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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 292  
(1\_136\_0264-8)  
136<sup>th</sup> General Assembly

## Fiscal Note & Local Impact Statement

[Click here for H.B. 292's Bill Analysis](#)

**Version:** In House Veterans and Military Development

**Primary Sponsors:** Reps. T. Mathews and Santucci

**Local Impact Statement Procedure Required:** No

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### Highlights

- The bill creates a Defense Industry Expansion Program to make grants to promote the defense industry. The grants would be paid out of a new Ohio Defense Fund consisting of funding appropriated by the General Assembly, interest collected on Israel bonds, and other sources. The bill does not appropriate funding.
- All 18 members of the Ohio Defense and Space Commission overseeing the grant program and conducting other activities would be reimbursed for their actual and necessary expenses related to their work on behalf of the Commission.

### Detailed Analysis

The bill establishes the Defense Industry Expansion Program to be overseen by an 18-member Ohio Defense and Space Commission. The grants would be awarded to entities that support economic development related to the defense and aerospace industries. The grant funding would come from a new Ohio Defense Fund created by the bill and consisting of interest collected on Israel bonds held by the state, and any grants, gifts, or contributions made to the Director of Development. Note that the bill does not provide an appropriation to distribute these grants.

The Ohio Defense and Space Commission created by the bill consists of 18 appointed members. Under the bill, the appointees would not be compensated, but would be entitled to reimbursement for actual and necessary expenses related to their duties. Consequently, the state would bear some small costs to cover these reimbursements.

## Synopsis of Fiscal Effect Changes

The substitute bill (I\_136\_0264-8) renames the Ohio Defense Commission to the Ohio Defense and Space Commission. As for its fiscal effects, the bill eliminates a provision in the previous version allowing for the eight members of the Ohio Defense and Space Commission representing the state's economic development districts to be paid in accordance with Department of Administrative Services' pay scales. Instead, as with the other appointees, these members would be reimbursed only for their actual and necessary expenses while doing commission work. L\_136\_0264-8 also makes several changes to the grant selection and oversight process under the proposed Defense Industry Expansion Program (further details can be found in LSC's Substitute Bill Comparative Synopsis). This includes authorizing the Commission to audit how a grant recipient has administered and implemented a project for which it was awarded funding. The Ohio Defense and Space Commission could incur some additional costs for conducting these audits.