

AN ACT

To amend sections 107.036, 122.174, 307.678, 311.29, 1901.32, 1907.53, 3309.374, 3333.051, 5595.04, 5595.13, 5709.48, 5709.49, 5709.50, 5725.98, 5729.98, 5733.40, 5739.01, 5739.09, 5739.213, and 5902.02, to enact sections 122.15, 122.151, 122.152, 122.153, 122.154, 122.155, 122.156, 1901.321, 1907.531, and 3318.39, and to repeal sections 126.211 and 3345.58 of the Revised Code and to amend Sections 259.100, 265.220, 265.233, 291.20, 297.10, 381.371, 395.10, 395.20, 413.50, and 512.12 of H.B. 49 of the 132nd General Assembly and Section 229.30 of S.B. 310 of the 131st General Assembly, as subsequently amended, to establish the 1:1 School Facilities Option Program, to revise the law regarding applied bachelor's degree programs offered at two-year state institutions of higher education, to modify the schedule for phasing down tangible personal property tax reimbursement payments to school districts, to modify the payment cap in the school funding formula, to modify the law governing the establishment and operation of transportation financing districts, to modify county funding sources for a tourism development district, to modify the veterans organizations grant program, to allow county sheriffs to contract with municipal courts and county courts for the transportation of persons between the county jail and a county court or municipal court, to make deputy sheriffs ex officio bailiffs of county courts and municipal courts, to revise eligibility for School Employees Retirement System pension and benefit recipients' annual cost-of-living adjustments, to repeal a provision regarding acceptance of prior college courses by state institutions of higher education, to authorize a tax credit for insurance companies that provide capital to investment funds investing in businesses in rural areas, to exempt corrective eyeglasses and contact lenses from sales and use tax beginning July 1, 2019, to provide that wages and guaranteed payments paid by a professional employer organization to the owner of a pass-through entity that has contracted with the organization may be considered business income, to make appropriations, to modify earmarks, and to make changes to reappropriations for grants related to the Lakes in Economic Distress Revolving Loan Program.

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

SECTION 1. That sections 107.036, 122.174, 307.678, 311.29, 1901.32, 1907.53, 3309.374, 3333.051, 5595.04, 5595.13, 5709.48, 5709.49, 5709.50, 5725.98, 5729.98, 5733.40, 5739.01,

5739.09, 5739.213, and 5902.02 be amended and sections 122.15, 122.151, 122.152, 122.153, 122.154, 122.155, 122.156, 1901.321, 1907.531, and 3318.39 of the Revised Code be enacted to read as follows:

Sec. 107.036. (A) For each business incentive tax credit, the main operating appropriations act shall contain a detailed estimate of the total amount of credits that may be authorized in each year, an estimate of the amount of credits expected to be claimed in each year, and an estimate of the amount of credits expected to remain outstanding at the end of the biennium. The governor shall include such estimates in the state budget submitted to the general assembly pursuant to section 107.03 of the Revised Code.

(B) As used in this section, "business incentive tax credit" means all of the following:

- (1) The job creation tax credit under section 122.17 of the Revised Code;
- (2) The job retention tax credit under section 122.171 of the Revised Code;
- (3) The historic preservation tax credit under section 149.311 of the Revised Code;
- (4) The motion picture tax credit under section 122.85 of the Revised Code;
- (5) The new markets tax credit under section 5725.33 of the Revised Code;
- (6) The research and development credit under section 166.21 of the Revised Code;
- (7) The small business investment credit under section 122.86 of the Revised Code;
- (8) The rural growth investment credit under section 122.152 of the Revised Code.

Sec. 122.15. As used in this section and sections 122.151 to 122.156 of the Revised Code:

(A) "Affiliate" means a person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with another person. For the purposes of this division, a person is "controlled by" another person if the controlling person holds, directly or indirectly, the majority voting or ownership interest in the controlled person or has control over the day-to-day operations of the controlled person by contract or by law.

(B) "Closing date" means the date on which a rural business growth fund has collected all of the amounts specified by divisions (G)(1) and (2) of section 122.151 of the Revised Code.

(C) "Credit-eligible capital contribution" means an investment of cash by a person subject to the tax imposed by section 3901.86, 5725.18, 5729.03, or 5729.06 of the Revised Code in a rural business growth fund that equals the amount specified on a notice of tax credit allocation issued by the development services agency under division (I)(1) of section 122.151 of the Revised Code. The investment shall purchase an equity interest in the fund or purchase, at par value or premium, a debt instrument issued by the fund that meets all of the following criteria:

(1) The debt instrument has an original maturity date of at least five years after the date of issuance.

(2) The debt instrument has a repayment schedule that is not faster than a level principal amortization over five years.

(3) The debt instrument has no interest, distribution, or payment features dependent on the fund's profitability or the success of the fund's growth investments.

(D) "Eligible investment authority" means the amount stated on the notice issued under division (F) of section 122.151 of the Revised Code certifying the rural business growth fund. Sixty per cent of a fund's eligible investment authority shall be comprised of credit-eligible capital contributions.

(E) "Full-time equivalent employee" means the quotient obtained by dividing the total number of hours for which employees were compensated for employment over the preceding twelve-month period by two thousand eighty.

(F) "Growth investment" means any capital or equity investment in a rural business concern or any loan to a rural business concern with a stated maturity of at least one year. A secured loan or the provision of a revolving line of credit to a rural business concern is a growth investment only if the rural business growth fund obtains an affidavit from the president or chief executive officer of the rural business concern attesting that the rural business concern sought and was denied similar financing from a commercial bank.

(G) "Operating company" means any business that has its principal business operations in this state, has fewer than two hundred fifty employees and not more than fifteen million dollars in net income for the preceding taxable year, and that is none of the following:

(1) A country club;
(2) A racetrack or other facility used for gambling;
(3) A store the principal purpose of which is the sale of alcoholic beverages for consumption off premises;

(4) A massage parlor;
(5) A hot tub facility;
(6) A suntan facility;
(7) A business engaged in the development or holding of intangibles for sale;
(8) A private or commercial golf course;
(9) A business that derives or projects to derive fifteen per cent or more of its net income from the rental or sale of real property, except any business that is a special purpose entity principally owned by a principal user of that property formed solely for the purpose of renting, either directly or indirectly, or selling real property back to such principal user if such principal user does not derive fifteen per cent or more of its gross annual revenue from the rental or sale of real property;

(10) A publicly traded business.

For the purposes of this division, "net income" means federal gross income as required to be reported under the Internal Revenue Code less federal and state taxes imposed on or measured by income.

(H) A business's "principal business operations" are in this state if at least eighty per cent of the business's employees reside in this state, the individuals who receive eighty per cent of the business's payroll reside in this state, or the business has agreed to use the proceeds of a growth investment to relocate at least eighty per cent of its employees to this state or pay at least eighty per cent of its payroll to individuals residing in this state.

(I) "Rural area" means any county in this state having a population less than two hundred thousand as of the most recent decennial census or the most recent annual population estimate published or released by the United States census bureau.

(J) "Rural business concern" means an operating company that has its principal business operations located in a rural area.

(K) "Rural business growth fund" and "fund" mean an entity certified by the development services agency under section 122.151 of the Revised Code.

(L) "Taxable year" means the calendar year ending on the thirty-first day of December next preceding the day the annual statement is required to be returned under section 5725.18 or 5729.02 of the Revised Code.

Sec. 122.151. (A) On and after the effective date of the enactment of this section, a person that has developed a business plan to invest in rural business concerns in this state and has successfully solicited private investors to make credit-eligible capital contributions in support of the plan may apply to the development services agency for certification as a rural business growth fund. The application shall include all of the following:

(1) The total eligible investment authority sought by the applicant under the business plan;

(2) Documents and other evidence sufficient to prove, to the satisfaction of the agency, that the applicant meets all of the following criteria:

(a) The applicant or an affiliate of the applicant is licensed as a rural business investment company under 7 U.S.C. 2009cc, or as a small business investment company under 15 U.S.C. 681.

(b) As of the date the application is submitted, the applicant has invested more than one hundred million dollars in operating companies, including at least fifty million dollars in operating companies located in rural areas. In computing investments under this division, the applicant may include investments made by affiliates of the applicant and investments made in businesses that are not operating companies but would qualify as operating companies if the principal business operations were located in this state.

(3) The industries in which the applicant proposes to make growth investments and the percentage of the growth investments that will be made in each industry. The applicant shall identify each industry by using the codes utilized by the north American industry classification system.

(4) An estimate of the number of new full-time equivalent employees and retained full-time equivalent employees that will result from the applicant's growth investments;

(5) A revenue impact assessment for the applicant's proposed growth investments prepared by a nationally recognized third-party independent economic forecasting firm using a dynamic economic forecasting model. The revenue impact assessment shall analyze the applicant's business plan over the ten years following the date the application is submitted to the agency.

(6) A signed affidavit from each investor successfully solicited by the applicant to make a credit eligible capital contribution in support of the business plan. Each affidavit shall include information sufficient for the agency and the superintendent of insurance to identify the investor and shall state the amount of the investor's credit-eligible capital contribution.

(7) A nonrefundable application fee of five thousand dollars.

(B)(1) Except as provided in division (B)(2) of this section, the agency shall review and make a determination with respect to each application submitted under division (A) of this section within sixty days of receipt. The agency shall review and make determinations on the applications in the order in which the applications are received by the agency. Applications received by the agency on the same day shall be deemed to have been received simultaneously. The agency shall approve not more than seventy-five million dollars in eligible investment authority and not more than forty-five million dollars in credit-eligible capital contributions under this section.

(2) If the agency denies an application for certification as a fund, and approving a subsequently submitted application would result in exceeding the dollar limitation on eligible

investment authority or credit-eligible contributions prescribed by division (B)(1) of this section assuming the previously denied application were completed, clarified, or cured under division (D) of this section, the agency shall refrain from making a determination on the subsequently submitted application until the previously denied application is reconsidered or the fifteen-day period for submitting additional information respecting that application has passed, whichever comes first.

(C) The agency shall deny an application submitted under this section if any of the following are true:

(1) The application is incomplete.

(2) The application fee is not paid in full.

(3) The applicant does not satisfy all the criteria described in division (A)(2) of this section.

(4) The revenue impact assessment submitted under division (A)(5) of this section does not demonstrate that the applicant's business plan will result in a positive economic impact on this state over a ten-year period that exceeds the cumulative amount of tax credits that would be issued under section 122.152 of the Revised Code if the application were approved.

(5) The credit-eligible capital contributions described in affidavits submitted under division (A)(6) of this section do not equal sixty per cent of the total amount of eligible investment authority sought under the applicant's business plan.

(6) The agency has already approved the maximum total eligible investment authority and credit-eligible capital contributions allowed under division (B) of this section.

(D) If the agency denies an application under division (C) of this section, the agency shall send notice of its determination to the applicant. The notice shall include the reason or reasons that the application was denied. If the application was denied for any reason other than the reason specified in division (C)(6) of this section, the applicant may provide additional information to the agency to complete, clarify, or cure defects in the application. The additional information must be submitted within fifteen days after the date the notice of denial was dispatched by the agency. If the person submits additional information within fifteen days, the agency shall reconsider the application within thirty days after receiving the additional information. The application shall be reviewed and considered before any pending application submitted after the original submission date of the reconsidered application. If the person does not submit additional information within fifteen days after dispatch of the notice of denial, the person may submit a new application with a new submission date at any time.

(E) If approving multiple simultaneously submitted applications would result in exceeding the overall eligible investment limit prescribed by division (B) of this section, the agency shall proportionally reduce the eligible investment authority and the credit-eligible capital contributions for each approved application as necessary to avoid exceeding the limit.

(F) The agency shall not deny a rural business growth fund application or reduce the requested eligible investment authority for reasons other than those described in divisions (C) and (E) of this section. If the agency approves such an application, the agency shall issue a written notice to the applicant certifying that the applicant qualifies as a rural business growth fund and specifying the amount of the applicant's eligible investment authority.

(G) A fund shall do all of the following within sixty days after receiving the certification issued under division (F) of this section:

(1) Collect the credit-eligible capital contributions from each investor whose affidavit was included in the application. If the rural business growth fund's requested eligible investment authority is proportionally reduced under division (E) of this section, the investor's required credit-eligible capital contribution shall be reduced by the same proportion.

(2) Collect one or more investments of cash that, when added to the contributions collected under division (G)(1) of this section, equal the fund's eligible investment authority. At least ten per cent of the fund's eligible investment authority shall be comprised of equity investments contributed by affiliates of the fund, including employees, officers, and directors of such affiliates.

(H) Within sixty-five days after receiving the certification issued under division (F)(1) of this section, the fund shall send to the agency documentation sufficient to prove that the amounts described in divisions (G)(1) and (2) of this section have been collected. The fund shall identify any affiliate of an investor described in division (G)(1) of this section that will seek to claim the credit allowed by section 122.152 of the Revised Code. If the fund fails to fully comply with division (G) of this section, the fund's certification shall lapse.

Eligible investment authority and corresponding credit-eligible capital contributions that lapse under this division do not count toward limits on total eligible investment authority and credit-eligible capital contributions prescribed by division (B) of this section. Once eligible investment authority has lapsed, the agency shall first award lapsed authority pro rata to each fund that was awarded less than the requested eligible investment authority because of the operation of division (E) of this section. Any remaining eligible investment authority may be awarded by the agency to new applicants.

(I) After receiving documentation sufficient to prove that the amounts described in divisions (G)(1) and (2) of this section have been collected, the agency shall issue the following notices:

(1) To each investor or affiliate identified in division (H) of this section, a notice of the amount and utilization schedule of the tax credits allocated to that investor or affiliate as a result of its credit-eligible capital contribution;

(2) To the superintendent of insurance, a notice of the amount and utilization schedule of the tax credits allocated to each investor described in division (G)(1) of this section and any affiliate of such investor who will seek to claim the credit allowed by section 122.152 of the Revised Code.

(J) Application fees submitted to the agency pursuant to division (A)(7) of this section shall be credited to the tax incentives operating fund created under section 122.174 of the Revised Code, and shall be used by the agency to administer sections 122.15 to 122.156 of the Revised Code.

Sec. 122.152. (A) There is hereby allowed a nonrefundable tax credit for owners of tax credit certificates issued by the development services agency under division (B) of this section. The credit may be claimed against the tax imposed by section 3901.86, 5725.18, 5729.03, or 5729.06 of the Revised Code.

(B) On the closing date, a taxpayer that made a credit-eligible capital contribution to a rural business growth fund shall be eligible for a credit equal to the amount specified in the notice issued under division (I)(1) of section 122.151 of the Revised Code. On or before the third, fourth, fifth, and sixth anniversary dates of the closing date, the agency shall issue a tax credit certificate to the taxpayer specifying the corresponding anniversary date and a credit amount equal to one-fourth of the total credit authorized under this section. The taxpayer or its identified affiliate may claim the

credit amount for the taxable year that includes the date specified on the certificate. The taxpayer making a credit-eligible capital contribution and the issuance of a tax credit certificate by the agency does not represent a verification or certification by the agency of compliance with the recapture provisions of section 122.153 of the Revised Code. The tax credit issued under this division is subject to recapture under section 122.153 of the Revised Code.

(C) The credit shall be claimed in the order required under section 5725.98 or 5729.98 of the Revised Code as applicable. If the amount of the credit for a taxable year exceeds the tax otherwise due for that year, the excess may be carried forward for not more than four ensuing taxable years. A taxpayer claiming a credit under this section shall submit a copy of the tax credit certificate with the taxpayer's annual statement for each taxable year in which the credit is claimed.

Sec. 122.153. (A) The development services agency shall not be required to issue a tax credit certificate under section 122.152 of the Revised Code if the fund in which the credit-eligible capital contribution was made does not invest fifty per cent of its eligible investment authority in growth investments within one year of the closing date and one hundred per cent of its eligible investment authority in growth investments in this state within two years of the closing date.

(B) The agency shall recapture tax credits claimed under section 122.152 of the Revised Code if any of the following occur with respect to the rural business growth fund:

(1) The fund, after investing one hundred per cent of its eligible investment authority in growth investments in this state, fails to maintain that investment until the sixth anniversary of the closing date. For the purposes of this division, an investment is maintained even if the investment is sold or repaid so long as the fund reinvests an amount equal to the capital returned or recovered by the fund from the original investment, exclusive of any profits realized, in other growth investments in this state within one year of the receipt of such capital.

(2) The fund makes a distribution or payment after the fund complies with division (G) of section 122.151 of the Revised Code and before the fund decertifies under division (D) of this section that results in the fund having less than one hundred per cent of its eligible investment authority invested in growth investments in this state.

(3) The fund makes a growth investment in a rural business concern that directly or indirectly through an affiliate owns, has the right to acquire an ownership interest, makes a loan to, or makes an investment in the fund, an affiliate of the fund, or an investor in the fund. Division (A)(3) of this section does not apply to investments in publicly traded securities by a rural business concern or an owner or affiliate of a rural business concern.

Before recapturing one or more tax credits under this division, the agency shall notify the fund of the reasons for the pending recapture. If the fund corrects the violations outlined in the notice to the satisfaction of the agency within thirty days of the date the notice was dispatched, the agency shall not recapture the tax credits.

(C) The amount by which one or more growth investments by a fund in the same rural business concern exceeds twenty per cent of the fund's eligible investment authority shall not be counted as a growth investment for the purposes of this section. A growth investment in an affiliate of a rural business concern shall be treated as a growth investment in that rural business concern for the purposes of this division.

(D) If the agency recaptures a tax credit under this section, the agency shall notify the

superintendent of insurance of the recapture. The superintendent shall make an assessment under Chapter 5725. or 5729. of the Revised Code for the amount of the credit claimed by each certificate owner associated with the fund before the recapture was finalized. The time limitations on assessments under those chapters do not apply to an assessment under this division, but the superintendent shall make the assessment within one year after the date the agency notifies the superintendent of the recapture. Following the recapture of a tax credit under this section, no tax credit certificate associated with the fund may be utilized. Notwithstanding division (B) of section 122.152 of the Revised Code, if a tax credit is recaptured under this section the agency shall not issue future tax credit certificates to taxpayers that made credit-eligible capital contributions to the fund.

(E)(1) On or after the sixth anniversary of the closing date, a fund that has not committed any of the acts described in division (B) of this section may apply to the agency to decertify as a rural business growth fund. The agency shall respond to the application within sixty days after receiving the application. In evaluating the application, the fact that no tax credit has been recaptured with respect to the fund shall be sufficient evidence to prove that the fund is eligible for decertification. The agency shall not unreasonably deny an application submitted under this division.

(2) The agency shall send notice of its determination with respect to an application submitted under division (E)(1) of this section to the fund. If the application is denied, the notice shall include the reason or reasons for the determination.

(3) The agency shall not recapture a tax credit due to any actions of a fund that occur after the date the fund's application for decertification is approved. Division (E)(3) of this section does not prohibit the agency from recapturing a tax credit due to the actions of a fund that occur before the date the fund's application for decertification is approved, even if those actions are discovered after that date.

Sec. 122.154. (A) Each rural business growth fund shall submit a report to the development services agency on or before the first day of each March following the end of the calendar year that includes the closing date until the calendar year after the fund has decertified. The report shall provide an itemization of the fund's growth investments and shall include the following documents and information:

(1) A bank statement evidencing each growth investment;

(2) The name, location, and industry class of each business that received a growth investment from the fund and evidence that the business qualified as a rural business concern at the time the investment was made. If the fund obtained a written opinion from the agency on the business's status as a rural business concern under section 122.156 of the Revised Code, or if the fund makes a written request for such an opinion and the agency failed to respond within thirty days as required by that section, a copy of the agency's favorable opinion or a dated copy of the fund's unanswered request, as applicable, shall be sufficient evidence that the business qualified as a rural business concern at the time the investment was made.

(3) The number of employment positions that existed at each business described in division (A)(2) of this section on the date the business received the growth investment;

(4) The number of new full-time equivalent employees resulting from each of the fund's growth investments made or maintained in the preceding calendar year;

(5) Any other information required by the agency.

(B) Each fund shall submit a report to the agency on or before the fifth business day after the first and second anniversaries of the closing date that provides documentation sufficient to prove that the fund has met the investment thresholds described in division (A) of section 122.153 of the Revised Code and has not implicated any of the other recapture provisions described in division (B) of that section.

(C) Each certified rural business growth fund shall pay the agency an annual fee of twenty thousand dollars. The initial annual fee required of a fund shall be due and payable to the agency along with the submission of documentation required under division (H) of section 122.151 of the Revised Code. Each subsequent annual fee is due and payable on the last day of February following the first and each ensuing anniversary of the closing date. If the fund is required to submit an annual report under division (A) of this section, the annual fee shall be submitted along with the report. No fund shall be required to pay an annual fee after the fund has decertified under section 122.153 of the Revised Code. Annual fees paid to the agency under this section shall be credited to the tax incentives operating fund created under section 122.174 of the Revised Code.

(D) The director of development services, after consultation with the superintendent of insurance and in accordance with Chapter 119. of the Revised Code, may adopt rules necessary to implement sections 122.15 to 122.156 of the Revised Code.

Sec. 122.155. (A)(1) For each calendar year in which a rural business growth fund makes or maintains a growth investment in a rural business concern in this state, the fund shall determine the number of new full-time equivalent employees produced at the business concern as a result of the investment. New full-time equivalent employees shall be computed by subtracting the number of full-time equivalent employees at the rural business concern on the date of the fund's initial growth investment in the rural business concern from the number of full-time equivalent employees at the rural business concern on the last day of the calendar year. If the computation results in a number less than zero, the number of new full-time equivalent employees, produced by the fund's growth investment for that calendar year period shall be zero. Only employees with an hourly wage rate of at least one hundred fifty per cent of the federal minimum wage may be considered in computing the number of new full-time equivalent employees for the purposes of this section.

(2) A fund may determine and include, for the purposes of this section and section 122.154 of the Revised Code, the number of new full-time equivalent employees produced at a rural business concern after the year in which the fund's growth investment is repaid or redeemed. The new full-time equivalent employees shall be computed in the same manner as in division (A)(1) of this section based on reporting information provided by the rural business concern to the fund.

(B) After a fund's application for decertification is approved under section 122.153 of the Revised Code, the fund shall determine the state reimbursement amount. The state reimbursement amount shall equal the amount by which the fund's credit-eligible capital contributions exceed the product obtained by multiplying thirty thousand dollars by the aggregate number of new full-time equivalent employees for the fund. If that product is greater than the fund's credit-eligible capital contributions, the state reimbursement amount shall equal zero. In the absence of additional information provided by the fund or discovered by the agency, the number of new full-time equivalent employees for the purposes of this division equals the sum of all new full-time equivalent employees reported by the fund on the annual reports required under section 122.154 of the Revised

Code.

(C) After the state reimbursement amount is computed under division (B) of this section, the fund shall not be permitted to make further distributions to equity holders of the fund, including investors that are equity holders of the funds without first remitting the state reimbursement amount to the agency. All amounts received by the agency under this division shall be credited to the general revenue fund.

(D) The director of development services, upon the request of a fund, may waive all or a portion of the remission required under division (C) of this section if the director determines, based on an affidavit of the chief executive officer or president of a rural business concern, that the growth investments of the fund resulted in the retention of employment positions that would have otherwise been eliminated at rural business concerns in this state. The amount waived shall not exceed the product of thirty thousand dollars multiplied by the number of retained employment positions multiplied by the number of years in which the fund made or maintained a growth investment in the rural business concern that retained the employment positions.

Sec. 122.156. A rural business growth fund, before investing in a business, may request a written opinion from the development services agency as to whether the business qualifies as a rural business concern based on the criteria prescribed by section 122.15 of the Revised Code. The request shall be submitted in a form prescribed by rule of the agency. The agency shall issue a written opinion to the fund within thirty business days of receiving such a request. Notwithstanding division (H) of section 122.15 of the Revised Code, if the agency determines that the business qualifies as a rural business concern or if the agency fails to timely issue the written opinion as required under this section, the business shall be considered a rural business concern for the purposes of sections 122.15 to 122.156 of the Revised Code.

Sec. 122.174. There is hereby created in the state treasury the tax incentives operating fund. The fund shall consist of any amounts appropriated to it and money credited to the fund pursuant to section 122.151, 122.154, 122.17, 122.171, 122.175, 122.85, 122.86, 3735.672, 5709.68, or 5725.33 of the Revised Code. The director of development services shall use money in the fund to pay expenses related to the administration of (A) the business services division of the development services agency and (B) the programs described in those sections.

Sec. 307.678. (A) As used in this section:

(1) "Bureau" means a nonprofit corporation that is organized under the laws of this state that is, or has among its functions acting as, a convention and visitors' bureau, and that currently receives revenue from existing lodging taxes.

(2) "Cooperating parties" means the parties to a cooperative agreement.

(3) "Cooperative agreement" means an agreement entered into pursuant to or as contemplated by this section.

(4) "Credit enhancement facilities" has the same meaning as in section 133.01 of the Revised Code.

(5) "Debt charges" has the same meaning as in section 133.01 of the Revised Code, except that "obligations" shall be substituted for "securities" wherever "securities" appears in that section.

(6) "Eligible county" means a county within the boundaries of which any part of a tourism development district is located.

(7) "Eligible transit authority" means a regional transit authority created pursuant to section 306.31 of the Revised Code or a county in which a county transit system is created pursuant to section 306.01 of the Revised Code, within the boundaries of which any part of a tourism development district is located.

(8) "Existing lodging taxes" means taxes levied by a board of county commissioners of an eligible county under division (A) of section 5739.09 of the Revised Code.

(9) "Financing costs" means all costs, fees, and expenses relating to the authorization, including any required election, issuance, sale, delivery, authentication, deposit, custody, clearing, registration, transfer, exchange, fractionalization, replacement, payment, and servicing, of obligations, including, without limitation, costs and expenses for or relating to publication and printing, postage, delivery, preliminary and final official statements, offering circulars, placement memoranda, and informational statements, travel and transportation, underwriters, placement agents, investment bankers, paying agents, registrars, authenticating agents, remarketing agents, custodians, clearing agencies, companies, or corporations, securities depositories, issuers, financial advisory services, certifications, audits, federal or state regulatory agencies, accounting and computation services, legal services and obtaining approving legal opinions and other legal opinions, credit ratings, paying redemption premiums, and credit enhancement facilities. Financing costs may be paid from any money available for the purpose, including, unless otherwise provided in the proceedings, from the proceeds of the obligations to which they relate and, as to future financing costs, from the same sources from which debt charges on the obligations are paid and as though debt charges.

(10) "Host municipal corporation" means a municipal corporation within the boundaries of which any part of a tourism development district is located.

(11) "Host school district" means a school district within the boundaries of which any part of a tourism development district is located.

(12) "Incremental sales tax growth" has the same meaning as in section 5739.213 of the Revised Code, except that, in the case of an eligible county, "incremental sales tax growth" shall include only the amount of taxes levied under sections 5739.021 and 5739.026 of the Revised Code credited to the county's general fund.

(13) "Issuer" means a port authority, a new community authority, or any other issuer, as defined in section 133.01 of the Revised Code, and any corporation.

(14) "Maintenance and repair costs" means costs and expenses incurred by a cooperating party from the party's own revenues for maintaining or repairing a project.

(15) "Net lodging tax proceeds" means the proceeds of an existing lodging tax that remain after deduction by an eligible county of the real and actual costs of administering the tax and any portion of such proceeds required to be returned to a municipal corporation or township under division (A)(1) of section 5739.09 of the Revised Code.

(16) "Net tourism development district revenues" means the tourism development district revenues remaining after deduction by the host municipal corporation of an amount, not to exceed ~~one percent~~ per cent of any admissions tax revenues, prescribed in any legislation by which, or agreement pursuant to which, tourism development district revenues are pledged, or agreed to be pledged or contributed, by an eligible county, an eligible transit authority, or a host municipal corporation, or any combination thereof, in accordance with division (B), (E), (F), or (G) of this

section.

(17) "New community authority" means a new community authority established under section 349.03 of the Revised Code by an organizational board of commissioners that is or includes the board of county commissioners of an eligible county or the legislative authority of a host municipal corporation.

(18) "Obligations" means obligations issued or incurred by an issuer pursuant to Chapter 133., 349., or 4582. of the Revised Code, or otherwise, for the purpose of funding or paying, or reimbursing persons for the funding or payment of, project costs, and that evidence the issuer's obligation to repay borrowed money, including interest thereon, or to pay other money obligations of the issuer at any future time, including, without limitation, bonds, notes, anticipatory securities as defined in section 133.01 of the Revised Code, certificates of indebtedness, commercial paper, or installment sale, lease, lease-purchase, or similar agreements. "Obligations" does not include credit enhancement facilities.

(19) "Person" includes an individual, corporation, limited liability company, business trust, estate, trust, partnership, association, eligible county, eligible transit authority, host municipal corporation, port authority, new community authority, and any other political subdivision of the state.

(20) "Port authority" means a port authority created under Chapter 4582. of the Revised Code.

(21) "Project" means acquiring, constructing, reconstructing, rehabilitating, remodeling, renovating, enlarging, equipping, furnishing, or otherwise improving a tourism facility or any component or element thereof.

(22) "Project cost" means the cost of acquiring, constructing, reconstructing, rehabilitating, remodeling, renovating, enlarging, equipping, financing, refinancing, furnishing, or otherwise improving a project, including, without limitation, financing costs; the cost of architectural, engineering, and other professional services, designs, plans, specifications, surveys, and estimates of costs; financing or refinancing obligations issued by, or reimbursing money advanced by, any cooperating party or any other person, where the proceeds of the obligations or money advanced was used to pay any other cost described in this division; inspections and testing; any indemnity or surety bond or premium related to insurance pertaining to development of the project; all related direct and indirect administrative costs and costs of placing a project in service; fees and expenses of trustees, escrow agents, depositories, and paying agents for any obligations; interest on obligations during the planning, design, and development of a project and for up to eighteen months thereafter; funding and replenishing reserves for the payment of debt charges on any obligations; all other expenses necessary or incident to planning, or determining the feasibility or practicability of, a project, including, without limitation, advocating the enactment of legislation to facilitate the development and financing of a project; and any other costs of a project that are authorized to be financed by the issuer of obligations at the time the obligations are issued.

(23) "Taxing authority" means the board of county commissioners of an eligible county, the legislative authority, as that term is defined in section 5739.01 of the Revised Code, of an eligible transit authority, or the legislative authority of a host municipal corporation.

(24) "Tourism development district" means an area designated by a host municipal corporation under section 715.014 of the Revised Code.

(25) "Tourism development district revenues" means money received or receivable by a host municipal corporation from incremental sales tax growth pursuant to section 5739.213 of the Revised Code, from a tax levied by the host municipal corporation pursuant to division (C) of section 5739.101 of the Revised Code, from a tax levied by the host municipal corporation pursuant to section 5739.08 or 5739.09 of the Revised Code on the provision of lodging by hotels located in the tourism development district, from a tax levied by the host municipal corporation with respect to admission to any tourism facility or parking or any other activity occurring at any location in the tourism development district, or from any tax levied by an eligible county, eligible transit authority, or host municipal corporation, except for a tax on property levied by an eligible county, with respect to activities occurring, or property located, in the tourism development district, if and to the extent that revenue from any such tax is authorized to be used, or is not prohibited by law from being used, to foster and develop tourism in the tourism development district and is authorized, contracted, pledged or assigned by the respective taxing authority to be used to fund or pay, or to reimburse other persons for funding or payment of, project costs or maintenance and repair costs.

(26) "Tourism facility" means any permanent improvement, as defined in section 133.01 of the Revised Code, located in a tourism development district.

(B) The board of county commissioners of an eligible county, an eligible transit authority, a host municipal corporation, the board of education of a host school district, a port authority, a bureau, a new community authority, and any other person, or any combination thereof, may enter into a cooperative agreement for any purpose authorized under this section and under which any of the following apply:

(1) The board of county commissioners of the eligible county and the bureau agree to make available to a cooperating party or any other person net lodging tax proceeds, not to exceed five hundred thousand dollars each year, to fund or pay, or to reimburse other persons for funding or payment of, project costs or debt charges on obligations.

