

As Re-Referred by the House Rules and Reference Committee

136th General Assembly

Regular Session

2025-2026

Am. H. B. No. 159

Representatives Santucci, Demetriou

Cosponsor: Representative Mathews, T.

To enact section 122.162 of the Revised Code to
create the manufacturing technologies assistance
grant program and to make an appropriation.

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

Section 1. That section 122.162 of the Revised Code be
enacted to read as follows:

Sec. 122.162. (A) As used in this section:

(1) "Eligible project" means a project intended to
increase the productivity, efficiency, and competitiveness of a
manufacturing operation in this state by adopting and
integrating manufacturing technologies and investing in
industrial infrastructure.

(2) (a) "Eligible manufacturer" means a person that:

(i) Manufactures, processes, assembles, or refines goods
at a facility located in this state;

(ii) Has a north American industry classification system
code within the manufacturing sector range of thirty-one to
thirty-three;

(iii) Has operated as a manufacturer in this state for at

least three years before the application date; 19

(iv) Has derived, in the three years preceding the 20
application date, at least fifty-one per cent of the person's 21
gross revenue from the sale of manufactured goods; 22

(v) Employs, as of the application date, not more than 23
five hundred full-time employees at one or more locations; 24

(vi) Demonstrates an ability to provide matching funds 25
from private sources equal to the requested grant amount; 26

(vii) Has no outstanding tax or other liabilities owed to 27
this state and is in good standing with the secretary of state, 28
department of development, and any other governmental entity 29
charged with regulating the person's manufacturing business; 30

(viii) Attests that the person is in compliance with all 31
federal, state, and local requirements applicable to the 32
person's manufacturing business, including tax payments; 33

(ix) Attests that that the person is not currently in 34
bankruptcy. 35

(b) "Eligible manufacturer" includes a subsidiary or 36
affiliate of a person described in division (A) (2) (a) of this 37
section if the subsidiary or affiliate meets the requirements of 38
divisions (A) (2) (a) (i), (ii), (vi), (vii), (viii), and (ix) of 39
this section. 40

(3) "Full-time employee" means an individual who is 41
employed by an eligible manufacturer for consideration for 42
thirty-five or more hours per week, or who renders any other 43
standard of service generally accepted by custom or specified by 44
contract as full-time employment. 45

(4) "Industrial infrastructure" includes machinery, 46

<u>robotics, hardware, software, and equipment, and training</u>	47
<u>expenses associated with any of the foregoing.</u>	48
<u>(5) "Ineligible expenses" include all of the following:</u>	49
<u>(a) Payment of any federal, state, or local tax</u>	50
<u>obligations;</u>	51
<u>(b) Payment of nonbusiness-related expenses;</u>	52
<u>(c) Political expenses;</u>	53
<u>(d) Expenses for which the person has received, or will</u>	54
<u>receive reimbursement from another source, including another</u>	55
<u>government grant or loan program or insurance coverage;</u>	56
<u>(e) Mortgage, rent, or lease costs;</u>	57
<u>(f) Utility costs, including electric, gas, sewer, water,</u>	58
<u>broadband services, and trash removal;</u>	59
<u>(g) Salaries, wages, or compensation paid to employees or</u>	60
<u>independent contractors;</u>	61
<u>(h) Personal protective equipment, as defined in section</u>	62
<u>125.05 of the Revised Code.</u>	63
<u>(6) "Manufacturing industry partner" means a regional</u>	64
<u>partner of the manufacturing extension partnership administered</u>	65
<u>by the department of development and the national institute of</u>	66
<u>standards and technology within the United States department of</u>	67
<u>commerce.</u>	68
<u>(B) (1) The manufacturing technologies assistance program</u>	69
<u>is created within the department of development. Under the</u>	70
<u>program, an eligible manufacturer may apply to the director of</u>	71
<u>development for a grant to fund one or more eligible projects.</u>	72
<u>(2) Before applying for a grant under this section, an</u>	73

eligible manufacturer shall obtain an assessment of the proposed 74
eligible project from the Ohio manufacturing extension 75
partnership under the department of development. The eligible 76
manufacturer shall include that assessment with the grant 77
application. The director of development may request that one or 78
more additional manufacturing industry partners complete a 79
technical review of the application and make recommendations on 80
whether to approve or deny the application. A manufacturing 81
industry partner may collaborate with any of the following in 82
completing the technical review and making recommendations: 83

