

**As Reported by the House Veterans and Military Development Committee**

**136th General Assembly**

**Regular Session**

**2025-2026**

**Sub. H. B. No. 292**

**Representatives Mathews, T., Santucci**

**Cosponsors: Representatives Fischer, Newman, Click, Hoops, Hall, T., Deeter,  
Workman, Richardson, Craig, Dovilla, Ghanbari, Hall, D., Holmes, Lampton**

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To amend section 121.22 and to enact sections 1  
113.052, 122.952, 122.953, and 122.954 of the 2  
Revised Code to establish the Ohio Defense and 3  
Space Commission. 4

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

**Section 1.** That section 121.22 be amended and sections 5  
113.052, 122.952, 122.953, and 122.954 of the Revised Code be 6  
enacted to read as follows: 7

**Sec. 113.052.** Any revenue from interest earned on bonds of 8  
the State of Israel, whenever such bonds exist in the state 9  
treasury, shall be deposited, by the treasurer of state, into 10  
the Ohio defense fund established in section 122.952 of the 11  
Revised Code. 12

**Sec. 121.22.** (A) This section shall be liberally construed 13  
to require public officials to take official action and to 14  
conduct all deliberations upon official business only in open 15  
meetings unless the subject matter is specifically excepted by 16  
law. 17

(B) As used in this section: 18

(1) "Public body" means any of the following:	19
(a) Any board, commission, committee, council, or similar decision-making body of a state agency, institution, or authority, and any legislative authority or board, commission, committee, council, agency, authority, or similar decision-making body of any county, township, municipal corporation, school district, or other political subdivision or local public institution;	20 21 22 23 24 25 26
(b) Any committee or subcommittee of a body described in division (B) (1) (a) of this section;	27 28
(c) A court of jurisdiction of a sanitary district organized wholly for the purpose of providing a water supply for domestic, municipal, and public use when meeting for the purpose of the appointment, removal, or reappointment of a member of the board of directors of such a district pursuant to section 6115.10 of the Revised Code, if applicable, or for any other matter related to such a district other than litigation involving the district. As used in division (B) (1) (c) of this section, "court of jurisdiction" has the same meaning as "court" in section 6115.01 of the Revised Code.	29 30 31 32 33 34 35 36 37 38
(2) "Meeting" means any prearranged discussion of the public business of the public body by a majority of its members.	39 40
(3) "Regulated individual" means either of the following:	41
(a) A student in a state or local public educational institution;	42 43
(b) A person who is, voluntarily or involuntarily, an inmate, patient, or resident of a state or local institution because of criminal behavior, mental illness, an intellectual disability, disease, disability, age, or other condition	44 45 46 47

requiring custodial care.	48
(4) "Public office" has the same meaning as in section 149.011 of the Revised Code.	49 50
(C) All meetings of any public body are declared to be public meetings open to the public at all times. A member of a public body shall be present in person at a meeting open to the public to be considered present or to vote at the meeting and for purposes of determining whether a quorum is present at the meeting.	51 52 53 54 55 56
The minutes of a regular or special meeting of any public body shall be promptly prepared, filed, and maintained and shall be open to public inspection. The minutes need only reflect the general subject matter of discussions in executive sessions authorized under division (G) or (J) of this section.	57 58 59 60 61
(D) This section does not apply to any of the following:	62
(1) A grand jury;	63
(2) An audit conference conducted by the auditor of state or independent certified public accountants with officials of the public office that is the subject of the audit;	64 65 66
(3) The adult parole authority when its hearings are conducted at a correctional institution for the sole purpose of interviewing inmates to determine parole or pardon and the department of rehabilitation and correction when its hearings are conducted at a correctional institution for the sole purpose of making determinations under section 2967.271 of the Revised Code regarding the release or maintained incarceration of an offender to whom that section applies;	67 68 69 70 71 72 73 74
(4) The organized crime investigations commission	75

