

Sub. H. B. No. 96
As Passed by the Senate
OBMCD51

_____ moved to amend as follows:

In line 10766, strike through the second "section" and insert "sections" 1
2
In line 10767, after "123.281" insert "to 123.283, except as 3
4
otherwise provided in those sections,"
In line 11097, after "section" insert "and section 123.283 of the 5
6
Revised Code"
In line 11412, delete "section" and insert "sections"; after 7
8
"123.281" insert "and 123.283"
After line 11414, insert: 9
10
"Sec. 123.283. (A) As used in this section:"
11
"Ohio sports facility" means all or a portion of a 12
13
stadium, arena, tennis facility, motorsports complex, or other
14
capital facility in this state. A primary purpose of the
15
facility shall be to provide a site or venue for the
16
presentation to the public of motorsports events, professional
17
tennis tournaments, or events of one or more major or minor
league professional athletic or sports teams that are associated

with the state or with a city or region of the state. The
facility shall be owned by or located on real property owned by
the state or a governmental agency, a nonprofit corporation, or
a new community authority as defined in section 349.01 of the
Revised Code.

"Initial estimated construction or renovation cost" means
the initial estimated cost to construct a new Ohio sports
facility or Ohio cultural facility, or the initial estimated
cost to renovate an existing Ohio sports facility or Ohio
cultural facility, not including any site acquisition cost, and
not including any other state funds awarded to, or to be spent
on, the project, other than state funds awarded under this
section.

(B) Funds from the Ohio cultural and sports facility
performance grant fund created in section 123.282 of the Revised
Code may be used to pay or reimburse up to fifteen per cent of
the initial estimated construction or renovation cost, if the
initial estimated construction or renovation cost is less than
five hundred million dollars. State funds may be used to pay or
reimburse up to twenty-five per cent of the initial estimated
construction or renovation cost if the initial estimated
construction or renovation cost is five hundred million dollars
or greater. No grant may be of an amount greater than two
hundred fifty million dollars. No state funds may be awarded
under this section until all of the following conditions are
met:

(1) In the case of an Ohio sports facility, the initial
estimated construction or renovation cost is at least fifty
million dollars, or in the case of an Ohio cultural facility,
five million dollars. Any performance grants awarded under this

section shall only be used for construction or renovation and on 48
such projects that effectuate permanent improvements at the 49
facility. 50

(2) The professional sports franchise, governmental 51
agency, nonprofit corporation, new community authority, or other 52
organization that would operate the facility has applied to the 53
office of budget and management, on a form and in a manner 54
prescribed by the office of budget and management, to receive 55
the funds. The application shall include a financial and 56
development plan, which shall be evaluated by the office of 57
budget and management, in consultation with the Ohio facilities 58
construction commission and the department of taxation, as 59
applicable. The financial and development plan shall identify 60
the facility to be constructed or renovated, and include or 61
demonstrate, with sufficient detail and clarity, all of the 62
following: 63

(a) An executed lease agreement, operating agreement, 64
management agreement, non-relocation agreement, cooperative use 65
agreement, or other similar agreement, or an executed and 66
binding term sheet if no other agreement is available; 67

(b) The length of time remaining on any existing 68
agreement, including any options to extend, or agreed to in any 69
new agreement or binding term sheet, as described in division 70
(B) (2) (a) of this section; 71

(c) Any state tax credit program that has been awarded, 72
applied for, or is anticipated or otherwise expected to be 73
awarded or applied for, and any associated fiscal impact that it 74
will have on the project; 75

(d) Project phases and associated timelines; 76

(e) How the facility will benefit the state, through at 77
least one of the following mechanisms: 78

(i) That the facility will generate increased state tax 79
revenues under Chapters 5739., 5741., 5747., and 5751. of the 80
Revised Code, which over a period of time will equal or exceed 81
the amount of the performance grant; 82

(ii) That the facility will bring a positive economic 83
impact to the state, as demonstrated by an objectively 84
verifiable economic impact study provided by an independent 85
third party; 86