(2) The board of county commissioners of the eligible county agrees, for the purpose of funding or paying or supporting, or for reimbursing other persons for funding or payment of, project costs, including debt charges on obligations, may do either of the following:

(a) Make available to a cooperating party or other person an amount equal to incremental sales tax growth or all or a portion of the county's tourism development district revenues;

(b) Provide, from receipts of a tax levied by the county under division (A)(11) of section 5739.09 of the Revised Code, credit enhancement facilities in connection with the funding or payment of project costs, including debt charges on obligations, or any portion or combination thereof.

(3) The taxing authority of an eligible transit authority agrees to make available to a cooperating party or any other person an amount equal to incremental sales tax growth or all or a portion of the transit authority's tourism development district revenues.

(4) The host municipal corporation agrees to make available credit enhancement facilities or net tourism development district revenues, or any portion or combination thereof, to fund, pay, or support, or to reimburse other persons for funding or payment of, project costs, including debt charges on obligations, or maintenance and repair costs, or both. Any agreement to use net tourism development district revenues to pay or reimburse other persons for payment of maintenance and

repair costs shall be subject to authorization by any cooperating party providing such funding to the host municipal corporation and to annual appropriation for such purpose by the legislative authority of the host municipal corporation and shall be subordinate to any covenant made to or by an issuer in connection with the issuance of obligations or credit enhancement facilities to pay project costs.

(5) The cooperating parties agree, subject to any conditions or limitations provided in the cooperative agreement, to any of the following:

(a) The conveyance, grant, or transfer to a cooperating party or any other person of ownership of, property interests in, and rights to use real or personal property to create a tourism facility or with respect to a tourism facility as the facility exists at the time of the agreement or as it may be improved by a project;

(b) The respective responsibilities of each cooperating party for the management, operation, maintenance, repair, and replacement of a tourism facility, including any project undertaken with respect to the facility, which may include authorization for a cooperating party to contract with any other person for any such purpose;

(c) The respective responsibilities of each cooperating party for the development and financing of a project, including, without limitation, the cooperating party or parties that shall be responsible for contracting for the development of a project and administering contracts entered into by the party or parties for that purpose;

(d) The respective responsibilities of each cooperating party to provide money, credit enhancement facilities, or both, whether by issuing obligations or otherwise, for the funding, payment, financing, or refinancing, or reimbursement to a cooperating party or other person for the funding, payment, financing, or refinancing, of project costs;

(e) The respective responsibilities of each cooperating party to provide money, credit enhancement facilities, or other security for the payment of debt charges on obligations or to fund or replenish reserves or otherwise provide for the payment of maintenance and repair costs.

(C) Any conveyance, grant, or transfer of ownership of, property interests in, or rights to use a tourism development facility or project, including any project undertaken with respect to an existing tourism facility, that is contemplated by a cooperative agreement may be made or entered into by a cooperating party, in such manner and upon such terms as the cooperating parties may agree, without regard to ownership of the tourism facility or project, notwithstanding any other provision of law that may otherwise apply, including, without limitation, any requirement for notice, competitive bidding or selection, or the provision of security.

~~(D) Regardless of whether a cooperative agreement has been executed and delivered, the~~ The board of county commissioners may amend any previously adopted resolution providing for the levy of an existing lodging tax to permit the use of any portion of the net lodging tax proceeds from such tax as provided in this section, ~~and a~~ if and to the extent such use is not inconsistent with a cooperative agreement. A host municipal corporation may amend any previously passed ordinance providing for the levy of lodging taxes under section 5739.08 or 5739.09 of the Revised Code to permit the use of any portion of such lodging taxes as provided in this section.

(E)(1) Notwithstanding any other provision of law:

(a) The board of county commissioners of an eligible county may provide, from receipts of a tax levied by the county under division (A)(11) of section 5739.09 of the Revised Code, credit

enhancement facilities in connection with any project, including, without limitation, for the provision of any infrastructure necessary to support a tourism facility.

(b) The board of county commissioners of an eligible county and a bureau may agree to make available to any person, on such terms and conditions as the board and the bureau may determine and agree, net lodging tax proceeds.

(c) The board of county commissioners of an eligible county may agree to make available to any person, on such terms and conditions as the board may determine and agree, incremental sales tax growth and all or a portion of the county's tourism development district revenues.

(2) Any amount made available under division (E)(1)(b) or (c) of this section shall be used to fund or pay, or to reimburse other persons for funding or payment of, project costs, including, without limitation, the payment of debt charges on obligations, the provision of credit enhancement facilities and the funding, and funding and replenishing reserves for that purpose or, subject to annual appropriation, to pay, or reimburse other persons for payment of, repair and maintenance costs.

(3) The board of county commissioners, the bureau, or both, may pledge net lodging tax proceeds, and the board of county commissioners may pledge incremental sales tax growth and any tourism development district revenues, or any part or portion or combination thereof, to the payment of debt charges on obligations and the funding, or to fund or replenish reserves for that purpose; provided that, the total amount of net lodging tax proceeds made available for such use each year shall not exceed five hundred thousand dollars.

The lien of any such pledge shall be effective against all persons when it is made, without the requirement for the filing of any notice, and any such net lodging tax proceeds, incremental sales tax growth, and tourism development district revenues, or any part or portion or combination thereof, so pledged and required to pay debt charges on obligations, to provide any credit enhancement facilities or to fund, or to fund or replenish reserves, or any combination thereof, shall be paid by the county or bureau at the times, in the amounts, and to such payee, including, without limitation, a corporate trustee or paying agent, to which the board of county commissioners and bureau agree with respect to net lodging tax proceeds and to which the board of county commissioners agree with respect to incremental sales tax growth or tourism development district revenues.

(F) Notwithstanding any other provision of law, a host municipal corporation may agree to make available to any person, on such terms and conditions to which it may determine and agree, and any person may use, net tourism development district revenues, or any part or portion thereof, to fund or pay, or to reimburse other persons for funding or payment of, project costs, including, without limitation, the payment of debt charges on obligations and the funding, and funding and replenishing reserves for that purpose, or, subject to annual appropriation, to pay, or to reimburse other persons for payment of maintenance and repair costs, and the host municipal corporation may pledge net tourism development district revenues, or any part or portion thereof, to the payment of debt charges on obligations and to fund and replenish reserves for that purpose and may provide credit enhancement facilities. The lien of any such pledge shall be effective against all persons when it is made, without the requirement for the filing of any notice, and any net tourism development district revenues so pledged and required to pay debt charges on obligations or to fund and replenish reserves shall be paid by the host municipal corporation at the times, in the amounts, and to such payee, including, without limitation, a corporate trustee or paying agent, to which the host municipal corporation

agrees.

(G) Notwithstanding any other provision of law, an eligible transit authority may agree to make available, on such terms and conditions to which it may determine and agree, to any person, and any person may use, incremental sales tax growth and tourism development district revenues, or any part or portion or combination thereof, to fund or pay, or to reimburse other persons for funding or payment of, project costs, including, without limitation, the payment of debt charges on obligations and the funding and replenishing of reserves for that purpose, or, subject to annual appropriation, to pay, or to reimburse any other person for payment of, maintenance and repair costs, and the eligible transit authority may pledge incremental sales tax growth and tourism development district revenues, or any part or portion or combination thereof, to the payment of debt charges on obligations and the funding and replenishing of reserves for that purpose. The lien of any such pledge shall be effective against all persons when it is made, without the requirement for the filing of any notice, and any incremental sales tax growth and tourism development district revenues, or any part or portion or combination thereof, so pledged and required to pay debt charges on obligations or to fund and replenish reserves shall be paid by the eligible transit authority at the times, in the amounts, and to such payee, including, without limitation, a corporate trustee or paying agent, to which the eligible transit authority agrees.

(H) Except as provided herein with respect to agreements for the payment or reimbursement of maintenance and repair costs, if the term of an agreement made pursuant to division (B), (E), (F), or (G) of this section extends beyond the end of the fiscal year of the eligible county, eligible transit authority, or host municipal corporation in which it is made, the agreement shall be subject to section 5705.44 of the Revised Code, and subject to the certification required by that section, the amount due under any such agreement in each succeeding fiscal year shall be included in the annual appropriation measure of the eligible county, eligible transit authority, or host municipal corporation for each such fiscal year as a fixed charge. The obligation of an eligible county, eligible transit authority, or host municipal corporation, and of each official thereof, to include the amount required to be paid in any such fiscal year in its annual appropriation measure as a fixed charge and to make such payments from and to the extent of the amounts so pledged, or agreed to be contributed or pledged, shall be a duty specially enjoined by law and resulting from an office, trust, or station under section 2731.01 of the Revised Code, enforceable by writ of mandamus.

(I)(1) Each tourism facility and project constitutes a "port authority facility" within the meaning of division (D) of section 4582.01 and division (E) of section 4582.21 of the Revised Code, and a port authority may issue obligations under Chapter 4582. of the Revised Code, subject only to the procedures and requirements applicable to its issuance of revenue bonds as provided in division (A)(4) of section 4582.06 of the Revised Code or of port authority revenue bonds as provided in division (A)(8) of section 4582.31 of the Revised Code. For the purpose of issuing any such obligations, any net lodging tax proceeds, net tourism development district revenues, amounts provided pursuant to any credit enhancement facilities, and revenue from any other tax pledged, assigned, or otherwise obligated to be contributed to the payment of the obligations shall be treated as revenues of the port authority for the purposes of division (A)(4) of section 4582.06 of the Revised Code and revenues, as defined in section 4582.21 of the Revised Code. Any obligations issued under division (I)(1) of this section shall be considered revenue bonds issued under division (A)(4) of

section 4582.06 of the Revised Code or port authority revenue bonds issued under division (A)(8) of section 4582.31 and section 4582.48 of the Revised Code for all purposes. In addition to all other powers available to a port authority under this section or under Chapter 4582. of the Revised Code with respect to the issuance of or provision for the security for payment of debt charges on obligations, and with respect to any tourism facility or project, the port authority may take any of the actions contemplated by Chapter 4582. of the Revised Code, including, without limitation, any actions contemplated by section 4582.06, 4582.31, or 4582.47 of the Revised Code. Obligations issued by a port authority pursuant to division (I)(1) of this section shall be special obligations of the port authority and do not constitute bonded indebtedness, a general obligation, debt, or a pledge of the full faith and credit of the state, the port authority, or any other political subdivision of the state.

(2) Each tourism facility and project constitutes "community facilities" within the meaning of division (I) of section 349.01 of the Revised Code, and a new community authority may issue obligations pursuant to Chapter 349. of the Revised Code subject only to the procedures and requirements applicable to its issuance of bonds or notes as used in and pursuant to section 349.08 of the Revised Code. For the purpose of issuing any such obligations, net lodging tax proceeds, net tourism development district revenues, and revenue from any other tax pledged, assigned, or otherwise obligated to be contributed to the payment of the obligations shall be treated as an income source, as defined in section 349.01 of the Revised Code. Any obligations issued under division (I) (2) of this section shall be considered bonds issued under section 349.08 of the Revised Code. In addition to all other powers available to a new community authority under division (I)(2) of this section or under Chapter 349. of the Revised Code with respect to the issuance of or provision for the security for payment of debt charges on obligations, and with respect to any tourism facility or project, the new community authority may take any of the actions contemplated by Chapter 349. of the Revised Code. Obligations issued by a new community authority pursuant to division (I)(2) of this section shall be special obligations of the new community authority and do not constitute bonded indebtedness, a general obligation, debt, or a pledge of the full faith and credit of the state, the new community authority, or any other political subdivision of the state.

(J) Each project for which funding or payment of project costs is provided, in whole or in part, by the issuance of obligations secured by a pledge of net lodging tax proceeds or net tourism development district revenues, or both, and any agreement to provide credit enhancement facilities or to fund or pay, and the funding or payment of, such project costs and any maintenance and repair costs of the project from net lodging taxes and net tourism development district revenues, are hereby determined, regardless of the ownership, leasing, or use of the project by any person, to constitute implementing and participating in the development of sites and facilities within the meaning of Section 2p of Article VIII, Ohio Constitution, including division (D)(3) of that section, and any such obligations are hereby determined to be issued, and any such credit enhancement facilities and agreements to fund or pay, and funding and payment of, project costs and any maintenance and repair costs of the project, are determined to be made, under authority of Section 2p of Article VIII, Ohio Constitution, for and in furtherance of site and facility development purposes within the meaning of division (E) of that section, pursuant to provision made by law for the procedure for incurring and issuing obligations, separately or in combination with other obligations, and refunding, retiring, and evidencing obligations, and pursuant to division (F) of Section 2p of Article VIII, Ohio Constitution,

such that provision for the payment of debt charges on the obligations, credit enhancement facilities, or both, the purposes and uses to which and the manner in which the proceeds of those obligations or credit enhancement facilities or money from other sources are to be or may be applied, and other implementation of those development purposes as referred to in this section, including the manner determined by an issuer to participate for those purposes, are not subject to Sections 4 and 6 of Article VIII, Ohio Constitution.

No obligations may be issued under this section to fund or pay maintenance and repair costs.

(K) No obligations may be issued under this section unless the issuer's fiscal officer determines that the net lodging tax proceeds, net tourism development district revenues, or both, pledged, assigned, or otherwise obligated to be contributed to the payment of debt charges on such obligations and all other obligations issued, outstanding and payable therefrom, are expected to be sufficient to pay all debt charges on all such obligations except to any extent that such debt charges are to be paid from proceeds of obligations or refunding obligations deposited or to be deposited into a pledged fund or account, including any reserve fund or account, or investment earnings thereon.

(L)(1) A board of county commissioners shall not repeal, rescind, or reduce the levy of an existing lodging tax or the source of any other revenue to the extent revenue from that tax or source is pledged to the payment of debt charges on obligations, and any such lodging tax or other revenue source shall not be subject to repeal, rescission, or reduction by initiative, referendum, or subsequent enactment of legislation by the general assembly, so long as there remain outstanding any obligations as to which the payment of debt charges is secured by a pledge of the existing lodging tax or other revenue source.

(2) The legislative authority of a host municipal corporation shall not repeal, rescind, or reduce the levy of any tax the proceeds of which constitute tourism development district revenues if its proceeds are pledged to the payment of debt charges on obligations, and any such tax shall not be subject to repeal, rescission, or reduction by initiative, referendum, or subsequent enactment of legislation by the general assembly, so long as there remain outstanding any obligations as to which the payment of debt charges is secured by a pledge of those net tourism development district revenues.

(3) A transit authority shall not repeal, rescind, or reduce the levy of any tax the proceeds of which are pledged to the payment of debt charges on obligations, and any such tax shall not be subject to repeal, rescission, or reduction by initiative, referendum, or subsequent enactment of legislation by the general assembly, so long as there remain outstanding any obligations as to which the payment of debt charges is secured by the pledge of such tax proceeds.

(M) A pledge, assignment, or other agreement to contribute net lodging tax proceeds or other revenues or credit enhancement facilities made by an eligible county under division (B) or (E) of this section; a pledge, assignment, or other agreement to contribute net tourism development district revenues or credit enhancement facilities made by a host municipality under division (B) or (F) of this section; and a pledge, assignment, or other agreement made by an eligible county or eligible transit authority or agreement to contribute revenue from taxes that constitute tourism development district revenues under division (B), (E), or (G) of this section, do not constitute bonded indebtedness, or indebtedness for the purposes of Chapter 133. of the Revised Code, of an eligible county, eligible transit authority, or host municipal corporation.

(N) The authority provided by this section is supplemental to, and is not intended to limit in any way, any legal authority that a cooperating party or any other person may have under any other provision of law.

Sec. 311.29. (A) As used in this section:

(1) "Chartered nonpublic school" has the same meaning defined in section 3310.01 of the Revised Code.

(2) "Chautauqua assembly" has the same meaning as in section 4511.90 of the Revised Code.

(3) "Community preventative education program" has the meaning defined in division (D) of section 2981.13 of the Revised Code.

(4) "Community school" means a community school established under Chapter 3314. of the Revised Code.

(B) The sheriff may, from time to time, enter into contracts with any municipal corporation, township, township police district, joint police district, metropolitan housing authority, port authority, water or sewer district, school district, community school governing authority, library district, health district, park district created pursuant to section 511.18 or 1545.01 of the Revised Code, soil and water conservation district, water conservancy district, or other taxing district or with the board of county commissioners of any contiguous county with the concurrence of the sheriff of the other county, and such subdivisions, authorities, and counties may enter into agreements with the sheriff pursuant to which the sheriff undertakes and is authorized by the contracting subdivision, authority, or county to perform any police function, exercise any police power, or render any police service in behalf of the contracting subdivision, authority, or county, or its legislative authority, that the subdivision, authority, or county, or its legislative authority, may perform, exercise, or render.

Upon the execution of an agreement under this division and within the limitations prescribed by it, the sheriff may exercise the same powers as the contracting subdivision, authority, or county possesses with respect to such policing that by the agreement the sheriff undertakes to perform or render, and all powers necessary or incidental thereto, as amply as such powers are possessed and exercised by the contracting subdivision, authority, or county directly.

Any agreement authorized by division (A), (B), or (C) of this section shall not suspend the possession by a contracting subdivision, authority, or county of any police power performed or exercised or police service rendered in pursuance to the agreement nor limit the authority of the sheriff.

(C) The sheriff may enter into contracts with any Chautauqua assembly that has grounds located within the county, and the Chautauqua assembly may enter into agreements with the sheriff pursuant to which the sheriff undertakes to perform any police function, exercise any police power, or render any police service upon the grounds of the Chautauqua assembly that the sheriff is authorized by law to perform, exercise, or render in any other part of the county within the sheriff's territorial jurisdiction. Upon the execution of an agreement under this division, the sheriff may, within the limitations prescribed by the agreement, exercise such powers with respect to such policing upon the grounds of the Chautauqua assembly, provided that any limitation contained in the agreement shall not be construed to limit the authority of the sheriff.

(D) Contracts entered into under division (A), (B), (C), or (F) of this section shall provide for the reimbursement of the county for the costs incurred by the sheriff for such policing including, but

not limited to, the salaries of deputy sheriffs assigned to such policing, the current costs of funding retirement pensions and of providing workers' compensation, the cost of training, and the cost of equipment and supplies used in such policing, to the extent that such equipment and supplies are not directly furnished by the contracting subdivision, authority, county, or Chautauqua assembly. Each such contract shall provide for the ascertainment of such costs and shall be of any duration, not in excess of four years, and may contain any other terms that may be agreed upon. All payments pursuant to any such contract in reimbursement of the costs of such policing shall be made to the treasurer of the county to be credited to a special fund to be known as the "sheriff's policing revolving fund," hereby created. Any moneys coming into the fund shall be used for the purposes provided in divisions (A) to (D) and (F) of this section and paid out on vouchers by the county commissioners as other funds coming into their possession. Any moneys credited to the fund and not obligated at the termination of the contract shall be credited to the county general fund.

The sheriff shall assign the number of deputies as may be provided for in any contract made pursuant to division (A), (B), (C), or (F) of this section. The number of deputies regularly assigned to such policing shall be in addition to and an enlargement of the sheriff's regular number of deputies. Nothing in divisions (A) to (D) or (F) of this section shall preclude the sheriff from temporarily increasing or decreasing the deputies so assigned as emergencies indicate a need for shifting assignments to the extent provided by the contracts.

All such deputies shall have the same powers and duties, the same qualifications, and be appointed and paid and receive the same benefits and provisions and be governed by the same laws as all other deputy sheriffs.

Contracts under division (A), (B), (C), or (F) of this section may be entered into jointly with the board of county commissioners, and sections 307.14 to 307.19 of the Revised Code apply to this section insofar as they may be applicable.

(E)(1) As used in division (E) of this section:

(a) "Ohio prisoner" has the same meaning as in section 5120.64 of the Revised Code.

(b) "Out-of-state prisoner" and "private contractor" have the same meanings as in section 9.07 of the Revised Code.

(2) The sheriff may enter into a contract with a private person or entity for the return of Ohio prisoners who are the responsibility of the sheriff from outside of this state to a location in this state specified by the sheriff, if there are adequate funds appropriated by the board of county commissioners and there is a certification pursuant to division (D) of section 5705.41 of the Revised Code that the funds are available for this purpose. A contract entered into under this division is within the coverage of section 325.07 of the Revised Code. If a sheriff enters into a contract as described in this division, subject to division (E)(3) of this section, the private person or entity in accordance with the contract may return Ohio prisoners from outside of this state to locations in this state specified by the sheriff. A contract entered into under this division shall include all of the following:

(a) Specific provisions that assign the responsibility for costs related to medical care of prisoners while they are being returned that is not covered by insurance of the private person or entity;

(b) Specific provisions that set forth the number of days, not exceeding ten, within which the private person or entity, after it receives the prisoner in the other state, must deliver the prisoner to

the location in this state specified by the sheriff, subject to the exceptions adopted as described in division (E)(2)(c) of this section;

(c) Any exceptions to the specified number of days for delivery specified as described in division (E)(2)(b) of this section;

(d) A requirement that the private person or entity immediately report all escapes of prisoners who are being returned to this state, and the apprehension of all prisoners who are being returned and who have escaped, to the sheriff and to the local law enforcement agency of this state or another state that has jurisdiction over the place at which the escape occurs;

(e) A schedule of fines that the sheriff shall impose upon the private person or entity if the private person or entity fails to perform its contractual duties, and a requirement that, if the private person or entity fails to perform its contractual duties, the sheriff shall impose a fine on the private person or entity from the schedule of fines and, in addition, may exercise any other rights the sheriff has under the contract.

(f) If the contract is entered into on or after the effective date of the rules adopted by the department of rehabilitation and correction under section 5120.64 of the Revised Code, specific provisions that comport with all applicable standards that are contained in those rules.

(3) If the private person or entity that enters into the contract fails to perform its contractual duties, the sheriff shall impose upon the private person or entity a fine from the schedule, the money paid in satisfaction of the fine shall be paid into the county treasury, and the sheriff may exercise any other rights the sheriff has under the contract. If a fine is imposed under this division, the sheriff may reduce the payment owed to the private person or entity pursuant to any invoice in the amount of the fine.

(4) Upon the effective date of the rules adopted by the department of rehabilitation and correction under section 5120.64 of the Revised Code, notwithstanding the existence of a contract entered into under division (E)(2) of this section, in no case shall the private person or entity that is a party to the contract return Ohio prisoners from outside of this state into this state for a sheriff unless the private person or entity complies with all applicable standards that are contained in the rules.

(5) Divisions (E)(1) to (4) of this section do not apply regarding any out-of-state prisoner who is brought into this state to be housed pursuant to section 9.07 of the Revised Code in a correctional facility in this state that is managed and operated by a private contractor.

(F)(1) A sheriff may enter into contracts with a chartered nonpublic school, located in the sheriff's territorial jurisdiction, to provide community preventive education programs.

(2) A sheriff may enter into contracts with a private institution of higher education, located in the sheriff's territorial jurisdiction, to provide police services.

Under these contracts, the sheriff may undertake to perform any police function, exercise any police power, or render any police service upon the grounds of the chartered nonpublic school or private institution of higher education that the sheriff is authorized by law to perform, exercise, or render in any other part of the county within the sheriff's territorial jurisdiction. Upon the execution of a contract under this division, the sheriff may, within the limitations prescribed by the contract, exercise such powers with respect to such policing provided that any limitation contained in the contract shall not be construed to limit the authority of the sheriff.

(G) A sheriff may enter into contracts with a county court or a municipal court located in the

sheriff's territorial jurisdiction for the transportation of persons between the county jail and a county court or municipal court. Each contract shall provide for the costs of providing transportation services from the county jail to the court and shall not apply to a period in excess of four years.

Sec. 1901.32. (A) The bailiffs and deputy bailiffs of a municipal court shall be provided for, and their duties are, as follows:

(1) Except for the Hamilton county municipal court, the court shall appoint a bailiff who shall receive the annual compensation that the court prescribes payable in either biweekly installments or semimonthly installments, as determined by the payroll administrator, from the same sources and in the same manner as provided in section 1901.11 of the Revised Code. The court may provide that the chief of police of the municipal corporation or a member of the police force be appointed by the court to be the bailiff of the court. Before entering upon the duties of office, the bailiff shall take an oath to faithfully perform the duties of the office and shall give a bond of not less than three thousand dollars, as the legislative authority prescribes, conditioned for the faithful performance of the duties of chief bailiff.

(2) Except for the Hamilton county municipal court, deputy bailiffs may be appointed by the court. Deputy bailiffs shall receive the compensation payable in semimonthly installments out of the city treasury that the court prescribes, except that the compensation of deputy bailiffs in a county-operated municipal court shall be paid out of the treasury of the county in which the court is located. Each deputy bailiff shall give a bond in an amount not less than one thousand dollars, and, when so qualified, may perform the duties pertaining to the office of chief bailiff of the court.

(3) The bailiff and all deputy bailiffs of the Hamilton county municipal court shall be appointed by the clerk and shall receive the compensation payable in semimonthly installments out of the treasury of Hamilton county that the clerk prescribes. Each judge of the Hamilton county municipal court may appoint a courtroom bailiff, each of whom shall receive the compensation payable in semimonthly installments out of the treasury of Hamilton county that the court prescribes.

(4) The legislative authority may purchase motor vehicles for the use of the bailiffs and deputy bailiffs as the court determines they need to perform the duties of their office. All expenses, maintenance, and upkeep of the vehicles shall be paid by the legislative authority upon approval by the court. Any allowances, costs, and expenses for the operation of private motor vehicles by bailiffs and deputy bailiffs for official duties, including the cost of oil, gasoline, and maintenance, shall be prescribed by the court and, subject to the approval of the legislative authority, shall be paid from the city treasury, except that the allowances, costs, and expenses for the bailiffs and deputy bailiffs of a county-operated municipal court shall be paid from the treasury of the county in which the court is located.

(5) Every police officer of any municipal corporation and police constable of a township within the territory of the court is ex officio a deputy bailiff of the court in and for the municipal corporation or township in which commissioned as a police officer or police constable, and shall perform any duties in respect to cases within the officer's or constable's jurisdiction that are required by a judge of the court, or by the clerk or a bailiff or deputy bailiff of the court, without additional compensation.

(6) In ~~Putnam county~~, in addition to the persons who are ex officio deputy bailiffs under division (A)(5) of this section, every deputy sheriff of ~~Putnam a~~ county is ex officio a deputy bailiff

of ~~the Putnam county~~ a municipal court within the county and shall perform without additional compensation any duties in respect to cases within the ~~deputy sheriff's court's~~ jurisdiction that are required by a judge of the court, by the clerk of the court, or by a bailiff or deputy bailiff of the court.

(7) The bailiff and deputy bailiffs shall perform for the court services similar to those performed by the sheriff for the court of common pleas and shall perform any other duties that are requested by rule of court.

The bailiff or deputy bailiff may administer oaths to witnesses and jurors and receive verdicts in the same manner and form and to the same extent as the clerk or deputy clerks of the court. The bailiff may approve all undertakings and bonds given in actions of replevin and all redelivery bonds in attachments.

(B) In the Cleveland municipal court, the chief clerks and all deputy clerks are in the classified civil service of the city of Cleveland. The clerk, the chief deputy clerks, the probation officers, one private secretary, one personal stenographer to the clerk, and one personal bailiff to each judge are in the unclassified civil service of the city of Cleveland. Upon demand of the clerk, the civil service commission of the city of Cleveland shall certify a list of those eligible for the position of deputy clerk. From the list, the clerk shall designate chief clerks and the number of deputy clerks that the legislative authority determines are necessary.

Except as otherwise provided in this division, the bailiff, chief deputy bailiffs, and all deputy bailiffs of the Cleveland municipal court appointed after January 1, 1968, and the chief housing specialist, housing specialists, and housing division referees of the housing division of the Cleveland municipal court appointed under section 1901.331 of the Revised Code are in the unclassified civil service of the city of Cleveland. All deputy bailiffs of the housing division of the Cleveland municipal court appointed pursuant to that section are in the classified civil service of the city of Cleveland. Upon the demand of the judge of the housing division of the Cleveland municipal court, the civil service commission of the city of Cleveland shall certify a list of those eligible for the position of deputy bailiff of the housing division. From the list, the judge of the housing division shall designate the number of deputy bailiffs that the judge determines are necessary.

The chief deputy clerks, the chief clerks, and all other deputy clerks of the Cleveland municipal court shall receive the compensation that the clerk prescribes. Except as provided in division (A)(4)(a) of section 1901.331 of the Revised Code with respect to officers and employees of the housing division of the Cleveland municipal court, the bailiff, all deputy bailiffs, and assignment room personnel of the Cleveland municipal court shall receive the compensation that the court prescribes.

Any appointee under sections 1901.01 to 1901.37 of the Revised Code may be dismissed or discharged by the same power that appointed the appointee. In the case of the removal of any civil service appointee under those sections, an appeal may be taken from the decision of the civil service commission to the court of common pleas of Cuyahoga county to determine the sufficiency of the cause of removal. The appeal shall be taken within ten days of the finding of the commission.

In the Cleveland municipal court, the presiding judge may appoint on a full-time, per diem, or contractual basis any official court reporters for the civil branch of the court that the business of the court requires. The compensation of official court reporters shall be determined by the presiding judge of the court. The compensation shall be payable from the city treasury and from the treasury of

Cuyahoga county in the same proportion as designated in section 1901.11 of the Revised Code for the payment of compensation of municipal judges. In every trial in which the services of a court reporter so appointed are requested by the judge, any party, or the attorney for any party, there shall be taxed for each day's services of the court reporter a fee in the same amount as may be taxed for similar services in the court of common pleas under section 2301.21 of the Revised Code, to be collected as other costs in the case. The fees so collected shall be paid quarterly by the clerk into the city treasury and the treasury of Cuyahoga county in the same proportion as the compensation for the court reporters is paid from the city and county treasuries and shall be credited to the general funds of the city and county treasuries.

(C) In the Hamilton county municipal court, all employees, including the bailiff, deputy bailiff, and courtroom bailiffs, are in the unclassified civil service.

Sec. 1901.321. A municipal court may enter into contracts with a county sheriff whose territorial jurisdiction includes the municipal court for the transportation of persons between the county jail and the municipal court. Each contract shall provide for the costs of providing transportation services from the county jail to the court and shall not apply to a period in excess of four years.

Sec. 1907.53. (A)(1) Each judge of a county court may appoint a bailiff on a full-time or part-time basis. The bailiff shall receive compensation as prescribed by the appointing judge, and the compensation is payable in semimonthly installments from the treasury of the county or other authorized fund. Before entering upon the duties of the office, a bailiff shall take an oath to faithfully perform those duties and shall give a bond of not less than three thousand dollars, as the appointing judge prescribes, conditioned on the faithful performance of the duties as bailiff.

(2) The board of county commissioners may purchase motor vehicles for the use of the bailiff that the court determines necessary to perform the duties of the office. The board, upon approval by the court, shall pay all expenses, maintenance, and upkeep of the vehicles from the county treasury or other authorized fund. Any allowances, costs, and expenses for the operation of private motor vehicles by the bailiffs for official duties, including the cost of oil, gasoline, and maintenance, shall be prescribed by the court and subject to the approval of the board and shall be paid from the county treasury or other authorized fund.

(B)(1) In a county court district in which no bailiff is appointed pursuant to division (A)(1) of this section, every deputy sheriff of the county, every police officer of a municipal corporation within the jurisdiction of the court, every member of a township or joint police district police force, and every police constable of a township within the county court district is ex officio a bailiff of the court in and for the county, municipal corporation, or township within which the deputy sheriff, police officer, police force member, or police constable is commissioned and shall perform, in respect to cases within that jurisdiction and without additional compensation, any duties that are required by a judge of the court or by the clerk of the court. In a county court in which a bailiff is appointed pursuant to division (A)(1) of this section, every deputy sheriff of the county is ex officio a bailiff of the county court, but shall not perform county court services similar to those performed by the sheriff for the court of common pleas unless those services are requested by the court.