established under section 177.01 of the Revised Code;	76
(5) Meetings of a child fatality review board established	77
under section 307.621 of the Revised Code, meetings related to a	78
review conducted pursuant to guidelines established by the	79
director of health under section 3701.70 of the Revised Code,	80
and meetings conducted pursuant to sections 5153.171 to 5153.173	81
of the Revised Code;	82
(6) The state medical board when determining whether to	83
suspend a license or certificate without a prior hearing	84
pursuant to division (G) of either section 4730.25 or 4731.22 of	85
the Revised Code;	86
(7) The board of nursing when determining whether to	87
suspend a license or certificate without a prior hearing	88
pursuant to division (B) of section 4723.281 of the Revised	89
Code;	90
(8) The state board of pharmacy when determining whether	91
to do either of the following:	92
(a) Suspend a license, certification, or registration	93
without a prior hearing, including during meetings conducted by	94
telephone conference, pursuant to Chapters 3719., 3796., 4729.,	95
and 4752. of the Revised Code and rules adopted thereunder; or	96
(b) Restrict a person from obtaining further information	97
from the drug database established in section 4729.75 of the	98
Revised Code without a prior hearing pursuant to division (C) of	99
section 4729.86 of the Revised Code.	100
(9) The state chiropractic board when determining whether	101
to suspend a license without a hearing pursuant to section	102
4734.37 of the Revised Code;	103

(10) The executive committee of the emergency response	104
commission when determining whether to issue an enforcement	105
order or request that a civil action, civil penalty action, or	106
criminal action be brought to enforce Chapter 3750. of the	107
Revised Code;	108
(11) The board of directors of the nonprofit corporation	109
formed under section 187.01 of the Revised Code or any committee	110
thereof, and the board of directors of any subsidiary of that	111
corporation or a committee thereof;	112
(12) An audit conference conducted by the audit staff of	113
the department of job and family services with officials of the	114
public office that is the subject of that audit under section	115
5101.37 of the Revised Code;	116
(13) The occupational therapy section of the occupational	117
therapy, physical therapy, and athletic trainers board when	118
determining whether to suspend a license without a hearing	119
pursuant to division (E) of section 4755.11 of the Revised Code;	120
(14) The physical therapy section of the occupational	121
therapy, physical therapy, and athletic trainers board when	122
determining whether to suspend a license without a hearing	123
pursuant to division (F) of section 4755.47 of the Revised Code;	124
(15) The athletic trainers section of the occupational	125
therapy, physical therapy, and athletic trainers board when	126
determining whether to suspend a license without a hearing	127
pursuant to division (E) of section 4755.64 of the Revised Code;	128
(16) Meetings of the pregnancy-associated mortality review	129
board established under section 5180.27 of the Revised Code;	130
(17) Meetings of a fetal-infant mortality review board	131
established under section 3707.71 of the Revised Code;	132

(18) Meetings of a drug overdose fatality review committee	133
described in section 307.631 of the Revised Code;	134
(19) Meetings of a suicide fatality review committee	135
described in section 307.641 of the Revised Code;	136
(20) Meetings of the officers, members, or directors of an	137
existing qualified nonprofit corporation that creates a special	138
improvement district under Chapter 1710. of the Revised Code, at	139
which the public business of the corporation pertaining to a	140
purpose for which the district is created is not discussed;	141
(21) Meetings of a domestic violence fatality review board	142
established under section 307.651 of the Revised Code;	143
(22) Any nonprofit agency that has received an endorsement	144
under section 5101.315 of the Revised Code.	145
(E) The controlling board, the tax credit authority, or	146
the minority development financing advisory board, when meeting	147
to consider granting assistance pursuant to Chapter 122. or 166.	148
of the Revised Code, in order to protect the interest of the	149
applicant or the possible investment of public funds, by	150
unanimous vote of all board or authority members present, may	151
close the meeting during consideration of the following	152
information confidentially received by the authority or board	153
from the applicant:	154
(1) Marketing plans;	155
(2) Specific business strategy;	156
(3) Production techniques and trade secrets;	157
(4) Financial projections;	158
(5) Personal financial statements of the applicant or	159

members of the applicant's immediate family, including, but not 160  
limited to, tax records or other similar information not open to 161  
public inspection. 162