(a) An industry section partnership, as defined in section 84
122.179 of the Revised Code, organized to support the 85
manufacturing sector; 86

(b) A regional technology and innovation hub designated 87
under 15 U.S.C. 3722a; 88

(c) A regional innovation engine designated under 42 89
U.S.C. 19108; 90

(d) An innovation hub designated by the department of 91
development. 92

(3) The director shall review and score applications using 93
a competitive process under which the director gives preference 94
to all of the following: 95

(a) Applicants that derive a higher percentage of their 96
gross revenue from the sale of manufactured goods; 97

(b) Eligible projects that receive a favorable assessment 98
from a manufacturing industry partner; 99

(c) Applicants that have not previously deployed the 100
manufacturing technology to be funded through the eligible 101

project; 102

(d) Eligible projects that will be started immediately or 103
that involve industrial infrastructure that will be purchased 104
immediately; 105

(e) Eligible projects supported by evidence that the 106
associated manufacturing technology will increase productivity, 107
efficiency, and competitiveness. 108

(4) Except as otherwise provided in division (B) (5) of 109
this section, the director of development shall reserve one-half 110
of the funds available to the program for eligible projects 111
submitted by eligible manufacturers with fifty or fewer full- 112
time employees, and one-half of such funds for eligible projects 113
submitted by eligible manufacturers with more than fifty but not 114
more than five hundred full-time employees. 115

(5) The director, with the approval of the controlling 116
board, may reallocate funds reserved pursuant to division (B) (4) 117
of this section for eligible manufacturers with fifty or fewer 118
full-time employees, or funds reserved pursuant to that division 119
for eligible manufacturers with more than fifty but not more 120
than five hundred full-time employees, to eligible projects 121
submitted by the other class of eligible manufacturers, if the 122
full amount of funds available to that other class of eligible 123
manufacturers has been approved for disbursement as grants under 124
the program. 125

(6) The director may charge a nonrefundable application 126
fee of up to one hundred dollars for the purpose of 127
administering the program. 128

(C) The director shall not award a grant under this 129
section for any eligible project initiated before the effective 130

date of this section. The total grant amount awarded to an 131
eligible manufacturer under this section shall not exceed one 132
hundred fifty thousand dollars. An eligible manufacturer 133
receiving a grant under this section shall use the grant solely 134
to fund the eligible project described in the application. An 135
eligible manufacturer shall not use the grant for ineligible 136
expenses. 137

(D) (1) An eligible manufacturer that receives a grant 138
under the program shall keep itemized records of both of the 139
following: 140

(a) All expenditures for which the grant is used; 141

(b) The amount of private funds raised for the eligible 142
project and the expenditures for which those funds are used. 143

(2) The records may include paid invoices, cancelled 144
checks, payroll records, and other documentation acquired when 145
the expense occurred. The eligible manufacturer shall retain the 146
records for at least five years after the grant funds are fully 147
expended. The records shall be made available for inspection by 148
the department of development upon request of the department. 149

(3) Upon the completion of the eligible project or two 150
years following the date the director awarded the grant, 151
whichever is sooner, the eligible manufacturer shall submit a 152
report to the department of development that does all of the 153
following: 154

(a) Describes implementation of the eligible project; 155

(b) Demonstrates the total cost of the eligible project, 156
including the costs for which private funds were used; 157

(c) Provides a full accounting of the expenditures for 158

which grant funds were used. 159

(4) Along with the report required by division (D) (3) of 160
this section, the eligible manufacturer shall return to the 161
department any grant funds that have not yet been expended, were 162
used for ineligible expenses, or that were not matched by 163
private contributions to the eligible project. 164

(5) The director shall certify to the attorney general for 165
collection any grant amounts required to be returned under 166
division (D) (4) of this section that remain unpaid ninety days 167
after the report required by division (D) (3) of this section is 168
due. 169