(2) At the request of a county court judge, a deputy sheriff or constable shall attend the county court while a trial is in progress.

(C)(1) ~~A-Except as provided in division (B)(1) of this section, a~~ bailiff and an ex officio bailiff shall perform for the county court services similar to those performed by the sheriff for the court of common pleas and shall perform any other duties that are required by rule of court.

(2) The bailiff may administer oaths to witnesses and jurors and receive verdicts in the same manner and form and to the same extent as the clerk or deputy clerks of the county court. The bailiff may approve all undertakings and bonds given in actions of replevin and all redelivery bonds in attachments.

(D) Bailiffs and deputy bailiffs are in the unclassified civil service.

Sec. 1907.531. A county court may enter into contracts with a county sheriff whose territorial jurisdiction includes the court for the transportation of persons between the county jail and the county court. Each contract shall provide for the costs of providing transportation services from the county jail to the court and shall not apply to a period in excess of four years.

Sec. 3309.374. (A) Until December 31, 2017, the school employees retirement board shall annually increase each allowance, pension, or benefit payable under this chapter by three per cent.

(B) Effective January 1, 2018, the retirement board may annually increase each allowance, pension, or benefit payable under this chapter by the percentage increase, if any, in the consumer price index, not to exceed two and one-half per cent, as determined by the United States bureau of labor statistics (U.S. city average for urban wage earners and clerical workers: "all items 1982-84=100") for the twelve-month period ending on the thirtieth day of June of the immediately preceding calendar year. No increase shall be made for a period in which the consumer price index did not increase.

(C) The first increase is payable to all persons becoming eligible after June 30, 1971, upon such persons receiving an allowance, pension, or benefit for twelve months, except that a recipient of an allowance, pension, or benefit that commences on or after January 1, 2018, is eligible for an increase under division (B) of this section on and after the number of anniversaries of the allowance, pension, or benefit determined by the retirement board.

The increased amount is payable for the ensuing twelve-month period or until the next increase is granted under this section, whichever is later. Subsequent increases shall be determined from the date of the first increase paid to the former member in the case of an allowance being paid a beneficiary under an option, or from the date of the first increase to the survivor first receiving an allowance or benefit in the case of an allowance or benefit being paid to the subsequent survivors of the former member.

The date of the first increase under this section becomes the anniversary date for any future increases.

(D) The allowance or benefit used in the first calculation of an increase under this section shall remain as the base for all future increases, unless a new base is established. Any increase resulting from payment of a recalculated benefit under Section 3 of Substitute Senate Bill No. 270 of the 123rd general assembly shall be included in the calculation of future increases under this section.

(E) If payment of a portion of a benefit is made to an alternate payee under section 3309.671 of the Revised Code, increases under this section granted while the order is in effect shall be apportioned between the alternate payee and the retirant or disability benefit recipient in the same proportion that the amount being paid to the alternate payee bears to the amount paid to the retirant or

disability benefit recipient.

If payment of a portion of a benefit is made to one or more beneficiaries under "plan F" under division (B)(3)(e) of section 3309.46 of the Revised Code, each increase under this section granted while the plan of payment is in effect shall be divided among the designated beneficiaries in accordance with the portion each beneficiary has been allocated.

(F) No allowance, pension, or benefit payable under this chapter shall exceed the limit established by section 415 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 415, as amended.

(G) Before granting an increase under division (B) of this section, the retirement board may adjust the percentage of any increase if the board's actuary, in its annual actuarial valuation required by section 3309.21 of the Revised Code, or in other evaluations conducted under that section, determines that an adjustment does not materially impair the fiscal integrity of the retirement system or is necessary to preserve the fiscal integrity of the retirement system.

(H) The retirement board shall make all rules necessary to carry out this section.

Sec. 3318.39. (A) The 1:1 school facilities option program is hereby established. Under the program, the Ohio facilities construction commission shall provide state funds to assist eligible school districts in constructing, acquiring, reconstructing, or making additions or repairs to any feature of a classroom facility that meets the design standards of the commission in lieu of that district participating in the classroom facilities assistance program under sections 3318.01 to 3318.20 of the Revised Code, in the case of a city, exempted village, or local school district, or sections 3318.40 to 3318.45 of the Revised Code, in the case of a joint vocational school district.

For purposes of this program, an eligible school district is either of the following:

(1) A city, exempted village, or local school district that has not entered into an agreement for any program under this chapter, except for emergency assistance under section 3318.351 of the Revised Code, prior to the effective date of this section. A district that received partial assistance prior to May 20, 1997, and can qualify for assistance under division (B)(2) of section 3318.04 of the Revised Code shall not be eligible for assistance under this section.

(2) A joint vocational school district that has not entered into an agreement for any program under this chapter prior to the effective date of this section.

An eligible school district may avail itself of the option provided under this section only at the time it becomes eligible for assistance under the classroom facilities assistance program in accordance with the annual percentile ranking of districts under section 3318.011 or 3318.42 of the Revised Code.

(B)(1) The commission, at the request of a school district that meets the criteria set forth in division (A) of this section, shall assess the current conditions of the classroom facilities of that school district. Based on the results of the assessment, the commission shall determine the scope of the entire project, the basic project cost of the school district's classroom facilities needs, and the state's portion of the total project if the school district were to receive assistance under sections 3318.01 to 3318.20 of the Revised Code, in the case of a city, exempted village, or local school district, or sections 3318.40 to 3318.45 of the Revised Code, in the case of a joint vocational school district.

(2) A district that opts to receive assistance under this section shall be eligible to receive state

funds in the amount of up to the greater of one million dollars or ten per cent of the state's share of the total project cost determined under division (B)(1) of this section. However, a district may choose to receive less than the maximum amount of state funds for which it is eligible under this division.

(3) A district that opts to receive assistance under this section shall match the amount of state funds it receives on a one-to-one basis. A district may generate the school district funds for its match using any lawful manner.

(C) The commission shall adopt guidelines and procedures for the administration of the program. The guidelines shall include the following:

(1) A requirement that, in order to participate in the program, the district's board of education must approve participation by an affirmative vote of not less than four-fifths of the board's full membership;

(2) The application process for districts;

(3) A requirement that, in order to participate in the program, the district shall provide a share that is at least equal to the amount of the state assistance provided under this section.

(D) If a district participates in the program established under this section, that district shall not have another project under sections 3318.01 to 3318.20 of the Revised Code, in the case of a city, exempted village, or local school district, or sections 3318.40 to 3318.45 of the Revised Code, in the case of a joint vocational school district, conditionally approved until the expiration of twenty years after the date the district enters into an agreement with the commission for assistance under this section.

Sec. 3333.051. (A) The chancellor of higher education shall establish a program under which a community college established under Chapter 3354., technical college established under Chapter 3357., or state community college established under Chapter 3358. of the Revised Code may apply to the chancellor for authorization to offer applied bachelor's degree programs.

The chancellor may approve programs under this section that demonstrate all of the following:

(1) Evidence of an agreement between the college and a regional business or industry to train students in an in-demand field and to employ students upon their successful completion of the program;

(2) That the workforce need of the regional business or industry is in an in-demand field with long-term sustainability based upon data provided by the governor's office of workforce transformation;

(3) Supporting data that identifies the specific workforce need the program will address;

(4) The absence of a bachelor's degree program that meets the workforce need addressed by the proposed program that is offered by a state university or private college or university;

(5) Willingness of an industry partner to offer workplace-based learning and employment opportunities to students enrolled in the proposed program.

~~(B) The chancellor may approve a program under this section that does not meet the criteria described in division (A) of this section, if the program clearly demonstrates a unique approach, as determined by the chancellor, to benefit the state's system of higher education or the state of Ohio.~~

~~(C) Before approving a program under this section, the chancellor shall consult with the governor's office of workforce transformation, the inter-university council of Ohio, the Ohio~~

association of community colleges, and the association of independent colleges and universities of Ohio, or any successor to those organizations.

~~(D)~~(C) As used in this section:

(1) "Applied bachelor's degree" means a bachelor's degree that is both of the following:

(a) Specifically designed for an individual who holds an associate of applied science degree, or its equivalent, in order to maximize application of the individual's technical course credits toward the bachelor's degree;

(b) Based on curriculum that incorporates both theoretical and applied knowledge and skills in a specific technical field.

(2) "Private college or university" means a nonprofit institution that holds a certificate of authorization pursuant to Chapter 1713. of the Revised Code.

(3) "State university" has the same meaning as in section 3345.011 of the Revised Code.

Sec. 5595.04. The governing board of a regional transportation improvement project may do any of the following:

(A) Make and enter into all contracts and agreements necessary or incidental to the performance of its functions and the execution of its powers under this chapter and in accordance with the cooperative agreement. The procuring of goods and awarding of contracts with a cost in excess of fifty thousand dollars shall be done in accordance with the competitive bidding procedures established for boards of county commissioners by sections 307.86 to 307.91 of the Revised Code.

(B) Sue and be sued in its own name, plead and be impleaded, provided any actions against the governing board or the regional transportation improvement project shall be brought in the court of common pleas of a county that is a party to the cooperative agreement or in the court of common pleas of the county in which the cause of action arose, and all summonses, exceptions, and notices shall be served on the governing board by leaving a copy thereof at its principal office with a member of the governing board or an employee or agent thereof;

(C) Employ or retain persons as are necessary in the judgment of the governing board to carry out the project, and fix their compensation;

(D) Acquire by purchase, lease, lease-purchase, lease with option to purchase, or otherwise any property necessary, convenient, or proper for the construction, maintenance, repair, or operation of one or more transportation improvements. The governing board may pledge net revenues, to the extent permitted by this chapter with respect to bonds, to secure payments to be paid by the governing board under such a lease, lease-purchase agreement, or lease with option to purchase. Title to real and personal property shall be held in the name of the governing board. The governing board is not authorized to acquire property by appropriation.

(E) Issue securities to pay for the costs of transportation improvements pursuant to section 5595.05 of the Revised Code;

(F) If the regional transportation project was undertaken pursuant to section 5595.02 of the Revised Code before the effective date of the amendment of this section by S.B. 8 of the 132nd general assembly, create a transportation financing district and declare improvements to parcels within the district to be a public purpose and exempt from taxation as provided under sections 5709.48 to 5709.50 of the Revised Code.

Sec. 5595.13. A regional transportation improvement project and its governing board are

dissolved by operation of law on the date specified in the cooperative agreement. The governing board shall fulfill all contractual duties assumed by the board and repay all bonds issued by the board before that date. Upon dissolution of the regional transportation improvement project, the boards of county commissioners that created the regional transportation improvement project shall assume title to all real and personal property acquired by the board in the fulfillment of its duties under this chapter. The property shall be divided and distributed in accordance with the cooperative agreement. Unless otherwise provided by contract, pledges of revenue to the governing board from the state or a political subdivision or taxing unit shall terminate by operation of law upon the dissolution of the regional transportation improvement project. ~~Unless Except as~~ otherwise provided in ~~the cooperative agreement~~ section 5709.50 of the Revised Code with respect to any incidental surplus in the regional transportation improvement project fund, unencumbered funds held by the governing board on the date the regional transportation improvement ~~district~~ project is dissolved shall be ~~proportionally~~ distributed by the county treasurer of the most populous participating county as provided in the cooperative agreement or, if the cooperative agreement does not provide for the distribution of funds after the dissolution of the project, to the state and ~~each to~~ political subdivisions and ~~taxing unit~~ units that pledged revenue to the project in proportions deemed equitable by the county treasurer based on the ratio that the amount of funds contributed by the state, political subdivision, or taxing unit bears to the total amount contributed by the state and all political subdivisions, and the taxing units over the full duration of the project.

Sec. 5709.48. (A) As used in this section, ~~"regional~~:

(1) "Regional transportation improvement project" has the same meaning as in section 5595.01 of the Revised Code.

(2) "Improvements" means the increase in the assessed value of any real property that would first appear on the tax list and duplicate of real and public utility property after the effective date of the resolution adopted under this section were it not for the exemption granted by that resolution.

(B) For the purposes described in division (A) of section 5595.06 of the Revised Code, the ~~boards of county commissioners of one or more counties that are participants in~~ governing board of a regional transportation improvement project that was undertaken pursuant to section 5595.02 of the Revised Code before the effective date of the amendment of this section by S.B. 8 of the 132nd general assembly may, by resolution, create a transportation financing district and declare improvements to parcels within the district to be a public purpose and exempt from taxation.

(C) A transportation financing district may include territory in more than one county as long as each such county is a ~~party to the resolution creating the district and a~~ participant in the regional transportation improvement project funded by the district. A district shall not include ~~areas~~ parcels used ~~exclusively~~ primarily for residential purposes. A district shall not include any parcel that is ~~or has been exempted~~ currently exempt from taxation under this section or section 5709.40, 5709.41, 5709.45, 5709.73, or 5709.77 of the Revised Code. ~~Counties~~ The governing board may designate parcels within the boundaries of a district that are not to be included in the district. ~~Counties~~ The governing board may designate noncontiguous parcels located outside the boundaries of the district that are to be included in the district.

~~Counties~~ The governing board may adopt more than one resolution under division (B) of this section. A single such resolution may create more than one transportation financing district.

(D) A resolution creating a transportation financing district shall specify all of the following:

(1) A description of the territory included in the district;

(2) The county treasurer's permanent parcel number associated with each parcel included in the district;

(3) The percentage of improvements to be exempted from taxation and the duration of the exemption, which shall not exceed the remaining number of years the cooperative agreement for the regional transportation improvement district, described under section 5595.03 of the Revised Code, is in effect;

(4) A plan for the district that describes the principal purposes and goals to be served by the district and explains how the use of service payments provided for by section 5709.49 of the Revised Code will economically benefit owners of property within the district.

(E)(1) ~~Before~~ Except as otherwise provided in divisions (E)(2) and (3) of this section, the governing board, before adopting a resolution under division (B) of this section, ~~the board or boards of county commissioners of the participating counties~~ shall notify and obtain the approval of each subdivision and taxing unit that levies a property tax within the territory of the proposed transportation financing district. A subdivision or taxing unit's approval or disapproval of the proposed district shall be in the form of an ordinance or resolution. The ~~governing board or boards~~ may negotiate an agreement with a subdivision or taxing unit providing for compensation equal in value to a percentage of the amount of taxes exempted or some other mutually agreeable compensation.

(2) A subdivision or taxing unit may adopt an ordinance or resolution waiving its right to approve or receive notice of transportation financing districts proposed under this section. If a subdivision or taxing unit has adopted such an ordinance or resolution, the terms of that ordinance or resolution supersede the requirements of division (E)(1) of this section. ~~One or more boards of county commissioners~~ The governing board may negotiate an agreement with a subdivision or taxing unit providing for some mutually agreeable compensation in exchange for the subdivision or taxing unit adopting such an ordinance or resolution. If a subdivision or taxing unit has adopted such an ordinance or resolution, it shall certify a copy to the ~~governing board of county commissioners of the county or counties in which the subdivision or taxing unit is located~~. If the subdivision or taxing unit rescinds such an ordinance or resolution, it shall certify notice of the rescission to the ~~same governing board or boards~~.

(3) The governing board need not obtain the approval of a subdivision or taxing unit if the governing board agrees to compensate that subdivision or unit for the full amount of taxes exempted under the resolution creating the district.

(F) ~~After notifying and obtaining the approval of each subdivision and taxing unit that levies a property tax within the territory of the proposed transportation financing district as required under complying with division (E) of this section, the boards of county commissioners of the participating counties~~ governing board shall notify and obtain the approval of every real property owner whose property is included in the proposed transportation financing district.

(G)(1) ~~If the~~ Upon adopting a resolution creating the a transportation financing district ~~is approved by the board of county commissioners of each county in which the district is located, one of the counties,~~ the governing board shall send a copy of the resolution and documentation sufficient

to prove that the requirements of divisions (E) and (F) of this section have been met to the director of development services. The director shall evaluate the resolution and documentation to determine if ~~the counties have~~ governing board has fully complied with the requirements of this section. If the director approves the resolution, the director shall send notice of approval to ~~each county that is a party to the resolution~~ governing board. If the director does not approve the resolution, the director shall send a notice of denial to ~~each county that is a party to the resolution~~. ~~The notice of denial shall include the governing board that includes~~ the reason or reasons for the denial. If the director does not make a determination within ninety days after receiving a resolution under this section, the director is deemed to have approved the resolution. No resolution creating a transportation financing district is effective without actual or constructive approval by the director under this section.

(2) An exemption from taxation granted under this section commences with the tax year specified in the resolution so long as the year specified in the resolution commences after the effective date of the resolution. If the resolution specifies a year commencing before the effective date of the resolution or specifies no year whatsoever, the exemption commences with the tax year in which an exempted improvement first appears on the tax list and that commences after the effective date of the resolution. ~~In lieu of stating a specific year, the resolution may provide that the exemption commences in the tax year in which the value of an improvement exceeds a specified amount or in which the construction of one or more improvements is completed, provided that such tax year commences after the effective date of the resolution.~~

(3) Except as otherwise provided in this division, the exemption ends on the date specified in the resolution as the date the improvement ceases to be a public purpose or the regional transportation improvement project funded by the service payments dissolves under section 5595.13 of the Revised Code, whichever occurs first. Exemptions shall be claimed and allowed in the same manner as in the case of other real property exemptions. If an exemption status changes during a year, the procedure for the apportionment of the taxes for that year is the same as in the case of other changes in tax exemption status during the year.

~~(H) Service payments in lieu of taxes that are attributable to any amount by which the effective tax rate of either a renewal levy with an increase or a replacement levy exceeds the effective tax rate of the levy renewed or replaced, or that are attributable to an additional levy, for a levy authorized by the voters for any of the following purposes on or after January 1, 2006, and which are provided pursuant to a resolution creating a transportation financing district under this section shall be distributed to the appropriate taxing authority as required under division (C) of section 5709.49 of the Revised Code in an amount equal to the amount of taxes from that additional levy or from the increase in the effective tax rate of such renewal or replacement levy that would have been payable to that taxing authority from the following levies were it not for the exemption authorized under this section:~~

~~(1) A tax levied under division (L) of section 5705.19 or section 5705.191 of the Revised Code for community mental retardation and developmental disabilities programs and services pursuant to Chapter 5126. of the Revised Code;~~

~~(2) A tax levied under division (Y) of section 5705.19 of the Revised Code for providing or maintaining senior citizens services or facilities;~~

~~(3) A tax levied under section 5705.22 of the Revised Code for county hospitals;~~

~~(4) A tax levied by a joint-county district or by a county under section 5705.19, 5705.191, or 5705.221 of the Revised Code for alcohol, drug addiction, and mental health services or facilities;~~

~~(5) A tax levied under section 5705.23 of the Revised Code for library purposes;~~

~~(6) A tax levied under section 5705.24 of the Revised Code for the support of children services and the placement and care of children;~~

~~(7) A tax levied under division (Z) of section 5705.19 of the Revised Code for the provision and maintenance of zoological park services and facilities under section 307.76 of the Revised Code;~~

~~(8) A tax levied under section 511.27 or division (H) of section 5705.19 of the Revised Code for the support of township park districts;~~

~~(9) A tax levied under division (A), (F), or (H) of section 5705.19 of the Revised Code for parks and recreational purposes of a joint recreation district organized pursuant to division (B) of section 755.14 of the Revised Code;~~

~~(10) A tax levied under section 1545.20 or 1545.21 of the Revised Code for park district purposes;~~

~~(11) A tax levied under section 5705.191 of the Revised Code for the purpose of making appropriations for public assistance; human or social services; public relief; public welfare; public health and hospitalization; and support of general hospitals;~~

~~(12) A tax levied under section 3709.29 of the Revised Code for a general health district program.~~

~~(F) The resolution creating a transportation financing district may be amended at any time by majority vote of the boards of county commissioners of each county in which the district is located governing board and with the approval of the director of development services obtained in the same manner as approval of the original resolution.~~

Sec. 5709.49. (A) A county. The governing board of a regional transportation improvement project that has declared an improvement to be a public purpose under section 5709.48 of the Revised Code shall require the owner of any structure located on the parcel located in the transportation financing district to make annual service payments in lieu of taxes to the county treasurer on or before the final dates for payment of real property taxes. Each such payment shall be charged and collected in the same manner and in the same amount as the real property taxes that would have been charged and payable against the improvement if it were not exempt from taxation. If any reduction in the levies otherwise applicable to such exempt property is made by the county budget commission under section 5705.31 of the Revised Code, the amount of the service payment in lieu of taxes shall be calculated as if such reduction in levies had not been made.

(B) Moneys collected as service payments in lieu of taxes from a parcel shall be distributed at the same time and in the same manner as real property tax payments. ~~However, subject to division (C) of this section or section 5709.913 of the Revised Code, the entire amount so collected shall be distributed to the county in which the parcel is located.~~ If a resolution adopted under section 5709.48 of the Revised Code specifies that service payments shall be paid to another subdivision or taxing unit in which the parcel is located, the county treasurer shall distribute the portion of the service payments to that subdivision or taxing unit in an amount equal to the property tax payments the subdivision or taxing unit would have received from the portion of the parcel's improvement exempted from taxation had the improvement not been exempted, or some other amount as directed

in the resolution. The treasurer shall maintain a record of the service payments in lieu of taxes made from property in each transportation financing district.

~~(C) If annual service payments in lieu of taxes are required under this section, the county treasurer shall distribute to the appropriate taxing authorities the portion of the service payments that represent payments required under division (H) of section 5709.48 of the Revised Code.~~

~~(D) Nothing in this section or section 5709.48 of the Revised Code affects the taxes levied against that portion of the value of any parcel of property that is not exempt from taxation.~~

Sec. 5709.50. (A) ~~A county~~ The governing board of a regional transportation improvement project that grants a tax exemption under section 5709.48 of the Revised Code shall establish a regional transportation improvement project fund into which shall be deposited service payments in lieu of taxes distributed to the county under section 5709.49 of the Revised Code. Money in the regional transportation improvement project fund shall be used to compensate subdivisions and taxing units within which exempted parcels are located pursuant to agreements entered into by the county under division (E) of section 5709.48 of the Revised Code. The remainder shall be dispensed to the governing board of the regional transportation improvement project and used by the governing board for the purposes described in the resolution creating the transportation financing district. Money in the regional transportation improvement project fund shall be administered by the governing board in accordance with the requirements of section 5595.08 of the Revised Code and may be invested as provided in section 5595.09 of the Revised Code.

~~(B) Any incidental surplus remaining in the regional transportation improvement project fund or an account of that fund upon dissolution of the fund or account shall be transferred to the general fund of the county. The regional transportation improvement project fund is dissolved by operation of law upon the dissolution of the associated regional transportation improvement project under section 5595.13 of the Revised Code. Any incidental surplus remaining in the fund, to the extent unencumbered, shall be divided and distributed by the county treasurer of the most populous county in which the district is located to the general funds of the subdivisions and taxing units in which the district is located. The surplus revenue shall be divided proportionally based on the property tax levy revenue foregone by each such subdivision and taxing unit due to the exemption of improvements to property within the district at the most recent collection of service payments in lieu of taxes. The division of revenue shall account for amounts returned to subdivisions and taxing units through compensation agreements entered into under division (E) of section 5709.48 of the Revised Code. The amount distributed to each subdivision or taxing unit shall be apportioned among its funds as if that amount had been levied and collected as taxes and distributed in the most recent settlement of taxes.~~

Sec. 5725.98. (A) To provide a uniform procedure for calculating the amount of tax imposed by section 5725.18 of the Revised Code that is due under this chapter, a taxpayer shall claim any credits and offsets against tax liability to which it is entitled in the following order:

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

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

(3) The credit for purchasers of qualified low-income community investments under section

5725.33 of the Revised Code;

(4) The nonrefundable job retention credit under division (B) of section 122.171 of the Revised Code;

(5) The nonrefundable credit for investments in rural business growth funds under section 122.152 of the Revised Code;

(6) The offset of assessments by the Ohio life and health insurance guaranty association permitted by section 3956.20 of the Revised Code;

(6)-(7) The refundable credit for rehabilitating a historic building under section 5725.34 of the Revised Code.

(7)-(8) The refundable credit for Ohio job retention under former division (B)(2) or (3) of section 122.171 of the Revised Code as those divisions existed before September 29, 2015, the effective date of the amendment of this section by H.B. 64 of the 131st general assembly;

(8)-(9) The refundable credit for Ohio job creation under section 5725.32 of the Revised Code;

(9)-(10) The refundable credit under section 5725.19 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.

(B) For any credit except the refundable credits enumerated in 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. 5729.98. (A) To provide a uniform procedure for calculating the amount of tax due under this chapter, a taxpayer shall claim any credits and offsets against tax liability to which it is entitled in the following order:

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

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

(3) The credit for purchases of qualified low-income community investments under section 5729.16 of the Revised Code;

(4) The nonrefundable job retention credit under division (B) of section 122.171 of the Revised Code;

(5) The nonrefundable credit for investments in rural business growth funds under section 122.152 of the Revised Code;

(6) The offset of assessments by the Ohio life and health insurance guaranty association against tax liability permitted by section 3956.20 of the Revised Code;

(6)-(7) The refundable credit for rehabilitating a historic building under section 5729.17 of the Revised Code.

(7)-(8) The refundable credit for Ohio job retention under former division (B)(2) or (3) of section 122.171 of the Revised Code as those divisions existed before September 29, 2015, the effective date of the amendment of this section by H.B. 64 of the 131st general assembly;

(8)-(9) The refundable credit for Ohio job creation under section 5729.032 of the Revised

Code;

~~(9)~~(10) 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.

(B) For any credit except the refundable credits enumerated in 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. 5733.40. As used in sections 5733.40 and 5733.41 and Chapter 5747. of the Revised Code:

(A)(1) "Adjusted qualifying amount" means either of the following:

(a) The sum of each qualifying investor's distributive share of the income, gain, expense, or loss of a qualifying pass-through entity for the qualifying taxable year of the qualifying pass-through entity multiplied by the apportionment fraction defined in division (B) of this section, subject to section 5733.401 of the Revised Code and divisions (A)(2) to (7) of this section;

(b) The sum of each qualifying beneficiary's share of the qualifying net income and qualifying net gain distributed by a qualifying trust for the qualifying taxable year of the qualifying trust multiplied by the apportionment fraction defined in division (B) of this section, subject to section 5733.401 of the Revised Code and divisions (A)(2) to (7) of this section.

(2) The sum shall exclude any amount which, pursuant to the Constitution of the United States, the Constitution of Ohio, or any federal law is not subject to a tax on or measured by net income.

(3) For the purposes of Chapters 5733. and 5747. of the Revised Code, the profit or net income of the qualifying entity shall be increased by disallowing all amounts representing expenses, other than amounts described in division (A)(7) of this section, that the qualifying entity paid to or incurred with respect to direct or indirect transactions with one or more related members, excluding the cost of goods sold calculated in accordance with section 263A of the Internal Revenue Code and United States department of the treasury regulations issued thereunder. Nothing in division (A)(3) of this section shall be construed to limit solely to this chapter the application of section 263A of the Internal Revenue Code and United States department of the treasury regulations issued thereunder.

(4) For the purposes of Chapters 5733. and 5747. of the Revised Code, the profit or net income of the qualifying entity shall be increased by disallowing all recognized losses, other than losses from sales of inventory the cost of which is calculated in accordance with section 263A of the Internal Revenue Code and United States department of the treasury regulations issued thereunder, with respect to all direct or indirect transactions with one or more related members. For the purposes of Chapters 5733. and 5747. of the Revised Code, losses from the sales of such inventory shall be allowed only to the extent calculated in accordance with section 482 of the Internal Revenue Code and United States department of the treasury regulations issued thereunder. Nothing in division (A) (4) of this section shall be construed to limit solely to this section the application of section 263A and section 482 of the Internal Revenue Code and United States department of the treasury regulations issued thereunder.

(5) The sum shall be increased or decreased by an amount equal to the qualifying investor's

or qualifying beneficiary's distributive or proportionate share of the amount that the qualifying entity would be required to add or deduct under divisions (A)(20) and (21) of section 5747.01 of the Revised Code if the qualifying entity were a taxpayer for the purposes of Chapter 5747. of the Revised Code.

(6) The sum shall be computed without regard to section 5733.051 or division (D) of section 5733.052 of the Revised Code.

(7) For the purposes of Chapters 5733. and 5747. of the Revised Code, guaranteed payments or compensation paid to investors by a qualifying entity that is not subject to the tax imposed by section 5733.06 of the Revised Code shall be considered a distributive share of income of the qualifying entity. Division (A)(7) of this section applies only to such payments or such compensation paid to an investor who at any time during the qualifying entity's taxable year holds at least a twenty per cent direct or indirect interest in the profits or capital of the qualifying entity. For the purposes of this division, guaranteed payments and compensation shall be considered to be paid to an investor by a qualifying entity if the qualifying entity in which the investor holds at least a twenty per cent direct or indirect interest is a client employer of a professional employer organization, as those terms are defined in section 4125.01 of the Revised Code, and the guaranteed payments or compensation are paid to the investor by that professional employer organization.

(B) "Apportionment fraction" means:

(1) With respect to a qualifying pass-through entity other than a financial institution, the fraction calculated pursuant to division (B)(2) of section 5733.05 of the Revised Code as if the qualifying pass-through entity were a corporation subject to the tax imposed by section 5733.06 of the Revised Code;

(2) With respect to a qualifying pass-through entity that is a financial institution, the fraction calculated pursuant to division (C) of section 5733.056 of the Revised Code as if the qualifying pass-through entity were a financial institution subject to the tax imposed by section 5733.06 of the Revised Code.

(3) With respect to a qualifying trust, the fraction calculated pursuant to division (B)(2) of section 5733.05 of the Revised Code as if the qualifying trust were a corporation subject to the tax imposed by section 5733.06 of the Revised Code, except that the property, payroll, and sales fractions shall be calculated by including in the numerator and denominator of the fractions only the property, payroll, and sales, respectively, directly related to the production of income or gain from acquisition, ownership, use, maintenance, management, or disposition of tangible personal property located in this state at any time during the qualifying trust's qualifying taxable year or of real property located in this state.

(C) "Qualifying beneficiary" means any individual that, during the qualifying taxable year of a qualifying trust, is a beneficiary of that trust, but does not include an individual who is a resident taxpayer for the purposes of Chapter 5747. of the Revised Code for the entire qualifying taxable year of the qualifying trust.

(D) "Fiscal year" means an accounting period ending on any day other than the thirty-first day of December.

(E) "Individual" means a natural person.

(F) "Month" means a calendar month.

(G) "Partnership" has the same meaning as in section 5747.01 of the Revised Code.

(H) "Investor" means any person that, during any portion of a taxable year of a qualifying pass-through entity, is a partner, member, shareholder, or investor in that qualifying pass-through entity.

(I) Except as otherwise provided in section 5733.402 or 5747.401 of the Revised Code, "qualifying investor" means any investor except those described in divisions (I)(1) to (9) of this section.

(1) An investor satisfying one of the descriptions under section 501(a) or (c) of the Internal Revenue Code, a partnership with equity securities registered with the United States securities and exchange commission under section 12 of the "Securities Exchange Act of 1934," as amended, or an investor described in division (F) of section 3334.01, or division (A) or (C) of section 5733.09 of the Revised Code for the entire qualifying taxable year of the qualifying pass-through entity.

(2) An investor who is either an individual or an estate and is a resident taxpayer for the purposes of section 5747.01 of the Revised Code for the entire qualifying taxable year of the qualifying pass-through entity.