The vote by the authority or board to accept or reject the 163  
application, as well as all proceedings of the authority or 164  
board not subject to this division, shall be open to the public 165  
and governed by this section. 166

(F) Every public body, by rule, shall establish a 167  
reasonable method whereby any person may determine the time and 168  
place of all regularly scheduled meetings and the time, place, 169  
and purpose of all special meetings. A public body shall not 170  
hold a special meeting unless it gives at least twenty-four 171  
hours' advance notice to the news media that have requested 172  
notification, except in the event of an emergency requiring 173  
immediate official action. In the event of an emergency, the 174  
member or members calling the meeting shall notify the news 175  
media that have requested notification immediately of the time, 176  
place, and purpose of the meeting. 177

The rule shall provide that any person, upon request and 178  
payment of a reasonable fee, may obtain reasonable advance 179  
notification of all meetings at which any specific type of 180  
public business is to be discussed. Provisions for advance 181  
notification may include, but are not limited to, mailing the 182  
agenda of meetings to all subscribers on a mailing list or 183  
mailing notices in self-addressed, stamped envelopes provided by 184  
the person. 185

(G) Except as provided in divisions (G) (8) and (J) of this 186  
section, the members of a public body may hold an executive 187  
session only after a majority of a quorum of the public body 188  
determines, by a roll call vote, to hold an executive session 189

and only at a regular or special meeting for the sole purpose of 190  
the consideration of any of the following matters: 191

(1) To consider the appointment, employment, dismissal, 192  
discipline, promotion, demotion, or compensation of a public 193  
employee or official, or the investigation of charges or 194  
complaints against a public employee, official, licensee, or 195  
regulated individual, unless the public employee, official, 196  
licensee, or regulated individual requests a public hearing. 197  
Except as otherwise provided by law, no public body shall hold 198  
an executive session for the discipline of an elected official 199  
for conduct related to the performance of the elected official's 200  
official duties or for the elected official's removal from 201  
office. If a public body holds an executive session pursuant to 202  
division (G) (1) of this section, the motion and vote to hold 203  
that executive session shall state which one or more of the 204  
approved purposes listed in division (G) (1) of this section are 205  
the purposes for which the executive session is to be held, but 206  
need not include the name of any person to be considered at the 207  
meeting. 208

(2) To consider the purchase of property for public 209  
purposes, the sale of property at competitive bidding, or the 210  
sale or other disposition of unneeded, obsolete, or unfit-for- 211  
use property in accordance with section 505.10 of the Revised 212  
Code, if premature disclosure of information would give an 213  
unfair competitive or bargaining advantage to a person whose 214  
personal, private interest is adverse to the general public 215  
interest. No member of a public body shall use division (G) (2) 216  
of this section as a subterfuge for providing covert information 217  
to prospective buyers or sellers. A purchase or sale of public 218  
property is void if the seller or buyer of the public property 219  
has received covert information from a member of a public body 220

that has not been disclosed to the general public in sufficient 221  
time for other prospective buyers and sellers to prepare and 222  
submit offers. 223

If the minutes of the public body show that all meetings 224  
and deliberations of the public body have been conducted in 225  
compliance with this section, any instrument executed by the 226  
public body purporting to convey, lease, or otherwise dispose of 227  
any right, title, or interest in any public property shall be 228  
conclusively presumed to have been executed in compliance with 229  
this section insofar as title or other interest of any bona fide 230  
purchasers, lessees, or transferees of the property is 231  
concerned. 232