(iii) Any other objectively verifiable metric or 87
measurement established by the office of budget and management, 88
and approved by the controlling board, that demonstrates that 89
the facility will positively impact the local community, region, 90
or state; 91

(iv) In case of a cultural facility, that the facility 92
will benefit the public in a meaningful way and support culture 93
in the state, and that the facility can be completed and ready 94
to support culture without exceeding the grant amount, as 95
determined by the office of budget and management and approved 96
by controlling board. 97

(3) If the office of budget and management, in 98
consultation with the Ohio facilities construction commission 99
and the department of taxation, as applicable, is satisfied that 100
the financial and development plan meets the requirements of 101
divisions (B) (1) and (2) of this section, the office of budget 102
and management may, subject to the availability of appropriated 103
funds and at its discretion, enter into a tentative agreement 104
with the applicant organization, which shall identify the 105

facility to be constructed or renovated, and specify all of the 106
following: 107

(a) In the case of a facility under division (B) (2) (e) (i) 108
of this section, the target amounts of increased state tax 109
revenues the facility shall generate, and the period over which 110
the facility shall generate the increased state tax revenues, 111
which in no case shall exceed thirty years; 112

(b) In the case of a facility under division (B) (2) (e) (ii) 113
or (B) (2) (e) (iii) of this section, any economic impact targets 114
or indicators, or other objectively verifiable metric or 115
measurement targets or indicators; 116

(c) At the discretion of the office of budget and 117
management, the applicant organization may combine one or more 118
of the target or indicator amounts described under divisions (B) 119
(3) (e) (i) and (B) (3) (e) (ii) of this section to measure the 120
organization's performance under the grant; 121

(d) If the increased state tax revenues, economic 122
activity, or other objectively verifiable metric or measurement 123
do not achieve target amounts or indicators, as determined by 124
the office of budget and management in consultation with the 125
department of taxation, as applicable, the the office of budget 126
and management shall take a nonrefundable amount of money equal 127
to the deficit from the escrow account described under division 128
(B) (4) of this section and deposit it into the general revenue 129
fund; 130

(e) In the case of an Ohio sports facility, if a 131
professional sports franchise intends to use the facility, the 132
professional sports franchise shall not cease playing most of 133
its home games at the Ohio sports facility and begin playing 134

most of its home games at a different facility until the earlier 135
of one of the following dates: 136

(i) The total increased state tax revenues or economic 137
activity have achieved target amounts or indicators, including 138
with funds from the escrow amount under division (B) (4) of this 139
section; 140

(ii) Thirty years after the professional sports franchise 141
plays its initial regular season home game at the newly 142
constructed or renovated Ohio sports facility. 143

Division (B) (3) (e) of this section is in addition to, 144
independent of, and operates concurrently with section 9.67 of 145
the Revised Code. 146

(f) In the case of an Ohio cultural facility, that the 147
project scope meets the intent and purpose of this section, and 148
of the development plan as approved by the office of budget and 149
management and the controlling board; 150

(g) In the case of a motorsports complex, that motorsports 151
events shall be presented at the facility for the period 152
described in the agreement entered into under division (B) (3) of 153
this section, and that any motorsports organization that commits 154
to using the facility for an established period of time shall 155
give the office of budget and management not less than six 156
months' advance notice if the organization intends to cease 157
utilizing the facility prior to the expiration of that 158
established period, and that if the motorsports organization 159
does so, the motorsports organization shall be liable to the 160
state for any performance grant funds used on the construction 161
or renovation costs of the facility, which shall include drawing 162
down the remainder of any escrow account established under 163

division (B) (4) of this section;