(3) An investor who is an individual for whom the qualifying pass-through entity makes a good faith and reasonable effort to comply fully and timely with the filing and payment requirements set forth in division (D) of section 5747.08 of the Revised Code and section 5747.09 of the Revised Code with respect to the individual's adjusted qualifying amount for the entire qualifying taxable year of the qualifying pass-through entity.

(4) An investor that is another qualifying pass-through entity having only investors described in division (I)(1), (2), (3), or (6) of this section during the three-year period beginning twelve months prior to the first day of the qualifying taxable year of the qualifying pass-through entity.

(5) An investor that is another pass-through entity having no investors other than individuals and estates during the qualifying taxable year of the qualifying pass-through entity in which it is an investor, and that makes a good faith and reasonable effort to comply fully and timely with the filing and payment requirements set forth in division (D) of section 5747.08 of the Revised Code and section 5747.09 of the Revised Code with respect to investors that are not resident taxpayers of this state for the purposes of Chapter 5747. of the Revised Code for the entire qualifying taxable year of the qualifying pass-through entity in which it is an investor.

(6) An investor that is a financial institution required to calculate the tax in accordance with division (E) of section 5733.06 of the Revised Code on the first day of January of the calendar year immediately following the last day of the financial institution's calendar or fiscal year in which ends the taxpayer's taxable year.

(7) An investor other than an individual that satisfies all the following:

(a) The investor submits a written statement to the qualifying pass-through entity stating that the investor irrevocably agrees that the investor has nexus with this state under the Constitution of the United States and is subject to and liable for the tax calculated under division (A) or (B) of section 5733.06 of the Revised Code with respect to the investor's adjusted qualifying amount for the entire qualifying taxable year of the qualifying pass-through entity. The statement is subject to the penalties of perjury, shall be retained by the qualifying pass-through entity for no fewer than seven years, and shall be delivered to the tax commissioner upon request.

(b) The investor makes a good faith and reasonable effort to comply timely and fully with all the reporting and payment requirements set forth in Chapter 5733. of the Revised Code with respect to the investor's adjusted qualifying amount for the entire qualifying taxable year of the qualifying pass-through entity.

(c) Neither the investor nor the qualifying pass-through entity in which it is an investor, before, during, or after the qualifying pass-through entity's qualifying taxable year, carries out any transaction or transactions with one or more related members of the investor or the qualifying pass-through entity resulting in a reduction or deferral of tax imposed by Chapter 5733. of the Revised Code with respect to all or any portion of the investor's adjusted qualifying amount for the qualifying pass-through entity's taxable year, or that constitute a sham, lack economic reality, or are part of a series of transactions the form of which constitutes a step transaction or transactions or does not reflect the substance of those transactions.

(8) Any other investor that the tax commissioner may designate by rule. The tax commissioner may adopt rules including a rule defining "qualifying investor" or "qualifying beneficiary" and governing the imposition of the withholding tax imposed by section 5747.41 of the Revised Code with respect to an individual who is a resident taxpayer for the purposes of Chapter 5747. of the Revised Code for only a portion of the qualifying taxable year of the qualifying entity.

(9) An investor that is a trust or fund the beneficiaries of which, during the qualifying taxable year of the qualifying pass-through entity, are limited to the following:

(a) A person that is or may be the beneficiary of a trust subject to Subchapter D of Chapter 1 of Subtitle A of the Internal Revenue Code.

(b) A person that is or may be the beneficiary of or the recipient of payments from a trust or fund that is a nuclear decommissioning reserve fund, a designated settlement fund, or any other trust or fund established to resolve and satisfy claims that may otherwise be asserted by the beneficiary or a member of the beneficiary's family. Sections 267(c)(4), 468A(e), and 468B(d)(2) of the Internal Revenue Code apply to the determination of whether such a person satisfies division (I)(9) of this section.

(c) A person who is or may be the beneficiary of a trust that, under its governing instrument, is not required to distribute all of its income currently. Division (I)(9)(c) of this section applies only if the trust, prior to the due date for filing the qualifying pass-through entity's return for taxes imposed by section 5733.41 and sections 5747.41 to 5747.453 of the Revised Code, irrevocably agrees in writing that for the taxable year during or for which the trust distributes any of its income to any of its beneficiaries, the trust is a qualifying trust and will pay the estimated tax, and will withhold and pay the withheld tax, as required under sections 5747.40 to 5747.453 of the Revised Code.

For the purposes of division (I)(9) of this section, a trust or fund shall be considered to have a beneficiary other than persons described under divisions (I)(9)(a) to (c) of this section if a beneficiary would not qualify under those divisions under the doctrines of "economic reality," "sham transaction," "step doctrine," or "substance over form." A trust or fund described in division (I)(9) of this section bears the burden of establishing by a preponderance of the evidence that any transaction giving rise to the tax benefits provided under division (I)(9) of this section does not have as a principal purpose a claim of those tax benefits. Nothing in this section shall be construed to limit solely to this section the application of the doctrines referred to in this paragraph.

(J) "Qualifying net gain" means any recognized net gain with respect to the acquisition, ownership, use, maintenance, management, or disposition of tangible personal property located in this state at any time during a trust's qualifying taxable year or real property located in this state.

(K) "Qualifying net income" means any recognized income, net of related deductible expenses, other than distributions deductions with respect to the acquisition, ownership, use, maintenance, management, or disposition of tangible personal property located in this state at any time during the trust's qualifying taxable year or real property located in this state.

(L) "Qualifying entity" means a qualifying pass-through entity or a qualifying trust.

(M) "Qualifying trust" means a trust subject to subchapter J of the Internal Revenue Code that, during any portion of the trust's qualifying taxable year, has income or gain from the acquisition, management, ownership, use, or disposition of tangible personal property located in this state at any time during the trust's qualifying taxable year or real property located in this state. "Qualifying trust" does not include a person described in section 501(c) of the Internal Revenue Code or a person described in division (C) of section 5733.09 of the Revised Code.

(N) "Qualifying pass-through entity" means a pass-through entity as defined in section 5733.04 of the Revised Code, excluding: a person described in section 501(c) of the Internal Revenue Code; a partnership with equity securities registered with the United States securities and exchange commission under section 12 of the Securities Exchange Act of 1934, as amended; or a person described in division (C) of section 5733.09 of the Revised Code.

(O) "Quarter" means the first three months, the second three months, the third three months, or the last three months of a qualifying entity's qualifying taxable year.

(P) "Related member" has the same meaning as in division (A)(6) of section 5733.042 of the Revised Code without regard to division (B) of that section. However, for the purposes of divisions (A)(3) and (4) of this section only, "related member" has the same meaning as in division (A)(6) of section 5733.042 of the Revised Code without regard to division (B) of that section, but shall be applied by substituting "forty per cent" for "twenty per cent" wherever "twenty per cent" appears in division (A) of that section.

(Q) "Return" or "report" means the notifications and reports required to be filed pursuant to sections 5747.42 to 5747.45 of the Revised Code for the purpose of reporting the tax imposed under section 5733.41 or 5747.41 of the Revised Code, and included declarations of estimated tax when so required.

(R) "Qualifying taxable year" means the calendar year or the qualifying entity's fiscal year ending during the calendar year, or fractional part thereof, for which the adjusted qualifying amount is calculated pursuant to sections 5733.40 and 5733.41 or sections 5747.40 to 5747.453 of the Revised Code.

(S) "Distributive share" includes the sum of the income, gain, expense, or loss of a disregarded entity or qualified subchapter S subsidiary.

Sec. 5739.01. As used in this chapter:

(A) "Person" includes individuals, receivers, assignees, trustees in bankruptcy, estates, firms, partnerships, associations, joint-stock companies, joint ventures, clubs, societies, corporations, the state and its political subdivisions, and combinations of individuals of any form.

(B) "Sale" and "selling" include all of the following transactions for a consideration in any

manner, whether absolutely or conditionally, whether for a price or rental, in money or by exchange, and by any means whatsoever:

(1) All transactions by which title or possession, or both, of tangible personal property, is or is to be transferred, or a license to use or consume tangible personal property is or is to be granted;

(2) All transactions by which lodging by a hotel is or is to be furnished to transient guests;

(3) All transactions by which:

(a) An item of tangible personal property is or is to be repaired, except property, the purchase of which would not be subject to the tax imposed by section 5739.02 of the Revised Code;

(b) An item of tangible personal property is or is to be installed, except property, the purchase of which would not be subject to the tax imposed by section 5739.02 of the Revised Code or property that is or is to be incorporated into and will become a part of a production, transmission, transportation, or distribution system for the delivery of a public utility service;

(c) The service of washing, cleaning, waxing, polishing, or painting a motor vehicle is or is to be furnished;

(d) Until August 1, 2003, industrial laundry cleaning services are or are to be provided and, on and after August 1, 2003, laundry and dry cleaning services are or are to be provided;

(e) Automatic data processing, computer services, or electronic information services are or are to be provided for use in business when the true object of the transaction is the receipt by the consumer of automatic data processing, computer services, or electronic information services rather than the receipt of personal or professional services to which automatic data processing, computer services, or electronic information services are incidental or supplemental. Notwithstanding any other provision of this chapter, such transactions that occur between members of an affiliated group are not sales. An "affiliated group" means two or more persons related in such a way that one person owns or controls the business operation of another member of the group. In the case of corporations with stock, one corporation owns or controls another if it owns more than fifty per cent of the other corporation's common stock with voting rights.

(f) Telecommunications service, including prepaid calling service, prepaid wireless calling service, or ancillary service, is or is to be provided, but not including coin-operated telephone service;

(g) Landscaping and lawn care service is or is to be provided;

(h) Private investigation and security service is or is to be provided;

(i) Information services or tangible personal property is provided or ordered by means of a nine hundred telephone call;

(j) Building maintenance and janitorial service is or is to be provided;

(k) Employment service is or is to be provided;

(l) Employment placement service is or is to be provided;

(m) Exterminating service is or is to be provided;

(n) Physical fitness facility service is or is to be provided;

(o) Recreation and sports club service is or is to be provided;

(p) On and after August 1, 2003, satellite broadcasting service is or is to be provided;

(q) On and after August 1, 2003, personal care service is or is to be provided to an individual.

As used in this division, "personal care service" includes skin care, the application of cosmetics,

manicuring, pedicuring, hair removal, tattooing, body piercing, tanning, massage, and other similar services. "Personal care service" does not include a service provided by or on the order of a licensed physician or licensed chiropractor, or the cutting, coloring, or styling of an individual's hair.

(r) On and after August 1, 2003, the transportation of persons by motor vehicle or aircraft is or is to be provided, when the transportation is entirely within this state, except for transportation provided by an ambulance service, by a transit bus, as defined in section 5735.01 of the Revised Code, and transportation provided by a citizen of the United States holding a certificate of public convenience and necessity issued under 49 U.S.C. 41102;

(s) On and after August 1, 2003, motor vehicle towing service is or is to be provided. As used in this division, "motor vehicle towing service" means the towing or conveyance of a wrecked, disabled, or illegally parked motor vehicle.

(t) On and after August 1, 2003, snow removal service is or is to be provided. As used in this division, "snow removal service" means the removal of snow by any mechanized means, but does not include the providing of such service by a person that has less than five thousand dollars in sales of such service during the calendar year.

(u) Electronic publishing service is or is to be provided to a consumer for use in business, except that such transactions occurring between members of an affiliated group, as defined in division (B)(3)(e) of this section, are not sales.

(4) All transactions by which printed, imprinted, overprinted, lithographic, multilithic, blueprinted, photostatic, or other productions or reproductions of written or graphic matter are or are to be furnished or transferred;

(5) The production or fabrication of tangible personal property for a consideration for consumers who furnish either directly or indirectly the materials used in the production of fabrication work; and include the furnishing, preparing, or serving for a consideration of any tangible personal property consumed on the premises of the person furnishing, preparing, or serving such tangible personal property. Except as provided in section 5739.03 of the Revised Code, a construction contract pursuant to which tangible personal property is or is to be incorporated into a structure or improvement on and becoming a part of real property is not a sale of such tangible personal property. The construction contractor is the consumer of such tangible personal property, provided that the sale and installation of carpeting, the sale and installation of agricultural land tile, the sale and erection or installation of portable grain bins, or the provision of landscaping and lawn care service and the transfer of property as part of such service is never a construction contract.

As used in division (B)(5) of this section:

(a) "Agricultural land tile" means fired clay or concrete tile, or flexible or rigid perforated plastic pipe or tubing, incorporated or to be incorporated into a subsurface drainage system appurtenant to land used or to be used primarily in production by farming, agriculture, horticulture, or floriculture. The term does not include such materials when they are or are to be incorporated into a drainage system appurtenant to a building or structure even if the building or structure is used or to be used in such production.

(b) "Portable grain bin" means a structure that is used or to be used by a person engaged in farming or agriculture to shelter the person's grain and that is designed to be disassembled without significant damage to its component parts.

(6) All transactions in which all of the shares of stock of a closely held corporation are transferred, or an ownership interest in a pass-through entity, as defined in section 5733.04 of the Revised Code, is transferred, if the corporation or pass-through entity is not engaging in business and its entire assets consist of boats, planes, motor vehicles, or other tangible personal property operated primarily for the use and enjoyment of the shareholders or owners;

(7) All transactions in which a warranty, maintenance or service contract, or similar agreement by which the vendor of the warranty, contract, or agreement agrees to repair or maintain the tangible personal property of the consumer is or is to be provided;

(8) The transfer of copyrighted motion picture films used solely for advertising purposes, except that the transfer of such films for exhibition purposes is not a sale;

(9) On and after August 1, 2003, all transactions by which tangible personal property is or is to be stored, except such property that the consumer of the storage holds for sale in the regular course of business;

(10) All transactions in which "guaranteed auto protection" is provided whereby a person promises to pay to the consumer the difference between the amount the consumer receives from motor vehicle insurance and the amount the consumer owes to a person holding title to or a lien on the consumer's motor vehicle in the event the consumer's motor vehicle suffers a total loss under the terms of the motor vehicle insurance policy or is stolen and not recovered, if the protection and its price are included in the purchase or lease agreement;

(11)(a) Except as provided in division (B)(11)(b) of this section, on and after October 1, 2009, all transactions by which health care services are paid for, reimbursed, provided, delivered, arranged for, or otherwise made available by a medicaid health insuring corporation pursuant to the corporation's contract with the state.

(b) If the centers for medicare and medicaid services of the United States department of health and human services determines that the taxation of transactions described in division (B)(11)(a) of this section constitutes an impermissible health care-related tax under the "Social Security Act," section 1903(w), 42 U.S.C. 1396b(w), and regulations adopted thereunder, the medicaid director shall notify the tax commissioner of that determination. Beginning with the first day of the month following that notification, the transactions described in division (B)(11)(a) of this section are not sales for the purposes of this chapter or Chapter 5741. of the Revised Code. The tax commissioner shall order that the collection of taxes under sections 5739.02, 5739.021, 5739.023, 5739.026, 5741.02, 5741.021, 5741.022, and 5741.023 of the Revised Code shall cease for transactions occurring on or after that date.

(12) All transactions by which a specified digital product is provided for permanent use or less than permanent use, regardless of whether continued payment is required.

Except as provided in this section, "sale" and "selling" do not include transfers of interest in leased property where the original lessee and the terms of the original lease agreement remain unchanged, or professional, insurance, or personal service transactions that involve the transfer of tangible personal property as an inconsequential element, for which no separate charges are made.

(C) "Vendor" means the person providing the service or by whom the transfer effected or license given by a sale is or is to be made or given and, for sales described in division (B)(3)(i) of this section, the telecommunications service vendor that provides the nine hundred telephone service;

if two or more persons are engaged in business at the same place of business under a single trade name in which all collections on account of sales by each are made, such persons shall constitute a single vendor.

Physicians, dentists, hospitals, and veterinarians who are engaged in selling tangible personal property as received from others, such as eyeglasses, mouthwashes, dentifrices, or similar articles, are vendors. Veterinarians who are engaged in transferring to others for a consideration drugs, the dispensing of which does not require an order of a licensed veterinarian or physician under federal law, are vendors.

(D)(1) "Consumer" means the person for whom the service is provided, to whom the transfer effected or license given by a sale is or is to be made or given, to whom the service described in division (B)(3)(f) or (i) of this section is charged, or to whom the admission is granted.

(2) Physicians, dentists, hospitals, and blood banks operated by nonprofit institutions and persons licensed to practice veterinary medicine, surgery, and dentistry are consumers of all tangible personal property and services purchased by them in connection with the practice of medicine, dentistry, the rendition of hospital or blood bank service, or the practice of veterinary medicine, surgery, and dentistry. In addition to being consumers of drugs administered by them or by their assistants according to their direction, veterinarians also are consumers of drugs that under federal law may be dispensed only by or upon the order of a licensed veterinarian or physician, when transferred by them to others for a consideration to provide treatment to animals as directed by the veterinarian.

(3) A person who performs a facility management, or similar service contract for a contractee is a consumer of all tangible personal property and services purchased for use in connection with the performance of such contract, regardless of whether title to any such property vests in the contractee. The purchase of such property and services is not subject to the exception for resale under division (E) of this section.

(4)(a) In the case of a person who purchases printed matter for the purpose of distributing it or having it distributed to the public or to a designated segment of the public, free of charge, that person is the consumer of that printed matter, and the purchase of that printed matter for that purpose is a sale.

(b) In the case of a person who produces, rather than purchases, printed matter for the purpose of distributing it or having it distributed to the public or to a designated segment of the public, free of charge, that person is the consumer of all tangible personal property and services purchased for use or consumption in the production of that printed matter. That person is not entitled to claim exemption under division (B)(42)(f) of section 5739.02 of the Revised Code for any material incorporated into the printed matter or any equipment, supplies, or services primarily used to produce the printed matter.

(c) The distribution of printed matter to the public or to a designated segment of the public, free of charge, is not a sale to the members of the public to whom the printed matter is distributed or to any persons who purchase space in the printed matter for advertising or other purposes.

(5) A person who makes sales of any of the services listed in division (B)(3) of this section is the consumer of any tangible personal property used in performing the service. The purchase of that property is not subject to the resale exception under division (E) of this section.

(6) A person who engages in highway transportation for hire is the consumer of all packaging materials purchased by that person and used in performing the service, except for packaging materials sold by such person in a transaction separate from the service.

(7) In the case of a transaction for health care services under division (B)(11) of this section, a medicaid health insuring corporation is the consumer of such services. The purchase of such services by a medicaid health insuring corporation is not subject to the exception for resale under division (E) of this section or to the exemptions provided under divisions (B)(12), (18), (19), and (22) of section 5739.02 of the Revised Code.

(E) "Retail sale" and "sales at retail" include all sales, except those in which the purpose of the consumer is to resell the thing transferred or benefit of the service provided, by a person engaging in business, in the form in which the same is, or is to be, received by the person.

(F) "Business" includes any activity engaged in by any person with the object of gain, benefit, or advantage, either direct or indirect. "Business" does not include the activity of a person in managing and investing the person's own funds.

(G) "Engaging in business" means commencing, conducting, or continuing in business, and liquidating a business when the liquidator thereof holds itself out to the public as conducting such business. Making a casual sale is not engaging in business.

(H)(1)(a) "Price," except as provided in divisions (H)(2), (3), and (4) of this section, means the total amount of consideration, including cash, credit, property, and services, for which tangible personal property or services are sold, leased, or rented, valued in money, whether received in money or otherwise, without any deduction for any of the following:

- (i) The vendor's cost of the property sold;
- (ii) The cost of materials used, labor or service costs, interest, losses, all costs of transportation to the vendor, all taxes imposed on the vendor, including the tax imposed under Chapter 5751. of the Revised Code, and any other expense of the vendor;
- (iii) Charges by the vendor for any services necessary to complete the sale;
- (iv) On and after August 1, 2003, delivery charges. As used in this division, "delivery charges" means charges by the vendor for preparation and delivery to a location designated by the consumer of tangible personal property or a service, including transportation, shipping, postage, handling, crating, and packing.
- (v) Installation charges;
- (vi) Credit for any trade-in.

(b) "Price" includes consideration received by the vendor from a third party, if the vendor actually receives the consideration from a party other than the consumer, and the consideration is directly related to a price reduction or discount on the sale; the vendor has an obligation to pass the price reduction or discount through to the consumer; the amount of the consideration attributable to the sale is fixed and determinable by the vendor at the time of the sale of the item to the consumer; and one of the following criteria is met:

- (i) The consumer presents a coupon, certificate, or other document to the vendor to claim a price reduction or discount where the coupon, certificate, or document is authorized, distributed, or granted by a third party with the understanding that the third party will reimburse any vendor to whom the coupon, certificate, or document is presented;

(ii) The consumer identifies the consumer's self to the seller as a member of a group or organization entitled to a price reduction or discount. A preferred customer card that is available to any patron does not constitute membership in such a group or organization.

(iii) The price reduction or discount is identified as a third party price reduction or discount on the invoice received by the consumer, or on a coupon, certificate, or other document presented by the consumer.

(c) "Price" does not include any of the following:

(i) Discounts, including cash, term, or coupons that are not reimbursed by a third party that are allowed by a vendor and taken by a consumer on a sale;

(ii) Interest, financing, and carrying charges from credit extended on the sale of tangible personal property or services, if the amount is separately stated on the invoice, bill of sale, or similar document given to the purchaser;

(iii) Any taxes legally imposed directly on the consumer that are separately stated on the invoice, bill of sale, or similar document given to the consumer. For the purpose of this division, the tax imposed under Chapter 5751. of the Revised Code is not a tax directly on the consumer, even if the tax or a portion thereof is separately stated.

(iv) Notwithstanding divisions (H)(1)(b)(i) to (iii) of this section, any discount allowed by an automobile manufacturer to its employee, or to the employee of a supplier, on the purchase of a new motor vehicle from a new motor vehicle dealer in this state.

(v) The dollar value of a gift card that is not sold by a vendor or purchased by a consumer and that is redeemed by the consumer in purchasing tangible personal property or services if the vendor is not reimbursed and does not receive compensation from a third party to cover all or part of the gift card value. For the purposes of this division, a gift card is not sold by a vendor or purchased by a consumer if it is distributed pursuant to an awards, loyalty, or promotional program. Past and present purchases of tangible personal property or services by the consumer shall not be treated as consideration exchanged for a gift card.

(2) In the case of a sale of any new motor vehicle by a new motor vehicle dealer, as defined in section 4517.01 of the Revised Code, in which another motor vehicle is accepted by the dealer as part of the consideration received, "price" has the same meaning as in division (H)(1) of this section, reduced by the credit afforded the consumer by the dealer for the motor vehicle received in trade.

(3) In the case of a sale of any watercraft or outboard motor by a watercraft dealer licensed in accordance with section 1547.543 of the Revised Code, in which another watercraft, watercraft and trailer, or outboard motor is accepted by the dealer as part of the consideration received, "price" has the same meaning as in division (H)(1) of this section, reduced by the credit afforded the consumer by the dealer for the watercraft, watercraft and trailer, or outboard motor received in trade. As used in this division, "watercraft" includes an outdrive unit attached to the watercraft.

(4) In the case of transactions for health care services under division (B)(11) of this section, "price" means the amount of managed care premiums received each month by a medicaid health insuring corporation.

(I) "Receipts" means the total amount of the prices of the sales of vendors, provided that the dollar value of gift cards distributed pursuant to an awards, loyalty, or promotional program, and cash discounts allowed and taken on sales at the time they are consummated are not included, minus any

amount deducted as a bad debt pursuant to section 5739.121 of the Revised Code. "Receipts" does not include the sale price of property returned or services rejected by consumers when the full sale price and tax are refunded either in cash or by credit.

(J) "Place of business" means any location at which a person engages in business.

(K) "Premises" includes any real property or portion thereof upon which any person engages in selling tangible personal property at retail or making retail sales and also includes any real property or portion thereof designated for, or devoted to, use in conjunction with the business engaged in by such person.

(L) "Casual sale" means a sale of an item of tangible personal property that was obtained by the person making the sale, through purchase or otherwise, for the person's own use and was previously subject to any state's taxing jurisdiction on its sale or use, and includes such items acquired for the seller's use that are sold by an auctioneer employed directly by the person for such purpose, provided the location of such sales is not the auctioneer's permanent place of business. As used in this division, "permanent place of business" includes any location where such auctioneer has conducted more than two auctions during the year.

(M) "Hotel" means every establishment kept, used, maintained, advertised, or held out to the public to be a place where sleeping accommodations are offered to guests, in which five or more rooms are used for the accommodation of such guests, whether the rooms are in one or several structures, except as otherwise provided in division (G) of section 5739.09 of the Revised Code.

(N) "Transient guests" means persons occupying a room or rooms for sleeping accommodations for less than thirty consecutive days.

(O) "Making retail sales" means the effecting of transactions wherein one party is obligated to pay the price and the other party is obligated to provide a service or to transfer title to or possession of the item sold. "Making retail sales" does not include the preliminary acts of promoting or soliciting the retail sales, other than the distribution of printed matter which displays or describes and prices the item offered for sale, nor does it include delivery of a predetermined quantity of tangible personal property or transportation of property or personnel to or from a place where a service is performed.

(P) "Used directly in the rendition of a public utility service" means that property that is to be incorporated into and will become a part of the consumer's production, transmission, transportation, or distribution system and that retains its classification as tangible personal property after such incorporation; fuel or power used in the production, transmission, transportation, or distribution system; and tangible personal property used in the repair and maintenance of the production, transmission, transportation, or distribution system, including only such motor vehicles as are specially designed and equipped for such use. Tangible personal property and services used primarily in providing highway transportation for hire are not used directly in the rendition of a public utility service. In this definition, "public utility" includes a citizen of the United States holding, and required to hold, a certificate of public convenience and necessity issued under 49 U.S.C. 41102.

(Q) "Refining" means removing or separating a desirable product from raw or contaminated materials by distillation or physical, mechanical, or chemical processes.

(R) "Assembly" and "assembling" mean attaching or fitting together parts to form a product, but do not include packaging a product.

(S) "Manufacturing operation" means a process in which materials are changed, converted, or transformed into a different state or form from which they previously existed and includes refining materials, assembling parts, and preparing raw materials and parts by mixing, measuring, blending, or otherwise committing such materials or parts to the manufacturing process. "Manufacturing operation" does not include packaging.

(T) "Fiscal officer" means, with respect to a regional transit authority, the secretary-treasurer thereof, and with respect to a county that is a transit authority, the fiscal officer of the county transit board if one is appointed pursuant to section 306.03 of the Revised Code or the county auditor if the board of county commissioners operates the county transit system.

(U) "Transit authority" means a regional transit authority created pursuant to section 306.31 of the Revised Code or a county in which a county transit system is created pursuant to section 306.01 of the Revised Code. For the purposes of this chapter, a transit authority must extend to at least the entire area of a single county. A transit authority that includes territory in more than one county must include all the area of the most populous county that is a part of such transit authority. County population shall be measured by the most recent census taken by the United States census bureau.

(V) "Legislative authority" means, with respect to a regional transit authority, the board of trustees thereof, and with respect to a county that is a transit authority, the board of county commissioners.

(W) "Territory of the transit authority" means all of the area included within the territorial boundaries of a transit authority as they from time to time exist. Such territorial boundaries must at all times include all the area of a single county or all the area of the most populous county that is a part of such transit authority. County population shall be measured by the most recent census taken by the United States census bureau.

(X) "Providing a service" means providing or furnishing anything described in division (B) (3) of this section for consideration.

(Y)(1)(a) "Automatic data processing" means processing of others' data, including keypunching or similar data entry services together with verification thereof, or providing access to computer equipment for the purpose of processing data.

(b) "Computer services" means providing services consisting of specifying computer hardware configurations and evaluating technical processing characteristics, computer programming, and training of computer programmers and operators, provided in conjunction with and to support the sale, lease, or operation of taxable computer equipment or systems.

(c) "Electronic information services" means providing access to computer equipment by means of telecommunications equipment for the purpose of either of the following:

- (i) Examining or acquiring data stored in or accessible to the computer equipment;
- (ii) Placing data into the computer equipment to be retrieved by designated recipients with access to the computer equipment.

For transactions occurring on or after the effective date of the amendment of this section by H.B. 157 of the 127th general assembly, December 21, 2007, "electronic information services" does not include electronic publishing as defined in division (LLL) of this section.

(d) "Automatic data processing, computer services, or electronic information services" shall

not include personal or professional services.

(2) As used in divisions (B)(3)(e) and (Y)(1) of this section, "personal and professional services" means all services other than automatic data processing, computer services, or electronic information services, including but not limited to:

(a) Accounting and legal services such as advice on tax matters, asset management, budgetary matters, quality control, information security, and auditing and any other situation where the service provider receives data or information and studies, alters, analyzes, interprets, or adjusts such material;

(b) Analyzing business policies and procedures;

(c) Identifying management information needs;

(d) Feasibility studies, including economic and technical analysis of existing or potential computer hardware or software needs and alternatives;

(e) Designing policies, procedures, and custom software for collecting business information, and determining how data should be summarized, sequenced, formatted, processed, controlled, and reported so that it will be meaningful to management;

(f) Developing policies and procedures that document how business events and transactions are to be authorized, executed, and controlled;

(g) Testing of business procedures;

(h) Training personnel in business procedure applications;

(i) Providing credit information to users of such information by a consumer reporting agency, as defined in the "Fair Credit Reporting Act," 84 Stat. 1114, 1129 (1970), 15 U.S.C. 1681a(f), or as hereafter amended, including but not limited to gathering, organizing, analyzing, recording, and furnishing such information by any oral, written, graphic, or electronic medium;

(j) Providing debt collection services by any oral, written, graphic, or electronic means;

(k) Providing digital advertising services.

The services listed in divisions (Y)(2)(a) to (k) of this section are not automatic data processing or computer services.

(Z) "Highway transportation for hire" means the transportation of personal property belonging to others for consideration by any of the following:

(1) The holder of a permit or certificate issued by this state or the United States authorizing the holder to engage in transportation of personal property belonging to others for consideration over or on highways, roadways, streets, or any similar public thoroughfare;

(2) A person who engages in the transportation of personal property belonging to others for consideration over or on highways, roadways, streets, or any similar public thoroughfare but who could not have engaged in such transportation on December 11, 1985, unless the person was the holder of a permit or certificate of the types described in division (Z)(1) of this section;

(3) A person who leases a motor vehicle to and operates it for a person described by division (Z)(1) or (2) of this section.

(AA)(1) "Telecommunications service" means the electronic transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals to a point, or between or among points. "Telecommunications service" includes such transmission, conveyance, or routing in which computer processing applications are used to act on the form, code, or protocol of the content

for purposes of transmission, conveyance, or routing without regard to whether the service is referred to as voice-over internet protocol service or is classified by the federal communications commission as enhanced or value-added. "Telecommunications service" does not include any of the following:

(a) Data processing and information services that allow data to be generated, acquired, stored, processed, or retrieved and delivered by an electronic transmission to a consumer where the consumer's primary purpose for the underlying transaction is the processed data or information;

(b) Installation or maintenance of wiring or equipment on a customer's premises;

(c) Tangible personal property;

(d) Advertising, including directory advertising;

(e) Billing and collection services provided to third parties;

(f) Internet access service;

(g) Radio and television audio and video programming services, regardless of the medium, including the furnishing of transmission, conveyance, and routing of such services by the programming service provider. Radio and television audio and video programming services include, but are not limited to, cable service, as defined in 47 U.S.C. 522(6), and audio and video programming services delivered by commercial mobile radio service providers, as defined in 47 C.F.R. 20.3;

(h) Ancillary service;

(i) Digital products delivered electronically, including software, music, video, reading materials, or ring tones.

(2) "Ancillary service" means a service that is associated with or incidental to the provision of telecommunications service, including conference bridging service, detailed telecommunications billing service, directory assistance, vertical service, and voice mail service. As used in this division:

(a) "Conference bridging service" means an ancillary service that links two or more participants of an audio or video conference call, including providing a telephone number. "Conference bridging service" does not include telecommunications services used to reach the conference bridge.