(3) Conferences with an attorney for the public body 233  
concerning disputes involving the public body that are the 234  
subject of pending or imminent court action; 235

(4) Preparing for, conducting, or reviewing negotiations 236  
or bargaining sessions with public employees concerning their 237  
compensation or other terms and conditions of their employment; 238

(5) Matters required to be kept confidential by federal 239  
law or regulations or state statutes; 240

(6) Details relative to the security arrangements and 241  
emergency response protocols for a public body or a public 242  
office, if disclosure of the matters discussed could reasonably 243  
be expected to jeopardize the security of the public body or 244  
public office; 245

(7) In the case of a county hospital operated pursuant to 246  
Chapter 339. of the Revised Code, a joint township hospital 247  
operated pursuant to Chapter 513. of the Revised Code, or a 248  
municipal hospital operated pursuant to Chapter 749. of the 249

Revised Code, to consider trade secrets, as defined in section 250  
1333.61 of the Revised Code; 251

(8) To consider confidential information related to the 252  
marketing plans, specific business strategy, production 253  
techniques, trade secrets, or personal financial statements of 254  
an applicant for economic development assistance, or to 255  
negotiations with other political subdivisions respecting 256  
requests for economic development assistance, provided that both 257  
of the following conditions apply: 258

(a) The information is directly related to a request for 259  
economic development assistance that is to be provided or 260  
administered under any provision of Chapter 715., 725., 1724., 261  
or 1728. or sections 122.953, 701.07, 3735.67 to 3735.70, 262  
5709.40 to 5709.43, 5709.61 to 5709.69, 5709.73 to 5709.75, or 263  
5709.77 to 5709.81 of the Revised Code, or that involves public 264  
infrastructure improvements or the extension of utility services 265  
that are directly related to an economic development project. 266

(b) A unanimous quorum of the public body determines, by a 267  
roll call vote, that the executive session is necessary to 268  
protect the interests of the applicant or the possible 269  
investment or expenditure of public funds to be made in 270  
connection with the economic development project. 271

If a public body holds an executive session to consider 272  
any of the matters listed in divisions (G)(2) to (8) of this 273  
section, the motion and vote to hold that executive session 274  
shall state which one or more of the approved matters listed in 275  
those divisions are to be considered at the executive session. 276

A public body specified in division (B)(1)(c) of this 277  
section shall not hold an executive session when meeting for the 278

purposes specified in that division. 279

(H) A resolution, rule, or formal action of any kind is 280  
invalid unless adopted in an open meeting of the public body. A 281  
resolution, rule, or formal action adopted in an open meeting 282  
that results from deliberations in a meeting not open to the 283  
public is invalid unless the deliberations were for a purpose 284  
specifically authorized in division (G) or (J) of this section 285  
and conducted at an executive session held in compliance with 286  
this section. A resolution, rule, or formal action adopted in an 287  
open meeting is invalid if the public body that adopted the 288  
resolution, rule, or formal action violated division (F) of this 289  
section. 290

(I) (1) Any person may bring an action to enforce this 291  
section. An action under division (I) (1) of this section shall 292  
be brought within two years after the date of the alleged 293  
violation or threatened violation. Upon proof of a violation or 294  
threatened violation of this section in an action brought by any 295  
person, the court of common pleas shall issue an injunction to 296  
compel the members of the public body to comply with its 297  
provisions. 298

(2) (a) If the court of common pleas issues an injunction 299  
pursuant to division (I) (1) of this section, the court shall 300  
order the public body that it enjoins to pay a civil forfeiture 301  
of five hundred dollars to the party that sought the injunction 302  
and shall award to that party all court costs and, subject to 303  
reduction as described in division (I) (2) of this section, 304  
reasonable attorney's fees. The court, in its discretion, may 305  
reduce an award of attorney's fees to the party that sought the 306  
injunction or not award attorney's fees to that party if the 307  
court determines both of the following: 308

(i) That, based on the ordinary application of statutory law and case law as it existed at the time of violation or threatened violation that was the basis of the injunction, a well-informed public body reasonably would believe that the public body was not violating or threatening to violate this section;

(ii) That a well-informed public body reasonably would believe that the conduct or threatened conduct that was the basis of the injunction would serve the public policy that underlies the authority that is asserted as permitting that conduct or threatened conduct.