164

(h) In the case of a tennis facility, that the owner or
manager of the facility shall provide contractual commitments
from a national or international professional tennis
organization in a form acceptable to the office of budget and
management and the controlling board, in consultation with the
Ohio facilities construction commission, that assures that one
or more sanctioned professional tennis events will be presented
at the facility during each year of the period described in the
agreement entered into under division (B) (3) of this section.
Any national or international professional tennis organization
that commits to using the facility for an established period of
time shall give the owner or manager of the facility and the
office of budget and management not less than six months'
advance notice if the organization intends to cease utilizing
the facility prior to the expiration of that established period,
and that if the organization does so, the organization and owner
or manager of the facility shall be jointly and severally liable
to the state for any performance grant funds used on the
construction or renovation costs of the facility, which shall
include drawing down the remainder of any escrow account
established under division (B) (4) of this section.

165

166

167

168

169

170

171

172

173

174

175

176

177

178

179

180

181

182

183

184

185

(i) The applicant organization shall hold the state of
Ohio, including the office of budget and management, the Ohio
facilities construction commission, the department of taxation,
and the controlling board harmless from all liability for the
operation and maintenance costs of the facility, and any costs
incurred related to the grant application, agreement entered
into under division (B) (3) of this section, the escrow deposited
under division (B) (4) of this section, or the submission to

186

187

188

189

190

191

192

193

controlling board for approval.

194

(4) In the case of a facility under division (B) (2) (e) (i),
(B) (2) (e) (ii), or (B) (2) (e) (iii) of this section, the
professional sports franchise, governmental agency, nonprofit
corporation, new community authority, or other organization that
would operate the facility, upon reaching the agreement with the
office of budget and management under division (B) (3) of this
section, has executed and filed with the office of budget and
management an escrow amount equal to five per cent of the total
amount of the performance grant applied for, which shall be
deposited in an interest-bearing account maintained within the
state treasury, nonrefundable disbursements from which shall be
as described in division (B) (3) (d) of this section. Whatever
remains of the amount in escrow after the period described in
division (B) (3) (a) of this section, or after a period agreed
upon under division (B) (3) (b) or (B) (3) (c) of this section,
including any interest earnings thereon, shall be returned to
the applicant organization, upon certification by the office of
budget and management, in consultation with the department of
taxation, as applicable, that all conditions of the agreement
are satisfied. The agreement under division (B) (3) of this
section may provide for a process and timeline by which the
applicant organization may seek a determination that all target
amounts and indicators have been achieved or exceeded, then
apply for the return of any remaining escrow balance.

195

196

197

198

199

200

201

202

203

204

205

206

207

208

209

210

211

212

213

214

215

216

217

218

(5) The agreement under division (B) (3) of this section is
submitted to, and approved by, the controlling board. Approval
of any such agreement is wholly within the controlling board's
discretion, and no such agreement is in any way final or
enforceable unless and until the controlling board approves it.

219

220

221

222

223

As part of its consideration, the controlling board may evaluate 224
all grant application and agreement requirements and materials, 225
as provided for under this section, as well as any other factor, 226
criteria, data, metric, measurement, or information or documents 227
the controlling board determines necessary. 228

(C) Every person who owns real property located in, enters 229
into a lease, license, use, or operating agreement for all or a 230
portion of the building and facilities located in, or purchases 231
or leases materials and items used in construction or renovation 232
in the facility is subject to reporting requirements as may be 233
required by the department of taxation, in consultation with the 234
office of budget and management and the Ohio facilities 235
construction commission, for the purposes of this section. 236
Compliance with these requirements may be evidenced by an 237
instrument that is duly recorded with the county recorder. 238

(D) The office of budget and management, Ohio facilities 239
construction commission, and department of taxation, as 240
applicable, may develop forms necessary to implement and 241
administer this section." 242

In line 146125, before "MAJOR" insert "CULTURAL, SPORTS, AND" 243

In line 146129, delete "\$600,000,000" and insert "\$1,000,000,000" 244

In line 146141, delete "\$600,000,000" and insert "\$1,000,000,000" 245

In line 146142, after "042428," insert "Cultural, Sports, and" 246

In line 146145, after "use" insert "\$600,000,000 from" 247

In line 146146, after "042428," insert "Cultural, Sports, and" 248

In line 146151, after "042428," insert "Cultural, Sports, and" 249

After line 146182, insert: 250

"The Office of Budget and Management shall use \$400,000,000 from
 appropriation item 042428, Cultural, Sports, and Major Sports Facilities
 Performance Grants, to support construction or renovation of an Ohio
 cultural or sports facility under section 123.283 of the Revised Code.