(b) "Detailed telecommunications billing service" means an ancillary service of separately stating information pertaining to individual calls on a customer's billing statement.

(c) "Directory assistance" means an ancillary service of providing telephone number or address information.

(d) "Vertical service" means an ancillary service that is offered in connection with one or more telecommunications services, which offers advanced calling features that allow customers to identify callers and manage multiple calls and call connections, including conference bridging service.

(e) "Voice mail service" means an ancillary service that enables the customer to store, send, or receive recorded messages. "Voice mail service" does not include any vertical services that the customer may be required to have in order to utilize the voice mail service.

(3) "900 service" means an inbound toll telecommunications service purchased by a subscriber that allows the subscriber's customers to call in to the subscriber's prerecorded announcement or live service, and which is typically marketed under the name "900 service" and any subsequent numbers designated by the federal communications commission. "900 service" does not

include the charge for collection services provided by the seller of the telecommunications service to the subscriber, or services or products sold by the subscriber to the subscriber's customer.

(4) "Prepaid calling service" means the right to access exclusively telecommunications services, which must be paid for in advance and which enables the origination of calls using an access number or authorization code, whether manually or electronically dialed, and that is sold in predetermined units or dollars of which the number declines with use in a known amount.

(5) "Prepaid wireless calling service" means a telecommunications service that provides the right to utilize mobile telecommunications service as well as other non-telecommunications services, including the download of digital products delivered electronically, and content and ancillary services, that must be paid for in advance and that is sold in predetermined units or dollars of which the number declines with use in a known amount.

(6) "Value-added non-voice data service" means a telecommunications service in which computer processing applications are used to act on the form, content, code, or protocol of the information or data primarily for a purpose other than transmission, conveyance, or routing.

(7) "Coin-operated telephone service" means a telecommunications service paid for by inserting money into a telephone accepting direct deposits of money to operate.

(8) "Customer" has the same meaning as in section 5739.034 of the Revised Code.

(BB) "Laundry and dry cleaning services" means removing soil or dirt from towels, linens, articles of clothing, or other fabric items that belong to others and supplying towels, linens, articles of clothing, or other fabric items. "Laundry and dry cleaning services" does not include the provision of self-service facilities for use by consumers to remove soil or dirt from towels, linens, articles of clothing, or other fabric items.

(CC) "Magazines distributed as controlled circulation publications" means magazines containing at least twenty-four pages, at least twenty-five per cent editorial content, issued at regular intervals four or more times a year, and circulated without charge to the recipient, provided that such magazines are not owned or controlled by individuals or business concerns which conduct such publications as an auxiliary to, and essentially for the advancement of the main business or calling of, those who own or control them.

(DD) "Landscaping and lawn care service" means the services of planting, seeding, sodding, removing, cutting, trimming, pruning, mulching, aerating, applying chemicals, watering, fertilizing, and providing similar services to establish, promote, or control the growth of trees, shrubs, flowers, grass, ground cover, and other flora, or otherwise maintaining a lawn or landscape grown or maintained by the owner for ornamentation or other nonagricultural purpose. However, "landscaping and lawn care service" does not include the providing of such services by a person who has less than five thousand dollars in sales of such services during the calendar year.

(EE) "Private investigation and security service" means the performance of any activity for which the provider of such service is required to be licensed pursuant to Chapter 4749. of the Revised Code, or would be required to be so licensed in performing such services in this state, and also includes the services of conducting polygraph examinations and of monitoring or overseeing the activities on or in, or the condition of, the consumer's home, business, or other facility by means of electronic or similar monitoring devices. "Private investigation and security service" does not include special duty services provided by off-duty police officers, deputy sheriffs, and other peace officers

regularly employed by the state or a political subdivision.

(FF) "Information services" means providing conversation, giving consultation or advice, playing or making a voice or other recording, making or keeping a record of the number of callers, and any other service provided to a consumer by means of a nine hundred telephone call, except when the nine hundred telephone call is the means by which the consumer makes a contribution to a recognized charity.

(GG) "Research and development" means designing, creating, or formulating new or enhanced products, equipment, or manufacturing processes, and also means conducting scientific or technological inquiry and experimentation in the physical sciences with the goal of increasing scientific knowledge which may reveal the bases for new or enhanced products, equipment, or manufacturing processes.

(HH) "Qualified research and development equipment" means capitalized tangible personal property, and leased personal property that would be capitalized if purchased, used by a person primarily to perform research and development. Tangible personal property primarily used in testing, as defined in division (A)(4) of section 5739.011 of the Revised Code, or used for recording or storing test results, is not qualified research and development equipment unless such property is primarily used by the consumer in testing the product, equipment, or manufacturing process being created, designed, or formulated by the consumer in the research and development activity or in recording or storing such test results.

(II) "Building maintenance and janitorial service" means cleaning the interior or exterior of a building and any tangible personal property located therein or thereon, including any services incidental to such cleaning for which no separate charge is made. However, "building maintenance and janitorial service" does not include the providing of such service by a person who has less than five thousand dollars in sales of such service during the calendar year. As used in this division, "cleaning" does not include sanitation services necessary for an establishment described in 21 U.S.C. 608 to comply with rules and regulations adopted pursuant to that section.

(JJ) "Employment service" means providing or supplying personnel, on a temporary or long-term basis, to perform work or labor under the supervision or control of another, when the personnel so provided or supplied receive their wages, salary, or other compensation from the provider or supplier of the employment service or from a third party that provided or supplied the personnel to the provider or supplier. "Employment service" does not include:

(1) Acting as a contractor or subcontractor, where the personnel performing the work are not under the direct control of the purchaser.

(2) Medical and health care services.

(3) Supplying personnel to a purchaser pursuant to a contract of at least one year between the service provider and the purchaser that specifies that each employee covered under the contract is assigned to the purchaser on a permanent basis.

(4) Transactions between members of an affiliated group, as defined in division (B)(3)(e) of this section.

(5) Transactions where the personnel so provided or supplied by a provider or supplier to a purchaser of an employment service are then provided or supplied by that purchaser to a third party as an employment service, except "employment service" does include the transaction between that

purchaser and the third party.

(KK) "Employment placement service" means locating or finding employment for a person or finding or locating an employee to fill an available position.

(LL) "Exterminating service" means eradicating or attempting to eradicate vermin infestations from a building or structure, or the area surrounding a building or structure, and includes activities to inspect, detect, or prevent vermin infestation of a building or structure.

(MM) "Physical fitness facility service" means all transactions by which a membership is granted, maintained, or renewed, including initiation fees, membership dues, renewal fees, monthly minimum fees, and other similar fees and dues, by a physical fitness facility such as an athletic club, health spa, or gymnasium, which entitles the member to use the facility for physical exercise.

(NN) "Recreation and sports club service" means all transactions by which a membership is granted, maintained, or renewed, including initiation fees, membership dues, renewal fees, monthly minimum fees, and other similar fees and dues, by a recreation and sports club, which entitles the member to use the facilities of the organization. "Recreation and sports club" means an organization that has ownership of, or controls or leases on a continuing, long-term basis, the facilities used by its members and includes an aviation club, gun or shooting club, yacht club, card club, swimming club, tennis club, golf club, country club, riding club, amateur sports club, or similar organization.

(OO) "Livestock" means farm animals commonly raised for food, food production, or other agricultural purposes, including, but not limited to, cattle, sheep, goats, swine, poultry, and captive deer. "Livestock" does not include invertebrates, amphibians, reptiles, domestic pets, animals for use in laboratories or for exhibition, or other animals not commonly raised for food or food production.

(PP) "Livestock structure" means a building or structure used exclusively for the housing, raising, feeding, or sheltering of livestock, and includes feed storage or handling structures and structures for livestock waste handling.

(QQ) "Horticulture" means the growing, cultivation, and production of flowers, fruits, herbs, vegetables, sod, mushrooms, and nursery stock. As used in this division, "nursery stock" has the same meaning as in section 927.51 of the Revised Code.

(RR) "Horticulture structure" means a building or structure used exclusively for the commercial growing, raising, or overwintering of horticultural products, and includes the area used for stocking, storing, and packing horticultural products when done in conjunction with the production of those products.

(SS) "Newspaper" means an unbound publication bearing a title or name that is regularly published, at least as frequently as biweekly, and distributed from a fixed place of business to the public in a specific geographic area, and that contains a substantial amount of news matter of international, national, or local events of interest to the general public.

(TT) "Professional racing team" means a person that employs at least twenty full-time employees for the purpose of conducting a motor vehicle racing business for profit. The person must conduct the business with the purpose of racing one or more motor racing vehicles in at least ten competitive professional racing events each year that comprise all or part of a motor racing series sanctioned by one or more motor racing sanctioning organizations. A "motor racing vehicle" means a vehicle for which the chassis, engine, and parts are designed exclusively for motor racing, and does not include a stock or production model vehicle that may be modified for use in racing. For the

purposes of this division:

(1) A "competitive professional racing event" is a motor vehicle racing event sanctioned by one or more motor racing sanctioning organizations, at which aggregate cash prizes in excess of eight hundred thousand dollars are awarded to the competitors.

(2) "Full-time employee" means an individual who is employed for consideration for thirty-five or more hours a week, or who renders any other standard of service generally accepted by custom or specified by contract as full-time employment.

(UU)(1) "Lease" or "rental" means any transfer of the possession or control of tangible personal property for a fixed or indefinite term, for consideration. "Lease" or "rental" includes future options to purchase or extend, and agreements described in 26 U.S.C. 7701(h)(1) covering motor vehicles and trailers where the amount of consideration may be increased or decreased by reference to the amount realized upon the sale or disposition of the property. "Lease" or "rental" does not include:

(a) A transfer of possession or control of tangible personal property under a security agreement or a deferred payment plan that requires the transfer of title upon completion of the required payments;

(b) A transfer of possession or control of tangible personal property under an agreement that requires the transfer of title upon completion of required payments and payment of an option price that does not exceed the greater of one hundred dollars or one per cent of the total required payments;

(c) Providing tangible personal property along with an operator for a fixed or indefinite period of time, if the operator is necessary for the property to perform as designed. For purposes of this division, the operator must do more than maintain, inspect, or set up the tangible personal property.

(2) "Lease" and "rental," as defined in division (UU) of this section, shall not apply to leases or rentals that exist before June 26, 2003.

(3) "Lease" and "rental" have the same meaning as in division (UU)(1) of this section regardless of whether a transaction is characterized as a lease or rental under generally accepted accounting principles, the Internal Revenue Code, Title XIII of the Revised Code, or other federal, state, or local laws.

(VV) "Mobile telecommunications service" has the same meaning as in the "Mobile Telecommunications Sourcing Act," Pub. L. No. 106-252, 114 Stat. 631 (2000), 4 U.S.C.A. 124(7), as amended, and, on and after August 1, 2003, includes related fees and ancillary services, including universal service fees, detailed billing service, directory assistance, service initiation, voice mail service, and vertical services, such as caller ID and three-way calling.

(WW) "Certified service provider" has the same meaning as in section 5740.01 of the Revised Code.

(XX) "Satellite broadcasting service" means the distribution or broadcasting of programming or services by satellite directly to the subscriber's receiving equipment without the use of ground receiving or distribution equipment, except the subscriber's receiving equipment or equipment used in the uplink process to the satellite, and includes all service and rental charges, premium channels or other special services, installation and repair service charges, and any other charges having any connection with the provision of the satellite broadcasting service.

(YY) "Tangible personal property" means personal property that can be seen, weighed, measured, felt, or touched, or that is in any other manner perceptible to the senses. For purposes of this chapter and Chapter 5741. of the Revised Code, "tangible personal property" includes motor vehicles, electricity, water, gas, steam, and prewritten computer software.

(ZZ) "Municipal gas utility" means a municipal corporation that owns or operates a system for the distribution of natural gas.

(AAA) "Computer" means an electronic device that accepts information in digital or similar form and manipulates it for a result based on a sequence of instructions.

(BBB) "Computer software" means a set of coded instructions designed to cause a computer or automatic data processing equipment to perform a task.

(CCC) "Delivered electronically" means delivery of computer software from the seller to the purchaser by means other than tangible storage media.

(DDD) "Prewritten computer software" means computer software, including prewritten upgrades, that is not designed and developed by the author or other creator to the specifications of a specific purchaser. The combining of two or more prewritten computer software programs or prewritten portions thereof does not cause the combination to be other than prewritten computer software. "Prewritten computer software" includes software designed and developed by the author or other creator to the specifications of a specific purchaser when it is sold to a person other than the purchaser. If a person modifies or enhances computer software of which the person is not the author or creator, the person shall be deemed to be the author or creator only of such person's modifications or enhancements. Prewritten computer software or a prewritten portion thereof that is modified or enhanced to any degree, where such modification or enhancement is designed and developed to the specifications of a specific purchaser, remains prewritten computer software; provided, however, that where there is a reasonable, separately stated charge or an invoice or other statement of the price given to the purchaser for the modification or enhancement, the modification or enhancement shall not constitute prewritten computer software.

(EEE)(1) "Food" means substances, whether in liquid, concentrated, solid, frozen, dried, or dehydrated form, that are sold for ingestion or chewing by humans and are consumed for their taste or nutritional value. "Food" does not include alcoholic beverages, dietary supplements, soft drinks, or tobacco.

(2) As used in division (EEE)(1) of this section:

(a) "Alcoholic beverages" means beverages that are suitable for human consumption and contain one-half of one per cent or more of alcohol by volume.

(b) "Dietary supplements" means any product, other than tobacco, that is intended to supplement the diet and that is intended for ingestion in tablet, capsule, powder, softgel, gelcap, or liquid form, or, if not intended for ingestion in such a form, is not represented as conventional food for use as a sole item of a meal or of the diet; that is required to be labeled as a dietary supplement, identifiable by the "supplement facts" box found on the label, as required by 21 C.F.R. 101.36; and that contains one or more of the following dietary ingredients:

(i) A vitamin;

(ii) A mineral;

(iii) An herb or other botanical;

(iv) An amino acid;

(v) A dietary substance for use by humans to supplement the diet by increasing the total dietary intake;

(vi) A concentrate, metabolite, constituent, extract, or combination of any ingredient described in divisions (EEE)(2)(b)(i) to (v) of this section.

(c) "Soft drinks" means nonalcoholic beverages that contain natural or artificial sweeteners. "Soft drinks" does not include beverages that contain milk or milk products, soy, rice, or similar milk substitutes, or that contains greater than fifty per cent vegetable or fruit juice by volume.

(d) "Tobacco" means cigarettes, cigars, chewing or pipe tobacco, or any other item that contains tobacco.

(FFF) "Drug" means a compound, substance, or preparation, and any component of a compound, substance, or preparation, other than food, dietary supplements, or alcoholic beverages that is recognized in the official United States pharmacopoeia, official homeopathic pharmacopoeia of the United States, or official national formulary, and supplements to them; is intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease; or is intended to affect the structure or any function of the body.

(GGG) "Prescription" means an order, formula, or recipe issued in any form of oral, written, electronic, or other means of transmission by a duly licensed practitioner authorized by the laws of this state to issue a prescription.

(HHH) "Durable medical equipment" means equipment, including repair and replacement parts for such equipment, that can withstand repeated use, is primarily and customarily used to serve a medical purpose, generally is not useful to a person in the absence of illness or injury, and is not worn in or on the body. "Durable medical equipment" does not include mobility enhancing equipment.

(III) "Mobility enhancing equipment" means equipment, including repair and replacement parts for such equipment, that is primarily and customarily used to provide or increase the ability to move from one place to another and is appropriate for use either in a home or a motor vehicle, that is not generally used by persons with normal mobility, and that does not include any motor vehicle or equipment on a motor vehicle normally provided by a motor vehicle manufacturer. "Mobility enhancing equipment" does not include durable medical equipment.

(JJJ) "Prosthetic device" means a replacement, corrective, or supportive device, including repair and replacement parts for the device, worn on or in the human body to artificially replace a missing portion of the body, prevent or correct physical deformity or malfunction, or support a weak or deformed portion of the body. As used in this division, before July 1, 2019, "prosthetic device" does not include corrective eyeglasses, contact lenses, or dental prosthesis. On or after July 1, 2019, "prosthetic device" does not include dental prosthesis but does include corrective eyeglasses or contact lenses.

(KKK)(1) "Fractional aircraft ownership program" means a program in which persons within an affiliated group sell and manage fractional ownership program aircraft, provided that at least one hundred airworthy aircraft are operated in the program and the program meets all of the following criteria:

(a) Management services are provided by at least one program manager within an affiliated

group on behalf of the fractional owners.

(b) Each program aircraft is owned or possessed by at least one fractional owner.

(c) Each fractional owner owns or possesses at least a one-sixteenth interest in at least one fixed-wing program aircraft.

(d) A dry-lease aircraft interchange arrangement is in effect among all of the fractional owners.

(e) Multi-year program agreements are in effect regarding the fractional ownership, management services, and dry-lease aircraft interchange arrangement aspects of the program.

(2) As used in division (KKK)(1) of this section:

(a) "Affiliated group" has the same meaning as in division (B)(3)(e) of this section.

(b) "Fractional owner" means a person that owns or possesses at least a one-sixteenth interest in a program aircraft and has entered into the agreements described in division (KKK)(1)(e) of this section.

(c) "Fractional ownership program aircraft" or "program aircraft" means a turbojet aircraft that is owned or possessed by a fractional owner and that has been included in a dry-lease aircraft interchange arrangement and agreement under divisions (KKK)(1)(d) and (e) of this section, or an aircraft a program manager owns or possesses primarily for use in a fractional aircraft ownership program.

(d) "Management services" means administrative and aviation support services furnished under a fractional aircraft ownership program in accordance with a management services agreement under division (KKK)(1)(e) of this section, and offered by the program manager to the fractional owners, including, at a minimum, the establishment and implementation of safety guidelines; the coordination of the scheduling of the program aircraft and crews; program aircraft maintenance; program aircraft insurance; crew training for crews employed, furnished, or contracted by the program manager or the fractional owner; the satisfaction of record-keeping requirements; and the development and use of an operations manual and a maintenance manual for the fractional aircraft ownership program.

(e) "Program manager" means the person that offers management services to fractional owners pursuant to a management services agreement under division (KKK)(1)(e) of this section.

(LLL) "Electronic publishing" means providing access to one or more of the following primarily for business customers, including the federal government or a state government or a political subdivision thereof, to conduct research: news; business, financial, legal, consumer, or credit materials; editorials, columns, reader commentary, or features; photos or images; archival or research material; legal notices, identity verification, or public records; scientific, educational, instructional, technical, professional, trade, or other literary materials; or other similar information which has been gathered and made available by the provider to the consumer in an electronic format. Providing electronic publishing includes the functions necessary for the acquisition, formatting, editing, storage, and dissemination of data or information that is the subject of a sale.

(MMM) "Medicaid health insuring corporation" means a health insuring corporation that holds a certificate of authority under Chapter 1751. of the Revised Code and is under contract with the department of medicaid pursuant to section 5167.10 of the Revised Code.

(NNN) "Managed care premium" means any premium, capitation, or other payment a

medicaid health insuring corporation receives for providing or arranging for the provision of health care services to its members or enrollees residing in this state.

(OOO) "Captive deer" means deer and other cervidae that have been legally acquired, or their offspring, that are privately owned for agricultural or farming purposes.

(PPP) "Gift card" means a document, card, certificate, or other record, whether tangible or intangible, that may be redeemed by a consumer for a dollar value when making a purchase of tangible personal property or services.

(QQQ) "Specified digital product" means an electronically transferred digital audiovisual work, digital audio work, or digital book.

As used in division (QQQ) of this section:

(1) "Digital audiovisual work" means a series of related images that, when shown in succession, impart an impression of motion, together with accompanying sounds, if any.

(2) "Digital audio work" means a work that results from the fixation of a series of musical, spoken, or other sounds, including digitized sound files that are downloaded onto a device and that may be used to alert the customer with respect to a communication.

(3) "Digital book" means a work that is generally recognized in the ordinary and usual sense as a book.

(4) "Electronically transferred" means obtained by the purchaser by means other than tangible storage media.

(RRR) "Digital advertising services" means providing access, by means of telecommunications equipment, to computer equipment that is used to enter, upload, download, review, manipulate, store, add, or delete data for the purpose of electronically displaying, delivering, placing, or transferring promotional advertisements to potential customers about products or services or about industry or business brands.

Sec. 5739.09. (A)(1) A board of county commissioners may, by resolution adopted by a majority of the members of the board, levy an excise tax not to exceed three per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests. The board shall establish all regulations necessary to provide for the administration and allocation of the tax. The regulations may prescribe the time for payment of the tax, and may provide for the imposition of a penalty or interest, or both, for late payments, provided that the penalty does not exceed ten per cent of the amount of tax due, and the rate at which interest accrues does not exceed the rate per annum prescribed pursuant to section 5703.47 of the Revised Code. Except as provided in divisions (A)(2), (3), (4), (5), (6), (7), (8), (9), (10), (11), and (12) of this section, the regulations shall provide, after deducting the real and actual costs of administering the tax, for the return to each municipal corporation or township that does not levy an excise tax on the transactions, a uniform percentage of the tax collected in the municipal corporation or in the unincorporated portion of the township from each transaction, not to exceed thirty-three and one-third per cent. The remainder of the revenue arising from the tax shall be deposited in a separate fund and shall be spent solely to make contributions to the convention and visitors' bureau operating within the county, including a pledge and contribution of any portion of the remainder pursuant to an agreement authorized by section 307.678 or 307.695 of the Revised Code, provided that if the board of county commissioners of an eligible county as defined in section 307.678 or 307.695 of the Revised Code adopts a resolution amending a resolution levying a tax

under this division to provide that revenue from the tax shall be used by the board as described in either division (D) of section 307.678 or division (H) of section 307.695 of the Revised Code, the remainder of the revenue shall be used as described in the resolution making that amendment. Except as provided in division (A)(2), (3), (4), (5), (6), (7), (8), (9), (10), or (11) or (H) of this section, on and after May 10, 1994, a board of county commissioners may not levy an excise tax pursuant to this division in any municipal corporation or township located wholly or partly within the county that has in effect an ordinance or resolution levying an excise tax pursuant to division (B) of this section. The board of a county that has levied a tax under division (C) of this section may, by resolution adopted within ninety days after July 15, 1985, by a majority of the members of the board, amend the resolution levying a tax under this division to provide for a portion of that tax to be pledged and contributed in accordance with an agreement entered into under section 307.695 of the Revised Code. A tax, any revenue from which is pledged pursuant to such an agreement, shall remain in effect at the rate at which it is imposed for the duration of the period for which the revenue from the tax has been so pledged.

The board of county commissioners of an eligible county as defined in section 307.695 of the Revised Code may, by resolution adopted by a majority of the members of the board, amend a resolution levying a tax under this division to provide that the revenue from the tax shall be used by the board as described in division (H) of section 307.695 of the Revised Code, in which case the tax shall remain in effect at the rate at which it was imposed for the duration of any agreement entered into by the board under section 307.695 of the Revised Code, the duration during which any securities issued by the board under that section are outstanding, or the duration of the period during which the board owns a project as defined in section 307.695 of the Revised Code, whichever duration is longest.

The board of county commissioners of an eligible county as defined in section 307.678 of the Revised Code may, by resolution, amend a resolution levying a tax under this division to provide that revenue from the tax, not to exceed five hundred thousand dollars each year, may be used as described in division (E) of section 307.678 of the Revised Code.

Notwithstanding division (A)(1) of this section, the board of county commissioners of a county described in division (A)(8)(a) of this section may, by resolution, amend a resolution levying a tax under this division to provide that all or a portion of the revenue from the tax, including any revenue otherwise required to be returned to townships or municipal corporations under this division, may be used or pledged for the payment of debt service on securities issued to pay the costs of constructing, operating, and maintaining sports facilities described in division (A)(8)(b) of this section.

The board of county commissioners of a county described in division (A)(9) of this section may, by resolution, amend a resolution levying a tax under this division to provide that all or a portion of the revenue from the tax may be used for the purposes described in section 307.679 of the Revised Code.

(2) A board of county commissioners that levies an excise tax under division (A)(1) of this section on June 30, 1997, at a rate of three per cent, and that has pledged revenue from the tax to an agreement entered into under section 307.695 of the Revised Code or, in the case of the board of county commissioners of an eligible county as defined in section 307.695 of the Revised Code, has

amended a resolution levying a tax under division (C) of this section to provide that proceeds from the tax shall be used by the board as described in division (H) of section 307.695 of the Revised Code, may, at any time by a resolution adopted by a majority of the members of the board, amend the resolution levying a tax under division (A)(1) of this section to provide for an increase in the rate of that tax up to seven per cent on each transaction; to provide that revenue from the increase in the rate shall be used as described in division (H) of section 307.695 of the Revised Code or be spent solely to make contributions to the convention and visitors' bureau operating within the county to be used specifically for promotion, advertising, and marketing of the region in which the county is located; and to provide that the rate in excess of the three per cent levied under division (A)(1) of this section shall remain in effect at the rate at which it is imposed for the duration of the period during which any agreement is in effect that was entered into under section 307.695 of the Revised Code by the board of county commissioners levying a tax under division (A)(1) of this section, the duration of the period during which any securities issued by the board under division (I) of section 307.695 of the Revised Code are outstanding, or the duration of the period during which the board owns a project as defined in section 307.695 of the Revised Code, whichever duration is longest. The amendment also shall provide that no portion of that revenue need be returned to townships or municipal corporations as would otherwise be required under division (A)(1) of this section.

(3) A board of county commissioners that levies a tax under division (A)(1) of this section on March 18, 1999, at a rate of three per cent may, by resolution adopted not later than forty-five days after March 18, 1999, amend the resolution levying the tax to provide for all of the following:

(a) That the rate of the tax shall be increased by not more than an additional four per cent on each transaction;

(b) That all of the revenue from the increase in the rate shall be pledged and contributed to a convention facilities authority established by the board of county commissioners under Chapter 351. of the Revised Code on or before November 15, 1998, and used to pay costs of constructing, maintaining, operating, and promoting a facility in the county, including paying bonds, or notes issued in anticipation of bonds, as provided by that chapter;

(c) That no portion of the revenue arising from the increase in rate need be returned to municipal corporations or townships as otherwise required under division (A)(1) of this section;

(d) That the increase in rate shall not be subject to diminution by initiative or referendum or by law while any bonds, or notes in anticipation of bonds, issued by the authority under Chapter 351. of the Revised Code to which the revenue is pledged, remain outstanding in accordance with their terms, unless provision is made by law or by the board of county commissioners for an adequate substitute therefor that is satisfactory to the trustee if a trust agreement secures the bonds.

Division (A)(3) of this section does not apply to the board of county commissioners of any county in which a convention center or facility exists or is being constructed on November 15, 1998, or of any county in which a convention facilities authority levies a tax pursuant to section 351.021 of the Revised Code on that date.

As used in division (A)(3) of this section, "cost" and "facility" have the same meanings as in section 351.01 of the Revised Code, and "convention center" has the same meaning as in section 307.695 of the Revised Code.

(4)(a) A board of county commissioners that levies a tax under division (A)(1) of this section

on June 30, 2002, at a rate of three per cent may, by resolution adopted not later than September 30, 2002, amend the resolution levying the tax to provide for all of the following:

(i) That the rate of the tax shall be increased by not more than an additional three and one-half per cent on each transaction;

(ii) That all of the revenue from the increase in rate shall be pledged and contributed to a convention facilities authority established by the board of county commissioners under Chapter 351. of the Revised Code on or before May 15, 2002, and be used to pay costs of constructing, expanding, maintaining, operating, or promoting a convention center in the county, including paying bonds, or notes issued in anticipation of bonds, as provided by that chapter;

(iii) That no portion of the revenue arising from the increase in rate need be returned to municipal corporations or townships as otherwise required under division (A)(1) of this section;

(iv) That the increase in rate shall not be subject to diminution by initiative or referendum or by law while any bonds, or notes in anticipation of bonds, issued by the authority under Chapter 351. of the Revised Code to which the revenue is pledged, remain outstanding in accordance with their terms, unless provision is made by law or by the board of county commissioners for an adequate substitute therefor that is satisfactory to the trustee if a trust agreement secures the bonds.

(b) Any board of county commissioners that, pursuant to division (A)(4)(a) of this section, has amended a resolution levying the tax authorized by division (A)(1) of this section may further amend the resolution to provide that the revenue referred to in division (A)(4)(a)(ii) of this section shall be pledged and contributed both to a convention facilities authority to pay the costs of constructing, expanding, maintaining, or operating one or more convention centers in the county, including paying bonds, or notes issued in anticipation of bonds, as provided in Chapter 351. of the Revised Code, and to a convention and visitors' bureau to pay the costs of promoting one or more convention centers in the county.

As used in division (A)(4) of this section, "cost" has the same meaning as in section 351.01 of the Revised Code, and "convention center" has the same meaning as in section 307.695 of the Revised Code.

(5)(a) As used in division (A)(5) of this section:

(i) "Port authority" means a port authority created under Chapter 4582. of the Revised Code.

(ii) "Port authority military-use facility" means port authority facilities on which or adjacent to which is located an installation of the armed forces of the United States, a reserve component thereof, or the national guard and at least part of which is made available for use, for consideration, by the armed forces of the United States, a reserve component thereof, or the national guard.

(b) For the purpose of contributing revenue to pay operating expenses of a port authority that operates a port authority military-use facility, the board of county commissioners of a county that created, participated in the creation of, or has joined such a port authority may do one or both of the following:

(i) Amend a resolution previously adopted under division (A)(1) of this section to designate some or all of the revenue from the tax levied under the resolution to be used for that purpose, notwithstanding that division;

(ii) Amend a resolution previously adopted under division (A)(1) of this section to increase the rate of the tax by not more than an additional two per cent and use the revenue from the increase

exclusively for that purpose.

(c) If a board of county commissioners amends a resolution to increase the rate of a tax as authorized in division (A)(5)(b)(ii) of this section, the board also may amend the resolution to specify that the increase in rate of the tax does not apply to "hotels," as otherwise defined in section 5739.01 of the Revised Code, having fewer rooms used for the accommodation of guests than a number of rooms specified by the board.

(6) A board of county commissioners of a county organized under a county charter adopted pursuant to Article X, Section 3, Ohio Constitution, and that levies an excise tax under division (A)(1) of this section at a rate of three per cent and levies an additional excise tax under division (E) of this section at a rate of one and one-half per cent may, by resolution adopted not later than January 1, 2008, by a majority of the members of the board, amend the resolution levying a tax under division (A)(1) of this section to provide for an increase in the rate of that tax by not more than an additional one per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests. Notwithstanding divisions (A)(1) and (E) of this section, the resolution shall provide that all of the revenue from the increase in rate, after deducting the real and actual costs of administering the tax, shall be used to pay the costs of improving, expanding, equipping, financing, or operating a convention center by a convention and visitors' bureau in the county. The increase in rate shall remain in effect for the period specified in the resolution, not to exceed ten years, and may be extended for an additional period of time not to exceed ten years thereafter by a resolution adopted by a majority of the members of the board. The increase in rate shall be subject to the regulations adopted under division (A)(1) of this section, except that the resolution may provide that no portion of the revenue from the increase in the rate shall be returned to townships or municipal corporations as would otherwise be required under that division.

(7) Division (A)(7) of this section applies only to a county with a population greater than sixty-five thousand and less than seventy thousand according to the most recent federal decennial census and in which, on December 31, 2006, an excise tax is levied under division (A)(1) of this section at a rate not less than and not greater than three per cent, and in which the most recent increase in the rate of that tax was enacted or took effect in November 1984.

