to the 71
director: 72

(1) An affidavit from the person who, in the case of a lease 73

of vacant commercial space, owns the property or, in the case of a 74
purchase, is the most recent owner of the property indicating that 75
the building meets the requirements of a vacant commercial space; 76

(2) Payroll records indicating, for each qualifying employee, 77
that the employee was employed for one year or longer at the 78
vacant commercial space; 79

(3) Quarterly reports of wage information submitted by the 80
employer to the department of job and family services pursuant to 81
section 4141.20 of the Revised Code indicating the employer's 82
qualifying employees and the employer's base employment threshold; 83

(4) A statement that the employer agrees to provide to the 84
director any receipts, invoices, or similar documents 85
demonstrating that the employer used the grant for the activities 86
described in division (C) of this section. 87

Upon receipt of an application, the director shall review the 88
application and attached materials and approve the application if, 89
to the director's satisfaction, the employer fulfills all the 90
grant requirements of this section, and if, in the judgment of the 91
director, the unencumbered balance in the vacant facilities grant 92
fund is sufficient to fund the amount of the grant. Upon approval 93
of a grant application, the director shall authorize the award of 94
the grant from the vacant facilities grant fund to the employer. 95

(C) An employer receiving a grant under this section from the 96
vacant facilities grant fund must use the grant for the 97
acquisition, construction, enlargement, improvement, or equipment 98
of property, structures, equipment, and facilities used by the 99
employer in business at the vacant commercial space occupied by 100
the employer. 101

(D) An employer may claim a grant under this section with 102
respect to a building, the construction of which is not complete, 103
only if the employer submits both of the following with the 104

employer's application: 105

(1) A copy of a certificate of occupancy from the appropriate 106
building authority indicating that the building may lawfully be 107
occupied pursuant to chapters 3781. and 3791. of the Revised Code; 108

(2) An affidavit from the person who owned the property at 109
the time construction discontinued indicating the date 110
construction discontinued. 111

(E) There is hereby created in the state treasury the vacant 112
facilities grant fund, which shall consist of money appropriated 113
to the fund by the general assembly. Money in the fund shall be 114
used solely for the purposes of this section. 115

Section 2. On July 1, 2012, or as soon as possible 116
thereafter, the Director of Budget and Management, in consultation 117
with the Director of Development, shall identify within the 118
Department of Development's budget up to \$2,000,000 in unexpended, 119
unencumbered cash to be used to capitalize the Vacant Facilities 120
Grant Fund established in section 122.176 of the Revised Code. 121
When such funds have been identified, the Director of Budget and 122
Management shall transfer up to \$2,000,000 cash from the 123
identified sources to the Vacant Facilities Grant Fund. The amount 124
transferred is hereby appropriated for fiscal year 2013. 125