(b) If the court of common pleas does not issue an injunction pursuant to division (I)(1) of this section and the court determines at that time that the bringing of the action was frivolous conduct, as defined in division (A) of section 2323.51 of the Revised Code, the court shall award to the public body all court costs and reasonable attorney's fees, as determined by the court.

(3) Irreparable harm and prejudice to the party that sought the injunction shall be conclusively and irrebuttably presumed upon proof of a violation or threatened violation of this section.

(4) A member of a public body who knowingly violates an injunction issued pursuant to division (I)(1) of this section may be removed from office by an action brought in the court of common pleas for that purpose by the prosecuting attorney or the attorney general.

(J)(1) Pursuant to division (C) of section 5901.09 of the Revised Code, a veterans service commission shall hold an

executive session for one or more of the following purposes	338
unless an applicant requests a public hearing:	339
(a) Interviewing an applicant for financial assistance	340
under sections 5901.01 to 5901.15 of the Revised Code;	341
(b) Discussing applications, statements, and other	342
documents described in division (B) of section 5901.09 of the	343
Revised Code;	344
(c) Reviewing matters relating to an applicant's request	345
for financial assistance under sections 5901.01 to 5901.15 of	346
the Revised Code.	347
(2) A veterans service commission shall not exclude an	348
applicant for, recipient of, or former recipient of financial	349
assistance under sections 5901.01 to 5901.15 of the Revised	350
Code, and shall not exclude representatives selected by the	351
applicant, recipient, or former recipient, from a meeting that	352
the commission conducts as an executive session that pertains to	353
the applicant's, recipient's, or former recipient's application	354
for financial assistance.	355
(3) A veterans service commission shall vote on the grant	356
or denial of financial assistance under sections 5901.01 to	357
5901.15 of the Revised Code only in an open meeting of the	358
commission. The minutes of the meeting shall indicate the name,	359
address, and occupation of the applicant, whether the assistance	360
was granted or denied, the amount of the assistance if	361
assistance is granted, and the votes for and against the	362
granting of assistance.	363
<u>Sec. 122.952. (A) The Ohio defense and space commission is</u>	364
<u>created. The commission shall consider strategies to promote the</u>	365
<u>defense and aerospace industries in this state.</u>	366

<u>(B) The duties of the Ohio defense and space commission</u>	367
<u>include the following:</u>	368
<u>(1) Administering the defense industry expansion program</u>	369
<u>under section 122.953 of the Revised Code;</u>	370
<u>(2) Administering and approving the expenditure of money</u>	371
<u>from the Ohio defense fund in compliance with this section;</u>	372
<u>(3) Studying and developing comprehensive strategies to</u>	373
<u>promote the defense and aerospace industries throughout the</u>	374
<u>state;</u>	375
<u>(4) Encouraging communication and resource-sharing among</u>	376
<u>individuals and organizations involved in the defense and</u>	377
<u>aerospace industries, including business, the military, and</u>	378
<u>academia;</u>	379
<u>(5) Preparing the state for favorable outcomes related to</u>	380
<u>federal military base realignment and closure processes;</u>	381
<u>(6) Recruiting international businesses to invest in the</u>	382
<u>state for defense and aerospace industry purposes;</u>	383
<u>(7) Promoting research, development, and manufacturing of</u>	384
<u>technology to counter unmanned aerial vehicle systems in the</u>	385
<u>state;</u>	386
<u>(8) Considering policies intended to improve quality of</u>	387
<u>life for service members and veterans.</u>	388
<u>(C) The Ohio defense and space commission shall consist of</u>	389
<u>the following members:</u>	390
<u>(1) The adjutant general, to serve ex officio as a</u>	391
<u>nonvoting member;</u>	392
<u>(2) One member from the office of the governor, appointed</u>	393

