

**As Passed by the Senate**

**129th General Assembly**

**Regular Session**

**2011-2012**

**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, Bacon, Balderson, Beagle, Brown, Burke, Eklund, Faber, Hite, Hughes, LaRose, Lehner, Manning, Niehaus, Obhof, Oelslager, Peterson, Schiavoni, Seitz, Smith, Turner, Wagoner, Widener**

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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

**Sec. 122.176. (A) For purposes of this section:** 8

**(1) "Vacant commercial space" means space that has been** 9  
**unoccupied and available for use in a trade or business for the** 10

twelve months immediately preceding the lease or purchase date 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