In line 146184, after "042428," insert "Cultural, Sports, and"

Update the title, amend, enact, or repeal clauses accordingly

The motion was _____ agreed to.

SYNOPSIS

Performance grants for sports and cultural facilities

R.C. 123.283 (conforming changes in R.C. 123.28 through 123.282); Section 229.40

Creates a process by which organizations may apply to OBM
 for performance grants to pay up to 15% (or 25% for projects
 greater than \$500 million, up to a maximum of \$250 million) of
 the construction or renovation cost of Ohio sports facilities
 and Ohio cultural facilities, which must be at least \$50
 million, or \$5 million, respectively.

Requires the facility to be owned by the state or a
 governmental agency, a new community authority, or a nonprofit
 organization.

Requires the applicant organization to provide a financial
 and development plan, which must demonstrate that the project
 will benefit the state through one or more of: increased state
 tax revenues, economic impact as demonstrated by an independent

study, any other objectively verifiable metric or measurement 274
established by OBM, and approved by CEB, that demonstrates that 275
the facility will positively impact the local community, region, 276
or state, or in the case of a cultural facility, public benefit 277
and the support of culture, as determined by OBM and CEB. 278

If OBM, in consultation with OFCC and TAX, is satisfied 279
with the plan, permits OBM to enter into an agreement with the 280
applicant, which must specify the following: 281

- The target amounts of increased state tax revenues the 282
facility must generate, and the period over which the facility 283
must generate the increased state tax revenues, up to 30 years; 284

- Any economic impact, or other metric or measurement, 285
targets or indicators, which, at the discretion of OBM, may 286
supplement target tax revenue amounts or each other; 287

- Provisions requiring the escrow amount to offset any 288
performance deficits; 289

- For Ohio sports facilities, that the professional sports 290
franchise (if applicable) must not move to a different facility 291
until the earlier of the dates the total increased state tax 292
revenues or economic activity have achieved target amounts or 293
indicators, or 30 years; 294

- That motorsports and tennis facilities must host certain 295
events at the facilities for a certain frequency over the agreed 296
upon time, and that tennis organizations and motorsports 297
organizations are liable to the state for the grant amount if 298
they do not use the facilities for the agreed-upon period. 299

- In the case of a cultural facility, that the facility 300
can be completed and ready to support culture without exceeding 301

the grant amount, that the funds shall only be used for 302
construction or renovation, and that the project scope meets the 303
intent and purpose of the program, and of the development plan 304
as approved by OBM and CEB; 305

- That the applicant organization must hold the state, 306
OBM, OFCC, TAX, and CEB harmless from all liability for the 307
operation and maintenance costs of the facility. 308

Requires the applicant organization, if the organization 309
is required to achieve target increased tax revenues, economic 310
impact, or other metric or measurement, to file an escrow amount 311
of 5% of the grant amount with OBM, to be used to offset future 312
deficits in target amounts, and which is returned to the 313
applicant after a period specified in the agreement. 314

Requires the agreement to be approved by the CEB. 315

Subjects people producing tax revenue involved with the 316
facility to reporting requirements as may be required by TAX, in 317
consultation with OBM and OFCC, for the purposes of the grant 318
program. 319

Appropriates \$1,000,000,000 in fiscal year 2026 from 320
appropriation item 042428, Major Sports Facilities Performance 321
Grants, of which \$600,000,000 is for a qualifying facility 322
associated with the Brook Park economic development project and 323
\$400,000,000 is for other qualifying projects. 324