<u>by the governor, to serve as a nonvoting member;</u>	394
<u>(3) The chief investment officer of the nonprofit</u>	395
<u>corporation formed under section 187.01 of the Revised Code, or</u>	396
<u>the officer's designee, to serve as a nonvoting member;</u>	397
<u>(4) One member to represent the Ohio chamber of commerce,</u>	398
<u>appointed by the governor, to serve as a nonvoting member;</u>	399
<u>(5) Three members of the senate appointed by the president</u>	400
<u>of the senate, two of whom shall be of the majority party and</u>	401
<u>one of whom shall be of the minority party. The president of the</u>	402
<u>senate shall consult with the minority leader of the senate</u>	403
<u>regarding the appointment of a member of the minority party;</u>	404
<u>(6) Three members of the house of representatives</u>	405
<u>appointed by the speaker of the house of representatives, two of</u>	406
<u>whom shall be of the majority party and one of whom shall be of</u>	407
<u>the minority party. The speaker of the house of representatives</u>	408
<u>shall consult with the minority leader of the house of</u>	409
<u>representatives regarding the appointment of a member of the</u>	410
<u>minority party;</u>	411
<u>(7) Seven individuals to represent various regions of the</u>	412
<u>state, appointed in accordance with division (D) of this</u>	413
<u>section;</u>	414
<u>(8) One member to represent the biotechnology sector,</u>	415
<u>appointed by the governor, to serve as a nonvoting member.</u>	416
<u>(D) Seven individuals shall be appointed to the commission</u>	417
<u>to respectively represent each of the seven unique regions of</u>	418
<u>this state as identified by the nonprofit corporation formed</u>	419
<u>under section 187.01 of the Revised Code. The president of the</u>	420
<u>senate and the speaker of the house of representatives each</u>	421
<u>shall appoint three of these individuals. The director of</u>	422

development shall appoint one of these individuals. The 423  
appointing authorities shall draw lots, before each appointing 424  
cycle, to determine the regions for which each shall make an 425  
appointment. 426

(E) The commission members are not entitled to 427  
compensation. All commission members are entitled to their 428  
actual and necessary expenses incurred in the performance of 429  
their duties as such members, payable from the appropriations 430  
for the commission. 431

(F) Appointed commission members shall serve two year 432  
terms. Members of the general assembly who are appointed to the 433  
commission shall serve on the commission for the duration of the 434  
member's legislative term. Members may be reappointed. A member 435  
may be removed from service on the commission by the member's 436  
appointing authority. Vacancies shall be filled in the manner of 437  
the original appointment. 438

(G) The speaker of the house of representatives and the 439  
president of the senate each shall select a member of the 440  
commission, who is a member of their respective chamber of the 441  
general assembly, to serve as co-chairpersons. The commission 442  
shall meet at least once per month. 443

(H) The commission may consult with members of the Ohio 444  
congressional delegation and may invite members of the 445  
delegation to speak before the commission or to participate in 446  
commission meetings. Members of congress who participate in 447  
commission meetings serve in a nonvoting capacity. 448

(I) The commission shall compile an annual report of its 449  
activities, findings, and recommendations and shall furnish a 450  
copy of the report to the governor, president of the senate, and 451

speaker of the house of representatives not later than the 452  
thirty-first day of December of each year. 453

(J) The Ohio defense fund is created in the state 454  
treasury. The fund shall consist of money appropriated to it by 455  
the general assembly, revenue from interest earned on bonds 456  
under section 113.052 of the Revised Code, all grants, gifts, 457  
and contributions made to the director of development and 458  
designated for purposes of the Ohio defense and space 459  
commission, and investment earnings on money in the fund, which 460  
shall be credited to the fund. 461