(E) (1) An eligible manufacturer that receives a grant 170
under the program shall notify the department, in the form and 171
manner prescribed by the director, if the eligible manufacturer 172
does any of the following in the ten years following the date 173
the director awards the grant: 174

(a) Initiates bankruptcy proceedings; 175

(b) Discontinues the manufacturing operations that are the 176
subject of the eligible project; 177

(c) Relocates the manufacturing operations that are the 178
subject of the eligible project outside of this state; 179

(d) Violates any federal, state, or local requirements 180
applicable to the eligible manufacturer's business, including 181
tax payments. 182

(2) The department, upon receiving notice from an eligible 183
manufacturer or otherwise determining that one or more of the 184
events described in division (E) (1) of this section has 185
occurred, may require the eligible manufacturer to repay all or 186

a portion of the grant funds received. The required repayment 187
shall not exceed the grant amount, reduced by ten per cent for 188
each full year between the date the department awards the grant 189
and the date of the event. The department shall notify the 190
eligible manufacturer of the amount of any required repayment. 191

(3) The eligible manufacturer may appeal, in accordance 192
with Chapter 119. of the Revised Code, the department's 193
determination that an event described in division (E) (1) of this 194
section has occurred, the required repayment amount, or both. 195

(4) The director shall certify to the attorney general for 196
collection any repayment amounts that remain unpaid ninety days 197
after notice is sent to the eligible manufacturer under division 198
(E) (2) of this section or, if the eligible manufacturer 199
initiates an appeal, within ninety days after the appeal is 200
adjudicated. 201

(F) The director of development shall adopt rules in 202
accordance with Chapter 119. of the Revised Code prescribing all 203
of the following: 204

(1) An application process for the grant program, 205
including the designation of one or more periods each year 206
during which applications will be accepted; 207

(2) The competitive process to review and score 208
applications described under division (B) (3) of this section; 209

(3) The form of the final report required by division (D) 210
(3) of this section. 211

(G) The manufacturing technologies assistance fund is 212
created in the state treasury. The fund shall consist of money 213
appropriated to the fund by the general assembly, application 214
fees collected under division (B) (6) of this section, and 215

repayment collected under division (D) or (E) of this section. 216
Money in the fund shall be used by the director of development 217
to award grants under the manufacturing technologies assistance 218
program and to administer this section. Interest earned on money 219
in the fund shall be credited to the fund. 220

Section 2. All items in this act are hereby appropriated 221
as designated out of any moneys in the state treasury to the 222
credit of the designated fund. For all operating appropriations 223
made in this act, those in the first column are for fiscal year 224
2026 and those in the second column are for fiscal year 2027. 225
The operating appropriations made in this act are in addition to 226
any other operating appropriations made for these fiscal years. 227

Section 3. 228
229

	1	2	3	4	5
A	DEV DEPARTMENT OF DEVELOPMENT				
B	Dedicated Purpose Fund Group				
C	5BF1	1956H6	Manufacturing Tech Assistance	\$12,000,000	\$12,000,000
D	TOTAL Dedicated Purpose Fund Group			\$12,000,000	\$12,000,000
E	TOTAL ALL BUDGET FUND GROUPS			\$12,000,000	\$12,000,000

MANUFACTURING TECH ASSISTANCE 230

The foregoing appropriation item 1956H6, Manufacturing 231
Tech Assistance, shall be used to administer the Manufacturing 232
Technologies Assistance Program established under section 233
122.162 of the Revised Code. 234

On the effective date of this section, or as soon as 235
possible thereafter, the Director of Budget and Management shall 236
transfer \$24,000,000 cash from the General Revenue Fund to the 237
Manufacturing Technologies Assistance Fund (Fund 5BF1). 238

Section 4. Within the limits set forth in this act, the 239
Director of Budget and Management shall establish accounts 240
indicating the source and amount of funds for each appropriation 241
made in this act, and shall determine the manner in which 242
appropriation accounts shall be maintained. Expenditures from 243
operating appropriations contained in this act shall be 244
accounted for as though made in, and are subject to all 245
applicable provisions of, the main operating appropriations act 246
of the 136th General Assembly. 247