The board of county commissioners of a county to which this division applies, by resolution adopted by a majority of the members of the board, may increase the rate of the tax by not more than one per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests. The increase in rate shall be for the purpose of paying expenses deemed necessary by the convention and visitors' bureau operating in the county to promote travel and tourism. The increase in rate shall remain in effect for the period specified in the resolution, not to exceed twenty years, provided that the increase in rate may not continue beyond the time when the purpose for which the increase is levied ceases to exist. If revenue from the increase in rate is pledged to the payment of debt charges on securities, the increase in rate is not subject to diminution by initiative or referendum or by law for so long as the securities are outstanding, unless provision is made by law or by the board of county commissioners for an adequate substitute for that revenue that is satisfactory to the trustee if a trust agreement secures payment of the debt charges. The increase in rate shall be subject to the regulations adopted under division (A)(1) of this section, except that the resolution may provide that no portion of the revenue from the increase in the rate shall be returned to townships or municipal

corporations as would otherwise be required under division (A)(1) of this section. A resolution adopted under division (A)(7) of this section is subject to referendum under sections 305.31 to 305.99 of the Revised Code.

(8)(a) Division (A)(8) of this section applies only to a county satisfying all of the following:

(i) The population of the county is greater than one hundred seventy-five thousand and less than two hundred twenty-five thousand according to the most recent federal decennial census.

(ii) An amusement park with an average yearly attendance in excess of two million guests is located in the county.

(iii) On December 31, 2014, an excise tax was levied in the county under division (A)(1) of this section at a rate of three per cent.

(b) The board of county commissioners of a county to which this division applies, by resolution adopted by a majority of the members of the board, may increase the rate of the tax by not more than one per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests. The increase in rate shall be used to pay the costs of constructing and maintaining facilities owned by the county or by a port authority created under Chapter 4582. of the Revised Code, and designed to host sporting events and expenses deemed necessary by the convention and visitors' bureau operating in the county to promote travel and tourism with reference to the sports facilities, and to pay or pledge to the payment of debt service on securities issued to pay the costs of constructing, operating, and maintaining the sports facilities. The increase in rate shall remain in effect for the period specified in the resolution. If revenue from the increase in rate is pledged to the payment of debt charges on securities, the increase in rate is not subject to diminution by initiative or referendum or by law for so long as the securities are outstanding, unless provision is made by law or by the board of county commissioners for an adequate substitute for that revenue that is satisfactory to the trustee if a trust agreement secures payment of the debt charges. The increase in rate shall be subject to the regulations adopted under division (A)(1) of this section, except that the resolution may provide that no portion of the revenue from the increase in the rate shall be returned to townships or municipal corporations as would otherwise be required under division (A)(1) of this section.

(9) The board of county commissioners of a county with a population greater than seventy-five thousand and less than seventy-eight thousand, by resolution adopted by a majority of the members of the board not later than October 15, 2015, may increase the rate of the tax by not more than one per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests. The increase in rate shall be for the purposes described in section 307.679 of the Revised Code or for the promotion of travel and tourism in the county, including travel and tourism to sports facilities. The increase in rate shall remain in effect for the period specified in the resolution and as necessary to fulfill the county's obligations under a cooperative agreement entered into under section 307.679 of the Revised Code. If the resolution is adopted by the board before September 29, 2015, but after that enactment becomes law, the increase in rate shall become effective beginning on September 29, 2015. If revenue from the increase in rate is pledged to the payment of debt charges on securities, or to substitute for other revenues pledged to the payment of such debt, the increase in rate is not subject to diminution by initiative or referendum or by law for so long as the securities are outstanding, unless provision is made by law or by the board of county commissioners for an adequate substitute for that revenue that is satisfactory to the trustee if a trust agreement secures

payment of the debt charges. The increase in rate shall be subject to the regulations adopted under division (A)(1) of this section, except that no portion of the revenue from the increase in the rate shall be returned to townships or municipal corporations as would otherwise be required under division (A)(1) of this section.

(10) Division (A)(10) of this section applies only to counties satisfying either of the following:

(a) A county that, on July 1, 2015, does not levy an excise tax under division (A)(1) of this section and that has a population of at least thirty-nine thousand but not more than forty thousand according to the 2010 federal decennial census;

(b) A county that, on July 1, 2015, levies an excise tax under division (A)(1) of this section at a rate of three per cent and that has a population of at least seventy-one thousand but not more than seventy-five thousand according to 2010 federal decennial census.

The board of county commissioners of a county to which division (A)(10) of this section applies, by resolution adopted by a majority of the members of the board, may levy an excise tax at a rate not to exceed three per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests for the purpose of acquiring, constructing, equipping, or repairing permanent improvements, as defined in section 133.01 of the Revised Code. If the board does not levy a tax under division (A)(1) of this section, the board shall establish regulations necessary to provide for the administration of the tax, which may prescribe the time for payment of the tax and the imposition of penalty or interest subject to the limitations on penalty and interest provided in division (A)(1) of this section. No portion of the revenue shall be returned to townships or municipal corporations in the county unless otherwise provided by resolution of the board. The tax shall apply throughout the territory of the county, including in any township or municipal corporation levying an excise tax under division (B) of this section or division (A) of section 5739.08 of the Revised Code. The levy of the tax is subject to referendum as provided under section 305.31 of the Revised Code.

The tax shall remain in effect for the period specified in the resolution. If revenue from the increase in rate is pledged to the payment of debt charges on securities, the increase in rate is not subject to diminution by initiative or referendum or by law for so long as the securities are outstanding unless provision is made by law or by the board for an adequate substitute for that revenue that is satisfactory to the trustee if a trust agreement secures payment of the debt charges.

(11) The board of county commissioners of an eligible county, as defined in section 307.678 of the Revised Code, that levies an excise tax under division (A)(1) of this section on July 1, 2017, at a rate of three per cent may, by resolution adopted by a majority of the members of the board, amend the resolution levying the tax to increase the rate of the tax by not more than an additional three per cent on each transaction. No portion of the revenue shall be returned to townships or municipal corporations in the county unless otherwise provided by resolution of the board. Otherwise, the revenue from the increase in the rate shall be distributed and used in the same manner described under division (A)(1) of this section or distributed or used to provide credit enhancement facilities as authorized under section 307.678 of the Revised Code. The increase in rate shall remain in effect for the period specified in the resolution. If revenue from the increase in rate is pledged to the payment of debt charges on securities, the increase in rate is not subject to diminution by initiative or referendum or by law for so long as the securities are outstanding unless provision is made by law or

by the board for an adequate substitute for that revenue that is satisfactory to the trustee if a trust agreement secures payment of the debt charges.

(12)(a) As used in this division:

(i) "Eligible county" means a county that has a population greater than one hundred ninety thousand and less than two hundred thousand according to the 2010 federal decennial census and that levies an excise tax under division (A)(1) of this section at a rate of three per cent.

(ii) "Professional sports facility" means a sports facility that is intended to house major or minor league professional athletic teams, including a stadium, together with all parking facilities, walkways, and other auxiliary facilities, real and personal property, property rights, easements, and interests that may be appropriate for, or used in connection with, the operation of the facility.

(b) Subject to division (A)(12)(c) of this section, the board of county commissioners of an eligible county, by resolution adopted by a majority of the members of the board, may increase the rate of the tax by not more than one per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests. Revenue from the increase in rate shall be used for the purposes of paying the costs of constructing, improving, and maintaining a professional sports facility in the county and paying expenses considered necessary by the convention and visitors' bureau operating in the county to promote travel and tourism with respect to that professional sports facility. The tax shall take effect only after the convention and visitors' bureau enters into a contract for the construction, improvement, or maintenance of a professional sports facility that is or will be located on property acquired, in whole or in part, with revenue from the increased rate, and thereafter shall remain in effect for the period specified in the resolution. If revenue from the increase in rate is pledged to the payment of debt charges on securities, the increase in rate is not subject to diminution by initiative or referendum or by law for so long as the securities are outstanding, unless a provision is made by law or by the board of county commissioners for an adequate substitute for that revenue that is satisfactory to the trustee if a trust agreement secures payment of the debt charges. The increase in rate shall be subject to the regulations adopted under division (A)(1) of this section, except that the resolution may provide that no portion of the revenue from the increase in the rate shall be returned to townships or municipal corporations as would otherwise be required under division (A)(1) of this section.

(c) If, on January 1, 2019, the convention and visitors' bureau has not entered into a contract for the construction, improvement, or maintenance of a professional sports facility that is or will be located on property acquired, in whole or in part, with revenue from the increased rate, the authority to levy the tax under division (A)(12)(b) of this section is hereby repealed on that date.

(B)(1) The legislative authority of a municipal corporation or the board of trustees of a township that is not wholly or partly located in a county that has in effect a resolution levying an excise tax pursuant to division (A)(1) of this section may, by ordinance or resolution, levy an excise tax not to exceed three per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests. The legislative authority of the municipal corporation or the board of trustees of the township shall deposit at least fifty per cent of the revenue from the tax levied pursuant to this division into a separate fund, which shall be spent solely to make contributions to convention and visitors' bureaus operating within the county in which the municipal corporation or township is wholly or partly located, and the balance of that revenue shall be deposited in the general fund. The

municipal corporation or township shall establish all regulations necessary to provide for the administration and allocation of the tax. The regulations may prescribe the time for payment of the tax, and may provide for the imposition of a penalty or interest, or both, for late payments, provided that the penalty does not exceed ten per cent of the amount of tax due, and the rate at which interest accrues does not exceed the rate per annum prescribed pursuant to section 5703.47 of the Revised Code. The levy of a tax under this division is in addition to any tax imposed on the same transaction by a municipal corporation or a township as authorized by division (A) of section 5739.08 of the Revised Code.

(2)(a) The legislative authority of the most populous municipal corporation located wholly or partly in a county in which the board of county commissioners has levied a tax under division (A)(4) of this section may amend, on or before September 30, 2002, that municipal corporation's ordinance or resolution that levies an excise tax on transactions by which lodging by a hotel is or is to be furnished to transient guests, to provide for all of the following:

(i) That the rate of the tax shall be increased by not more than an additional one per cent on each transaction;

(ii) That all of the revenue from the increase in rate shall be pledged and contributed to a convention facilities authority established by the board of county commissioners under Chapter 351. of the Revised Code on or before May 15, 2002, and be used to pay costs of constructing, expanding, maintaining, operating, or promoting a convention center in the county, including paying bonds, or notes issued in anticipation of bonds, as provided by that chapter;

(iii) That the increase in rate shall not be subject to diminution by initiative or referendum or by law while any bonds, or notes in anticipation of bonds, issued by the authority under Chapter 351. of the Revised Code to which the revenue is pledged, remain outstanding in accordance with their terms, unless provision is made by law, by the board of county commissioners, or by the legislative authority, for an adequate substitute therefor that is satisfactory to the trustee if a trust agreement secures the bonds.

(b) The legislative authority of a municipal corporation that, pursuant to division (B)(2)(a) of this section, has amended its ordinance or resolution to increase the rate of the tax authorized by division (B)(1) of this section may further amend the ordinance or resolution to provide that the revenue referred to in division (B)(2)(a)(ii) of this section shall be pledged and contributed both to a convention facilities authority to pay the costs of constructing, expanding, maintaining, or operating one or more convention centers in the county, including paying bonds, or notes issued in anticipation of bonds, as provided in Chapter 351. of the Revised Code, and to a convention and visitors' bureau to pay the costs of promoting one or more convention centers in the county.

As used in division (B)(2) of this section, "cost" has the same meaning as in section 351.01 of the Revised Code, and "convention center" has the same meaning as in section 307.695 of the Revised Code.

(3) The legislative authority of an eligible municipal corporation may amend, on or before December 31, 2017, that municipal corporation's ordinance or resolution that levies an excise tax on transactions by which lodging by a hotel is or is to be furnished to transient guests, to provide for the following:

(a) That the rate of the tax shall be increased by not more than an additional three per cent on

each transaction;

(b) That all of the revenue from the increase in rate shall be used by the municipal corporation for economic development and tourism-related purposes.

As used in division (B)(3) of this section, "eligible municipal corporation" means a municipal corporation that, on the effective date of the amendment of this section by H.B. 49 of the 132nd general assembly, September 29, 2017, levied a tax under division (B)(1) of this section at a rate of three per cent and that is located in a county that, on that date, levied a tax under division (A) of this section at a rate of three per cent and that has, according to the most recent federal decennial census, a population exceeding three hundred thousand but not greater than three hundred fifty thousand.

(C) For the purposes described in section 307.695 of the Revised Code and to cover the costs of administering the tax, a board of county commissioners of a county where a tax imposed under division (A)(1) of this section is in effect may, by resolution adopted within ninety days after July 15, 1985, by a majority of the members of the board, levy an additional excise tax not to exceed three per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests. The tax authorized by this division shall be in addition to any tax that is levied pursuant to division (A) of this section, but it shall not apply to transactions subject to a tax levied by a municipal corporation or township pursuant to the authorization granted by division (A) of section 5739.08 of the Revised Code. The board shall establish all regulations necessary to provide for the administration and allocation of the tax. The regulations may prescribe the time for payment of the tax, and may provide for the imposition of a penalty or interest, or both, for late payments, provided that the penalty does not exceed ten per cent of the amount of tax due, and the rate at which interest accrues does not exceed the rate per annum prescribed pursuant to section 5703.47 of the Revised Code. All revenues arising from the tax shall be expended in accordance with section 307.695 of the Revised Code. The board of county commissioners of an eligible county as defined in section 307.695 of the Revised Code may, by resolution adopted by a majority of the members of the board, amend the resolution levying a tax under this division to provide that the revenue from the tax shall be used by the board as described in division (H) of section 307.695 of the Revised Code. A tax imposed under this division shall remain in effect at the rate at which it is imposed for the duration of the period during which any agreement entered into by the board under section 307.695 of the Revised Code is in effect, the duration of the period during which any securities issued by the board under division (I) of section 307.695 of the Revised Code are outstanding, or the duration of the period during which the board owns a project as defined in section 307.695 of the Revised Code, whichever duration is longest.

(D) For the purpose of providing contributions under division (B)(1) of section 307.671 of the Revised Code to enable the acquisition, construction, and equipping of a port authority educational and cultural facility in the county and, to the extent provided for in the cooperative agreement authorized by that section, for the purpose of paying debt service charges on bonds, or notes in anticipation of bonds, described in division (B)(1)(b) of that section, a board of county commissioners, by resolution adopted within ninety days after December 22, 1992, by a majority of the members of the board, may levy an additional excise tax not to exceed one and one-half per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests. The excise tax authorized by this division shall be in addition to any tax that is levied pursuant to divisions (A), (B),

and (C) of this section, to any excise tax levied pursuant to section 5739.08 of the Revised Code, and to any excise tax levied pursuant to section 351.021 of the Revised Code. The board of county commissioners shall establish all regulations necessary to provide for the administration and allocation of the tax that are not inconsistent with this section or section 307.671 of the Revised Code. The regulations may prescribe the time for payment of the tax, and may provide for the imposition of a penalty or interest, or both, for late payments, provided that the penalty does not exceed ten per cent of the amount of tax due, and the rate at which interest accrues does not exceed the rate per annum prescribed pursuant to section 5703.47 of the Revised Code. All revenues arising from the tax shall be expended in accordance with section 307.671 of the Revised Code and division (D) of this section. The levy of a tax imposed under this division may not commence prior to the first day of the month next following the execution of the cooperative agreement authorized by section 307.671 of the Revised Code by all parties to that agreement. The tax shall remain in effect at the rate at which it is imposed for the period of time described in division (C) of section 307.671 of the Revised Code for which the revenue from the tax has been pledged by the county to the corporation pursuant to that section, but, to any extent provided for in the cooperative agreement, for no lesser period than the period of time required for payment of the debt service charges on bonds, or notes in anticipation of bonds, described in division (B)(1)(b) of that section.

(E) For the purpose of paying the costs of acquiring, constructing, equipping, and improving a municipal educational and cultural facility, including debt service charges on bonds provided for in division (B) of section 307.672 of the Revised Code, and for any additional purposes determined by the county in the resolution levying the tax or amendments to the resolution, including subsequent amendments providing for paying costs of acquiring, constructing, renovating, rehabilitating, equipping, and improving a port authority educational and cultural performing arts facility, as defined in section 307.674 of the Revised Code, and including debt service charges on bonds provided for in division (B) of section 307.674 of the Revised Code, the legislative authority of a county, by resolution adopted within ninety days after June 30, 1993, by a majority of the members of the legislative authority, may levy an additional excise tax not to exceed one and one-half per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests. The excise tax authorized by this division shall be in addition to any tax that is levied pursuant to divisions (A), (B), (C), and (D) of this section, to any excise tax levied pursuant to section 5739.08 of the Revised Code, and to any excise tax levied pursuant to section 351.021 of the Revised Code. The legislative authority of the county shall establish all regulations necessary to provide for the administration and allocation of the tax. The regulations may prescribe the time for payment of the tax, and may provide for the imposition of a penalty or interest, or both, for late payments, provided that the penalty does not exceed ten per cent of the amount of tax due, and the rate at which interest accrues does not exceed the rate per annum prescribed pursuant to section 5703.47 of the Revised Code. All revenues arising from the tax shall be expended in accordance with section 307.672 of the Revised Code and this division. The levy of a tax imposed under this division shall not commence prior to the first day of the month next following the execution of the cooperative agreement authorized by section 307.672 of the Revised Code by all parties to that agreement. The tax shall remain in effect at the rate at which it is imposed for the period of time determined by the legislative authority of the county. That period of time shall not exceed fifteen years, except that the legislative authority of a county

with a population of less than two hundred fifty thousand according to the most recent federal decennial census, by resolution adopted by a majority of its members before the original tax expires, may extend the duration of the tax for an additional period of time. The additional period of time by which a legislative authority extends a tax levied under this division shall not exceed fifteen years.

(F) The legislative authority of a county that has levied a tax under division (E) of this section may, by resolution adopted within one hundred eighty days after January 4, 2001, by a majority of the members of the legislative authority, amend the resolution levying a tax under that division to provide for the use of the proceeds of that tax, to the extent that it is no longer needed for its original purpose as determined by the parties to a cooperative agreement amendment pursuant to division (D) of section 307.672 of the Revised Code, to pay costs of acquiring, constructing, renovating, rehabilitating, equipping, and improving a port authority educational and cultural performing arts facility, including debt service charges on bonds provided for in division (B) of section 307.674 of the Revised Code, and to pay all obligations under any guaranty agreements, reimbursement agreements, or other credit enhancement agreements described in division (C) of section 307.674 of the Revised Code. The resolution may also provide for the extension of the tax at the same rate for the longer of the period of time determined by the legislative authority of the county, but not to exceed an additional twenty-five years, or the period of time required to pay all debt service charges on bonds provided for in division (B) of section 307.672 of the Revised Code and on port authority revenue bonds provided for in division (B) of section 307.674 of the Revised Code. All revenues arising from the amendment and extension of the tax shall be expended in accordance with section 307.674 of the Revised Code, this division, and division (E) of this section.

(G) For purposes of a tax levied by a county, township, or municipal corporation under this section or section 5739.08 of the Revised Code, a board of county commissioners, board of township trustees, or the legislative authority of a municipal corporation may adopt a resolution or ordinance at any time specifying that "hotel," as otherwise defined in section 5739.01 of the Revised Code, includes the following:

(1) Establishments in which fewer than five rooms are used for the accommodation of guests.

(2) Establishments at which rooms are used for the accommodation of guests regardless of whether each room is accessible through its own keyed entry or several rooms are accessible through the same keyed entry; and, in determining the number of rooms, all rooms are included regardless of the number of structures in which the rooms are situated or the number of parcels of land on which the structures are located if the structures are under the same ownership and the structures are not identified in advertisements of the accommodations as distinct establishments. For the purposes of division (G)(2) of this section, two or more structures are under the same ownership if they are owned by the same person, or if they are owned by two or more persons the majority of the ownership interests of which are owned by the same person.

The resolution or ordinance may apply to a tax imposed pursuant to this section prior to the adoption of the resolution or ordinance if the resolution or ordinance so states, but the tax shall not apply to transactions by which lodging by such an establishment is provided to transient guests prior to the adoption of the resolution or ordinance.

(H)(1) As used in this division:

(a) "Convention facilities authority" has the same meaning as in section 351.01 of the

Revised Code.

(b) "Convention center" has the same meaning as in section 307.695 of the Revised Code.

(2) Notwithstanding any contrary provision of division (D) of this section, the legislative authority of a county with a population of one million or more according to the most recent federal decennial census that has levied a tax under division (D) of this section may, by resolution adopted by a majority of the members of the legislative authority, provide for the extension of such levy and may provide that the proceeds of that tax, to the extent that they are no longer needed for their original purpose as defined by a cooperative agreement entered into under section 307.671 of the Revised Code, shall be deposited into the county general revenue fund. The resolution shall provide for the extension of the tax at a rate not to exceed the rate specified in division (D) of this section for a period of time determined by the legislative authority of the county, but not to exceed an additional forty years.

(3) The legislative authority of a county with a population of one million or more that has levied a tax under division (A)(1) of this section may, by resolution adopted by a majority of the members of the legislative authority, increase the rate of the tax levied by such county under division (A)(1) of this section to a rate not to exceed five per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests. Notwithstanding any contrary provision of division (A)(1) of this section, the resolution may provide that all collections resulting from the rate levied in excess of three per cent, after deducting the real and actual costs of administering the tax, shall be deposited in the county general fund.

(4) The legislative authority of a county with a population of one million or more that has levied a tax under division (A)(1) of this section may, by resolution adopted on or before August 30, 2004, by a majority of the members of the legislative authority, provide that all or a portion of the proceeds of the tax levied under division (A)(1) of this section, after deducting the real and actual costs of administering the tax and the amounts required to be returned to townships and municipal corporations with respect to the first three per cent levied under division (A)(1) of this section, shall be deposited in the county general fund, provided that such proceeds shall be used to satisfy any pledges made in connection with an agreement entered into under section 307.695 of the Revised Code.

(5) No amount collected from a tax levied, extended, or required to be deposited in the county general fund under division (H) of this section shall be contributed to a convention facilities authority, corporation, or other entity created after July 1, 2003, for the principal purpose of constructing, improving, expanding, equipping, financing, or operating a convention center unless the mayor of the municipal corporation in which the convention center is to be operated by that convention facilities authority, corporation, or other entity has consented to the creation of that convention facilities authority, corporation, or entity. Notwithstanding any contrary provision of section 351.04 of the Revised Code, if a tax is levied by a county under division (H) of this section, the board of county commissioners of that county may determine the manner of selection, the qualifications, the number, and terms of office of the members of the board of directors of any convention facilities authority, corporation, or other entity described in division (H)(5) of this section.

(6)(a) No amount collected from a tax levied, extended, or required to be deposited in the county general fund under division (H) of this section may be used for any purpose other than paying

the direct and indirect costs of constructing, improving, expanding, equipping, financing, or operating a convention center and for the real and actual costs of administering the tax, unless, prior to the adoption of the resolution of the legislative authority of the county authorizing the levy, extension, increase, or deposit, the county and the mayor of the most populous municipal corporation in that county have entered into an agreement as to the use of such amounts, provided that such agreement has been approved by a majority of the mayors of the other municipal corporations in that county. The agreement shall provide that the amounts to be used for purposes other than paying the convention center or administrative costs described in division (H)(6)(a) of this section be used only for the direct and indirect costs of capital improvements, including the financing of capital improvements.

(b) If the county in which the tax is levied has an association of mayors and city managers, the approval of that association of an agreement described in division (H)(6)(a) of this section shall be considered to be the approval of the majority of the mayors of the other municipal corporations for purposes of that division.

(7) Each year, the auditor of state shall conduct an audit of the uses of any amounts collected from taxes levied, extended, or deposited under division (H) of this section and shall prepare a report of the auditor of state's findings. The auditor of state shall submit the report to the legislative authority of the county that has levied, extended, or deposited the tax, the speaker of the house of representatives, the president of the senate, and the leaders of the minority parties of the house of representatives and the senate.

(I)(1) As used in this division:

(a) "Convention facilities authority" has the same meaning as in section 351.01 of the Revised Code.

(b) "Convention center" has the same meaning as in section 307.695 of the Revised Code.

(2) Notwithstanding any contrary provision of division (D) of this section, the legislative authority of a county with a population of one million two hundred thousand or more according to the most recent federal decennial census or the most recent annual population estimate published or released by the United States census bureau at the time the resolution is adopted placing the levy on the ballot, that has levied a tax under division (D) of this section may, by resolution adopted by a majority of the members of the legislative authority, provide for the extension of such levy and may provide that the proceeds of that tax, to the extent that the proceeds are no longer needed for their original purpose as defined by a cooperative agreement entered into under section 307.671 of the Revised Code and after deducting the real and actual costs of administering the tax, shall be used for paying the direct and indirect costs of constructing, improving, expanding, equipping, financing, or operating a convention center. The resolution shall provide for the extension of the tax at a rate not to exceed the rate specified in division (D) of this section for a period of time determined by the legislative authority of the county, but not to exceed an additional forty years.

(3) The legislative authority of a county with a population of one million two hundred thousand or more that has levied a tax under division (A)(1) of this section may, by resolution adopted by a majority of the members of the legislative authority, increase the rate of the tax levied by such county under division (A)(1) of this section to a rate not to exceed five per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests. Notwithstanding

any contrary provision of division (A)(1) of this section, the resolution shall provide that all collections resulting from the rate levied in excess of three per cent, after deducting the real and actual costs of administering the tax, shall be used for paying the direct and indirect costs of constructing, improving, expanding, equipping, financing, or operating a convention center.

(4) The legislative authority of a county with a population of one million two hundred thousand or more that has levied a tax under division (A)(1) of this section may, by resolution adopted on or before July 1, 2008, by a majority of the members of the legislative authority, provide that all or a portion of the proceeds of the tax levied under division (A)(1) of this section, after deducting the real and actual costs of administering the tax and the amounts required to be returned to townships and municipal corporations with respect to the first three per cent levied under division (A)(1) of this section, shall be used to satisfy any pledges made in connection with an agreement entered into under section 307.695 of the Revised Code or shall otherwise be used for paying the direct and indirect costs of constructing, improving, expanding, equipping, financing, or operating a convention center.

(5) Any amount collected from a tax levied or extended under division (I) of this section may be contributed to a convention facilities authority created before July 1, 2005, but no amount collected from a tax levied or extended under division (I) of this section may be contributed to a convention facilities authority, corporation, or other entity created after July 1, 2005, unless the mayor of the municipal corporation in which the convention center is to be operated by that convention facilities authority, corporation, or other entity has consented to the creation of that convention facilities authority, corporation, or entity.

(J)(1) Except as provided in division (J)(2) of this section, money collected by a county and distributed under this section to a convention and visitors' bureau in existence as of June 30, 2013, the effective date of H.B. 59 of the 130th general assembly, except for any such money pledged, as of that effective date, to the payment of debt service charges on bonds, notes, securities, or lease agreements, shall be used solely for tourism sales, marketing and promotion, and their associated costs, including, but not limited to, operational and administrative costs of the bureau, sales and marketing, and maintenance of the physical bureau structure.

(2) A convention and visitors' bureau that has entered into an agreement under section 307.678 of the Revised Code may use revenue it receives from a tax levied under division (A)(1) of this section as described in division (E) of section 307.678 of the Revised Code.

(K) The board of county commissioners of a county with a population between one hundred three thousand and one hundred seven thousand according to the most recent federal decennial census, by resolution adopted by a majority of the members of the board within six months after September 15, 2014, the effective date of H.B. 483 of the 130th general assembly, may levy a tax not to exceed three per cent on transactions by which a hotel is or is to be furnished to transient guests. The purpose of the tax shall be to pay the costs of expanding, maintaining, or operating a soldiers' memorial and the costs of administering the tax. All revenue arising from the tax shall be credited to one or more special funds in the county treasury and shall be spent solely for the purposes of paying those costs. The board of county commissioners shall adopt all rules necessary to provide for the administration of the tax subject to the same limitations on imposing penalty or interest under division (A)(1) of this section.

As used in this division "soldiers' memorial" means a memorial constructed and funded under Chapter 345. of the Revised Code.

(L) A board of county commissioners of an eligible county, by resolution adopted by a majority of the members of the board, may levy an excise tax at the rate of up to three per cent on transactions by which lodging by a hotel is or is to be furnished to transient guests for the purpose of paying the costs of permanent improvements at sites at which one or more agricultural societies conduct fairs or exhibits, paying the costs of maintaining or operating such permanent improvements, and paying the costs of administering the tax. A resolution adopted under this division shall direct the board of elections to submit the question of the proposed lodging tax to the electors of the county at a special election held on the date specified by the board in the resolution, provided that the election occurs not less than ninety days after a certified copy of the resolution is transmitted to the board of elections. A resolution submitted to the electors under this division shall not go into effect unless it is approved by a majority of those voting upon it. The resolution takes effect on the date the board of county commissioners receives notification from the board of elections of an affirmative vote.

The tax shall remain in effect for the period specified in the resolution, not to exceed five years. All revenue arising from the tax shall be credited to one or more special funds in the county treasury and shall be spent solely for the purposes of paying the costs of such permanent improvements and maintaining or operating the improvements. Revenue allocated for the use of a county agricultural society may be credited to the county agricultural society fund created in section 1711.16 of the Revised Code upon appropriation by the board. If revenue is credited to that fund, it shall be expended only as provided in that section.

The board of county commissioners shall adopt all rules necessary to provide for the administration of the tax. The rules may prescribe the time for payment of the tax, and may provide for the imposition or penalty or interest, or both, for late payments, provided that the penalty does not exceed ten per cent of the amount of tax due, and the rate at which interest accrues does not exceed the rate per annum prescribed in section 5703.47 of the Revised Code.

As used in this division, "eligible county" means a county in which a county agricultural society or independent agricultural society is organized under section 1711.01 or 1711.02 of the Revised Code, provided the agricultural society owns a facility or site in the county at which an annual harness horse race is conducted where one-day attendance equals at least forty thousand attendees.

(M) As used in this division, "eligible county" means a county in which a tax is levied under division (A) of this section at a rate of three per cent and whose territory includes a part of Lake Erie the shoreline of which represents at least fifty per cent of the linear length of the county's border with other counties of this state.

The board of county commissioners of an eligible county that has entered into an agreement with a port authority in the county under section 4582.56 of the Revised Code may levy an additional lodging tax on transactions by which lodging by a hotel is or is to be furnished to transient guests for the purpose of financing lakeshore improvement projects constructed or financed by the port authority under that section. The resolution levying the tax shall specify the purpose of the tax, the rate of the tax, which shall not exceed two per cent, and the number of years the tax will be levied or that it will be levied for a continuing period of time. The tax shall be administered pursuant to the

regulations adopted by the board under division (A) of this section, except that all the proceeds of the tax levied under this division shall be pledged to the payment of the costs, including debt charges, of lakeshore improvements undertaken by a port authority pursuant to the agreement under section 4582.56 of the Revised Code. No revenue from the tax may be used to pay the current expenses of the port authority.

A resolution levying a tax under this division is subject to referendum under sections 305.31 to 305.41 and 305.99 of the Revised Code.

~~(N)(1)(a)~~ Notwithstanding division (A) of this section, the board of county commissioners, board of township trustees, or legislative authority of any county, township, or municipal corporation that levies a lodging tax on ~~the effective date of the amendment of this section September 29, 2017,~~ and in which any part of a tourism development district is located on or after that date shall amend the ordinance or resolution levying the tax to require either of the following:

~~(a)(i)~~ In the case of a tax levied by a county, that all tourism development district lodging tax proceeds from that tax be used exclusively to foster and develop tourism in the tourism development district;

~~(b)(ii)~~ In the case of a tax levied by a township or municipal corporation, that all tourism development district lodging tax proceeds from that tax be used exclusively to foster and develop tourism in the tourism development district.

~~(2)(b)~~ Notwithstanding division (A) of this section, any ordinance or resolution levying a lodging tax adopted on or after ~~the effective date of the amendment of this section September 29, 2017,~~ by a county, township, or municipal corporation in which any part of a tourism development district is located on or after that date shall require that all tourism development district lodging tax proceeds from that tax be used exclusively to foster and develop tourism in the tourism development district.