Money in the fund shall be expended, through a development 462  
grant agreement under section 122.953 of the Revised Code, to 463  
support the development and construction of facilities 464  
including, but not limited to, sensitive compartmented 465  
information facilities (SCIFs), for processing sensitive or 466  
classified information; the development of defense related 467  
government contracts for small businesses; and for advocating 468  
and matching of grant programs to promote state defense military 469  
projects. 470

**Sec. 122.953.** (A) The Ohio defense and space commission 471  
shall administer a defense and aerospace industries expansion 472  
program under which the commission may make development grants 473  
to support economic development related to the defense and 474  
aerospace industries. 475

(B) The commission shall adopt rules in accordance with 476  
Chapter 119. of the Revised Code that are necessary for the 477  
administration of the defense and aerospace industries expansion 478  
program. The rules shall establish all of the following: 479

(1) A requirement that a development grant agreement be 480

executed between the Ohio defense and space commission and a 481  
grant recipient; 482

(2) The minimum requirements for a development grant 483  
agreement; 484

(3) An application form and procedures governing the 485  
process for applying to receive a development grant under the 486  
program; 487

(4) The maximum grant amount allowed under the program, 488  
and the maximum portion of the total estimated project cost that 489  
shall be funded by the grant; 490

(5) That an executive session of the commission shall 491  
comply with division (G) of section 121.22 of the Revised Code; 492

(6) That a vote of the commission on whether to award a 493  
grant to a specific applicant shall occur in a session open to 494  
the public; 495

(7) Any other procedures, criteria, or grant terms that 496  
the commission determines necessary to administer the program. 497

**Sec. 122.954.** (A) As used in this section, "grantee" means 498  
a recipient of anything of value under a development grant 499  
agreement with the Ohio defense and space commission under 500  
section 122.953 of the Revised Code. 501

(B) Ohio defense and space commission development grant 502  
funds shall only be expended by the grantee to whom the grant 503  
was awarded, and all development grant funds must be expended or 504  
obligated by a grantee in accordance with the development grant 505  
agreement. Any development grant funds not expended or obligated 506  
pursuant to the grant agreement shall be returned to the 507  
commission. If the commission determines that a grantee has 508

violated any terms of the development grant agreement, the 509  
commission may require the grantee to return any and all 510  
development grant funds. 511

(C) A final report accounting for all development grant 512  
funds received by a grantee shall be submitted to the Ohio 513  
defense and space commission not later than thirty days after 514  
all development grant funds have been expended or obligated. All 515  
expenditures and disbursements of development grant funds by a 516  
grantee shall be subject to generally accepted accounting 517  
principles. Any equipment purchased with development grant funds 518  
shall be retained by the grantee and used in accordance with the 519  
terms of the grant award for the useful life of the equipment. 520

(D) At any time, the Ohio defense and space commission may 521  
require that the grantee undergo an audit of the project 522  
administration and implementation. Within ten days after a 523  
request by the commission, a grantee shall supply original or 524  
verifiable copies of all receipts and other appropriate 525  
documentation related to disposition of the development grant 526  
funds and make available for onsite inspection by the commission 527  
any and all records, books, documents and financial reports upon 528  
reasonable notice. The grantee shall retain these materials in 529  
the offices of the grantee for two years from the acceptance of 530  
the project final report. 531

(E) Failure to comply with any provision of the 532  
development grant agreement may be considered a misappropriation 533  
of funds and shall be investigated by the Ohio defense and space 534  
commission. A misappropriation or failure to properly administer 535  
grant funds shall result in forfeiture of unexpended grant 536  
funds. The grantee shall repay any funds determined by the 537  
commission to have been inappropriately expended. 538

**Section 2.** That existing section 121.22 of the Revised Code is hereby repealed. 539  
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