~~(3)(c)~~ A county shall not use any of the proceeds described in division (N)(1)(a)~~(i)~~ or (N)~~(2)~~(1)(b) of this section unless the convention and visitors' bureau operating within the county approves the manner in which such proceeds are used to foster and develop tourism in the tourism development district. Upon obtaining such approval, the county may pay such proceeds to the bureau to use for the agreed-upon purpose.

A municipal corporation or township shall not use any of the proceeds described in division (N)(1)~~(b)~~(a)(ii) or (N)~~(2)~~(1)(b) of this section unless the convention and visitors' bureau operating within the municipal corporation or township approves the manner in which such proceeds are used to foster and develop tourism in the tourism development district. Upon obtaining such approval, the municipal corporation or township may pay such proceeds to the bureau to use for the agreed-upon purpose.

~~(4)(2)(a)~~ Notwithstanding division (A) of this section, the board of county commissioners of an eligible county that levies a lodging tax on the effective date of the amendment of this section may amend the resolution levying that tax to require that all or a portion of the proceeds of that tax otherwise required to be spent solely to make contributions to the convention and visitors' bureau operating within the county shall be used to foster and develop tourism in a tourism development district.

(b) Notwithstanding division (A) of this section, the board of county commissioners of an

eligible county that adopts a resolution levying a lodging tax on or after the effective date of the amendment of this section may require that all or a portion of the proceeds of that tax otherwise required to be spent solely to make contributions to the convention and visitors' bureau operating within the county pursuant to division (A) of this section shall be used to foster and develop tourism in a tourism development district.

(c) A county shall not use any of the proceeds in the manner described in division (N)(2)(a) or (b) of this section unless the convention and visitors' bureau operating within the county approves the manner in which such proceeds are used to foster and develop tourism in the tourism development district. Upon obtaining such approval, the county may pay such proceeds to the bureau to use for the agreed upon purpose.

(3) As used in division (N) of this section:

(a) "Tourism development district" means a district designated by a municipal corporation under section 715.014 of the Revised Code or by a township under section 503.56 of the Revised Code.

(b) "Lodging tax" means a tax levied pursuant to this section or section 5739.08 of the Revised Code.

(c) "Tourism development district lodging tax proceeds" means all proceeds of a lodging tax derived from transactions by which lodging by a hotel located in a tourism development district is or is to be provided to transient guests.

(d) "Eligible county" has the same meaning as in section 307.678 of the Revised Code.

Sec. 5739.213. (A) As used in this section:

(1) "Tourism development district" means a tourism development district designated by a township or municipal corporation under section 503.56 or 715.014 of the Revised Code, respectively.

(2) "Incremental sales tax growth" means one of the following:

(a) For a county, the amount of revenue from a tax levied under section 5739.021 or 5739.026 of the Revised Code, except for a tax levied under section 5739.021 of the Revised Code for the purpose of supporting criminal and administrative justice services, and received by the county under division (B) of section 5739.21 of the Revised Code from vendors located within a tourism development district during the preceding calendar year minus the amount of such revenue so received by the county during the calendar year ending immediately before the date the district is designated;

(b) For a transit authority, the amount of revenue from a tax levied under section 5739.023 of the Revised Code received by the transit authority under division (B) of section 5739.21 of the Revised Code from vendors located within a tourism development district during the preceding calendar year minus the amount of such revenue so received by the transit authority during the calendar year ending immediately before the date the district is designated.

(3) The "fiscal officer" of a municipal corporation means the city auditor, village clerk, or other municipal officer having the duties and functions of a city auditor or village clerk.

(B)(1) The legislative authority of a municipal corporation or board of trustees of a township that has designated a tourism development district may adopt a resolution or ordinance expressing the legislative authority's or board's intent to receive annual payments from the county or transit

authority whose territory overlaps with the territory of that district equal to the incremental sales tax growth from vendors located in the district. The legislative authority or board shall certify the ordinance or resolution to the board of county commissioners or transit authority. The resolution shall specify the municipal corporation's or township's intent to receive such payments and describe the boundaries of the tourism development district. That description shall include sufficient information for the county or transit authority to determine if the address of a vendor is within the boundaries of the district.

(2) The board of county commissioners, within thirty days after receiving a certification under division (B)(1) of this section, may adopt and certify to that municipal corporation or township a resolution requiring the county to make payments to the municipal corporation or township under division (B)(4) of this section. The resolution shall prescribe the date by which the county annually shall make such payments, including the year of the first such payment. The resolution may prescribe a date or a period of time after which no such payments shall be made.

(3) The transit authority, within thirty days after receiving a certification under division (B)(1) of this section, may adopt and certify to that municipal corporation or township a resolution requiring the transit authority to make payments to the municipal corporation or township under division (B)(4) of this section. The resolution shall prescribe the date by which the transit authority annually shall make such payments, including the year of the first such payment.

(4) A county or transit authority certifying a resolution under division (B)(2) or (3) of this section, respectively, shall annually pay from its general fund to the municipal corporation or township that designated the tourism development district an amount equal to the county's or transit authority's incremental sales tax growth from vendors located in the tourism development district. Payments made by a county shall not be made after the date or period of time prescribed in the resolution for ending those payments if such a date or period is so prescribed.

(C) A municipal corporation or township shall use revenue received under this section exclusively for fostering and developing tourism in the tourism development district.

(D) On or before the annual date prescribed in a resolution adopted under division (B)(2) or (3) of this section, the fiscal officer of a municipal corporation or township receiving revenue from a county or transit authority under this section shall certify a list of vendors located within the tourism development district to the county or transit authority, which shall include the name, address, and vendor's license number for each vendor. The board of county commissioners or transit authority required to make payments under this section may require vendors located within the tourism development district to report their taxable sales and other necessary information to the county or transit authority for the purposes of calculating incremental sales tax growth.

(E) If a municipal corporation or township receiving revenue under this section increases the territory of a tourism development district, the legislative authority of the municipal corporation or board of township trustees shall certify a copy of the resolution or ordinance expanding the territory of the district to the county or transit authority making payments under this section. That ordinance or resolution shall describe the boundaries of the tourism development district with sufficient information for the county or transit authority to determine if the address of a vendor is within the boundaries of the district. Upon receipt of such an ordinance or resolution, the county or transit authority shall recalculate its payments to the municipal corporation or township under division (B)

of this section, except that "incremental sales tax growth" shall mean, in the context of the additional territory added to the tourism development district, the amount of revenue from taxes levied under sections 5739.021 and 5739.026 or section 5739.023 of the Revised Code received by the county or transit authority under division (B) of section 5739.21 of the Revised Code from vendors located within the tourism development district during the preceding calendar year minus the amount of such revenue so received by the county or transit authority ending before the date the territory is added to an existing district.

Sec. 5902.02. The duties of the director of veterans services shall include the following:

(A) Furnishing the veterans service commissions of all counties of the state copies of the state laws, rules, and legislation relating to the operation of the commissions and their offices;

(B) Upon application, assisting the general public in obtaining records of vital statistics pertaining to veterans or their dependents;

(C) Adopting rules pursuant to Chapter 119. of the Revised Code pertaining to minimum qualifications for hiring, certifying, and accrediting county veterans service officers, pertaining to their required duties, and pertaining to revocation of the certification of county veterans service officers;

(D) Adopting rules pursuant to Chapter 119. of the Revised Code for the education, training, certification, and duties of veterans service commissioners and for the revocation of the certification of a veterans service commissioner;

(E) Developing and monitoring programs and agreements enhancing employment and training for veterans in single or multiple county areas;

(F) Developing and monitoring programs and agreements to enable county veterans service commissions to address homelessness, indigency, and other veteran-related issues individually or jointly;

(G) Developing and monitoring programs and agreements to enable state agencies, individually or jointly, that provide services to veterans, including the veterans' homes operated under Chapter 5907. of the Revised Code and the director of job and family services, to address homelessness, indigency, employment, and other veteran-related issues;

(H) Establishing and providing statistical reporting formats and procedures for county veterans service commissions;

(I) Publishing electronically a listing of county veterans service offices and county veterans service commissioners. The listing shall include the expiration dates of commission members' terms of office and the organizations they represent; the names, addresses, and telephone numbers of county veterans service offices; and the addresses and telephone numbers of the Ohio offices and headquarters of state and national veterans service organizations.

(J) Establishing a veterans advisory committee to advise and assist the department of veterans services in its duties. Members shall include a member of the national guard association of the United States who is a resident of this state, a member of the military officers association of America who is a resident of this state, a state representative of congressionally chartered veterans organizations referred to in section 5901.02 of the Revised Code, a representative of any other congressionally chartered state veterans organization that has at least one veterans service commissioner in the state, three representatives of the Ohio state association of county veterans service commissioners, who

shall have a combined vote of one, three representatives of the state association of county veterans service officers, who shall have a combined vote of one, one representative of the county commissioners association of Ohio, who shall be a county commissioner not from the same county as any of the other county representatives, a representative of the advisory committee on women veterans, a representative of a labor organization, and a representative of the office of the attorney general. The department of veterans services shall submit to the advisory committee proposed rules for the committee's operation. The committee may review and revise these proposed rules prior to submitting them to the joint committee on agency rule review.

(K) Adopting, with the advice and assistance of the veterans advisory committee, policy and procedural guidelines that the veterans service commissions shall adhere to in the development and implementation of rules, policies, procedures, and guidelines for the administration of Chapter 5901. of the Revised Code. The department of veterans services shall adopt no guidelines or rules regulating the purposes, scope, duration, or amounts of financial assistance provided to applicants pursuant to sections 5901.01 to 5901.15 of the Revised Code. The director of veterans services may obtain opinions from the office of the attorney general regarding rules, policies, procedures, and guidelines of the veterans service commissions and may enforce compliance with Chapter 5901. of the Revised Code.

(L) Receiving copies of form DD214 filed in accordance with the director's guidelines adopted under division (L) of this section from members of veterans service commissions appointed under section 5901.02 and from county veterans service officers employed under section 5901.07 of the Revised Code;

(M) Developing and maintaining and improving a resource, such as a telephone answering point or a web site, by means of which veterans and their dependents, through a single portal, can access multiple sources of information and interaction with regard to the rights of, and the benefits available to, veterans and their dependents. The director of veterans services may enter into agreements with state and federal agencies, with agencies of political subdivisions, with state and local instrumentalities, and with private entities as necessary to make the resource as complete as is possible.

(N) Planning, organizing, advertising, and conducting outreach efforts, such as conferences and fairs, at which veterans and their dependents may meet, learn about the organization and operation of the department of veterans services and of veterans service commissions, and obtain information about the rights of, and the benefits and services available to, veterans and their dependents;

(O) Advertising, in print, on radio and television, and otherwise, the rights of, and the benefits and services available to, veterans and their dependents;

(P) Developing and advocating improved benefits and services for, and improved delivery of benefits and services to, veterans and their dependents;

(Q) Searching for, identifying, and reviewing statutory and administrative policies that relate to veterans and their dependents and reporting to the general assembly statutory and administrative policies that should be consolidated in whole or in part within the organization of the department of veterans services to unify funding, delivery, and accounting of statutory and administrative policy expressions that relate particularly to veterans and their dependents;

(R) Encouraging veterans service commissions to innovate and otherwise to improve efficiency in delivering benefits and services to veterans and their dependents and to report successful innovations and efficiencies to the director of veterans services;

(S) Publishing and encouraging adoption of successful innovations and efficiencies veterans service commissions have achieved in delivering benefits and services to veterans and their dependents;

(T) Establishing advisory committees, in addition to the veterans advisory committee established under division (K) of this section, on veterans issues;

(U) Developing and maintaining a relationship with the United States department of veterans affairs, seeking optimal federal benefits and services for Ohio veterans and their dependents, and encouraging veterans service commissions to maximize the federal benefits and services to which veterans and their dependents are entitled;

(V) Developing and maintaining relationships with the several veterans organizations, encouraging the organizations in their efforts at assisting veterans and their dependents, and advocating for adequate state subsidization of the organizations;

(W) Requiring the several veterans organizations that receive funding from the state annually, not later than the thirtieth day of July, to report to the director of veterans services and prescribing the form and content of the report;

(X) Reviewing the reports submitted to the director under division (W) of this section within thirty days of receipt and informing the veterans organization of any deficiencies that exist in the organization's report and that funding will not be released until the deficiencies have been corrected and a satisfactory report submitted;

(Y) ~~Advising the director of budget and management~~ Releasing funds and processing payments to veterans organizations when a report submitted to the director under division (W) of this section has been reviewed and determined to be satisfactory;

(Z) Furnishing copies of all reports that the director of veterans services has determined have been submitted satisfactorily under division (W) of this section to the chairperson of the finance committees of the general assembly;

(AA) Investigating complaints against county veterans services commissioners and county veterans service officers if the director reasonably believes the investigation to be appropriate and necessary;

(BB) Developing and maintaining a web site that is accessible by veterans and their dependents and provides a link to the web site of each state agency that issues a license, certificate, or other authorization permitting an individual to engage in an occupation or occupational activity;

(CC) Encouraging state agencies to conduct outreach efforts through which veterans and their dependents can learn about available job and education benefits;

(DD) Informing state agencies about changes in statutes and rules that affect veterans and their dependents;

(EE) Assisting licensing agencies in adopting rules under section 5903.03 of the Revised Code;

(FF) Administering the provision of grants from the military injury relief fund under section 5902.05 of the Revised Code;

(GG) Taking any other actions required by this chapter.

SECTION 2. That existing sections 107.036, 122.174, 307.678, 311.29, 1901.32, 1907.53, 3309.374, 3333.051, 5595.04, 5595.13, 5709.48, 5709.49, 5709.50, 5725.98, 5729.98, 5733.40, 5739.01, 5739.09, 5739.213, and 5902.02 and sections 126.211 and 3345.58 of the Revised Code are hereby repealed.

SECTION 3. (A) "Eligible sponsor" means a community school sponsor, as defined in section 3314.02 of the Revised Code, to which both of the following conditions apply:

(1) The sponsor received a score of "3" or higher or a grade of "B" or higher on the academic performance component of the sponsor rating under division (B)(1)(a) of section 3314.016 of the Revised Code for the 2015-2016 school year.

(2) The sponsor has appealed its overall rating under that section for the 2015-2016 school year.

(B) Notwithstanding section 3314.016 of the Revised Code, the rating an eligible sponsor received for the 2015-2016 school year shall be considered a rating of "ineffective" and shall count as such for purposes of division (B) of section 3314.016 of the Revised Code, and the State Board of Education shall take no further action on the eligible sponsor's appeal.

(C) Nothing in this section shall affect the operation of section 3314.016 of the Revised Code on an eligible sponsor with respect to any rating under that section received after the 2015-2016 school year.

SECTION 4. (A) As used in this section:

(1) "Total resources" means, for the purpose of calculating the payments to be made to school districts under division (B) of this section, the sum of the amounts described in divisions (A)(1)(a) to (f) of this section less any reduction required under division (E) of this section.

(a) The state education aid for fiscal year 2017;

(b) The sum of the payments received by the district in fiscal year 2017 under divisions (C) (1) and (D) of section 5709.92 of the Revised Code;

(c) The district's taxes charged and payable against all property on the tax list of real and public utility property for current expense purposes for tax year 2016, including taxes charged and payable from emergency levies charged and payable under sections 5705.194 to 5705.197 of the Revised Code, excluding taxes levied for joint vocational school district purposes or levied under section 5705.23 of the Revised Code;

(d) Revenue received during calendar year 2016 from an income tax levied under Chapter 5748. of the Revised Code;

(e) Distributions received during calendar year 2016 from taxes levied under section 718.09 or 718.10 of the Revised Code;

(f) Distributions received during fiscal year 2017 from the gross casino revenue county student fund.

(2) "Total resources" means, for the purpose of calculating the payments to be made to joint

vocational school districts under divisions (B) and (D) of this section, the sum of the amounts described in divisions (A)(2)(a) to (d) of this section less any reduction required under division (E) of this section.

(a) The state education aid for fiscal year 2017;

(b) The sum of the payments received by the district in fiscal year 2017 under division (C)(1) of section 5709.92 of the Revised Code;

(c) The district's taxes charged and payable against all property on the tax list of real and public utility property for current expense purposes for tax year 2016, including taxes charged and payable from emergency levies charged and payable under sections 5705.194 to 5705.197 of the Revised Code;

(d) Distributions received during fiscal year 2017 from the gross casino revenue county student fund.

(3)(a) "State education aid" for a school district means the sum of state amounts computed for the district under sections 3317.022 and 3317.0212 of the Revised Code after any amounts are added or subtracted under Section 263.230 of Am. Sub. H.B. 64 of the 131st General Assembly, entitled "TRANSITIONAL AID FOR CITY, LOCAL, AND EXEMPTED VILLAGE SCHOOL DISTRICTS."

(b) "State education aid" for a joint vocational district means the amount computed for the district under section 3317.16 of the Revised Code after any amounts are added or subtracted under Section 263.240 of Am. Sub. H.B. 64 of the 131st General Assembly, entitled "TRANSITIONAL AID FOR JOINT VOCATIONAL SCHOOL DISTRICTS."

(B)(1) In fiscal year 2018, if the amount described in division (B)(2) of this section is greater than the amount a school district or joint vocational school district will receive under division (C)(2) of section 5709.92 of the Revised Code, a supplemental payment shall be made to the district equal to the difference between the amount described in division (B)(2) of this section and the amount the district receives under division (C)(2) of section 5709.92 of the Revised Code.

(2) The difference obtained by subtracting the amount described in division (B)(2)(b) of this section from the amount described in division (B)(2)(a) of this section.

(a) The sum of the payments received by the district in fiscal year 2017 under division (C)(1)

(b) of section 5709.92 of the Revised Code and Section 263.325 of Am. Sub. H.B. 64 of the 131st General Assembly, as amended by Sub. S.B. 208 of the 131st General Assembly;

(b) Three and one-half per cent of the district's total resources.

(C)(1) In fiscal year 2019, if the amount described in division (C)(2) of this section is greater than the amount a school district other than a joint vocational school district will receive under division (C)(2) of section 5709.92 of the Revised Code, a supplemental payment shall be made to the district equal to the difference between the amount described in division (C)(2) of this section and the amount the district receives under division (C)(2) of section 5709.92 of the Revised Code.

(2) The difference obtained by subtracting the amount described in division (C)(2)(b) of this section from the amount described in division (C)(2)(a) of this section.

(a) The sum of the payments received by the district under this section and division (C)(2) of section 5709.92 of the Revised Code in fiscal year 2018;

(b) One-sixteenth of one per cent of the average of the total taxable value of the district for

tax years 2014, 2015, and 2016.

(D)(1) In fiscal year 2019, if the amount described in division (D)(2) of this section is greater than the amount a joint vocational school district will receive under division (C)(2) of section 5709.92 of the Revised Code, a supplemental payment shall be made to the district equal to the difference between the amount described in division (D)(2) of this section and the amount the district receives under division (C)(2) of section 5709.92 of the Revised Code.

(2) The difference obtained by subtracting the amount described in division (D)(2)(b) of this section from the amount described in division (D)(2)(a) of this section.

(a) The sum of the payments received by the district under this section and division (C)(2) of section 5709.92 of the Revised Code in fiscal year 2018;

(b) Three and one-half per cent of the district's total resources.

(E) "Total resources" used to compute payments under divisions (B) and (D) of this section shall be reduced to the extent that payments distributed in fiscal year 2017 were attributable to levies no longer charged and payable for tax year 2016.

SECTION 5. The amendment by this act of section 5733.40 of the Revised Code is intended to clarify the law as it existed before the enactment of this act and shall be construed accordingly. The amendment shall apply to taxable years beginning on or after January 1, 2013.

SECTION 6. All items in this act are hereby appropriated as designated out of any moneys in the state treasury to the credit of the designated fund. For all appropriations made in this act, those in the first column are for fiscal year 2018 and those in the second column are for fiscal year 2019. The appropriations made in this act are in addition to any other appropriations made for the FY 2018-2019 biennium.

SECTION 7. EDU DEPARTMENT OF EDUCATION

GENERAL REVENUE FUND

GRF	200545	Career-Technical	\$ 162,200	\$ 162,000
		Education		
		Enhancements		
TOTAL GRF	General Revenue Fund		\$ 162,200	\$ 162,000
TOTAL ALL BUDGET FUND GROUPS			\$ 162,200	\$ 162,000

CAREER-TECHNICAL EDUCATION ENHANCEMENTS

Of the foregoing appropriation item 200545, Career-Technical Education Enhancements, up to \$162,200 in fiscal year 2018 and up to \$162,000 in fiscal year 2019 shall be distributed to the Cleveland Municipal School District and the Cincinnati City School District to be used for a VoAg program in one at-risk nonvocational school in each district. The amount distributed to the Cleveland Municipal School District shall be equal to \$78,600 in fiscal year 2018 and \$78,500 in fiscal year

2019 minus the funding allocated to the district under division (A)(8) of section 3317.022 of the Revised Code for the students participating in the program. The amount distributed to the Cincinnati City School District shall be equal to \$83,600 in fiscal year 2018 and \$83,500 in fiscal year 2019 minus the funding allocated to the district under division (A)(8) of section 3317.022 of the Revised Code for the students participating in the program.

SECTION 8. BOR DEPARTMENT OF HIGHER EDUCATION

GENERAL REVENUE FUND

GRF	235511	Cooperative Extension	\$ 141,244	\$ 148,136
		Service		
TOTAL GRF	General Revenue Fund		\$ 141,244	\$ 148,136
TOTAL ALL BUDGET FUND GROUPS			\$ 141,244	\$ 148,136

COOPERATIVE EXTENSION SERVICE

Of the foregoing appropriation item 235511, Cooperative Extension Service, \$134,244 in fiscal year 2018 and \$141,136 in fiscal year 2019 shall be used to support salaries and benefits for one 4-H Club at an elementary school in Cleveland and one 4- H Club at an elementary school in Cincinnati.

Of the foregoing appropriation item 235511, Cooperative Extension Service, \$7,000 in each fiscal year shall be used to support mileage, telephone, supplies, and classroom activities costs at 4-H Clubs in Cleveland and Cincinnati. Seventy per cent of this amount shall be spent directly in relation to student involvement in 4-H.

SECTION 9. Within the limits set forth in this act, the Director of Budget and Management shall establish accounts indicating the source and amount of funds for each appropriation made in this act, and shall determine the form and manner in which appropriation accounts shall be maintained. Expenditures from appropriations contained in this act shall be accounted for as though made in Am. Sub. H.B. 49 of the 132nd General Assembly.

The appropriations made in this act are subject to all provisions of Am. Sub. H.B. 49 of the 132nd General Assembly that are generally applicable to such appropriations.

SECTION 10. That Sections 259.100, 265.220, 265.233, 291.20, 297.10, 381.371, 395.10, 395.20, 413.50, and 512.12 of H.B. 49 of the 132nd General Assembly be amended to read as follows:

Sec. 259.100. LAKES IN ECONOMIC DISTRESS REVOLVING LOAN PROGRAM

(A) On July 1, 2017, or as soon as possible thereafter, the Director of Development Services shall certify to the Director of Budget and Management the amount of the unexpended, unencumbered balance of the foregoing appropriation item 195546, Lakes in Economic Distress Revolving Loan Program, to be reappropriated in fiscal year 2018. The amount certified is hereby reappropriated to the foregoing appropriation item in fiscal year 2018 for the same purpose or for

grants to support stormwater drainage infrastructure improvements at the Buckeye Lake Dam or for grants to complete a stormwater drainage study at the Buckeye Lake Dam, notwithstanding anything to the contrary in section 122.641 of the Revised Code.

(B) On July 1, 2017, or as soon as possible thereafter, the Director of Development Services shall certify to the Director of Budget and Management the amount equaling the unexpended, unencumbered balance of the portion of the foregoing appropriation item 195407, Travel and Tourism, that was earmarked for grants to assist businesses and other entities adversely affected due to economic circumstances that result in the declaration of a lake as an area under economic distress by the Director of Natural Resources pursuant to section 122.641 of the Revised Code. The amount certified is hereby reappropriated to the foregoing appropriation item in fiscal year 2018 for the same purpose, provided that grants awarded under this division shall meet the same eligibility requirements as those governing loans under the Lakes in Economic Distress Revolving Loan Program, pursuant to division (C) of section 122.641 of the Revised Code.

Sec. 265.220. TEMPORARY TRANSITIONAL AID FOR CITY, LOCAL, AND EXEMPTED VILLAGE SCHOOL DISTRICTS

(A) The Department of Education shall distribute funds within appropriation item 200550, Foundation Funding, for temporary transitional aid in each fiscal year to each qualifying city, local, and exempted village school district.

(1) For fiscal years 2018 and 2019, the Department shall pay temporary transitional aid to each city, local, and exempted village school district according to the following formula:

(The district's transitional aid guarantee base x the district's transitional aid guarantee base percentage) - the district's foundation funding for the guarantee

If the computation made under this division results in a negative number, the district's funding under this division shall be zero.

(2) As used in this section, "foundation funding for the guarantee" for each city, local, and exempted village school district, for fiscal year 2018, equals the sum of the following amounts for that fiscal year:

- (a) The opportunity grant under division (A)(1) of section 3317.022 of the Revised Code;
- (b) Targeted assistance funds under division (A)(2) of section 3317.022 of the Revised Code;
- (c) Additional state aid for special education and related services under division (A)(3) of section 3317.022 of the Revised Code;
- (d) Kindergarten through third grade literacy funds under division (A)(4) of section 3317.022 of the Revised Code;
- (e) Economically disadvantaged funds under division (A)(5) of section 3317.022 of the Revised Code;
- (f) Limited English proficiency funds under division (A)(6) of section 3317.022 of the Revised Code;
- (g) Gifted identification and unit funds under division (A)(7) of section 3317.022 of the Revised Code;
- (h) Capacity aid funds under division (A)(10) of section 3317.022 of the Revised Code;
- (i) The graduation bonus under division (A)(11) of section 3317.022 of the Revised Code;
- (j) The third grade reading bonus under division (A)(12) of section 3317.022 of the Revised Code;

Code;

(k) Transportation funds under divisions (E) and (F) of section 3317.0212 of the Revised Code and division (D)(2) of section 3314.091 of the Revised Code;

(l) Transportation supplement funds under division (G) of section 3317.0212 of the Revised Code.

(3) As used in this section, "foundation funding for the guarantee" for each city, local, and exempted village school district, for fiscal year 2019, equals the sum of the following amounts for that fiscal year:

(a) The opportunity grant under division (A)(1) of section 3317.022 of the Revised Code;

(b) Targeted assistance funds under division (A)(2) of section 3317.022 of the Revised Code;

(c) Additional state aid for special education and related services under division (A)(3) of section 3317.022 of the Revised Code;

(d) Kindergarten through third grade literacy funds under division (A)(4) of section 3317.022 of the Revised Code;

(e) Economically disadvantaged funds under division (A)(5) of section 3317.022 of the Revised Code;

(f) Limited English proficiency funds under division (A)(6) of section 3317.022 of the Revised Code;

(g) Gifted identification and unit funds under division (A)(7) of section 3317.022 of the Revised Code;

(h) Capacity aid funds under division (A)(10) of section 3317.022 of the Revised Code;

(i) The graduation bonus under division (A)(11) of section 3317.022 of the Revised Code;

(j) The third grade reading bonus under division (A)(12) of section 3317.022 of the Revised Code;

(k) Transportation funds under divisions (E) and (F) of section 3317.0212 of the Revised Code and division (D)(2) of section 3314.091 of the Revised Code;

(l) Transportation supplement funds under division (G) of section 3317.0212 of the Revised Code.

(4) As used in this section, the "transitional aid guarantee base" for each city, local, and exempted village school district, for fiscal year 2018, equals the sum of the following amounts computed for the district for fiscal year 2017 after any reductions made for fiscal year 2017 under division (B) of Section 263.230 of Am. Sub. H.B. 64 of the 131st General Assembly:

(a) The opportunity grant under division (A)(1) of section 3317.022 of the Revised Code;

(b) Targeted assistance funds under division (A)(2) of section 3317.022 of the Revised Code;

(c) Additional state aid for special education and related services under division (A)(3) of section 3317.022 of the Revised Code;

(d) Kindergarten through third grade literacy funds under division (A)(4) of section 3317.022 of the Revised Code;

(e) Economically disadvantaged funds under division (A)(5) of section 3317.022 of the Revised Code;

(f) Limited English proficiency funds under division (A)(6) of section 3317.022 of the Revised Code;

(g) Gifted identification and unit funds under division (A)(7) of section 3317.022 of the Revised Code;

(h) Capacity aid funds under division (A)(10) of section 3317.022 of the Revised Code;

(i) The graduation bonus under division (A)(11) of section 3317.022 of the Revised Code;

(j) The third grade reading bonus under division (A)(12) of section 3317.022 of the Revised Code;

(k) Transportation funds under divisions (E) and (F) of section 3317.0212 of the Revised Code and division (D)(2) of section 3314.091 of the Revised Code;

(l) Transportation supplement funds under division (G) of section 3317.0212 of the Revised Code;

(m) Temporary transitional aid under division (A) of Section 263.230 of Am. Sub. H.B. 64 of the 131st General Assembly.

(5) As used in this section, the "transitional aid guarantee base" for each city, local, and exempted village school district, for fiscal year 2019, equals the transitional aid guarantee base for fiscal year 2018 computed for the district pursuant to division (A)(4) of this section.

(6) The "transitional aid guarantee base percentage" for each city, local, and exempted village school district, for fiscal years 2018 and 2019, shall be computed as follows:

(a) Calculate each district's total ADM percentage change in accordance with the following formula:

(The district's total ADM for fiscal year 2016 / the district's total ADM for fiscal year 2014) –

1

(b) Determine the district's transitional aid guarantee base percentage as follows:

(i) If the district's total ADM percentage change calculated in division (A)(6)(a) of this section equals a decrease of ten per cent or more, then the district's transitional aid guarantee base percentage shall be equal to ninety-five per cent.

(ii) If the district's total ADM percentage change calculated in division (A)(6)(a) of this section equals a decrease of less than ten per cent but more than five per cent, then the district's transitional aid guarantee base percentage shall be equal to the district's total ADM percentage change calculated in division (A)(6)(a) of this section plus one hundred five per cent.

(iii) If the district's total ADM percentage change calculated in division (A)(6)(a) of this section equals a decrease of five per cent or less, no change, or an increase of any amount, then the district's transitional aid guarantee base percentage shall be equal to one hundred per cent.

(7) The Department of Education shall adjust, as necessary, the transitional aid guarantee base of any local school district that participates in the establishment of a joint vocational school district that begins receiving payments under section 3317.16 of the Revised Code for fiscal year 2018 or fiscal year 2019 but does not receive payments for the prior fiscal year. The Department shall adjust any such local school district's guarantee base according to the amounts received by the district in the prior fiscal year for career-technical education students who attend the newly established joint vocational school district.

(B)(1) Notwithstanding section 3317.022 of the Revised Code, in fiscal years 2018 and 2019, no city, local, or exempted village school district shall be allocated foundation funding subject to the limitation for the current fiscal year that is greater than the district's limitation base multiplier times

the district's limitation base for the current fiscal year, except as provided in division (B)(9) of this section.

(2) As used in this section, "foundation funding subject to the limitation" for each city, local, and exempted village school district, for fiscal year 2018, equals the sum of the following amounts for that fiscal year:

- (a) The opportunity grant under division (A)(1) of section 3317.022 of the Revised Code;
- (b) Targeted assistance funds under division (A)(2) of section 3317.022 of the Revised Code;
- (c) Additional state aid for special education and related services under division (A)(3) of section 3317.022 of the Revised Code;
- (d) Kindergarten through third grade literacy funds under division (A)(4) of section 3317.022 of the Revised Code;
- (e) Economically disadvantaged funds under division (A)(5) of section 3317.022 of the Revised Code;
- (f) Limited English proficiency funds under division (A)(6) of section 3317.022 of the Revised Code;
- (g) Gifted identification and unit funds under division (A)(7) of section 3317.022 of the Revised Code;
- (h) Capacity aid funds under division (A)(10) of section 3317.022 of the Revised Code;
- (i) Transportation funds under divisions (E) and (F) of section 3317.0212 of the Revised Code and division (D)(2) of section 3314.091 of the Revised Code;
- (j) Transportation supplement funds under division (G) of section 3317.0212 of the Revised Code;
- (k) Temporary transitional aid under division (A) of this section.

(3) As used in this section, "foundation funding subject to the limitation" for each city, local, and exempted village school district, for fiscal year 2019, equals the sum of the following amounts for that fiscal year:

- (a) The opportunity grant under division (A)(1) of section 3317.022 of the Revised Code;
- (b) Targeted assistance funds under division (A)(2) of section 3317.022 of the Revised Code;
- (c) Additional state aid for special education and related services under division (A)(3) of section 3317.022 of the Revised Code;
- (d) Kindergarten through third grade literacy funds under division (A)(4) of section 3317.022 of the Revised Code;
- (e) Economically disadvantaged funds under division (A)(5) of section 3317.022 of the Revised Code;
- (f) Limited English proficiency funds under division (A)(6) of section 3317.022 of the Revised Code;
- (g) Gifted identification and unit funds under division (A)(7) of section 3317.022 of the Revised Code;
- (h) Capacity aid funds under division (A)(10) of section 3317.022 of the Revised Code;
- (i) Transportation funds under divisions (E) and (F) of section 3317.0212 of the Revised Code and division (D)(2) of section 3314.091 of the Revised Code;
- (j) Transportation supplement funds under division (G) of section 3317.0212 of the Revised Code;

Code;

(k) Temporary transitional aid under division (A) of this section.

(4) As used in this section, the "limitation base" for each city, local, and exempted village school district, for fiscal year 2018, equals the sum of the following amounts computed for the district for fiscal year 2017 after any reductions made for fiscal year 2017 under division (B) of Section 263.230 of Am. Sub. H.B. 64 of the 131st General Assembly:

(a) The opportunity grant under division (A)(1) of section 3317.022 of the Revised Code;

(b) Targeted assistance funds under division (A)(2) of section 3317.022 of the Revised Code;

(c) Additional state aid for special education and related services under division (A)(3) of section 3317.022 of the Revised Code;

(d) Kindergarten through third grade literacy funds under division (A)(4) of section 3317.022 of the Revised Code;

(e) Economically disadvantaged funds under division (A)(5) of section 3317.022 of the Revised Code;

(f) Limited English proficiency funds under division (A)(6) of section 3317.022 of the Revised Code;

(g) Gifted identification and unit funds under division (A)(7) of section 3317.022 of the Revised Code;

(h) Capacity aid funds under division (A)(10) of section 3317.022 of the Revised Code;

(i) Transportation funds under divisions (E) and (F) of section 3317.0212 of the Revised Code and division (D)(2) of section 3314.091 of the Revised Code;

(j) Transportation supplement funds under division (G) of section 3317.0212 of the Revised Code;

(k) Temporary transitional aid under division (A) of Section 263.230 of Am. Sub. H.B. 64 of the 131st General Assembly.

(5) As used in this section, the "limitation base" for each city, local, and exempted village school district, for fiscal year 2019, equals the sum of the following amounts computed for the district for fiscal year 2018 after any reductions made for fiscal year 2018 under division (B) of this section:

(a) The opportunity grant under division (A)(1) of section 3317.022 of the Revised Code;

(b) Targeted assistance funds under division (A)(2) of section 3317.022 of the Revised Code;

(c) Additional state aid for special education and related services under division (A)(3) of section 3317.022 of the Revised Code;

(d) Kindergarten through third grade literacy funds under division (A)(4) of section 3317.022 of the Revised Code;

(e) Economically disadvantaged funds under division (A)(5) of section 3317.022 of the Revised Code;

(f) Limited English proficiency funds under division (A)(6) of section 3317.022 of the Revised Code;

(g) Gifted identification and unit funds under division (A)(7) of section 3317.022 of the Revised Code;

(h) Capacity aid funds under division (A)(10) of section 3317.022 of the Revised Code;

(i) Transportation funds under divisions (E) and (F) of section 3317.0212 of the Revised Code and division (D)(2) of section 3314.091 of the Revised Code;

(j) Transportation supplement funds under division (G) of section 3317.0212 of the Revised Code;

(k) Temporary transitional aid under division (A) of this section;

(l) The cap offset amount computed under the section of ~~this act~~ Am. Sub. H.B. 49 of the 132nd General Assembly entitled "CAP OFFSET AMOUNT FOR CITY, LOCAL, AND EXEMPTED VILLAGE SCHOOL DISTRICTS";

(m) The amount of the payment, if any, under division (B) of Section 4 of S.B. 8 of the 132nd General Assembly.

(6)(a) The "limitation base multiplier" for each city, local, and exempted village school district, for fiscal year 2018, shall be computed as follows:

(i) If the district's total ADM percentage change calculated in division (A)(6)(a) of this section equals an increase of five and one-half per cent or more, then the district's limitation base multiplier shall be equal to 1.055.

(ii) If the district's total ADM percentage change calculated in division (A)(6)(a) of this section equals an increase of less than five and one-half per cent but more than three per cent, then the district's limitation base multiplier shall be equal to the district's total ADM percentage change calculated in division (A)(6)(a) of this section plus one.

(iii) If the district's total ADM percentage change calculated in division (A)(6)(a) of this section equals an increase of three per cent or less, no change, or a decrease of any amount, then the district's limitation base multiplier shall be equal to 1.03.

(b) The "limitation base multiplier" for each city, local, and exempted village school district, for fiscal year 2019, shall be computed as follows:

(i) If the district's total ADM percentage change calculated in division (A)(6)(a) of this section equals an increase of six per cent or more, then the district's limitation base multiplier shall be equal to 1.06.

(ii) If the district's total ADM percentage change calculated in division (A)(6)(a) of this section equals an increase of less than six per cent but more than three per cent, then the district's limitation base multiplier shall be equal to the district's total ADM percentage change calculated in division (A)(6)(a) of this section plus one.

(iii) If the district's total ADM percentage change calculated in division (A)(6)(a) of this section equals an increase of three per cent or less, no change, or a decrease of any amount, then the district's limitation base multiplier shall be equal to 1.03.

(7) The Department of Education shall adjust, as necessary, the limitation base of any local school district that participates in the establishment of a joint vocational school district that begins receiving payments under section 3317.16 of the Revised Code for fiscal year 2018 or fiscal year 2019 but does not receive such payments for the prior fiscal year. The Department shall adjust any such local school district's limitation base according to the amounts received by the district in the prior fiscal year for career-technical education students who attend the newly established joint vocational school district.

(8) For fiscal year 2018 and fiscal year 2019, the Department shall reduce a district's

payments under divisions (A)(1), (2), (4), (5), (6), (7), and (10) of section 3317.022 of the Revised Code proportionately as necessary in order to comply with this division. If those amounts are insufficient, the Department shall proportionately reduce a district's payments under division (A)(3) of section 3317.022 of the Revised Code and divisions (E), (F), and (G) of section 3317.0212 of the Revised Code.

(9)(a) For purposes of division (B)(9) of this section, "eligible school district" shall have the same meaning as in division (F)(1) of section 3317.017 of the Revised Code.

(b) Notwithstanding any provision of law to the contrary, an eligible school district shall not be allocated foundation funding subject to the limitation in the current fiscal year that is greater than the greater of the amounts described in divisions (B)(9)(b)(i) and (ii) of this section:

(i) The amount calculated for the district for the current fiscal year under division (B)(1) of this section;

(ii) The lesser of the amounts described in divisions (B)(9)(b)(ii)(I) and (II) of this section:

(I) The district's foundation funding subject to the limitation for the current fiscal year;

(II) The district's limitation base for the current fiscal year plus the district's taxes charged and payable against all property on the tax list of real and public utility property for the tax year three years preceding the tax year in which the current fiscal year ends minus the district's taxes charged and payable against all property on the tax list of real and public utility property for the tax year two years preceding the tax year in which the current fiscal year ends.

(C) The Department of Education shall distribute funds within appropriation item 200550, Foundation Funding, for temporary transitional career-technical education aid in each fiscal year to each qualifying city, local, and exempted village school district.

(1) For purposes of division (C) of this section, "total career-technical education funding" for each city, local, and exempted village school district, for a specified fiscal year, equals the sum of the following amounts for that fiscal year:

(a) Career-technical education funds under division (A)(8) of section 3317.022 of the Revised Code;

(b) Career-technical education associated services funds under division (A)(9) of section 3317.022 of the Revised Code.

(2) For fiscal year 2018, the Department shall pay temporary transitional career-technical education aid to each city, local, and exempted village school district according to the following formula:

The district's total career-technical education funding for fiscal year 2017 – the district's total career-technical education funding for fiscal year 2018

If the computation made under this division results in a negative number, the district's funding under division (C)(2) of this section shall be zero.

(3) For fiscal year 2019, the Department shall pay temporary transitional career-technical education aid to each city, local, and exempted village school district according to the following formula:

The district's total career-technical education funding for fiscal year 2017 – the district's total career-technical education funding for fiscal year 2019

If the computation made under this division results in a negative number, the district's

funding under division (C)(3) of this section shall be zero.

Sec. 265.233. CAP OFFSET AMOUNT FOR CITY, LOCAL, AND EXEMPTED VILLAGE SCHOOL DISTRICTS

(A) For purposes of this section:

(1) A district's "combined state aid for fiscal year 2017" means the sum of:

(a) The sum of the district's payments for fiscal year 2017 under sections 3317.022 and 3317.0212 of the Revised Code after any amounts are added or subtracted under Section 263.230 of Am. Sub. H.B. 64 of the 131st General Assembly;

(b) The district's payments under division (C)(1) of section 5709.92 of the Revised Code for fiscal year 2017.

(2) A district's "combined state aid for fiscal year 2018" means the sum of:

(a) The sum of the district's payments for fiscal year 2018 under sections 3317.022 and 3317.0212 of the Revised Code after any amounts are added or subtracted under the section of ~~this act~~ Am. Sub. H.B. 49 of the 132nd General Assembly entitled "TEMPORARY TRANSITIONAL AID FOR CITY, LOCAL, AND EXEMPTED VILLAGE SCHOOL DISTRICTS";

(b) The district's payments under division (C)(2) of section 5709.92 of the Revised Code for fiscal year 2018;

(c) The amount of the payment, if any, under division (B) of Section 4 of S.B. 8 of the 132nd General Assembly.

(3) An "eligible school district" is a city, local, or exempted village school district that meets both of the following criteria:

(a) The sum of the amounts calculated for the school district under section 3317.022 and 3317.0212 of the Revised Code is limited by division (B)(1) of the section of this act entitled "TEMPORARY TRANSITIONAL AID FOR CITY, LOCAL, AND EXEMPTED VILLAGE SCHOOL DISTRICTS" for fiscal year 2018;

(b) The district's combined state aid for fiscal year 2017 minus the district's combined state aid for fiscal year 2018 is greater than zero.

(B) For fiscal year 2018, the Department of Education shall compute and pay a cap offset amount to each eligible school district equal to the lesser of the amounts calculated in divisions (B) (1) and (2) of this section:

(1) The district's combined state aid for fiscal year 2017 minus the district's combined state aid for fiscal year 2018;

(2) The absolute value of the difference between the sum of the amounts calculated under sections 3317.022 and 3317.0212 of the Revised Code for the district before and after application of the limitation under division (B)(1) of the section of ~~this act~~ Am. Sub. H.B. 49 of the 132nd General Assembly entitled "TEMPORARY TRANSITIONAL AID FOR CITY, LOCAL, AND EXEMPTED VILLAGE SCHOOL DISTRICTS" for fiscal year 2018.

Sec. 291.20. MOTHERS AND CHILDREN SAFETY NET SERVICES

Of the foregoing appropriation item 440416, Mothers and Children Safety Net Services, \$200,000 in each fiscal year shall be used to assist families with hearing impaired children under twenty-one years of age in purchasing hearing aids and hearing assistive technology. The Director of Health shall adopt rules governing the distribution of these funds, including rules that do both of the

following: (1) establish eligibility criteria to include families with incomes at or below four hundred per cent of the federal poverty guidelines as defined in section 5101.46 of the Revised Code, and (2) develop a sliding scale of disbursements under this section based on family income. The Director may adopt other rules as necessary to implement this section. Rules adopted under this section shall be adopted in accordance with Chapter 119. of the Revised Code.

AIDS PREVENTION AND TREATMENT

The foregoing appropriation item 440444, AIDS Prevention and Treatment, shall be used to administer educational and other prevention initiatives.

FQHC PRIMARY CARE WORKFORCE INITIATIVE

The foregoing appropriation item 440465, FQHC Primary Care Workforce Initiative, shall be provided to the Ohio Association of Community Health Centers to administer the FQHC Primary Care Workforce Initiative. The Initiative shall provide medical, dental, behavioral health, physician assistant, and advanced practice nursing students with clinical rotations through federally qualified health centers.

INFANT VITALITY

The foregoing appropriation item 440474, Infant Vitality, shall be used to fund a multi-pronged population health approach to address infant mortality. This approach may include the following: increasing awareness; supporting data collection; analysis and interpretation to inform decision-making and ensure accountability; targeting resources where the need is greatest; and implementing quality improvement science and programming that is evidence-based or based on emerging practices. Measurable interventions may include activities related to safe sleep, community engagement, Centering Pregnancy, newborn screening, safe birth spacing, gestational diabetes, smoking cessation, breastfeeding, care coordination, and progesterone.

EMERGENCY PREPARATION AND RESPONSE

The foregoing appropriation item 440477, Emergency Preparation and Response, shall be used to support public health emergency preparedness and response efforts at the state level or at a regional sub-level within the state, and may also be used to support data infrastructure projects related to public health emergency preparedness/response.

CHRONIC DISEASE/HEALTH PROMOTION

Of the unexpended, unencumbered balance of appropriation item 440468, Chronic Disease and Injury Prevention, \$380,000 at the end of fiscal year 2017 is hereby reappropriated to the foregoing appropriation item 440482, Chronic Disease/Health Promotion, for fiscal year 2018. These funds shall be used to purchase naloxone.

Of the unexpended, unencumbered balance of appropriation item 440477, Emergency Preparation and Response, \$20,000 at the end of fiscal year 2017 is hereby reappropriated to the foregoing appropriation item 440482, Chronic Disease/Health Promotion, for fiscal year 2018. These funds shall be used to purchase naloxone.

LUPUS AWARENESS

The foregoing appropriation item 440481, Lupus Awareness, shall be used for the Lupus Education and Awareness Program. It is the intent of the General Assembly that appropriation item 440481, Lupus Awareness, be used in fiscal year 2019 for the sole purpose of providing outreach to patients diagnosed with lupus.

TARGETED HEALTH CARE SERVICES-OVER 21

The foregoing appropriation item 440507, Targeted Health Care Services-Over 21, shall be used to administer the Cystic Fibrosis Program and to implement the Hemophilia Insurance Premium Payment Program. The Department of Health shall expend \$100,000 in each fiscal year to implement the Hemophilia Insurance Premium Payment Program.

The foregoing appropriation item 440507, Targeted Health Care Services-Over 21, shall also be used to provide essential medications and to pay the copayments for drugs approved by the Department of Health and covered by Medicare Part D that are dispensed to Bureau for Children with Medical Handicaps (BCMh) participants for the Cystic Fibrosis Program.

The Department shall expend all of these funds.

LEAD ABATEMENT

The foregoing appropriation item 440527, Lead Abatement, shall be used by the Department of Health to distribute funds to the city of Toledo for lead-based paint abatement, containment, and housing rehabilitation projects in the historic south neighborhoods of Toledo. In order to receive funding, the city of Toledo shall provide documentation showing the amount of nonprofit or private sector dollars the city has collected for each project. These nonprofit or private sector dollars must be collected during the same state fiscal year that funds are to be awarded. The amount distributed by the Department of Health for each project shall be equal to the amount documented. The total amount distributed by the Department of Health shall not exceed \$150,000 in each fiscal year. The city may use these funds to provide grants to owner-occupied or rental properties. Grants shall be awarded by the city in consultation with the Historic South Initiative.

Not later than July 1 each year, the city of Toledo shall issue a report to the Department of Health providing information regarding the effectiveness of the funds distributed and any other information requested by the Department.

FEE SUPPORTED PROGRAMS

Of the foregoing appropriation item 440647, Fee Supported Programs, \$2,160,000 in each fiscal year shall be used to distribute subsidies to local health departments on a per capita basis.

CASH TRANSFER FROM THE GENERAL OPERATIONS FUND TO THE CENTRAL SUPPORT INDIRECT COSTS FUND

On July 1, 2018, or as soon as possible thereafter, the Director of Budget and Management may transfer up to \$400,000 cash from the General Operations Fund (Fund 4700) to the Central Support Indirect Costs Fund (Fund 2110). Any transferred cash is hereby appropriated.

MEDICALLY HANDICAPPED CHILDREN AUDIT

The Medically Handicapped Children Audit Fund (Fund 4770) shall receive revenue from audits of hospitals and recoveries from third-party payers. Moneys may be expended for payment of audit settlements and for costs directly related to obtaining recoveries from third-party payers and for encouraging Medically Handicapped Children's Program recipients to apply for third-party benefits. Moneys also may be expended for payments for diagnostic and treatment services on behalf of medically handicapped children, as defined in division (A) of section 3701.022 of the Revised Code, and Ohio residents who are twenty-one or more years of age and who are suffering from cystic fibrosis or hemophilia. Moneys may also be expended for administrative expenses incurred in operating the Medically Handicapped Children's Program.

GENETICS SERVICES

The foregoing appropriation item 440608, Genetics Services, shall be used by the Department of Health to administer programs authorized by sections 3701.501 and 3701.502 of the Revised Code. None of these funds shall be used to counsel or refer for abortion, except in the case of a medical emergency.

TOBACCO USE PREVENTION CESSATION AND ENFORCEMENT

Of the foregoing appropriation item 440656, Tobacco Use Prevention Cessation and Enforcement, \$750,000 in each fiscal year shall be used to award grants in accordance with the section of this act entitled "MOMS QUIT FOR TWO GRANT PROGRAM."

Of the foregoing appropriation item 440656, Tobacco Use Prevention Cessation and Enforcement, \$250,000 in each fiscal year shall be distributed to boards of health for the Baby and Me Tobacco Free Program. The Director of Health shall determine how the funds are to be distributed, but shall prioritize awards to boards that serve women who reside in communities that have the highest infant mortality rates in this state, as identified under section 3701.142 of the Revised Code.

MEDICALLY HANDICAPPED CHILDREN - COUNTY ASSESSMENTS

The foregoing appropriation item 440607, Medically Handicapped Children - County Assessments, shall be used to make payments under division (E) of section 3701.023 of the Revised Code.

TOXICOLOGY SCREENINGS

The foregoing appropriation item 440621, Toxicology Screenings, shall be used in accordance with division (G)(1) of section 757.20 of this act.

Sec. 297.10. OHS OHIO HISTORY CONNECTION

General Revenue Fund

GRF	360501	Education and Collections	\$ 4,155,712	\$ 4,155,712
GRF	360502	Site and Museum Operations	\$ 5,762,853 <u>5,837,853</u>	\$ 5,762,853 <u>5,837,853</u>
GRF	360504	Ohio Preservation Office	\$ 281,300	\$ 281,300
GRF	360505	National Afro-American Museum	\$ 485,000	\$ 485,000
GRF	360506	Hayes Presidential Center	\$ 485,000	\$ 485,000
GRF	360508	State Historical Grants	\$ 475,000 <u>400,000</u>	\$ 475,000 <u>400,000</u>

GRF	360509	Outreach and Partnership	\$ 155,583	\$ 155,583
TOTAL GRF	General Revenue Fund		\$ 11,800,448	\$ 11,800,448
Dedicated Purpose Fund Group				
5KL0	360602	Ohio History Tax Check-off	\$ 150,000	\$ 150,000
5PD0	360603	Ohio History License Plate	\$ 10,000	\$ 10,000
TOTAL DPF	Dedicated Purpose Fund Group		\$ 160,000	\$ 160,000
TOTAL ALL BUDGET FUND GROUPS			\$ 11,960,448	\$ 11,960,448

SUBSIDY APPROPRIATION

Upon approval by the Director of Budget and Management, the foregoing appropriation items shall be released to the Ohio History Connection in quarterly amounts that in total do not exceed the annual appropriations. The funds and fiscal records of the Ohio History Connection for fiscal year 2018 and fiscal year 2019 shall be examined by independent certified public accountants approved by the Auditor of State, and a copy of the audited financial statements shall be filed with the Office of Budget and Management. The Ohio History Connection shall prepare and submit to the Office of Budget and Management the following:

(A) An estimated operating budget for each fiscal year of the biennium. The operating budget shall be submitted at or near the beginning of each calendar year.

(B) Financial reports, indicating actual receipts and expenditures for the fiscal year to date. These reports shall be filed at least semiannually during the fiscal biennium.

The foregoing appropriations shall be considered to be the contractual consideration provided by the state to support the state's offer to contract with the Ohio History Connection under section 149.30 of the Revised Code.

STATE HISTORICAL GRANTS

Of the foregoing appropriation item 360508, State Historical Grants, \$100,000 in each fiscal year shall be used for the Cincinnati Museum Center, \$100,000 in each fiscal year shall be used for the Western Reserve Historical Society, \$100,000 in each fiscal year shall be used for the Cleveland Museum of Natural History, and \$100,000 in each fiscal year shall be used for the Cleveland ~~Museum~~ Institute of Art.

OUTREACH AND PARTNERSHIP

Of the foregoing appropriation item 360509, Outreach and Partnership, \$70,000 in each fiscal year shall be distributed to the Ohio World War I Centennial Working Group.

Sec. 381.371. CO-OP INTERNSHIP PROGRAM

Of the foregoing appropriation item 235591, Co-op Internship Program, \$50,000 in each fiscal year shall be used to support the operations of Ohio University's Voinovich School.

Of the foregoing appropriation item 235591, Co-op Internship Program, \$50,000 in each

fiscal year shall be used to support the operations of The Ohio State University's John Glenn College of Public Affairs.

Of the foregoing appropriation item 235591, Co-op Internship Program, \$50,000 in each fiscal year shall be used to support the Bliss Institute of Applied Politics at the University of Akron.

Of the foregoing appropriation item 235591, Co-op Internship Program, \$50,000 in each fiscal year shall be used to support the Center for Public Management and Regional Affairs at Miami University.

Of the foregoing appropriation item 235591, Co-op Internship Program, \$200,000 in each fiscal year shall be used to support students who attend institutions of higher education in Ohio and are participating in the Washington Center Internship Program.

Of the foregoing appropriation item 235591, Co-op Internship Program, \$50,000 in each fiscal year shall be used to support the Ohio Center for the Advancement of Women in Public Service at the Maxine Goodman Levin College of Urban Affairs at Cleveland State University.

Of the foregoing appropriation item 235591, Co-op Internship Program, \$50,000 in each fiscal year shall be used to support the University of Cincinnati Internship Program.

Of the foregoing appropriation item 235591, Co-op Internship Program, \$50,000 in each fiscal year shall be used to support the operations of the Center for Regional Development at Bowling Green State University.

Of the foregoing appropriation item 235591, Co-op Internship Program, \$50,000 in each fiscal year shall be used to support the ~~operations of the Center for Liberal Arts Student Success Model United Nations Program~~ at Wright State University.

Of the foregoing appropriation item 235591, Co-op Internship Program, \$50,000 in each fiscal year shall be used to support the Kent State University Columbus Program.

Of the foregoing appropriation item 235591, Co-op Internship Program, \$50,000 in each fiscal year shall be used to support the University of Toledo Urban Affairs Center.

Of the foregoing appropriation item 235591, Co-op Internship Program, \$50,000 in each fiscal year shall be used to support the Center for Urban and Regional Studies at Youngstown State University.

Sec. 395.10. SOS SECRETARY OF STATE

Dedicated Purpose Fund Group

4120	050609	Notary Commission	\$ 475,000	\$ 475,000
4S80	050610	Board of Voting Machine Examiners	\$ 7,200	\$ 7,200
5990	050603	Business Services Operating Expenses	\$ 14,385,400 <u>14,520,400</u>	\$ 14,385,400 <u>14,520,400</u>
5990	050629	Statewide Voter Registration Database	\$ 700,000	\$ 700,000
5990	050630	Elections Support		

		Supplement	\$ 2,144,030	\$ 2,144,030
5990	050631	Precinct Election		
		Officials Training	\$ 234,196	\$ 234,196
5FG0	050620	BOE Reimbursement		
		and Education	\$ 80,000	\$ 80,000
5SN0	050626	Address		
		Confidentiality	\$ 100,000	\$ 100,000
TOTAL DPF Dedicated Purpose Fund				
Group			\$ 18,125,826	\$ 18,125,826
			<u>18,260,826</u>	<u>18,260,826</u>
Holding Account Fund Group				
R001	050605	Uniform Commercial		
		Code Refunds	\$ 30,000	\$ 30,000
R002	050606	Corporate/Business		
		Filing Refunds	\$ 85,000	\$ 85,000
TOTAL HLD Holding Account Fund				
Group			\$ 115,000	\$ 115,000
Federal Fund Group				
3AS0	050616	Help America Vote		
		Act (HAVA)	\$ 16,000	\$ 0
3FM0	050624	Miscellaneous		
		Federal Grants	\$ 8,600	\$ 4,400
TOTAL FED Federal Fund Group			\$ 24,600	\$ 4,400
TOTAL ALL BUDGET FUND GROUPS			\$ 18,265,426	\$ 18,245,226
			<u>18,400,426</u>	<u>18,380,226</u>

Sec. 395.20. CITIZEN EDUCATION PRECINCT ELECTION OFFICIAL TRAINING

At the end of FY 2017, an amount equal to the unexpended, unencumbered portion of appropriation item 050602, Citizen Education (Fund 4140) is hereby reappropriated in fiscal year 2018 for the same purpose.

The foregoing appropriation item 050631, Precinct Election Official Training, shall be used to reimburse county boards of elections for precinct election official (PEO) training pursuant to section 3501.27 of the Revised Code. At the end of fiscal year 2018, an amount equal to the unexpended, unencumbered portion of the foregoing appropriation item 050631, Precinct Election Official Training, is hereby reappropriated in fiscal year 2019 for the same purpose.

BOARD OF VOTING MACHINE EXAMINERS

The foregoing appropriation item 050610, Board of Voting Machine Examiners, shall be used to pay for the services and expenses of the members of the Board of Voting Machine Examiners, and for other expenses that are authorized to be paid from the Board of Voting Machine Examiners Fund (Fund 4S80) created in section 3506.05 of the Revised Code. Moneys not used shall be returned to the person or entity submitting equipment for examination. If it is determined by the Secretary of State that additional appropriation amounts are necessary, the Secretary of State may request that the Director of Budget and Management approve such amounts. Such amounts are hereby appropriated.

BUSINESS SERVICES OPERATING EXPENSES

A portion of the foregoing appropriation item 050603, Business Services Operating Expenses, shall be used in each fiscal year to pay the costs associated with the use of space in Department of Administrative Services facilities at the State of Ohio Computer Center.

HOLDING ACCOUNT FUND GROUP

The foregoing appropriation items 050605, Uniform Commercial Code Refunds, and 050606, Corporate/Business Filing Refunds, shall be used to hold revenues until they are directed to the appropriate accounts or until they are refunded. If it is determined by the Secretary of State that additional appropriation amounts are necessary, the Secretary of State may request that the Director of Budget and Management approve such amounts. Such amounts are hereby appropriated.

MISCELLANEOUS FEDERAL GRANTS

Appropriation item 050624, Miscellaneous Federal Grants, shall be used to support programs that are supported by federal grants deposited into the Miscellaneous Federal Grants Fund (Fund 3FM0) pursuant to Section 111.28 of the Revised Code.

ADDRESS CONFIDENTIALITY PROGRAM

Upon the request of the Secretary of State, the Director of Budget and Management may transfer up to \$50,000 per fiscal year in cash from the Business Services Operating Expenses Fund (Fund 5990) to the Address Confidentiality Program Fund (Fund 5SN0).

LITIGATION RELATED EXPENSES

Upon the request of the Secretary of State, the Director of Budget and Management may transfer cash and appropriation from any fund and appropriation item used by the Secretary of State to Litigation Related Expenses Fund (Fund 5QE0) appropriation item 050625, Litigation Related Expenses, or Business Services Operating Expenses Fund (Fund 5990) appropriation item 050628, Litigation Related Expenses. The amounts transferred shall be used to pay for any expenses related to lawsuits or legal proceedings against the Secretary of State.

ABSENT VOTER'S BALLOT APPLICATION MAILING

Notwithstanding Division (B) of Section 111.31 of the Revised Code, upon the request of the Secretary of State, the Controlling Board shall approve cash transfers from the Controlling Board Emergency Purposes/Contingencies Fund (Fund 5KM0) to the Absent Voter's Ballot Application Mailing Fund (Fund 5RG0) to be used by the Secretary of State to pay the costs of printing and mailing unsolicited applications for absent voters' ballots for the general election to be held in November 2018. Such amounts are hereby appropriated.

BALLOT ADVERTISING COSTS

Notwithstanding Division (G) of Section 3501.17 of the Revised Code, upon requests submitted by the Secretary of State, the Controlling Board may approve transfers from the

Controlling Board Emergency Purposes/Contingencies Fund (Fund 5KM0) to the Statewide Ballot Advertising Fund (Fund 5FH0) in order to pay for the cost of public notices associated with statewide ballot initiatives.

Sec. 413.50. VTO VETERANS' ORGANIZATIONS

General Revenue Fund

VAP AMERICAN EX-PRISONERS OF WAR

GRF	743501	State Support	\$ 28,910	\$ 28,910
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VAN ARMY AND NAVY UNION, USA, INC.

GRF	746501	State Support	\$ 63,539	\$ 63,539
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AVKW KOREAN WAR VETERANS

GRF	747501	State Support	\$ 57,118	\$ 57,118
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VJW JEWISH WAR VETERANS

GRF	748501	State Support	\$ 34,321	\$ 34,321
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VCW CATHOLIC WAR VETERANS

GRF	749501	State Support	\$ 66,978	\$ 66,978
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VPH MILITARY ORDER OF THE PURPLE HEART

GRF	750501	State Support	\$ 65,116	\$ 65,116
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VVV VIETNAM VETERANS OF AMERICA

GRF	751501	State Support	\$ 214,776	\$ 214,776
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VAL AMERICAN LEGION OF OHIO

GRF	752501	State Support	\$ 349,189	\$ 349,189
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VII AMVETS

GRF	753501	State Support	\$ 332,547	\$ 332,547
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VAV DISABLED AMERICAN VETERANS

GRF	754501	State Support	\$ 249,836	\$ 249,836
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VMC MARINE CORPS LEAGUE

GRF	756501	State Support	\$ 133,947	\$ 133,947
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V37 37TH DIVISION VETERANS' ASSOCIATION

GRF	757501	State Support	\$ 6,868	\$ 6,868
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VFW VETERANS OF FOREIGN WARS

GRF	758501	State Support	\$ 284,841	\$ 284,841
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TOTAL GRF	General Revenue Fund		\$ 1,887,986	\$ 1,887,986
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Speaker _____ *of the House of Representatives.*

President _____ *of the Senate.*

Passed _____, 20____

Approved _____, 20____

Governor.

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

Director, Legislative Service Commission.

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

Secretary of State.

File No. _____ Effective Date _____